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In his tariff war, his chaos is triumphing, not his ideas (if any).



BUSINESS WORLD

Trump's Trade Revolution

While campaigning last year, Donald Trump proposed a 10% universal import tax. Tongue in cheek, I said it was his Nixonian bid to save the global trading order that was already unraveling for reasons larger than Mr. Trump.

Instead we're getting 15% and the world hasn't ended. The expected \$350 billion revenue take by the government is perhaps half the cost, the other half flowing to the bottom lines of domestic manufacturers that compete with imports. The hit isn't huge when all levels of government already account for \$11 trillion, or 37%, of national spending, on top of which are regulations, mandates and tax preferences that mean government ultimately directly or indirectly controls perhaps 50% of spending.

Yes, the virtues of 15% (flat and universal) are frittered away by higher sectoral and national tariffs (including 25% on European cars) and the lobbyist logjam they occasion. Add the vaporware promises Mr. Trump extorts from allies to buy more U.S. goods and invest in U.S. jobs when there's no possible way to enforce these goals on their private companies.

The real question is why. Why have this trade war? Why not just enact a consumption or import tax as part of the Big Beautiful Bill?

If one answer is that Mr. Trump wanted a show, the other is that he imagined U.S. law afforded him a show, granting unhindered presidential authority to impose tariffs willy-nilly on the nation's foreign trade. Get ready for fresh chaos when this legal conceit goes poof in the courts.

If he wanted a show, he also wanted a line outside his White House door of CEOs and lobbyists and foreign leaders pleading for relief. Net result: a meaningful increase in "the swamp."

This is activity for activity's sake. If the economy stays good, Mr. Trump will claim credit, never mind that a good economy will have been good despite his trade turmoil. If it falters, get ready for more acts like firing the government's chief labor-market statistician followed by a new Trump-emceed drama when Democrats reclaim the House and fire up the impeachment machinery.

Mr. Trump is at the long tail of presidents who have been lost and aimless (in my view) for 40 years, since an age of reform few Americans now even appreciate, the 1970s and '80s.

Imprinted on the daily news is its high-water mark, when the Clinton administration tried and failed to reform air traffic control. It recently took a decade of fighting the union and Chuck Schumer for the FAA to shift a handful of controllers from a facility on Long Island to a facility at the Philadelphia International Airport with a better record of attendance and training outcomes.

When they got there, 20-year-old technology was on its way to becoming 40-year-old technology. One and then a second copper communications line failed, leading to 90-second outages that created backups that then continued into succeeding weeks.

Not to be flip, but 80 years ago the army could get a thousand planes off the ground in short order and fly them in formation to Berlin and back. Our airspace can be made to handle more traffic, more safely, with more punctuality if we want it to.

But sometime in the 2000s the reform urge died. The George W. Bush administration had ideas about entitlements but foundered on Iraq. The Obama administration at one point envisioned a competitive market in health insurance that acted like insurance—protection against large costs. Instead we got ObamaCare, the most Rube Goldberg system yet devised for extending subsidized care to another sliver of the population.

The brain death isn't complete. The Trump administration won't fix higher education by cutting worthwhile research or hounding foreign students to punish universities for their woke excesses. A real fix was found in a congressional proposal to ask schools to bear some of the risk and loss when they serve up overpriced credentials of little value in the marketplace to students attending on borrowed money. This skin-in-the-game approach echoes the great reform achievements of the '70s and '80s.

Clifford Winston, a longtime guru at the Brookings Institution, harks back to the same era in a trenchant and critical piece on Trumpism in the University of Pennsylvania's Regulatory Review. But a trap on such occasions can be policy wonkery, as if the desire for better, more efficient government also animates voters and politicians. Sometimes what animates them is deep and restless incompatibilities and hostilities that defy categorization and are almost mythic in nature.

Realignments, in which the parties change their ideas and coalitions, are then the result, which give rise to their own mythic interpretations, as if it's possible to say what's going on in the minds of 174 million registered voters.

This is one of those moments. Mr. Trump is a vehicle for he knows not what, making it easy for him to believe his impulses, whatever they are, are what the people want.

By Holman W. Jenkins, Jr.

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