MEMORANDUM

To: Interested Parties
From: Bradley Beychok, President, American Bridge 21st Century
Date: 7/19/18
Subject: Republican Candidates Side With Trump as the Trade War Punishes Key Midterm Voters

President Trump’s reckless trade war is slamming American farmers, workers, and manufacturers in battleground states and congressional districts with lower profits and higher costs -- and Republican candidates are refusing to fight for them. From Florida to Montana, Republican candidates are betraying their constituents as the Trump administration’s reckless trade war goes on unabated -- killing jobs, squeezing small businesses, and driving up taxes on American consumers.

This memo is part of American Bridge’s new accountability campaign, #TradeWarWatch. In the coming months before Election Day, American Bridge will be holding Republican candidates accountable for failing to stand up to Trump’s trade war. To learn more about this effort, visit TradeWarWatch.com.

Here’s what you need to know about how Donald Trump’s trade war is affecting key midterm voters -- and how Republican candidates have no campaign strategy on this issue.

1. Donald Trump’s reckless trade policy is already hurting voters in key midterm states and districts, and Republican candidates are failing to stand up for their local economies. Local reporting from across the country has highlighted the damage done to farmers, manufacturers, and small businesses in numerous states. Meanwhile, it’s dodges and crickets from GOP candidates.

   • In North Dakota, soybeans -- the state’s largest export -- are getting hit hard. Soybean farmers have already seen a 20% loss in income. Farmer Craig Olson said last month, “Soybeans are being used as a tool, and it’s affecting us in a negative way.”

   • In California, dairy farmers are facing enormous new threats because of the trade war. Annie AcMoody with Western United Dairymen said that “A lot of
farms have been hanging on by a thread in California, hoping for a price increase,” and warned that the tariffs they are facing will put “more dairies out of business.”

- In Missouri, the country’s largest nail maker cut 60 jobs because of increased steel prices. Mid-Continent Nail in Poplar Bluff, Missouri is facing closure by Labor Day if the trade war continues.

- In Montana, “trade uncertainties are sowing havoc in farmers’ financial planning.” $20 million in Montana exports and over 140,000 Montana jobs are threatened by a trade war.

- In Kentucky, new tariffs are taking a toll on iconic bourbon makers by impeding their ability to export.

- In Indiana, “many farmers worry they may be on the front lines of this trade war.” One Indiana pig farmer says pressure from the tariffs has already resulted in a $3,000 per week loss in income. A Ball State University economist says the trade war could cost Indiana 6,000 jobs by 2019.

- In Wisconsin, cheese makers and dairy producers are “already hurting” thanks to Trump’s trade war, while Wisconsin-based Harley Davidson has announced it will move some manufacturing jobs overseas.

- In New Mexico, home builders are being “hammered” by the increased cost of lumber, which is especially hurting small home building companies.

- In Tennessee, hog farmer Jimmy Tosh says he is “very, very, very concerned” by the “tariff situation” and how it might affect the price of his products. $1.4 billion in Tennessee exports are threatened by Trump’s trade war.

2. While Americans suffer, Republicans bluster. Local and national media reports analyzed by American Bridge reveal a pattern: Republican House and Senate candidates in states hit hard by Trump’s reckless trade war are standing with Trump at the expense of their voters. They’re unprepared, fumbling easy questions, and failing to articulate any coherent position on Trump’s reckless trade war because for these candidates, party loyalty comes first. They have neither a political strategy to help themselves, nor cogent policy solutions to help suffering constituents.

- Kevin Cramer (R-ND), on Trump’s prolonged trade negotiations: “Trump keeps impressing upon us that the longer we can negotiate, the better the deal will be...If we would be backing him in these negotiations, these negotiations would get done a lot sooner...We want to reassure him that we are supportive of his goals.”

- Mike Braun (R-IN) said in an April primary debate that concerns about a trade war were “overdramatized.”
- Matt Rosendale (R-MT) leaned fully into Trump's trade war after a visit from the President: “You know something, we feel the same way that the President does...we got somebody in Matt Rosendale that’s going to help the President pursue and achieve these good policies that are expanding our economy and protecting our nation.”

- Josh Hawley (R-MO) said in April “The President is right to focus on the fact that our trade partners ought to actually obey the rules and he's right to say that China and other countries like that, that are violating our rules with impunity.” In June, he said, “I think [Trump is] on the right track.”

- Andy Barr (KY-6) in April said, “Well, I think what you'll see is the President asserting a very strong position, a new strong position against China,” praising the fact that “tariffs are in place now.”

- Yvette Herrell (NM-2), the Republican nominee in New Mexico’s 2nd congressional district, endorsed Trump’s trade war, telling the Albuquerque Journal, “Yes, I support the President’s action on tariffs as it relates to China.”

- Devin Nunes (CA-22) told Fox Business in March, “Let’s remember - every president has said that they’re going to get tough on people who cheat on trade. This President is actually doing it.”

- Dave Brat (VA-7) admitted that the trade war would do damage to the U.S. economy, saying to the Washington Examiner, “Well economically, you’re going to have a loss,” but still defended the tariffs.

- Dana Rohrabacher (CA-48-22) claimed in a May interview with Fox Business Network that “the only difference now is we have a President who is actually standing up for what’s right for our people, rather than some global vision of harmony that we’ve had with Obama and actually some of the Republicans before that.”

- Leah Vukmir (R-WI) is also placing her faith in Trump’s negotiating skills: “President Trump got elected in large part because people know he is a negotiator—The Art of the Deal, he wrote the book. I am willing to give them an opportunity to create fairer deals for our country...I will give him the benefit of the doubt because the one thing we know is that he is a good negotiator.”

Conclusion: Republicans are failing to protect their constituents -- just like they failed on healthcare and taxes. Across the country people are hurting because of Trump’s trade war, facing lower revenues for their goods but higher prices on what they need to buy. Rather than stand up for American profits and paychecks, Republicans are backing President Trump’s reckless trade war. This cowardice fits a pattern: in 2017, Republican candidates failed to fight for their constituents’ right to affordable healthcare, opting instead to back their party’s plan to strip healthcare from tens of millions of
Americans. Later in 2017, Republicans passed a tax cut that overwhelmingly benefits the very wealthy, while raising taxes on the middle class.

Now, with Election Day approaching, Republicans are again putting partisan politics over the people they seek to represent. Their message is clear: on the issues that affect Americans’ everyday lives -- from healthcare to taxes to jobs and wages -- Republicans will always put themselves and their special-interest backers ahead of voters. As the American people face the consequences, count on progressives to hold them accountable.