

Most Outrageous Negotiation Strategy Yet

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The best defense of Donald Trump's presidency, so far? He is smarter than the rest of us, and knows how to negotiate with bad guys and insider players. We have to discount what he is saying, the theory goes, because he is not telling truths . . . obviously.

He is *negotiating*.

Take nothing at face value, including Trump's professed beliefs.

Protectionism, for example. Trump has long been against NAFTA and the modern version of "free trade."* But, as I noted in late July, Trump does not seem to be demanding managed trade, or high tariffs as a means to protect American producers,

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or even tariffs as a means to increase government revenue. He appears — at least some of the time — to be using tariffs as a way to bargain other countries to reduce their tariffs.

This method has not worked in the past.



But is Trump *different enough* a politician to pull off a "madman" strategy to get leaders in other countries to do the right thing and reduce their tariff and regulatory burdens on their own countries?

A long shot — and several sectors of American business are being hurt right now in this "negotiating" (threat) phase of Trump's outrageous gambit.

Another area where one might express such hope for a master-negotiator president is in reining back the Pentagon. In the run-up to November 2016, Trump sure seemed defiant of the neo-conservative/neo-"liberal"/center-left establishment on foreign policy.

But now he just signed a huge increase in the Pentagon budget: an \$82 billion increase.

Is Trump's plan to bring big-spending military-industrial complex lobbyists to heel by first giving them what they want?

That. Won't. Work.

This is Common Sense. I'm Paul Jacob.

* Post-WWII trade policy has consistently defended treaty-based global trade, but with heavy elements of protective tariffs, regulations and subsidies, making the whole thing look less like Free Trade and more like Mis-Managed Trade.