



Press Release

Assessing President Trump's Trade Deal with Japan

ALLISON EDWARDS | OCTOBER 1, 2019

Last week President Trump signed a trade deal with Japan focused on agricultural and digital trade. Removing trade barriers at home and abroad is an effective method to spur economic growth and improve our standard of living, and this trade agreement is an excellent step toward those goals, writes AAF's Director of Trade and Immigration Policy Jacqueline Varas. Notably, this agreement mirrors aspects of the Trans-Pacific Partnership (TPP), from which the president withdrew during his first week in office.

An excerpt:

The second part of the trade deal establishes much-needed rules for [digital trade](#) using provisions originally outlined in TPP. These provisions prohibit tariffs on electronically transferred products and ensure the free flow of data across borders. They also forbid discrimination, such as unfair tax treatment, on digital products and ban forced data localization, a practice that mandates firms place physical servers in locations where they do online business....

While this agreement is good, it has some obvious omissions. First, it does not address [services](#) – a sector in which Japan imposes serious barriers to trade, especially in the insurance industry. Pursuing an agreement like TPP that liberalizes the trade of services would only help the United States.

[Read the analysis.](#)