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My trade deficit with grocery stores and the local laundry



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I have been trying to apply President Trump's trade concepts to my personal affairs.

By Bruce Yandle, Tribune News Service • July 22, 2018 9:56 am

Inspired by President Donald Trump's insistence that all U.S. trading partners buy as much from us as we do from them, I have been trying to apply the concept to my personal affairs.

I've got a problem with my local grocery chains, Aldi and Publix. I buy lots of groceries from them, but they don't buy any of the lectures or writing that I do for a living. The balance of trade is horrible. I am thinking about speaking to the managers at both places and asking, if not demanding, that they arrange for me to deliver some lectures on the economy in their stores.

Darn it. I have a similar problem with the local laundry and drug stores. I regularly have prescriptions filled and clothes cleaned. But do they ever offer to buy a policy analysis or lecture from me? Never!

Of course, there are others that buy a lot more from me than I do from them. I have a positive balance of trade with George Mason University and Elliott-Davis PLC, a regional accounting firm. Both employ me for lectures and research, even though I don't buy anything from them. That's the way it should be with all my suppliers.

But what if Aldi, Publix, the laundries and drug stores turn a deaf ear to my demand that they bring my trade deficit with them into balance? What if they just look at me like I am crazy when I tell them that they should buy as much from me as I do from them?

If that happens, I suppose I could demand that they raise their own prices. Yes, I'll show them. Better yet, why not place my own tariff on their goods? For every dollar I spend, I'll throw a quarter down the

storm drain outside, making products 25 percent more expensive (at least for me). And of course, I will buy less as a result.

Buying less means that I will have to plant a garden, dry clean my own clothes, and find some way to get by with fewer prescriptions. Maybe aspirin will help. Of course, this will leave me with less time to lecture and do research, which means that my income will fall.

But so what! I will have made progress in bringing the various personal trade accounts that I'm currently "losing" with my preferred suppliers into balance — or better yet into a surplus. And I will have proven that these big suppliers can't push me around. They will see that I can produce food, too, that I can wash and iron, and that I might even be able to substitute exercise for heart medicines.

Of course, I will be poorer and so will they. In fact, if everyone balanced their trade accounts, we would all be poorer.

Maybe this is the lesson that our president is trying desperately to teach us. By placing tariffs on goods from suppliers who sell us more than we sell them, and having us suffer the consequences, he is generously teaching us that we will all be better off, collectively, in a world where trade is free.

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