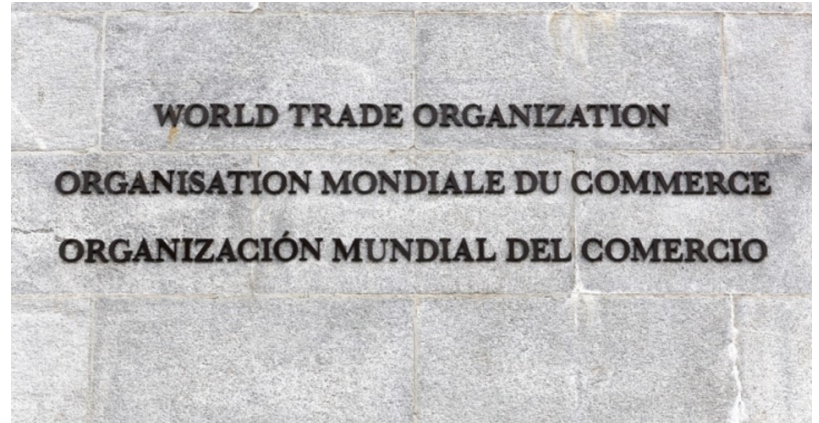




Written by [Alex Newman](#) on March 2, 2018

EU Wants World Trade Organization to Punish U.S. for Tax Cuts

Officials from the [European Union super-state and its formerly sovereign member states](#) are plotting to punish the United States using the World Trade Organization, according to news reports. The Europeans are apparently upset about the tax cuts backed by President Donald Trump, which they claim are in violation of WTO rules and might result in businesses and capital fleeing from bloated European welfare states to the United States.



In essence, a coalition of Big Government-loving politicians and bureaucrats across the Atlantic claim that low taxes that attract capital and investment may be in breach of WTO agreements, and therefore “illegal” under what globalists often misleadingly refer to as “international law.” Trump has previously [threatened to lead the U.S. government out of the WTO](#). But so far, that globalist outfit [has been allowed to undermine U.S. sovereignty with impunity](#).

“We are of the view that the new system [Trump tax cuts] might be contrary ... to the WTO rules,” French Finance Minister Bruno Le Maire was quoted as saying in media reports following a meeting in Brussels last week with other EU finance ministers. “If that’s the case, every option will be on the table.” He said European finance chiefs have a “very important concern” related to “the risk of non-abiding by the international rules defined by the WTO.”

In particular, despite denying in public that he was questioning the right of the United States to lower its taxes, Le Marie warned of what he called the “risk of a tax-dumping race” with the U.S. government, an unnamed “official who was in the room” [told Politico](#). In other words, high-tax European governments are worried that as the U.S. cuts taxes, other governments might also cut their own taxes, thereby putting downward pressure on tax rates worldwide. Officials from bloated welfare states fear this could drive business and capital to lower-tax jurisdictions if their own governments do not also trim back their sky-high tax rates.

The EU meeting in question reportedly discussed, among other topics, a unified EU response to the tax cuts passed by Congress and signed by President Trump late last year. One scheme presented was to harmonize corporate taxation across the EU, something a handful of lower-tax governments have resisted. According to news reports, though, “many Europeans feel” that the U.S. tax-cut legislation, which cuts taxes for most Americans and for American businesses, “unfairly favors American trade interests” over those of Europe.

And apparently, [in the new globalist world order](#), crafting policy that benefits one’s own country — “America First” policies, for example — represents a “violation” that must be “punished” by the emerging “global governance” apparatus. On the trade front, the key organ in charge of policing that is the WTO, an outfit with global pseudo-courts and bureaucracy that purport to set trade policy for humanity — policy that often benefits Communist China and other oppressive regimes at America’s



Written by [Alex Newman](#) on March 2, 2018

expense.

While EU bigwigs are still “examining” the tax-cut legislation pushed by Trump to understand its impacts on Europe, European bureaucrats are already talking tough. Acting German Finance Minister Peter Altmaier, for example, said that if “punishments” against the United States are needed, “they need to be carried out.” He added that breaches of the WTO regime needed to be “legally checked” and that “it’s clear we need to protect EU interests.”

Surprisingly, the German official was remarkably candid on his concerns about the tax cuts. “We want to avoid companies moving their headquarters from Europe to the U.S. and we want to avoid investment flows being redirected,” he said. In other words, because companies might now find the United States a more attractive place to do business and invest, the EU might use the WTO to attack the United States and undermine that advantage.

EU officials also suggested the WTO might be used to hammer the United States. “European Commissioner for Economic and Financial Affairs, Taxation and Customs” Pierre Moscovici, a member of the Socialist Party, [expressed concerns](#) about the U.S. government running afoul of the WTO’s global rules. “We have doubts and questions about compatibility with World Trade Organization rules and need to look at that in depth and come back with a further exchange of views with our American friends,” said Moscovici. He added that the EU would be watching “to see the impact it has on the world economy and on the common rules.”

International bureaucrats at key globalist organizations are also crying foul about the tax cuts supported by Trump and most Americans. International Monetary Fund (IMF) boss Christine Lagarde, sounding like French and EU bureaucrats, said the U.S. tax cuts — especially the slashing of the corporate tax rate from a massive 35 percent to a somewhat more modest 20 percent — could fuel a “race to the bottom” among national governments that would allegedly undermine “vital public spending needs.”

“You need public money,” continued Lagarde, who has faced legal troubles in recent years despite being a firmly committed Big Government globalist. “The race to the bottom is not conducive to those investments and to helping prepare the workforce and our societies for this new economy of tomorrow.”

When or how the IMF was put in charge of deciding what nations’ “vital public spending needs” are supposed to be, or how governments “prepare the workforce” for the “new economy,” whatever that is, was not made clear by Lagarde or her handlers. However, the radical bureaucrat, who recently [promoted globalism at the “World Government Summit,”](#) has [previously threatened to move the IMF’s headquarters to Beijing in Communist-ruled China.](#)

Already, the WTO has ruled against American policies created by the people’s elected representatives, treating the United States as if it were a mere subservient administrative unit in an emerging all-powerful, unelected global government. And elected U.S. officials, instead of laughing at the globalist outfit, have in the past promptly bowed to its lawless demands without so much as a complaint.

In 2015, for example, a WTO “appellate tribunal” ruled yet again that a federal law passed by the American people’s elected representatives was “illegal” under globalist WTO rules — even after U.S. courts ruled that the law was fine. The law in question mandated “Country Of Origin Labeling” (COOL) on imported meat, so that U.S. consumers would know where their food was coming from. [But according to the WTO, that is not allowed. And so, Congress got to work obeying the WTO and immediately repealed the measure.](#)



Written by [Alex Newman](#) on March 2, 2018

Similar attacks on U.S. sovereignty and self-government are coming from a wide range of other globalist institutions, including NAFTA and its kangaroo tribunals. And if the Trans-Pacific Partnership (TPP) or the Transatlantic Trade and Investment Partnership (TTIP) were to move ahead — [a very real prospect as President Trump increasingly wavers even on his most important campaign promises](#) — the number of globalist institutions overruling the American people would continue to grow.

Now, with the latest developments, even Americans' ability to set their own taxation policies is being challenged by globalists. EU bosses are also threatening retaliation through globalist institutions if the U.S. government pursues certain national-security policies aimed at ensuring that the United States can provide weapons and material for its own defense in case of war.

Of course, the United States is hardly the only nation that has attracted the ire of the Brussels-based super-state for allegedly having “low” taxes. For years, this magazine has been documenting how the [EU terrorizes small, low-tax nations such as Switzerland for having tax rates that the super-state and its bloated member states consider “too low.”](#) Globalist organizations [such as the OECD and IMF also work to terrorize and threaten nations with tax policies or privacy protections that globalists dislike.](#)

With the latest rumblings out of Brussels over the Trump tax cuts, Americans are starting to see very clearly the dangers of foreign entanglements with hostile globalist institutions and pseudo-“free trade” regimes. Aside from decimating the U.S. economy, an even more important issue is the erosion of national independence, sovereignty, and self-government.

Rather than cowering before these globalist institutions largely funded by American taxpayers, policymakers in Washington D.C. should defend America by severing the U.S. government's ties with all of them. [Trump has already threatened to withdraw from WTO.](#) That would be a good start, but there would still remain much to be done. Liberty, prosperity, national security, and self-government all depend on it.

Photo: ricochet64/iStock/Getty Images Plus

Alex Newman, a foreign correspondent for The New American, is normally based in Europe. He can be reached at anewman@thenewamerican.com. Follow him on Twitter [@ALEXNEWMAN_JOU](#) or on [Facebook](#).

Related articles:

[U.S.-Funded OECD “Cartel” Seeking Higher Global Taxes](#)

[EU Threatens Tiny Switzerland Over Low Taxes](#)

[“Taxation Must Go Global,” Says German Finance Minister](#)

[Trump Tax Plan Draws Praise, Fire From Paul Family](#)

[In Asia, Trump Slams “Trade” Deals that “Surrender Sovereignty”](#)

[Beef and Pork Country-of-Origin Labeling Laws: WTO Favors Canada, Mexico Over U.S.](#)

[U.S. Trade Representative Seeks to Expand and Empower NAFTA](#)

[WTO Ruling Blasts U.S. Sovereignty; TPP Threatens More of Same](#)

[Trump Threatens to Leave World Trade Organization](#)

[The EU: Regionalization Trumps Sovereignty](#)



Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.

Subscribe