



The New Trump Era

Analysis of Donald Trump's regulatory agenda for his upcoming administration

by mercedes galán

With Donald Trump's return to the center of the political stage, the United States is preparing for a new phase under his leadership. His message, once again based on the slogan "America First," promises to shake up the political and social landscape, generating both hope and concern. As this era begins to take shape, key questions arise about its implications for public policy, international relations, and social stability. *Iberian Lawyer* spoke with **Omar Franco**, Head of the Federal Lobbying Practice at the American firm Becker & Poliakoff, about what many are already calling the new Trump era.

What are the main economic priorities of President-Elect Donald Trump for his next term?

Trump's economic agenda focuses on protectionism, deregulation, and innovation. Key priorities include tax cuts, deregulation in the financial and environmental sectors, increased tariffs, and promoting cryptocurrencies. These measures aim to stimulate domestic growth and may be complemented by spending cuts to balance public finances.

What changes is he proposing regarding taxes and financial services?

Trump plans to extend the 2017 tax cuts, which include reductions for individuals and businesses and are set to expire in 2025. Additionally, he proposes lowering the corporate tax rate from 21% to 15% to encourage business investment. He also suggests eliminating taxes on tips and Social Security benefits to improve financial security for workers and retirees. In financial services, he seeks to loosen the Dodd-Frank Act by reducing regulations affecting small and medium-sized banks and adjusting the Volcker Rule to allow more freedom in banking investments.

How does he intend to modify the Federal Reserve?

Trump proposes reducing the Federal Reserve's independence by giving the president more influence over interest rate policies and subjecting the agency to oversight by the Office of Management and Budget. He also plans to replace current Federal Reserve Chair Jerome

Powell with someone aligned with his economic goals, which could significantly shift monetary policy.

Could you explain what the potential dollar devaluation implies in the President's economic agenda?

Trump's advisors have suggested the possibility of devaluing the U.S. dollar as a strategy to reduce the trade deficit and make U.S. exports more competitive in international markets. This measure aims to improve the United States' trade balance but carries significant risks, such as potential inflation and the likelihood of retaliatory measures by other nations.

What approach will he take regarding the environment?

President-Elect Trump seeks to deregulate the environmental sphere to accelerate processes and reduce burdens on businesses. This includes loosening the Toxic Substances Control Act and



OMAR FRANCO

POLICY OVERVIEW: KEY POINTS TAXES & FINANCIAL SERVICES

TAX REFORMS

- **Extension of 2017 Tax Cuts:** Prolong reductions for individuals and businesses to maintain higher disposable income, especially for middle-income families (expires 2025).
- **Corporate Tax Reduction:** Lower corporate tax from 21% to 15% to boost business investment and economic growth.
- **Elimination of Taxes on Tips & Benefits:** Remove federal taxes on wage tips and Social Security benefits to improve financial security for workers and seniors.

SECTOR DEREGULATION

- **Dodd-Frank Act Rollbacks:** Simplify rules for small and medium-sized banks to promote lending and lower compliance costs.
- **Volcker Rule Adjustments:** Loosen restrictions on proprietary trading to increase market liquidity

FEDERAL RESERVE OVERSIGHT

- **Increased Executive Influence:** Allow presidential input on interest rate policies and subject the Fed to budget oversight.
- **Leadership Changes:** Replace current Federal Reserve Chair to align with new economic priorities.

DOLLAR DEVALUATION

- **Trade Deficit Focus:** Potential dollar devaluation to boost U.S. exports but risks inflation and trade retaliation.

reducing liabilities related to chemicals such as PFAS. Additionally, he plans to reverse clean energy policies, such as limiting the benefits of the 2022 Inflation Reduction Act, and to once again withdraw the U.S. from the Paris Agreement.

And in terms of energy?

In energy, he prioritizes expanding fossil fuel production and increasing liquefied natural gas (LNG) exports. He also plans to reduce the influence of the Environmental Protection Agency (EPA) by relocating its headquarters outside Washington, D.C., and redrawing the boundaries of national monuments to facilitate resource extraction.

What role will cryptocurrencies play in this new administration?

Trump aims to position the U.S. as a global leader in cryptocurrency innovation. He plans to create a favorable regulatory environment, reduce legal uncertainties in the sector, and replace current SEC Chair Gary Gensler with a more crypto-

friendly leader. The possibility of establishing a national Bitcoin reserve is also under discussion, marking a radical shift in financial policy by adopting cryptocurrencies as a strategic asset.

What would the creation of a national Bitcoin reserve mean for U.S. financial policy?

The creation of a national Bitcoin reserve represents a significant shift in the country's financial policy. This strategy is proposed as a way to protect against inflation while sending a clear message of government support for digital assets as an alternative investment class. Adopting a strategic Bitcoin reserve would position the United States as a leader in the cryptocurrency sector and highlight its commitment to technological innovation in the financial realm.

What changes are anticipated in trade policies?

Trump proposes implementing a universal 10% tariff on all imports, with even higher tariffs on Chinese products and vehicles manufactured outside the U.S. Additionally, he plans to

POLICY OVERVIEW: KEY POINTS
ENVIRONMENTAL POLICIES & REGULATIONS

- **Chemical Regulation under TSCA:** Modify chemical risk assessments, emphasizing protective equipment use and streamlining rules for businesses.
- **PFAS Liability:** Exempt certain industries from contamination lawsuits, shifting burdens to municipalities and utilities.
- **Litigation Strategy:** Halt Biden-era enforcements, seek settlements favoring industries, and rewrite regulatory rules.
- **Clean Energy Reversals:** Restrict Inflation Reduction Act credits, rollback climate incentives, and withdraw from the Paris Agreement.
- **Fossil Fuel Expansion:** Increase drilling on public lands and boost LNG exports, reversing Biden-era policies.
- **Environmental Agency Changes:** Relocate the EPA headquarters to decentralize power and reduce regulations.
- **National Monuments:** Redraw protected boundaries to allow more land use and resource extraction.

POLICY OVERVIEW: KEY POINTS
TARIFFS & TRADE POLICIES

- **Universal Baseline Tariffs:** Impose a 10% tariff on imports, with specific higher rates (e.g., 60% on Chinese goods, 100% on foreign cars).
- **Impact on Allies:** Potential disruptions for U.K. exports like cars and pharmaceuticals, risking GDP loss (up to 2.5%).
- **Trade Agreement Renegotiation:** Secure better terms for U.S. interests, reducing trade deficits but creating uncertainty in global agreements.

POLICY OVERVIEW: KEY POINTS
CRYPTOCURRENCY POLICIES

- **Pro-Crypto Stance:** Establish the U.S. as a crypto innovation hub with supportive regulations.
- **Regulatory Overhaul:** Reduce uncertainties, attract international investment, and appoint a crypto-friendly SEC Chair.
- **National Bitcoin Reserve:** Explore creating a strategic Bitcoin reserve as a hedge against inflation and a show of support for digital assets.

renegotiate trade agreements to reduce deficits and protect jobs in the country. However, these measures could provoke retaliation from trade partners and increase prices for consumers.

What impact will this have on international relations, particularly with allies like the United Kingdom?

Higher tariffs could affect key exports from allies like the United Kingdom, which relies on the U.S. as its main market. Sectors such as

automotive, aerospace, and pharmaceuticals could suffer, and economists warn of a possible 2.5% reduction in the U.K.'s GDP over three years. The U.K. has indicated it will respond assertively if U.S. policies negatively impact its economic interests.

This broad approach to Trump's policies is designed to prioritize U.S. interests, although it carries risks of international tensions and legal challenges. ■