

China will slap \$50 billion in tariffs on US goods

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China will slap hefty tariffs on U.S. goods in retaliation for [President Trump](#)'s decision to levy duties on \$50 billion worth of Chinese imports.

Beijing will impose an additional 25 percent tariff on a total of 659 U.S. imports worth about \$50 billion, according to a statement on the country's Ministry of Finance website.

The first batch of tariffs will hit 545 U.S. products worth about \$34 billion, including agricultural products, such as soybeans, corn and wheat, automobiles, beef, pork and seafood, and will start July 6.

China then plans to levy the tariffs on 114 more U.S. products including oil, gas, coal and medical equipment that will start at a later date.

China's Ministry of Commerce had promised swift retaliation after Trump announced the tariffs on Friday morning.

Trump said that if China countered his move, he would consider additional tariffs.

"Our hope is that it doesn't lead to a rash reaction from China," U.S. Trade Representative [Robert Lighthizer](#) said in an interview on Fox Business Network on Friday.

"We hope that this leads to further negotiations and we hope it leads to China changing its policies, at least with respect to us, and opening up their market," Lighthizer said.

Trump touted his strong relationship with Chinese President Xi Jinping even as the tariffs decision pushed the world's two largest economies to the brink of a trade war.

"My great friendship with President Xi of China and our country's relationship with China are both very important to me," Trump said in a statement.

"Trade between our nations, however, has been very unfair, for a very long time. This situation is no longer sustainable," he said.

Business groups expressed their continued concern for the decision.

Farmers for Free Trade Executive Director Brian Kuehl said the U.S. tariffs on China are expected to result in heavy retaliatory tariffs on U.S. agricultural exports.

"For American farmers this isn't theoretical anymore, it's downright scary. It's no longer a negotiating tactic, it's a tax on their livelihoods," Kuehl said.

"Within days, soybean, corn, wheat and other American farmers are likely to be hit with retaliatory tariff of up to 25 percent on exports that keep their operations afloat. When they do, they're not going to remain silent," he said.

The American Soybean Association (ASA) said it is disappointed in the administration's decision, which they said follows weeks of "imploring the president and his team to find non-tariff solutions to address Chinese intellectual property theft and not place U.S. farmers in harm's way."

ASA has twice requested a meeting with Trump to discuss how increasing soy exports to China can be a part of the solution to the U.S. trade deficit "without resorting to devastating tariffs."

John Murphy, the U.S. Chamber of Commerce vice president of international affairs, said that about \$75 billion of U.S. exports will be hit with retaliatory tariffs in the first week of July.

That amount includes \$34 billion by China and another \$40 billion from Canada, the European Union, and others in retaliation for U.S. tariffs of 25 percent on steel and 10 percent on aluminum imports.

"With Canada, Mexico, the EU and China all promising retaliatory measures at the same time, America's retailers, farmers, autoworkers and American employees throughout the global value chain are at risk," said Hun Quach, vice president of international trade for the Retail Industry Leaders Association.

The National Association of Manufacturers (NAM) went as far as to call for the Trump administration to push for a trade agreement with China.

"To put an end to these threats and redefine the U.S.-China economic relationship, manufacturers are calling for a new path forward: a fair, binding, enforceable bilateral trade agreement," said NAM President and CEO Jay Timmons.

"A trade war never benefits anyone, so rather than pursuing a piecemeal tariffs approach, now is the time to seize the opportunity before us and work toward a U.S.-China trade agreement that will benefit American workers for generations to come," Timmons said.

A recent study commissioned by the National Retail Federation and the Consumer Technology Association found that tariffs on \$50 billion of Chinese imports, coupled with the effects of retaliation, would lead to four job losses for every job gained and reduce U.S. growth by nearly \$3 billion.

National Retail Federation President and CEO Matthew Shay said the tariffs won't stop China's "abusive trade practices, but they will strain the budgets of working families by raising consumer prices" and will risk recent economic gains.

"Once again, we urge the administration to change course and develop a clear and comprehensive strategy to hold China accountable," Shay said.