Trump risks midterm voter backlash for GOP if he expands China trade war, as tariffs are unpopular in six key states

Jacob Pramuk CNBC, 7 Sept 2018



Win McNamee | Getty Images President Donald Trump

President <u>Donald Trump</u> may not want to make November's midterm elections a referendum on tariffs.

Trump is deciding whether to slap duties on another \$200 billion in Chinese goods after a public comment period ended at midnight Thursday. He raised the stakes again Friday, saying <u>he has tariffs "ready to go" on an additional \$267 billion</u> in Chinese products.

The actions would expand mounting trade conflicts with major partners that have prompted backlash from Republican lawmakers and sparked fears about slower growth and damage to American farmers. China, the European Union, Mexico and Canada have retaliated against Trump's previous trade barriers. Beijing already said it would respond in kind to any new U.S. tariffs.

A series of NBC News/Marist polls of six politically important states released in recent weeks highlight the potential political peril Trump faces if the trade war with China affects a larger swath of the economy. Pluralities of registered voters in Illinois, Indiana, Missouri, Pennsylvania, Tennessee and Texas believe tariffs will damage the U.S. economy.

Trump's tariff policy has added challenges for GOP candidates as the party faces a difficult path toward keeping its House majority. Strong headline economic numbers have helped Republicans, but the economy alone may not be enough for the GOP to overcome increased enthusiasm among Democratic voters. Likewise, several prominent conservative leaders and groups, including the influential Koch brothers' donor network, have criticized the tariffs.

"We urge the administration not to lose sight of the farmers, manufacturers, and small businesses across the country who are getting crushed by this misguided trade war," said Tim Phillips, a top Koch network official. "Imposing steep tariffs and bailing out select industries with government subsidies isn't how you punish China; it's how you become China."

The antipathy toward Trump's tariffs partly explains why the GOP has <u>brought tax</u> reform to the forefront in recent days with plans to vote on a proposal to make individual tax cuts approved as part of last year's Republican tax law permanent. The plan appears at least partly designed to put pressure on Democrats after the party contended the GOP plan did too much to help the wealthy and corporations.

Tax reform has <u>polled relatively poorly</u> and not given the GOP the messaging boost that it had hoped when the party passed the legislation in December.

— CNBC's Brian Schwartz contributed to this report.