

Free and Fair Trade

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Summary of the Article

The article "The Total Cost of Trump's Tariffs" focuses on explaining China and the United States' international economic relations. Therefore, the author discusses the implications of the tariffs imposed by President Trump the Chinese goods since he became the president. He has unilaterally imposed extensive new tariffs on Chinese goods such as steel and aluminum. Some of the negative implications of tariffs include an increase in the costs of both consumers and goods. Also, they depress the economic benefits of competition. The author support that Trump's tariffs were intended to lower the level of Chinese exports to the U.S. and raise prices.

Also, the author focuses on the impacts of Trump's tariffs on international trade. First, tariffs have led to a decrease in Chinese exports. This is caused by the increase in prices of Chinese exports in the U.S. market. Also, the tariffs have affected the U.S. importers greatly. They spend a lot to purchase expensive Chinese exports. Consequently, the importers have ended up shifting away from China since they are forced to pay the entirety of the tariffs. Also, Trump's tariffs have led to a decrease in imports from China (Lee & Varas, 2020). For instance, from 2018 to 2019, the value of imports from China subject to tariffs reduced by twenty-three percent. Also, the overall goods and services imported by the U.S declined by two percent between 2018 and 2019. According Lee & Varas, (2020), the high tariff exclusions imply that Trump's tariffs have severe economic harm.

Additionally, the article discusses the negative impacts of Trump tariffs on the U.S. economy by focusing on the retaliatory tariffs. The author argues that the tariffs have made various countries, including China, to retaliate against U.S. exports. As a result, the U.S. has imposed retaliatory tariffs on approximately 200 billion Chinese goods. Consequently, China

has resulted by imposing tariffs on U.S. exports. This is likely to affect the international trade relations between the two countries hence leading to an economic war.

What is the Issue?

The issue discussed in the article is the impact of Trump tariffs on the U.S. economy and its international trade relations with China and other countries. Thus, the article identifies the tariffs that have been introduced under President Trump's leadership and how they have affected the country's imports and exports. According to the article, this trade barrier has led to increased consumer costs in the United States. This is because a high percentage of the tariff's costs are shifted to the end consumer. Therefore, the main issue is controlling the levels of imports into the country as expected. For instance, the author argues that even if Trump imposed tariffs on Chinese exports, the level of goods imported did not decline. Instead, the prices were raised for U.S. consumers (Chakrapani & Tyson, 2019). Also, it will be expensive for the importers to purchase imports subjected to tariffs. Secondly, Trump's tariffs have undermined international trade relations between the two countries. For instance, China has shifted from U.S. exports due to the broad tariffs imposed on its goods. This has also made the two countries impose retaliatory tariffs on imports.

Explain why it's essential for the Global Community

The article focuses on discussing the impact of tariffs on international trade. This is an economic trade barrier that has a significant impact on the internal market. This trade barrier can be imposed on imports to protect consumers from being exploited. Also, tariffs help safeguard the local producers from the unfair competition from the developed companies in the international market (Smith, Redding, & Weinstein, 2019). However, this trade barrier can cause more economic harm to a country than its benefit. For instance, according to the article, Tariffs imposed on China have contributed to an increase in the prices of commodities in the United States. This is because almost all the entire tariff costs have been transferred to the consumers. Secondly, they can reduce the availability of specific goods and services (Smith, Redding, & Weinstein, 2019). For instance, Tariffs have made importers from the two countries stop importing goods due to high costs. Lastly, harmful tariffs lead to reduced business activities hence leading to reduced employment and low economic output.

Evaluate the Source

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qualified professionals who have extensive expertise in their different areas of specialization.

Additionally, the course obtains data from reliable sources such as the U.S. Census Bureau and

the International Trade Commission. Thus, this enhances the reliability of the information

obtained from this course.

Personal Opinion

In my view, Trump's tariff on an indicative trade partner that is likely to harm the U.S.

economy compared to its benefits. This requires U.S. executives and Trump's administration to

look for ways to control imports and increase the country's exports to China. One of them

includes improving the quality of goods and services offered by the U.S. manufacturers and

creating a favorable economic environment for the U.S. producers. This includes reducing taxes

on corporations.

References

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