One Group's Response to Trade War with China

The United States' trade war with China impacts many businesses and consumers nationwide with high tariffs. A group that launched a campaign in September 2018, Tariffs Hurt the Heartland, believes that these increased tariffs harm Americans by resulting in lost jobs, higher consumer prices, and the inability for businesses to strategize for the future.

Farmers for Free Trade and Americans for Free Trade jointly launched this multimilliondollar campaign that represents thousands of businesses and workers who are being harmed by the increased tariffs. Tariffs Hurt the Heartland both addresses the negative impacts of increased tariffs on American businesses and workers and the benefits that international trade provides to America's economy (Collins, 2018).

Tariffs Hurt the Heartland examines the broad impacts that the tariffs have on America. The group maintains a continuous count on its website, "The Cost of the Trade War," that shows the dollars in tariffs that American companies are having to pay. Based solely on import tariffs, Tariffs Hurt the Heartland estimates that every second of the trade war costs Americans \$810. This high number does not include the impacts of retaliatory tariffs, ripple effects on America's economy, and many other factors. Tariffs Hurt the Heartland also breaks down the impacts of the tariffs to show how the tariffs are harming different industries. For example, they note that agricultural products that China has targeted for retaliatory tariffs have dropped in exports by 37%. In addition, the campaign also publishes stories of individual businesses' struggles under the increased tariffs. The group's website includes stories of companies from a wide range of industries: toy, fashion, non-profit, and many others.

As part of their campaign, Tariffs Hurt the Heartland sent a letter to President Trump on June 13th asking him to terminate the ongoing trade war with China. Over 600 companies and trade associations, including large corporations like Costco and Walmart, signed the letter. This letter emphasizes the companies and trade associations' appreciation for the President's goals to force trading partners to "abide by global trade rules" and "address unfair trading practices," but requests the President find a different way to address trading issues besides taxing Americans. It states that "we know firsthand that the additional tariffs will have a significant, negative and long-term impact on American businesses, farmers, families and the U.S. economy" and includes statistics indicating the increased tariffs will result in "the loss of more than 2 million U.S. jobs, add more than \$2000 in costs for the average American family of four and reduce the value of U.S. GDP by 1.0 percent." Tariffs Hurt the Heartland stresses that "both sides will lose" the trade war and requests the President to-resolve the trade war with China in a way that "removes the current tariffs, fosters American competitiveness, grows our economy and protects our workers and customers" (Tariffs Hurt, 2019).

Sources:

Collins, M. (2018, Sep. 12). American farmers, businesses launch campaign to show how tariffs harm the heartland. *USA Today*. Retrieved from <u>https://www.usatoday.com/story/news/politics/2018/09/12/trade-wars-farmers-</u> <u>businesses-show-how-tariffs-hurt-heartland/1278052002/</u>

Tariffs Hurt the Heartland. (2019, June 13). Letter to President Trump. *Tariffs Hurt the Heartland*. Retrieved from <u>https://tariffshurt.com/</u>

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