Figure 1.

Timeline of China’s Retaliatory Tariffs

Source: Department of Commerce of United States of America; Ministry of Finance of the People’s Republic of China; World Trade Organization (WTO).

Note: Timeline of China’s Retaliatory tariffs on products from the U.S. to China. The initial wave was signaled by China's notification to the WTO, indicating the imposition of additional tariffs on various U.S. products. The percentages listed next to each product category represent the respective additional tariff rates.

Figure 2.

Proportional Change in Average Import Prices by Tariff Wave from 2015 to 2021

A graph with lines and numbers

Description automatically generated

Source: General Administration of Customs of the People's Republic of China; Ministry of Finance of the People’s Republic of China; World Trade Organization (WTO); author’s calculations.

Note: Relative proportional change in average import prices (import values divided by import quantities) of products from the U.S. to China from 2015 to 2021 for products included in each retaliatory tariff wave and products not included in the waves. Products with incomplete data between 2015 and 2021 are excluded. Import prices of each product are normalized according to the exchange rate of USD to CNY each year. Extreme import prices (lowest 5% and highest 5% ) are excluded when calculating the average. Proportional changes are normalized to equal zero in 2017, the year before the trade war began.

Figure 3.

Proportional Change in Total Import Values by Tariff Wave from 2015 to 2021

A graph with different colored lines

Description automatically generated

Source: General Administration of Customs of the People's Republic of China; Ministry of Finance of the People’s Republic of China; World Trade Organization (WTO); author’s calculations.

Note: Relative proportional change in total import values of products from the U.S. to China from 2015 to 2021 for products included in each retaliatory tariff wave and products not included in the waves. Products with incomplete data between 2015 and 2021 are excluded. Import prices of each product are normalized according to the exchange rate of USD to CNY each year. Proportional changes are normalized to equal zero in 2017, the year before the trade war began.

Table 1.

Impact of China’s Retaliatory Tariffs on Imports of China

|  |  |  |  |
| --- | --- | --- | --- |
|  | log change import prices  (1) | log change import quantities  (2) | log change import values  (3) |
| log change tariff | 5.3226  (5.0124) | 8.4631  (5.0075) | 0.8855  (0.1562) |
|  | 28,591 | 28,591 | 28,591 |
|  | 0.0002 | 0.0002 | 0.0030 |

Source: General Administration of Customs of the People's Republic of China; Ministry of Finance of the People’s Republic of China; World Trade Organization (WTO); author’s calculations.

Note: Observations are at the HS 6 product level from 2015 to 2021. Variables are in log change. Log changes are calculated as the natural logarithm of the ratio of current year to previous year. All columns include HS 6 product fixed effects and year fixed effects. The dependent variable in column 1 is the log change of import prices. The dependent variable in columns 2 is the log change of import quantities of products from the U.S. to China. The dependent variable in column 3 is the log change of import values of products from the U.S. to China. The table's first row displays the estimated effects of the independent variable on the dependent variables, with standard errors presented in parentheses.

Code and Data Availability

<https://github.com/JefferyCuiWU/GS-371-Reasearch-Paper>