China begins new tariffs on 128 US products

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By CHEN WEIHUA in Washington |   
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China announced to impose new tariffs on 128 imports from the United States starting Monday in response to the new US tariffs on steel and aluminum that took effect a week ago.  
The Customs Tariff Commission of the State Council decided to impose a tariff of 15 percent on 120 items of products including fruits from the US and a tariff of 25 percent on eight items, including pork, from the US, according to a statement posted on Sunday on the Ministry of Finance website.  
The commission said the tariffs are aimed at safeguarding China's interests and balancing the losses caused to China by the new US tariffs on steel and aluminum imports.  
In a statement from the Ministry of Commerce to comment on the decision, China urged the United States to revoke protective measures that violated WTO rules to bring the bilateral trade of related products back to normal.  
The US began imposing a 25 percent tariff on steel imports and 10 percent tariff on aluminum imports on March 23 under the Section 232 of US Trade Expansion Act of 1962 that the foreign imports pose a national security threat.  
The move, first announced on March 1, triggered strong response from US trade partners which pledged retaliation. The new tariffs have raised concerns that US consumers and businesses that use steel and aluminum as raw materials will bear the costs from rising prices.  
Farmers for Free Trade, a non-profit campaign chaired by former Montana Democratic Senator Max Baucus and former Indiana Republican Senator Richard Lugar have run ads on major TV networks warning Trump of the adverse effect of the tariffs on US farmers, many of whom voted for Trump in the 2016 election.  
Economists and trade experts have expressed that it set a bad precedent because other countries may follow suits using national security to justify their protectionist tariff measures.  
Dan Ikenson, director of the center for trade policy studies at the Cato Institute, compared Trump's protectionism in the excuse of national security as opening Pandora's Box. "The durability of the rules based trading system will be tested like never before, with global economic security hanging in the balance," he said.  
Major steel and aluminum exporters to the US, from Canada, Mexico, European Union, South Korea, Australia, Brazil and Argentina, are finally exempted from the new US tariffs for the time being. China, which is not among the top 10 steel exporters to the US, is not exempted.  
China first announced on March 23 the list of 128 US products, worth of $3 billion, that are subject to new tariffs after a period of public comment.  
Tensions between China and the US has escalated dramatically lately following the US Section 232 tariffs and the signing of a presidential memorandum by Trump on March 22 to impose tariffs on up to $50 billion imports from China and restrictions on Chinese investment in the US according to a Section 301 of US Trade Act of 1974 investigation into China's intellectual property policies and practices.  
China has called for resolving the bilateral economic and trade disputes through dialogues and negotiations, but it has also vowed to take countermeasures to defend its legitimate rights and interests.  
Concerns about a trade war have eased in the past days after both sides expressed willingness for negotiations. US Trade Representative Bob Lighthizer said last week that he is "hopeful" that the two sides will find a solution to avoid the Section 301 tariffs.  
Adam Posen, president of the Peterson Institute for International Economics, said that a trade war triggered by Trump's latest tariffs would prove to be his "economic Afghanistan – costly, open-ended, and fruitless."

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