Tariffs discussed all around Washington

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Over 80 witnesses testified during a two-day hearing ending Wednesday held by the US Trade Representative (USTR) on the proposed tariffs of 25 percent on $16 billion worth of Chinese goods.  
A total of 571 comments were submitted to the USTR by businesses, associations and individuals from both the US and China as of Wednesday afternoon.  
The US imposed a first round of tariffs on $34 billion of Chinese products on July 6.  
The USTR also identified an additional $200 billion in goods slated for a 10 percent duty after China retaliated in an escalating trade war. US President Donald Trump has said he is "ready to go" with tariffs on $500 billion in imports.  
"The proposed action is not in the interests of the United States," the China Chamber of Commerce commented. "Raising tariffs will not only hurt US importers, retailers and downstream industries, but also result in higher costs of living for ordinary Americans and put at risk millions of American jobs that are tied to trade with China."  
Senator John Isakson of Georgia asked US Secretary of State Mike Pompeo, when he testified before the Senate Foreign Relations Committee on Wednesday, if he was seeing any consequences of Trump's trade proposals, particularly tariffs, and their implications diplomatically.  
"Actions have consequences," said Isakson. "I hope the administration will look to the State Department for inside advice on the effects of the tariffs on the diplomacy of the US vis--vis the rest of the world."  
"We feed the world. We're the world's breadbasket," said Isakson.  
"We're going to be in deep trouble if we don't have a policy that recognizes both of our responsibilities and the world's needs and food is important for peace and security," he said.  
The president needs to consider the consequences of the tariffs "on diplomacy of the US and hunger of the world," said Isakson.  
"I think he understands that the tariffs that have been imposed created a diplomatic effect," said Pompeo.  
In a comment submitted to the USTR, the Semiconductor Industry Association (SIA) said that tariffs on US semiconductor imports from China "will undermine US leadership in a critical technology, handicap US-based semiconductor firms vis-a-vis our international competitors, threaten US industry market share leadership in China, cost US exports and jobs, and raise the cost of manufactured consumer goods for consumers in the US."  
Semiconductors are America's fourth-largest export, with a trade surplus of over $6 billion in 2017. The US has consistently had a semiconductor trade surplus with China, with a surplus of approximately $2 billion in 2017, according to the US International Trade Commission.  
Most US semiconductor imports from China are semiconductors designed and/or manufactured in the US, and shipped to China for the final stage of assembly, testing and packaging, the SIA commented.  
"Tariffs on US semiconductor-related imports from China would cause US companies to pay tariffs on their own products," the SIA claimed.  
A similar situation exists for the electronics industry, in which China plays a critical role as part of the global supply chain.  
Some companies have already determined that they cannot find readily available substitutes outside of China, and they are now contemplating moving manufacturing operations currently in the US to foreign facilities to avoid the increased duties, according to John Mitchell, president of the IPC-Association Connecting Electronics Industries.  
"Shifting manufacturing work to facilities outside the US is an option of last resort, but one seen by many as an increasingly necessary and time-sensitive decision," said the comment submitted by the IPC.  
One respondent said that the tariffs will "kill domestic durable electronics manufacturing".

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