

PROJECT OUTLINE

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RESEARCH QUESTION

- How did the 2009 Obama Administration's China Tire Tariffs affect the diminishing domestic production of automobiles and its Labor force?
- This paper aims to measure the effect of the Obama Administrations Tariffs on the US Auto industry giants
- will measure a modern timeline from 2009-2012 as the ad valorem Tariff continued

WHAT IS KNOWN AND WHAT IS NOT

- Tariffs Implemented targeted Chinese tires
- Ad Velorem tariffs started at 35%, 30% in 2010, and 25% in 2011 & 2012
- Context: Tariffs said to have been implemented due to complaints about unfair competition; proponents include unions, USW, Industry leaders
- Tariffs pushed mainly by lobbyists mainly through the USITC
- Saved approximately 1200 US jobs, Cost consumers roughly 1.1 Billion Dollars, cost roughly \$920000 per job
- Imports increased post-tariff, majority sourced from South Korea and Thailand(Joonhyung 2011)
- How the disaggregated sectoral implications differ from that of the greater economic strain

METHODOLOGY

- Difference-in-Differences method measures a control and treatment group before and after treatment
- Treatment Group: US Automotive bastions in the late 2000s to early 2010s
- Control: Similar sector m which did not use tires as an intermediate good.
- $Y_{it} = a + B * Post_t + \text{Gamma} * \text{Treatment}_i + \text{Delta}(\text{Post}_t * \text{Treatment}_i) + X_{it}(\text{Theta}) + u_{it}$

OVERVIEW

- Data will be sourced from the Bureau of Labor Statistics
- Purposed Control group: Motor Vehicle body manufacturing(336211)
- Purposed treatment group: Automotive manufacturing(336111)
- Replicable papers: (Joonhyung 2011) & (Lake 2022)
- Hurdles: Difficultly sourcing data on Control and treatment groups;
Certain sectors NAICS codes are not available in the 4-6 digit variation