



Isn't one Great Wall of China enough?

Senator Schumer's amendment to S. 600 would create another wall right here in the United States

Some U.S. Government officials say China's currency is undervalued. They blame Chinese currency policy for U.S. industry competition woes and our large trade deficit. Senator Schumer's amendment to the Foreign Affairs Authorization Act (S. 600) would impose a 27.5 percent duty on all imports from China unless China agrees to revalue its currency.

But is this really the best recourse for dealing with China's currency policy? And who would we really be punishing? Consider the impact of existing tariffs on those items Americans buy most frequently from China.

- Men's polyester suits are already hit with a 27.5% tariff.
- Women must pay a 15.1% surcharge for every imported cotton dress they buy.
- Men pay a 13.5% tariff for imported cotton trousers.
- Leather shoes cost 8.5% more because of tariffs.
- Sports gear bears tariffs ranging up to 9%.

Is it really fair to American consumers to increase these tariff rates or add new ones? And what about American manufacturers? Manufacturers who use parts imported from China in their products would also be harmed by additional tariffs. As we have seen in the case of steel tariffs, raising the cost of inputs hurts a company's bottom line and costs jobs in the long run.

The reality is that we will not influence the Chinese government by imposing tariffs or other trade restrictions - we will simply drive up the cost of goods here at home. Why would we shoot ourselves in the foot like that?

There are other venues for addressing the Chinese currency issue that are less disruptive to the U.S. economy and less burdensome to low-income Americans. For this reason CWT feels that **tariffs and other trade restrictions are never the solution.**

Consumers for World Trade Urges the Senate to Reject Sen. Schumer's Amendment to S. 600 that would impose a 27.5% duty on all imports from China.



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