July 8, 2022

David Johanson  
Chair  
U.S. International Trade Commission  
500 E Street, SW  
Washington, D.C. 20436

RE: Economic Impact of Section 232 and 301 Tariffs on U.S. Industries, Investigation No. 332-591

Dear Chairman Johanson,

The Americans for Free Trade coalition, a broad alliance of American businesses, trade organizations, and workers united against tariffs, respectfully submits this prehearing statement to include in the public record of Investigation No. 332-591, Economic Impact of Section 232 and 301 Tariffs on U.S. Industries. We applaud the House and Senate Committees on Appropriations for directing this investigation and appreciate the Commission commencing it without delay. We expect the study will show how the tariffs have negatively impacted our economy and contributed to record high inflation.

By way of background, Americans for Free Trade represents every part of the U.S. economy including manufacturers, farmers and agribusinesses, retailers, technology companies, service suppliers, natural gas and oil companies, importers, exporters, and other supply chain stakeholders. Collectively, we employ tens of millions of Americans through our vast supply chains. Our coalition was formed in 2018, when the Section 301 tariffs on imports from China were first imposed. While we support efforts to hold China accountable for failure to safeguard intellectual property rights and innovation through forced technology transfers, we raised concerns that imposing tariffs would have little positive impact on Chinese behavior and disproportionate negative economic impacts on American businesses, workers, and consumers. Over the last four years, that concern has become a reality.

Since the tariffs were first imposed nearly four years ago, U.S. Customs and Border Protection has assessed more than $140 billion dollars in tariffs on American companies who import products from China. These taxes create tremendous uncertainty, increase the cost of doing business in the United States, and place a financial burden on American businesses – negatively impacting their ability to invest in their companies, hire more American workers, and remain competitive globally. For many companies, the tariffs are a primary impediment to building or expanding manufacturing facilities in the United States. More recently, American companies have faced increased uncertainty as a result of the COVID-19 pandemic, historic supply chain disruptions, rising energy costs, and runaway inflation. This has created increased economic pressure on American companies and families and dampened U.S. competitiveness.
We continue to call for an end to the China 301 tariffs that have had a disproportionate economic impact on American companies, consumers, and workers and that have failed to change China’s unfair trade practices. To assist the Commission’s work, we have collected the relevant academic and think tank research on the tariffs and their impact on the U.S. economy. \(^1\) For example, according to a recent Moody’s Investor Service Report, the tariffs “hit American businesses and consumers hardest,” with China absorbing only 7.6 percent of the tariffs “while the rest of the tab was picked up by Americans.” Further, recent articles have highlighted that the tariffs are having a modest but real impact on inflationary pressures. \(^2\) We believe the Commission’s investigation will reach similar conclusions.

We appreciate the Commission’s expertise and its undertaking of this important investigation. We look forward to participating in additional steps of this process and the Commission’s findings.

Sincerely,

Accessories Council  
ACT | The App Association  
Agriculture Transportation Coalition (AgTC)  
ALMA, International (Association of Loudspeaker Manufacturing and Acoustics)  
American Apparel & Footwear Association (AAFA)  
American Association of Exporters and Importers (AAEI)  
American Association of Port Authorities  
American Bakers Association  
American Bridal & Prom Industry Association (ABPIA)  
American Chemistry Council  
American Clean Power Association  
American Down and Feather Council  
American Fly Fishing Trade Association  
American Home Furnishings Alliance  
American Lighting Association  
American Petroleum Institute  
American Pyrotechnics Association  
American Rental Association  
American Seed Trade Association  
American Specialty Toy Retailing Association  
American Trucking Association  
Arizona Technology Council  
Arkansas Grocers and Retail Merchants Association  
Association For Creative Industries  
Association for PRINT Technologies  
Association of American Publishers  
Association of Equipment Manufacturers (AEM)  
Association of Home Appliance Manufacturers  
Auto Care Association  
Beer Institute  
BSA | The Software Alliance  
Business Alliance for Customs Modernization  
California Retailers Association  
Can Manufacturers Institute  
Carolina Loggers Association  
Chemical Industry Council of Delaware (CICD)  
Coalition of New England Companies for Trade (CONECT)  
Coalition of Services Industries (CSI)  
Colorado Retail Council  
Columbia River Customs Brokers and Forwarders Assn.  
Computer & Communications Industry Association (CCIA)

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\(^1\) See the attached list of studies on the China Section 301 tariffs.  
\(^2\) See the attached list of articles discussing the China section 301 tariffs’ contributions to U.S. inflation woes.
Computing Technology Industry Association
(CompTIA)
Consumer Brands Association
Consumer Technology Association
Council of Fashion Designers of America
(CFDA)
CropLife America
Customs Brokers & Freight Forwarders Assn.
   of Washington State
Customs Brokers & Freight Forwarders of
   Northern California
Electronic Transactions Association
Energy Workforce & Technology Council
Exhibitions & Conferences Alliance
Experiential Designers and Producers
   Association
Fashion Accessories Shippers Association
   (FASA)
Fashion Jewelry & Accessories Trade
   Association
Flexible Packaging Association
Florida Ports Council
Florida Retail Federation
Footwear Distributors and Retailers of America
   (FDRA)
Fragrance Creators Association
Game Manufacturers Association
Gemini Shippers Association
Georgia Retailers
Global Chamber®
Global Cold Chain Alliance
Greeting Card Association
Halloween Industry Association
Home Fashion Products Association
Home Furnishings Association
Household and Commercial Products
   Association
Idaho Retailers Association
Illinois Retail Merchants Association
Independent Office Products & Furniture
   Dealers Association (IOPFDA)
Indiana Retail Council
Information Technology Industry Council (ITI)
International Bottled Water Association
   (IBWA)
International Foodservice Distributors
   Association
International Housewares Association
International Warehouse and Logistics
   Association (IWLA)
International Wood Products Association
ISSA - The Worldwide Cleaning Industry
   Association
Jeweler's Vigilance Committee
Juice Products Association (JPA)
Juvenile Products Manufacturers Association
Leather and Hide Council of America
Licensing Industry Merchandisers' Association
Los Angeles Customs Brokers and Freight
   Forwarders Assn.
Louisiana Retailers Association
Maine Grocers & Food Producers Association
Maine Lobster Dealers’ Association
Maritime Exchange for the Delaware River and Bay
Maryland Retailers Association
Michigan Chemistry Council
Michigan Retailers Association
Minnesota Retailers Association
Missouri Retailers Association
Motor & Equipment Manufacturers Association
Motorcycle Industry Council
NAPIM (National Association of Printing Ink
   Manufacturers)
National Association of Chain Drug Stores (NACDS)
National Association of Chemical Distributors (NACD)
National Association of Foreign-Trade Zones (NAFTZ)
National Association of Home Builders
National Association of Music Merchants
National Association of Trailer Manufacturers (NATM)
National Confectioners Association
National Council of Chain Restaurants
National Electrical Manufacturers Association (NEMA)
National Fisheries Institute
National Foreign Trade Council
National Grocers Association
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Pork Producers Council
National Restaurant Association
National Retail Federation
National Ski & Snowboard Retailers Association
National Sporting Goods Association
Natural Products Association
New Jersey Retail Merchants Association
North American Association of Food Equipment Manufacturers (NAFEM)
North American Association of Uniform Manufacturers and Distributors (NAUMD)
North Carolina Retail Merchants Association
Ohio Council of Retail Merchants
Outdoor Industry Association
Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc.
Pennsylvania Retailers’ Association
PeopleforBikes
Personal Care Products Council
Pet Advocacy Network
Pet Food Institute
Plumbing Manufacturers International
Power Tool Institute (PTI)
PRINTING United Alliance
Promotional Products Association International (PPAI)
Recreational Off-Highway Vehicle Association
Retail Association of Maine
Retail Council of New York State
Retail Industry Leaders Association
Retailers Association of Massachusetts
RISE (Responsible Industry for a Sound Environment)
RV Industry Association
San Diego Customs Brokers and Forwarders Assn.
SEMI
Semiconductor Industry Association (SIA)
Snowsports Industries America
Software & Information Industry Association (SIIA)
South Dakota Retailers Association
Specialty Equipment Market Association
Specialty Vehicle Institute of America
Sports & Fitness Industry Association
TechNet
Telecommunications Industry Association (TIA)
Texas Water Infrastructure Network
The Airforwarders Association
The Fertilizer Institute
The Hardwood Federation
Toy Association
Travel Goods Association
Truck & Engine Manufacturers Association (EMA)
United States Council for International Business
United States Fashion Industry Association
US Global Value Chain Coalition
US-China Business Council
Vinyl Institute
Virginia Association of Chain Drug Stores
Virginia Retail Federation
Virginia-DC District Export Council (VA-DC DEC)
Washington Retail Association
Water Quality Association
Window and Door Manufacturers Association
World Pet Association, Inc. (WPA)
Attachment 1 – Studies on Economic Impact of Tariffs – 2018-2022


2. April 2022, Tax Foundation: Tracking the Economic Impact of U.S. Tariffs and Retaliatory Actions; Erica York.

3. March 2022, Peterson Institute of International Economics: For Inflation Relief, the United States Should Look to Trade Liberalization; Gary Clyde Hufbauer, Megan Hogan, and Yilin Wang.


7. May 2021, Moody’s Investor Service Report, as reported in U.S. companies are bearing the brunt of Trump's China tariffs, says Moody’s, CNBC, Yen Nee Lee.

8. January 2021, IHS Markit: Did the US section 301 tariffs work?; Yacine Rouimi.


18. September 2019, Moody’s Analytics: Trade War Chicken: The Tariffs and the Damage Done; Mark Zandi, Jesse Rogers & Maria Cosma.


## Attachment #2 – Articles on the Impact of Tariffs

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<td>Biden Must Roll Back the Tariffs Weighing So Heavily On the Economy</td>
<td>RealClearMarkets</td>
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<td>5/17/2022</td>
<td>As Businesses Struggle, Tariffs Create Avoidable Challenges</td>
<td>The Well News</td>
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<td>4/15/2022</td>
<td>End China trade war</td>
<td>Times-Tribune</td>
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<td>3/24/2022</td>
<td>To Help Revive the U.S. Economy, the Biden Administration Must Lift the Tariffs</td>
<td>RealClearMarkets</td>
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<td>3/20/2022</td>
<td>Tariffs Hurt Virginia Businesses</td>
<td>The Gazette-Virginian</td>
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<td>To Fulfill His Economic Vision, President Biden Must End Trump’s Tariffs</td>
<td>The Well News</td>
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<td>2/14/2022</td>
<td>Want to Stem Inflation? End the Trade War</td>
<td>RedState</td>
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<td>2/14/2022</td>
<td>Trade War Continues to Batter New Hampshire Businesses</td>
<td>NH Journal</td>
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<td>2/11/2022</td>
<td>2 Years Since Trade Deal with China, Tariffs Aren't Working for American Businesses</td>
<td>Entrepreneur.com, MSN</td>
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<td>2/8/2022</td>
<td>Cutting Chinese tariffs would help Del. businesses</td>
<td>Delaware Business Times</td>
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<td>1/25/2022</td>
<td>Keep Wisconsin moving forward</td>
<td>WisPolitics</td>
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<td>12/13/2021</td>
<td>Amid Pressing Economic Crises, Biden Administration Must Lift Tariffs</td>
<td>Townhall</td>
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<td>12/9/2021</td>
<td>Biden must end failed trade policy that has hurt Pennsylvanians</td>
<td>Tribune-Review</td>
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<td>11/10/2021</td>
<td>It's Time to End the Trade War With China</td>
<td>Newsweek</td>
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<td>11/3/2021</td>
<td>Post-Covid, the Federal Government Must Remain Committed to Helping Businesses</td>
<td>Entrepreneur/com</td>
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<td>10/12/2021</td>
<td>U.S. tariffs on Chinese goods hurts Arizona's economic growth</td>
<td>Arizona Daily Star</td>
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<td>9/29/2021</td>
<td>For Washington’s Economy to Fully Recover, Biden Administration Must End Tariffs</td>
<td>Kirkland Pathc</td>
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<td>9/14/2021</td>
<td>Duane Garfoot: Continued tariffs still loom large following Biden's Wisconsin visit</td>
<td>WisPolitics</td>
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<td>9/7/2021</td>
<td>Trade Wars Worsen Shipping Crisis</td>
<td>Townhall</td>
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<td>7/22/2021</td>
<td>The time has come for Biden to repeal Trump’s tariffs</td>
<td>News Journal</td>
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<td>7/12/2021</td>
<td>Biden can help American workers and protect U.S. jobs by ending trade wars</td>
<td>Washington Times</td>
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<td>Ongoing trade war limits recovery for U.S. businesses</td>
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<td>5/19/2021</td>
<td>As COVID-19 recovery begins, Granite State needs tariff relief</td>
<td>Manchester Ink Link</td>
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<td>5/7/2021</td>
<td>Oregon businesses bear the brunt of the U.S. tariffs on China</td>
<td>The Oregonian</td>
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<td>4/5/2021</td>
<td>Repealing Trump-era trade tariffs would throw a lifeline to struggling businesses</td>
<td>Crain's New York Business</td>
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<td>3/25/2021</td>
<td>Repeal Tariffs to Boost the Economy, Help Small Businesses</td>
<td>RealClearMarkets</td>
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<td>Tariff relief must play a central role in Biden trade agenda</td>
<td>Des Moines Register</td>
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<td>Removing tariffs is key to economic relief</td>
<td>Washington Examiner</td>
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<td>Repealing tariffs should be one of Biden's first acts</td>
<td>Wisconsin State Journal, Herald Times Reporter</td>
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<td>2/7/2021</td>
<td>Biden can save Americans billions of dollars by ending Trump's trade war with China now</td>
<td>Business Insider</td>
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<td>12/21/2020</td>
<td>Trump Must Repeal Tariffs to Provide Americans Relief</td>
<td>Inside Sources</td>
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<td>12/12/2020</td>
<td>If Biden Wants to Help Middle America, He'll Lift Tariffs</td>
<td>RealClearPolitics</td>
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<td>11/21/2020</td>
<td>Prospect of Tariffs on Vietnamese Imports Jeopardizes American Recovery</td>
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<td>A Pledge To Repeal Tariffs Is Crucial For Both Candidates</td>
<td>Townhall</td>
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<td>Tariffs Continue to Hurt Wisconsin</td>
<td>The Baraboo News Republic</td>
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<td>Tariffs Must Take Center Stage in Leadup to Election Day</td>
<td>NH Journal</td>
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<td>10/28/2020</td>
<td>WTO ruling and domestic lawsuits may boost Biden’s chances of winning</td>
<td>WisPolitics</td>
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<td>9/24/2020</td>
<td>Floridians Are Frustrated With The Trade War</td>
<td>The Floridian</td>
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<td>9/22/2020</td>
<td>Trump's trade war has punished Americans more than China</td>
<td>Laconia Daily Sun</td>
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<td>9/17/2020</td>
<td>Mike Duerst: Tariffs Prove to be a Key Issue for Wisconsin Voters</td>
<td>WisPolitics</td>
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<td>9/16/2020</td>
<td>Path to White House Includes Repealing Tariffs</td>
<td>RedState</td>
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<td>6/1/2020</td>
<td>President Trump’s Tariffs Put Economic Recovery at Risk</td>
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<td>5/26/2020</td>
<td>One Big Way To Help US Businesses Come Back After Coronavirus</td>
<td>Townhall</td>
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<td>5/26/2020</td>
<td>More tariffs would bring Missouri to its breaking point</td>
<td>Missouri Times</td>
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<td>5/7/2020</td>
<td>Stimulus is helpful, but tariffs are still threatening our livelihoods</td>
<td>MinnPost</td>
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<td>4/4/2020</td>
<td>Trade War Damage Worsened by Global Health Pandemic</td>
<td>RealClearPolitics</td>
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<td>3/6/2020</td>
<td>Trump's trade war threatens S.C.'s economy and workers — Democratic presidential candidates should vow to end it</td>
<td>Charleston City Paper</td>
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<td>2/10/2020</td>
<td>The trade war with China has hurt my small business in Massachusetts</td>
<td>Boston Globe</td>
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<td>The Trade War Hurts President Trump’s Re-Election Chances in New Hampshire</td>
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<td>2/1/2020</td>
<td>The Trade War is Undoing President Trump’s Economic Achievements</td>
<td>Save Jersey</td>
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<td>1/29/2020</td>
<td>Democratic candidates should talk more about Trump's trade war</td>
<td>Sioux City Journal</td>
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<td>I supported Trump’s trade war. But now it’s driving my industry out of business.</td>
<td>Star Ledger</td>
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<td>1/18/2020</td>
<td>Trump can win Wisconsin if he ends tariffs</td>
<td>Wisconsin State Journal</td>
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<td>12/31/2019</td>
<td>The trade war has cost us over $500,000 dollars</td>
<td>PennLive</td>
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<td>12/19/2019</td>
<td>In the Next Debate, Democrats Must Highlight Damage Trump's Tariffs Have Caused</td>
<td>LA Focus</td>
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<td>12/4/2019</td>
<td>Trade war undermines strong Texas economy and Trump's reelection chances</td>
<td>Houston Chronicle</td>
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<td>Trump has been great for Black Americans, but the trade war could hinder the progress</td>
<td>The State</td>
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<td>11/25/2019</td>
<td>Tariffs are slowly driving me out of business</td>
<td>Concord Monitor</td>
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<td>Tariffs Could Hurt the Holidays – and President Trump’s Re-Election in 2020</td>
<td>Iowa Standard</td>
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<td>10/15/2019</td>
<td>Enough Is Enough: Tariffs Are Damaging Ohio's Economy</td>
<td>RealClearPolitics</td>
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<td>10/4/2019</td>
<td>How Tariffs Are Hurting Trump’s Base – and His Chances of Re-election</td>
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<td>How Tariffs Are Hurting My Business—And Your Wallet</td>
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<td>Tariffs Are Taxes Paid by New Hampshire Businesses and Consumers</td>
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<td>8/4/2019</td>
<td>Trump’s economy is booming — repealing tariffs will boost it even more</td>
<td>The Hill</td>
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<td>8/2/2019</td>
<td>Tariffs Looming over 2020 Election</td>
<td>RedState</td>
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<td>Rohn Bishop: Wisconsin needs four more years of Trump’s economic policies – minus tariffs</td>
<td>WisPolitics</td>
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<td>7/9/2019</td>
<td>LTE: Tariffs should be removed</td>
<td>Gettysburg Times</td>
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<td>Tariffs hurting same Floridians Trymp is trying to help</td>
<td>Sun Sentinel</td>
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<td>6/19/2019</td>
<td>Trump's tariffs endanger Wisconsin's booming economy</td>
<td>The Cap Times</td>
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<td>A Quick End to the Trade War Is the Key to Victory for President Trump in 2020</td>
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