

# Roll Call

## Conservative Groups Warn Tariffs Could Cost Republicans

Kate Ackley

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With primaries underway, conservative groups are stepping up their campaign against President Donald Trump's controversial proposal to levy new steel and aluminum tariffs — warning that it could cause political peril for Republicans.

“We’re deeply concerned. We’ve made it clear to the administration that imposing tariffs is an enormous mistake,” said Tim Phillips, who runs Americans for Prosperity, a conservative group funded in part by billionaire brothers Charles and David Koch. “It will undercut their political chances in what’s going to be a challenging election year.”

Just as corporate interests have been searching for a lobbying strategy to change Trump's mind, the conservative organizations also say they've been publicly airing their concerns while sharing them privately with White House officials. Unlike the tax overhaul debate — which brought together business and conservative interests as well as the White House and Republicans in Congress — the tariffs expose an enormous rift between the president and his typical allies off and on the Hill.

The conservative groups, including the Club for Growth and The Heritage Foundation, argue that new tariffs will hurt the U.S. economy by raising consumer prices for goods that rely on steel and aluminum imports, such as cars, appliances and cans of beer. Opponents of the tariffs also say the plan could spark retaliatory measures from American trading partners, potentially hitting U.S. exporters, and possibly sabotaging the economic gains from last year's landmark tax overhaul.

“History is littered with examples of trade wars ending badly, and if this goes down that road, it’s going to sting really bad for Republicans,” said Andy Roth, vice president of government affairs for the Club for Growth, a free-market advocacy group.

The lobbying efforts appear not to have moved the president yet. Trump told reporters Monday that the administration wasn’t planning to back down from the proposal, adding that the United States had been “ripped off by virtually every country in the world.”

Roth said the club is concerned that possible retaliation from other countries over the tariffs could hurt specific sectors, such as agriculture interests, in pivotal battleground election states like North Dakota.

“Voters received a pretty big tax cut in December, and if that gets taken away from them through lost jobs or a depressed or stalled out economy or higher consumer prices, it’s going to be tough to blame the Democrats,” Roth added.

An early test of the potency of the tariff issue will come this weekend, when Trump is scheduled to appear at a campaign event for Republican Rick Saccone, who is vying against Democrat Conor Lamb in a March 13 special election in Pennsylvania’s 18th District in the heart of steel country. The candidates have both given qualified support to Trump’s tariff idea.

Heritage Action for America, the lobbying arm of its affiliated foundation, included the tariff issue in its weekly call with grass-roots activists around the country, said a source familiar with the call.

After the president made his announcement last week to levy a 25 percent tariff on steel imports and a 10 percent penalty on aluminum imports, the Heritage Foundation’s Tori Whiting issued a news release blasting the proposal, saying it would have negative consequences for American workers and the economy.

“The president’s tax cuts and the elimination of red tape and regulation that his administration has, to their credit, really pursued is without question improving the economy,” said Phillips of Americans for Prosperity. “It would be a mistake to undercut those success with tariffs.”

The libertarian Cato Institute has also taken up the tariff fight. Noting that Trump has long touted protectionist trade policies, the group’s Simon Lester wrote Tuesday that the president may truly believe in them. “If that’s the case, it’s very important for everyone to step forward and figure out a way to talk him out of it,” Lester said in a blog post.

### Lobbying trends down

The president’s proposal has placed new prominence on an issue that had otherwise been in decline for the influence sector.

The total amount spent on lobbying on tariff-related issues has consistently shrunk during the past five years, according to a Roll Call analysis of federal lobbying disclosures. Organizations that lobby on tariffs spent about \$59 million last year, down from nearly \$80 million in 2013.

Lobbying on trade, however, appears to have increased during the same time. Financial disclosures show about \$1.05 billion spent on lobbying on trade issues last year, up slightly over 2016.

Since lobbyists are only required to report a list of issues they worked on, disclosure documents do not show exactly how much they spent on any one particular issue.