



Trump, who has repeatedly misstated who pays tariffs, says senators 'have no idea what they're talking about' when it comes to tariffs

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President Donald Trump said Thursday that most senators have "absolutely no idea what they're talking about" when it comes to tariffs, despite Trump frequently spreading false information about the impact of tariff and who will be saddled with the burden.

Trump is currently facing strong backlash from members of his own party in the US Senate over his threats to levy a 5% tariff on Mexico beginning June 10 to punish them for illegal immigration across the US' Southern border, with multiple members breaking with Trump, and warning about the economic consequences their constituents would experience.

"We've told Mexico the tariffs go on," Trump told reporters while traveling in France on Thursday, according to The Hill. "And I mean it, too. And I'm very happy with it. And lot of people, senators included, they have no idea what they're talking about when it comes to tariffs. They have no — absolutely no idea."

The White House announced last week the tariffs would escalate to 25% by September if illegal immigration did not decrease. Despite the Trump administration's efforts to reduce rates of illegal border crossings and discourage asylum seekers, an estimated 100,000 people were apprehended at the border last month.

As the US feuds with China over trade issues, Mexico is quickly becoming one of the US's most important trading partners, with 80% of its total exports going to the US.

Trump claims that taxing Mexican imports will put the necessary pressure on Mexico to further the stem the flow of immigration across the border by raising production costs for Mexican companies. He has frequently falsely stated that Mexico will pay the brunt of the tariff costs, and that higher production costs will encourage automakers to even re-locate to the United States, benefiting the US economy.

But both economists and immigration experts say that not only will American consumers end up paying for the tariffs, but they're extremely unlikely to change Mexico's behavior, and could even worsen both US-Mexico relations and further drive up illegal border crossings.

"The president seems not to comprehend that unilateral tariffs aren't leverage at all. US tariffs are taxes on American households and businesses, so imposing them will always be an act of self-destruction," Cato Institute trade expert Dan Ikenson recently told Vox.

Another economist told the outlet that the likelihood of companies relocating production from Mexico to the US was dubious at best, and if anything, auto manufacturers would either outsource or automate production in response to tariffs.

Last year, the US imported \$346 billion of Mexican goods, an increase of 66% since 2008, according to the White House's Office of the US Trade Representative, with cars, other vehicle parts and agriculture making up the majority of imports.

As Vox pointed out, car companies, for example, compensate for paying the costs of tariffs on goods and car parts imported from Mexico by raising the prices of goods, passing the cost of the tariff onto the consumer.

Vox's analysis found that the new proposed tariffs would cost each American family an average of \$900, with another analysis from the Perryman Group concluding that tariffs could cost 400,000 American manufacturing and retail jobs, with border states like Texas disproportionately affected.

Moreover, immigration scholars previously told INSIDER that not only could initial tariffs damage Mexico's faith in the US, but could actually feed more illegal immigration into the US by hurting the Mexican economy. Earlier this week, Mexican and US negotiators failed to agree to a plan to curb illegal immigration.

The threat of new tariffs sent shockwaves through the business world and the markets, with the stock market plunging and the Mexican peso sharply dropping in value after Trump's announcement.

While Trump says he plans to use the National Emergency Declaration Act to unilaterally declare tariffs — which some legal experts say could be unconstitutional— even some of Trump's staunchest allies in Congress are pushing back, according to recent reports in The New York Times and Politico.

Sen. John Kennedy of Louisiana worried the tariffs would "tank" the US economy, while Sen. Ted Cruz of Texas said "there's no reason" for Texas-based farmers to shoulder the cost of the tariffs, and his Texas colleague John Cornyn describing them "holding a gun to our own heads."