

## Trump hits solar panels, washing machines with tariffs

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President Donald Trump signed a measure Tuesday imposing tariffs on imported solar-energy components and large washing machines in a bid to help U.S. manufacturers.

A tariff is a tax used to restrict imports that makes foreign-made goods more expensive to consumers.

The case for tariffs on washing machines was pushed by Benton Harbor-based Whirlpool Corp., maker of consumer appliances. Whirlpool pushed for the tariff of up to 50 percent on imported large residential washing machines, a penalty aimed at rival Samsung Electronics Co. and LG Electronics Inc. The tariffs will phase out after three years.

Whirlpool chairman, Jeff Fettig said the company will add 200 new full-time employees at its Clyde, Ohio, factory because of the new tariff.

“This is a victory for American workers and consumers alike,” Fettig said in a statement on Monday. “By enforcing our existing trade laws, President Trump has ensured American workers will compete on a level playing field with their foreign counterparts.”

Whirlpool will also make broader investments in manufacturing and innovation, Fettig said.

But in Saginaw Township, the anticipated tariff on imported solar panels resulted in the loss of jobs last year. Suniva, a Hong Kong-based owner of solar panel plants in Georgia and Michigan, laid off 60 workers when it closed its Saginaw Township plant.

The administration will impose an immediate tariff of 30 percent on most imported solar modules, with the rate declining before phasing out after four years.

The U.S. solar industry is split over the issue. Two small subsidiaries of foreign companies that made solar cells in the U.S. favor tariffs, but a larger number of companies that install solar-power systems say their costs will rise and jobs will be lost.

The tariffs — already denounced by China, Germany and Mexico — are likely to heighten tensions between the United States and its trade partners, slow the U.S. solar-installation business and raise prices for American consumers. And even touchier trade cases lie ahead, involving China’s overproduction of steel and aluminum and its theft of trade secrets, with consequences for American industry and workers.

“My administration is committed to defending American companies, and they’ve been very badly hurt from harmful import surges that threaten the livelihood of their workers,” Trump said as he signed the tariffs. “The United States will not be taken advantage of anymore.”

Trump had campaigned on the argument that foreign nations had long outmaneuvered the United States at the negotiating table and had unfairly subsidized their own industries at the expense of American jobs. He pledged to return manufacturing jobs to America by killing or renegotiating trade deals and cracking down on such countries as China and Mexico that sell more to the United States than they buy from it.

Almost as soon as he took office, Trump abandoned an Asia-Pacific trade pact negotiated by the Obama administration. And Trump's trade team is engaged in a contentious effort to rewrite the 24-year-old North American Free Trade Agreement with Canada and Mexico.

But until Tuesday, the administration had not imposed major tariffs on imported goods. It is now slapping an immediate tariff of 30 percent on most imported solar modules; the rate will gradually phase out in four years. For large residential washing machines, tariffs will start at up to 50 percent and phase out after three years.

The White House is dusting off a trade weapon not used since President George W. Bush imposed tariffs on imported steel in 2002. The Trade Act of 1974 allows a president to temporarily impose tariffs or other trade barriers on imports that are deemed to damage U.S. industries.

The washing-machine case dates back to a 2011 complaint by Whirlpool, which charged that South Korean competitors LG and Samsung were dumping low-priced machines in the U.S. market. To avoid duties imposed by the Commerce Department, the companies shifted production, first to China and then to Thailand and Vietnam.

Sen. Sherrod Brown, D-Ohio, hailed the new tariffs.

"This is welcome news for the thousands of Whirlpool workers in Clyde, Ohio, whose jobs have been threatened by a surge of cheap washers," he said. "These tariffs will help level the playing field, and show anyone who tries to cheat our trade laws that they won't get away with it."

But critics warned that the tariffs will drive up washing-machine prices.

"Tariffs are taxes on families," said U.S. Sen. Ben Sasse, R-Nebraska. "Moms and dads shopping on a budget for a new washing machine will pay for this — not big companies."

Tired of the wrangling, the South Korean companies announced plans last year to build plants in the United States — Samsung in Newberry, South Carolina, and LG in Clarksville, Tennessee.

The U.S. also is weighing whether to slap tariffs on aluminum and steel imports by arguing that they pose a threat to national security. If the United States taxes imports on national security grounds, other countries could do the same, said Dan Ikenson, director of the libertarian Cato Institute's Center for Trade Policy. The WTO wouldn't intervene, he says, because it tends to let countries determine their own national security interests.