



China fires back at United States, raises own tariffs

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The State Council has approved the Customs Tariff Commission of the State Council's decision to impose additional duties of 25 percent on 659 items of USA products worth about 50 billion US dollars, as per *Xinhua*.

China reacted quickly to the USA tariff strike, promising to impose its own massive new round of tariffs on over 500 United States exports, including dozens of seafood products such as salmon and lobster.

CGTN's Asieh Namdar spoke with Dan Ikenson, an expert on trade at the Cato Institute, a think tank in Washington, on the current trade tension between China and the U.S. It won't target the 284 additions, worth \$16 billion, until after it collects public feedback. "They expressed the understanding for using tariffs as an integral part of trade negotiations but stressed concerns about the potential negative impacts on agriculture when tariffs are used as a weapon in a trade war".

Iowa farmers could lose up to \$624 million, depending on how long the tariffs are in place and the speed producers can find new markets for their soybeans, said Chad Hart, an Iowa State University economist.

The planemaker, which counted on China for about \$12 billion in revenue previous year, also said in an emailed statement that it is pushing for the countries to settle. A senior Trump administration official told reporters that companies will be able to apply for exclusions for Chinese imports they can not source elsewhere.

However, many economists and businesses in the U.S. say the tariffs are likely to hurt some of the sectors the administration is trying to protect, which depend on China for parts or assembly.

The Commerce Ministry said it also was scrapping deals to buy **more** American farm goods and other exports as part of efforts to defuse a sprawling dispute over its trade surplus and technology policy.

The tariffs focus on products from China's industrial sector including aerospace, information and communications technology, robotics, industrial machinery, new materials and automobiles.

The additional tariffs on Chinese goods in the USA will "substantially change" the trade conditions of these products, also affecting relevant producers and trade companies as well as the production and operation of the upstream and downstream industries, an official in charge of the Office of the Customs Tariff Commission.

Trump has threatened to hit China with duties on *another* \$50 billion of goods if it retaliates.

Saying that the Americans are flip-flopping in the issue, the Ministry of Commerce in Beijing said: "This move not only hurts bilateral interests, but also undermines world trade order".

Mexico is weighing tariffs on \$4 billion of USA corn and soybeans, Reuters reported Friday, while the European Union and Canada are considering tariffs on a range of us products.

Hart said reduced China demand and lower prices for soybeans will help drive increased demand from other global markets. China will bark back.

Trump imposed in March tariffs of 25 percent on steel and 10 percent on aluminum imports, igniting a possible trade war. After all, companies from the advanced economies of the U.S., Europe and Japan share the same gripes.

Chicago-based Boeing Co., the world's largest planemaker, on Saturday said it's assessing the effects on its supply chain of Trump's tariffs and China's reciprocal action.

China already has smacked farmers with an additional 25 percent tariff on pork, and Mexico plans a 20 percent tariff on ham and pork shoulders.