

As China Tariffs Loom, Some U.S. Companies Say Buying American Isn't an Option  
By Katy Stech Ferek and Josh Zumbrun | Jun 16, 2019

TOPICS: global supply chains, Tariffs, Trade Disputes

SUMMARY: If the Trump administration follows through with its threat to impose additional tariffs on Chinese imports, some U.S. businesses would have little choice but to pay higher prices since there are not sufficient domestic or other international sources of the goods they need. For some of the goods on the list of items that might be hit with new tariffs, China accounts for more than 90% of imports.

CLASSROOM APPLICATION: You can use this article to discuss how tariffs impact the decisions firms make about their global supply chains. One way you could present this article in a classroom is to have the students debate the advantages and disadvantages of the Trump administration's proposal to increase tariffs on Chinese imports.

QUESTIONS:

1. (Introductory) Why is the Trump administration threatening to impose more tariffs on Chinese imports?
2. (Introductory) Why do firms struggle to find U.S.-made goods?
3. (Advanced) Who are the "winners" and the "losers" when a government imposes tariffs on imports?
4. (Advanced) If the Trump administration imposes additional tariffs on Chinese imports, how might this impact the decisions firms make about their global supply chains?
5. (Advanced) Should the Trump administration impose increased tariffs on Chinese imports of products that are not manufactured in large quantities in the United States? Explain your point of view.

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