

Independent Women's Voice®

# Trade and Tariffs

## in 60 Seconds



### What's at Stake:

Free trade is the world's great engine of wealth creation, vital to U.S. prosperity. Trade:

- generates jobs
- lifts living standards and
- encourages innovation.

In a perfect world there would be no tariffs on any side. But there are threats today to our national security that in some cases merit tariffs.

### Bad Solutions:

- **Entirely free trade**, with no concern for predatory tyrannies such as China, or terror-sponsoring states, such as Iran, taking advantage of our open system to threaten and subvert us.
- **Protectionism**, or tariffs solely for the sake of economically "protecting" U.S. producers. These come at the expense of American consumers, who usually end up paying higher prices. That amounts to a net loss for the U.S. economy and lower standards of living.

We must distinguish between trade restrictions that genuinely protect U.S. national security, and those that merely protect special interests.

### A Better Path Forward:

**At its best, free trade with friendly nations provides a foundation not only for prosperity, but also for peace.**

But we must take into account the predatory behavior of anti-democratic tyrannies, in which state-directed economic behavior undermines the U.S. and our allies. Most prominently, China has taken advantage of U.S. openness, and world markets generally, to:

- steal intellectual property,
- strong-arm American companies into the transfer of trade secrets
- engage in state-directed investments abroad with military dimensions (such as ports in strategic locations), or high propaganda value (such as money for U.S. universities and other centers of influence), in ways increasingly dangerous to American and our allies.

America should not abandon its basic commitment to free trade. We should continue to champion free trade in practice, wherever and however it does not endanger our national security. **This is a complex but critical balance.**

## Addressing Concerns:

CONCERNS	RESPONSES
<p><b>Tariffs help the economy.</b></p>	<p>No, they don't. "Protectionism" hurts a lot of Americans. It protects select producers, by walling out global competition. The losers are consumers, the everyday Americans who must pay more, as well as American producers who then face retaliatory tariffs by other countries.</p>
<p><b>Free trade should be the sole priority.</b></p>	<p>Unfortunately, in today's world completely open trade entails major security risks. A prime example is China's high-technology industry for computers, communications and surveillance. For security reasons, America must beware relying upon, or being infiltrated by, critical systems that a despotic China, which aspires to world dominance, could turn against us.</p>
<p><b>Countries with high tariffs enjoy economic advantages.</b></p>	<p>Tariffs are bad for development, and the higher the tariffs the worse the damage. Even if some of our trading partners insist on hobbling their economies with tariffs, to whatever extent America can remain open to trade without compromising security, we will prosper.</p>