

New York Times reporters Ana Swanson and Jim Tankersley compared the revenue generated by tariffs on China with the costs of the trade war to U.S. businesses and consumers. Tariffs on Chinese goods have raised \$20.8 billion in revenue. However, President Trump has promised \$28 billion to compensate farmers alone. PWBM explains that tariffs raise the price of goods. PWBM's Richard Prisinzano noted, "The tariffs make all consumers worse off." In addition, Kent Smetters, PWBM's Faculty Director, estimated that the tariffs could, "cost the median U.S. household with earnings of \$61,000 about \$500 to \$550 a year."

PWBM previously showed that an all-out trade war leads to a smaller economy and lower wages than otherwise. In fact, the economic impact of an all-out trade war washes out the economic gains projected from the new tax law in 2017.

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