



**Tariffs / economic
protectionism**

When on the 25th of April, 1987, 40th president of the United States Ronald Reagan said “throughout the world there’s a growing realisation that the way to prosperity for all nations is rejecting protectionist legislation and promoting free and fair competition”, he failed to foresee that the 47th president, a member of his own Republican Party, would champion “America First” protectionist economics to bring manufacturing back to America and “Make America Great Again”. Trump, who takes a uniquely laissez stance on constitutionality and enjoys republican control of the executive, legislative, and judicial branches, utilised emergency powers to enact sweeping tariffs globally on “Liberation Day”, with uniquely large tariffs on China.

In the words of Ronald Reagan, “High tariffs inevitably lead to retaliation by foreign countries”, so “Liberation Day” ultimately lead to a trade war between the US and China, and resulted in China threatening the US with a rare earth metal embargo, which was enough to prompt both sides to deescalate the conflict, although tariffs still remain in place between the two nations.

“It’s terribly important not to restrict a presidents options in ... dealings with foreign governments” – Ronald Reagan. Trump, who is also uniquely candid surrounding the US’s expansionist tendencies, seems to take this part of Reagan’s advice to heart, as he has used tariffs or threatened to use tariffs for the furtherance of various national goals which have included the annexation of Canada, the annexation of Greenland, and regime change in various countries. Should the UN set the precedent that it allows nations to exert undue leverage over peers with tariffs, rather than confronting their grievances diplomatically?

Another common criticism of tariffs is they do more harm than good to the people of their respective countries. Rather than explain, Ronald Reagan can explain.

“You see, at first, when someone says, “Let's impose tariffs on foreign imports," it looks like they're doing the patriotic thing by protecting American products and jobs. And sometimes for a short while it works, but only for a short time. What eventually occurs is: First, homegrown industries start relying on government protection in the form of high tariffs. They stop competing and stop making the innovative management and technological changes they need to succeed in world markets. And then, while all this is going on, something even worse occurs. High tariffs inevitably lead to retaliation by foreign countries and the triggering of fierce trade wars. The result is more and more tariffs, higher and higher trade barriers, and less and less competition. So, soon, because of the prices made artificially high by tariffs that subsidize inefficiency and poor management, people stop buying. Then the worst happens: Markets shrink and collapse; businesses and industries shut down; and millions of people lose their jobs.”