

## TRUMP'S TRADE WAR TIMELINE: AN UP-TO-DATE GUIDE

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President Donald Trump's trade war with the world involves multiple battles with US allies and others alike. Each battle uses a particular US legal rationale, such as calling foreign imports a "national security threat," followed by Trump imposing tariffs and/or quotas on imports. Subsequent retaliation by trading partners and the prospect of further escalation risk significantly hampering trade and investment, and possibly the global economy.

The timelines below track the development of the most pressing trade conflicts with links to the latest available data and PIIE analysis.

### **BATTLE #1: SOLAR PANEL AND WASHING MACHINE IMPORTS INJURE US INDUSTRIES**

USITC Recommends Remedies  
October 31, 2017

The US International Trade Commission finds that imports of [solar panels](#) (October 31, 2017) and [washing machines](#) (November 21, 2017) have caused injury to the US solar panel and washing machine industries and recommends President Trump impose "global safeguard" restrictions. Two US industries filed separate requests for the investigations earlier in 2017 under Section 201 of the Trade Act of 1974. These were the first industry petitions under the law [since 2001](#).

Trump Imposes Safeguard Tariffs  
January 22, 2018

President Trump approves global safeguard tariffs on \$8.5 billion in imports of solar panels and \$1.8 billion of washing machines, a [relatively rare move](#) historically even when the president is granted the authority to do so.

China Investigates US Exports of Sorghum  
February 5, 2018

The Chinese government self-initiates antidumping and countervailing duty investigations of roughly \$1 billion of US exports of sorghum. While this is not an explicit retaliation linked to Trump's tariffs on solar panels and washing machines, the coincidence of timing suggests a [repeat](#) of China's retaliatory response to President Obama's imposition of a safeguard tariff on tires in September 2009.

China Imposes Preliminary Tariffs on US Sorghum  
April 17, 2018

The Chinese government [announces](#) preliminary antidumping duties of 178.6 percent on imports from the United States of sorghum.

Korea Files WTO Disputes  
May 14, 2018

South Korea challenges the [solar panel](#) and [washing machine](#) tariffs through the WTO, claiming they violate WTO rules.

China Ends Tariffs on US Sorghum During Negotiations  
May 18, 2018

China's Commerce ministry [announcement](#) comes as US and Chinese negotiating teams meet to resolve trade disputes.

## **BATTLE #2: STEEL AND ALUMINUM AS NATIONAL SECURITY THREATS**

National Security Investigations Commence  
April 20, 2017

President Trump instructs Commerce Secretary Wilbur Ross to [self-initiate](#) two investigations into whether [steel](#) (April 20) and [aluminum](#) (April 27) imports threaten US national security under Section 232 of the Trade Expansion Act of 1962.

National Security Investigation Results  
February 16, 2018

The Department of Commerce [releases its reports](#) finding imports of steel and aluminum products threaten US national security under the [rarely-used](#) Section 232 of the Trade Expansion Act of 1962. Even though the investigations began in April 2017, this is the first time the public learns which [steel](#) and [aluminum](#) products could potentially be hit by new tariffs.

Steel and Aluminum Tariffs Announcement  
March 1, 2018

Trump announces [forthcoming tariffs](#) on all trading partners of 25 percent on steel and 10 percent on aluminum under national security grounds. These would go further than the Commerce Department recommendations, covering an estimated [\\$48 billion of imports](#), mostly from allies such as Canada, the European Union, Mexico, and South Korea. Only 6 percent of the imports covered derive from China, due to prior US [imposition](#) of antidumping and countervailing duties.

EU Threatens to Rebalance in Response

March 7, 2018

The European Union [announces](#) its planned retaliatory response if it were to be hit with tariffs. This includes filing a formal World Trade Organization (WTO) dispute, safeguard restrictions of its own, and a “rebalancing” of trade with the United States through almost immediate imposition of its own 25 percent tariff on \$3.4 billion of US exports such as cranberries, Harley Davidson motorcycles, blue jeans, and bourbon.

Steel and Aluminum NAFTA Tariff Exemptions

March 8, 2018

Trump issues formal [steel](#) and [aluminum](#) tariff proclamations effective March 23, but exempts Canada and Mexico, pending his view of the outcome of the North American Free Trade Agreement (NAFTA) renegotiation talks. These exemptions exclude about one third—or \$15.3 billion—of the imports announced a week earlier. He decides other partners can negotiate with US Trade Representative Robert E. Lighthizer to be excluded from the tariffs and companies can file [petitions](#) with Commerce Secretary Ross to have specific products excluded from the tariffs.

More Tariff Exemptions

March 22, 2018

Trump issues revised formal [steel](#) and [aluminum](#) tariff proclamations, further exempting the European Union, South Korea, Brazil, Argentina, and Australia—in addition to Canada and Mexico as previously announced—but only through May 1, 2018. This means [another third](#) of the originally covered imports on March 1 are temporarily exempt.

Tariffs Go Into Effect

March 23, 2018

Trump’s steel and aluminum tariffs go into [effect](#) with exemptions for selected countries. His 25 percent steel tariff applies to countries that exported \$10.2 billion of steel products to the United States in 2017, and his 10 percent aluminum tariff applies to countries that exported \$7.7 billion. There is no timeline or explicit criterion for the removal of the restrictions.

Korea Receives Permanent Exemption for Steel, But Faces Quota

March 28, 2018

Korea [agrees](#) to [reduce steel exports](#) to the United States in return for a permanent exemption from the steel tariff. The [steel quota](#) of 2.68 million tons cuts its shipments by 21.2 percent from its 2017 volume.

China Retaliates

April 2, 2018

China imposes [retaliatory tariffs](#) on aluminum waste and scrap, pork, fruits and nuts, and other US products, worth \$2.4 billion in export value in 2017. This compares to the US steel and aluminum tariffs covering Chinese exports worth \$2.8 billion in 2017.

#### US Extends Tariff Exemptions

April 30, 2018

The Trump administration extends the [steel](#) and [aluminum](#) tariff exemptions provided to the European Union, Canada, and Mexico until June 1, 2018. Korea's aluminum tariff exemption ends. Argentina, Australia, and Brazil receive indefinite exemptions for steel and aluminum tariffs while finalizing details on "satisfactory alternative means to address the threatened impairment to the national security" by the imports.

#### US Ends Tariff Exemptions for EU, Canada, and Mexico

June 1, 2018

The United States moves forward with 25 percent tariffs on [steel](#) and 10 percent on [aluminum](#) for the European Union, Canada, and Mexico by ending their previously granted exemptions effective June 1. The three trading partners supplied almost half of US steel and aluminum imports in 2017. [As of June 1](#), Argentina has quotas for steel and aluminum in return for permanent tariff exemptions for both metals. Brazil has quotas on steel, with differing amounts on semi-finished and finished steel products, and a 10 percent tariff on aluminum. Australia remains the only trading partner for steel and aluminum without trade restrictions.

#### EU Retaliates on Iconic American Goods

June 22, 2018

The European Union activates its previous tariff threat on the United States, with an initial list covering [\\$3.2 billion of US products](#) in 2017. Steel and aluminum make up 34 percent of the affected products, while the rest are agricultural and food products, and other consumer goods. Specific items include bourbon whiskey, motor boats and yachts, motorcycles, blue jeans, corn, and peanut butter. Harley-Davidson [announced](#) on June 25 it was shifting additional motorcycle production outside the United States to avoid the retaliatory tariffs.

#### Canada Strikes Back

July 1, 2018

Canada [imposes tariffs](#) on US products [totaling \\$12.8 billion](#) in 2017. Half of the targeted goods are steel and aluminum. American agricultural and food products make up 19 percent, and 24 percent are other consumer goods. Steel products face a 25 percent tariff, while the remaining products are hit at a 10 percent rate.

#### Subsidies for American Farmers After Export Fallout

July 24, 2018

The US administration [announces](#) it will subsidize American farmers for up to \$12 billion for their lost export sales resulting from all of the president's tariff actions (including other tariffs on Chinese goods) using a law that supported farmers during the Great Depression. A total of [\\$27 billion](#) of American agriculture exports are being affected, such as soybeans, corn, nuts, fruit, and beef.

### **BATTLE #3: UNFAIR TRADE PRACTICES FOR TECHNOLOGY, INTELLECTUAL PROPERTY (IP)**

USTR Self-Initiates Investigation of China  
August 18, 2017

US Trade Representative Robert E. Lighthizer [self-initiates](#) an [investigation](#) of China under Section 301 of the Trade Act of 1974, after President Trump's [memorandum](#) of August 14, 2017, instructing him to consider whether to investigate any of China's laws, policies, practices, or actions that may be unreasonable or discriminatory and that may be harming American intellectual property rights, innovation, or technology development.

Unfair Trade Practices Investigation Results  
March 22, 2018

The Trump administration [releases its report](#) finding China is conducting unfair trade practices related to technology transfer, intellectual property, and innovation under Section 301 of the Trade Act of 1974. Trump [indicates](#) forthcoming remedies of tariffs on up to \$60 billion of Chinese products, a World Trade Organization (WTO) dispute, and new rules on investment.

Tariff Threats on 1,333 Chinese Products  
April 3, 2018

The Trump administration [releases its list](#) of 1,333 Chinese products under consideration for 25 percent tariffs, which cover \$46.2 billion of US imports. The [top sectors hit](#) are machinery, mechanical appliances, and electrical equipment at \$34.2 billion. Roughly 85 percent of the imports [targeted](#) by the tariffs are in intermediate inputs and capital goods, negatively impacting American companies' supply chains and cost competitiveness for making goods and services to sell in the United States and worldwide.

China Threatens Retaliation on Autos, Aircraft, and Agriculture  
April 4, 2018

China publishes [its list of 106 products](#) subject to forthcoming 25 percent tariffs as retaliation for Trump's Section 301 tariffs, covering \$49.8 billion of China's imports from

the United States. They mostly affect US transportation (vehicles, aircraft, and vessels) and vegetable products (largely soybeans).

US Considers Additional Tariffs on \$100 Billion  
April 5, 2018

Trump [instructs trade officials](#) to consider whether an additional \$100 billion of US imports from China should be subject to new tariffs.

White House Plans Tariffs After Brief “Hold”  
May 29, 2018

After Treasury Secretary Steven Mnuchin said the tariffs were “[on hold](#)” on May 20, the White House releases a [statement](#) that it would impose tariffs on \$50 billion of goods from China shortly after announcing the final list of covered imports on June 15, 2018.

Revised List of Tariffs on Almost \$50 Billion of Chinese Products  
June 15, 2018

The US Trade Representative releases a [revised list of products](#) on which it plans to impose 25 percent tariffs, in two phases starting July 6, 2018. Combined, they cover \$46.3 billion of imports from China in 2017. Compared with the original list proposed on April 3, 2018, the new list targets even more [intermediate inputs](#)—95 percent of the products hit are now intermediate inputs or capital equipment used largely by American-based companies dependent on imports from China. The updated list still [mostly misses imports](#) from Chinese companies, based on 2017 data.

China’s Revised Retaliation List  
June 15, 2018

China issues an [updated retaliation list](#) of 25 percent tariffs targeting nearly [\\$45 billion of US exports](#) to China in 2017, including a lot of agricultural and food products. China also plans a two-phase approach, covering \$29.6 billion of US goods starting July 6, 2018, including soybeans and vehicles. The remaining \$15.3 billion of products would be covered later—largely crude oil, plastics, chemicals, and liquified propane—and likely depending on whether the Trump administration imposes its second phase of tariffs released June 15. Compared with what China proposed on April 4, the country adds mineral fuels, some consumption goods, and medical equipment. Aircraft—which accounted for \$16.3 billion of US exports to China in 2017—are taken off the list.

Trump Asks for More Tariffs  
June 18, 2018

In response to China’s retaliatory tariffs announced June 15, 2018, President Trump directs the US Trade Representative to [identify an additional \\$200 billion](#) worth of Chinese goods for additional tariffs at a rate of 10 percent. This is on top of the \$50

billion list of June 15. He also threatens another \$200 billion of tariffs if China retaliates again.

#### USTR Announces \$200 Billion Tariffs on China July 10, 2018

Following up on the June 18 request, the US Trade Representative [releases a list](#) of \$200 billion of imports from China to be subjected to new 10 percent tariffs after public hearings in August. Intermediate goods, like computer and auto parts, make up [47 percent](#) of the list. Consumer goods are more heavily targeted than in the previous June 15 list—including telephones, computers, furniture, lamps, and luggage. This list combined with the \$50 billion list of June 15 would cover \$250 billion of the roughly \$504 billion of goods imported from China in 2017.

#### Trump Threatens Tariffs on All Imports from China July 20, 2018

In an [interview](#), Trump says he is ready to impose tariffs on all US imports from China, which totaled \$504 billion in 2017. The threat covers the [remaining \\$262 billion](#) of imports not already under previous tariffs or being investigated for tariffs as previously announced under the Section 301 investigation. Capital goods and consumer products would be the primary targets, since intermediate inputs were largely targeted in previous tariff lists, and includes products like mobile phones (\$45 billion), laptops (\$37 billion), and clothing (\$27 billion).

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#### Trump Wants 25 Percent Tariffs, Not 10 Percent August 1, 2018

Following Trump's direction, the US Trade Representative considers a [25 percent tariff rate](#) rather than the 10 percent rate on the list of \$200 billion of imports released July 10.

#### China Threatens Tariffs on \$60 Billion August 3, 2018

China warns it could add duties of [5 to 25 percent on \\$60 billion](#) of US goods following Trump's threat to raise proposed tariff rates on \$200 billion of Chinese goods from 10 to 25 percent.

#### **BATTLE #4: AUTOS AS NATIONAL SECURITY THREAT**

Commerce Initiates Another National Security Investigation  
May 23, 2018

The Commerce Department [initiates](#) another national security investigation into imported autos and parts, the third such investigation under Trump, following the steel and aluminum cases. [Public hearings](#) are scheduled for July 19–20, 2018. Trump is reportedly [considering raising tariffs](#) to 25 percent on these products, which a [PIIE analysis](#) finds could cost 195,000 American jobs, assuming no exemptions. That number could more than triple if other countries retaliate in-kind. The tariffs would affect \$208 billion of imports, not including auto parts, nearly all from key US allies.