

TARIFFS: WHAT OTHERS ARE SAYING

Highlighting the Economic Impacts of Trump's Tariffs on Mexico, Canada, and China

February 3, 2025

Tax Foundation

- U.S. GDP would shrink by 0.4% (2025-2034).
- Tariffs would increase taxes by \$1.1 trillion over 10 years.
- Households would pay an extra \$800 in 2025.
- Capital stock would decline by 0.3%.
- The US economy would lose 330,000 full-time jobs.

Oxford Economics

- U.S. GDP growth would slow by 0.7% in 2025.
- Unemployment would rise from 4.1% to 4.5%.
- Inflation would exceed 3% for most of 2025, averaging 2.8% in Q4.
- Canada's GDP would drop 1.3%, with unemployment rising from 6.7% to 7.8%.
- Mexico's economy would shrink 3% by 2026.

The Budget Lab

- The average household would lose \$1,250 in purchasing power, or a 0.72-0.76% increase in the PCE price level.
- The U.S. economy would shrink by 0.2%.
- The average tariff rate would rise to 8.8%—highest since 1946.
- Price increases:
 - Electronics: +5.7%
 - Electrical Equipment: +4.4%
 - Fresh Produce: +1.8%
 - Crude Oil: +1.1% → Gasoline: +1.3% (\$0.04/gal)
 - Autos: +3.9% (Imported: +6.9%, Domestic: +1.8%)

Peterson Institute for International Economics

- U.S. GDP would decline by 0.3% by 2026.
- Inflation would rise 0.54% in 2025.
- Tariffs on Mexico & Canada would cost the U.S. \$200 billion in GDP.
- A 10% tariff on China would reduce GDP by \$55 billion over 4 years, adding 0.2% to inflation.

Other Estimates

- [Goldman Sachs](#): Every 5% tariff increase reduces S&P 500 earnings by 2-3%

MEDIA COVERAGE

[Trump's tariffs send stock market falling](#) – ABC News - Max Zahn - February 3, 2025

[American alcohol pulled from shelves in some Canadian provinces amid Trump's tariffs](#) – USA Today - Julia Gomez - February 3, 2025

[Apple, Nvidia And Tesla Among Hardest Hit As Tariffs Drag Down Stock Market](#) – Forbes - Derek Saul - February 3, 2025

[World reacts to Trump's order for tariffs on Canada, Mexico and China, as he warns Europe will be next](#) – CBS News - Ramy Inocencio - February 3, 2025

[Trump's Tariffs Threaten Big Pharma With Higher Costs and Slimmer Margins](#) - BioSpace - Tristan Manalac - February 2, 2025

['Tariffs are not the answer': Industry and corporate leaders react to Trump duties on Mexico, Canada and China](#) – CNBC – Kristian Brurt – February 1, 2025

INDUSTRY

[UAW Statement on Tariffs and Renegotiating U.S. Trade Agreements](#) – United Autoworkers – February 3, 2025

[ITIF Statement](#) – Information Technology and Innovation Foundation – February 3, 2025 (*ITIF CEO Jason Oxman provided a quote in Axios' Tech Policy newsletter*)

[Business Roundtable Statement on Tariff Executive Orders](#) – Business Roundtable – February 2, 2025

[NFTC Statement on Tariff Announcement](#) – National Foreign Trade Council - February 1, 2025

[U.S. Chamber: Tariffs Are Not the Answer](#) – U.S. Chamber of Commerce – John Murphy – February 1, 2025

[NRF Responds to Tariffs Imposed on Canada, Mexico and China](#) – National Retail Federation - Danielle Inman - February 1, 2025

[API Statement on Tariffs on Canada, Mexico and China](#) – American Petroleum Institute – February 1, 2025

[Trucking Industry Reacts to Tariffs](#) – American Trucking Association - Chris Spear - February 1, 2025

[PRESS RELEASE: ABMA Calls on White House to Exempt Canadian Lumber from New Tariffs](#) – American Building Materials Alliance - Francis Palasieski - January 31, 2025

ELECTED OFFICIALS

[Leader Schumer Slams Trump Tariffs That Are Going To Raise Prices As Much As \\$1200 A Year For American Families; Leader Schumer Urges Admin To Back Off On Tariff War And Put Forward Legislative Solutions To Lower Costs From The Grocery Store To The Gas Pump](#) – U.S. Senator Chuck Schumer - February 2, 2025

[Leader Jeffries Statement On Republican Tariffs And Inflation](#) – House Majority Leader Rep. Hakeem Jeffries – February 1, 2025

[Cantwell: Trump's New Tariffs Will Drive Up Grocery & Gas Prices, Costs for American Manufacturers](#) – U.S. Senator Maria Cantwell – January 31, 2025

[Welch Slams Trump Tariffs: "Donald Trump has just raised prices for every working American."](#) – U.S. Senator Peter Welch - January 31, 2025