

Trump's tariffs and trade war

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My team will be reporting on the trade war between Trump and China with the impact of tariffs and the new beginning of a cold war. I will be covering the impact of the tariff's and how they will greatly impact China's economy, people and its power in the market world negatively because the United States is their biggest profit and trade partner. Indeed it is known that China is our biggest friend when it comes to imports and exports, but with the new tariffs at stake, a new Cold War has just been stirred and will be going on for years to come..

In retaliation to China's sixty billion dollars worth of tariffs on the United States, President Trump set two-hundred billion dollars of tariffs on Chinese goods. Not only are the tariffs in place but they also deal a great threat to China. China has relied almost solely on infrastructure investments to push forth with their economic growth over the years. With the tariff's in place, the government can't resort to public spending because the astonishing debt the country faces. Facing two hundred fifty trillion dollars in debt the country has to face another giant hit with Trump at the helm enforcing the tariffs on the country, the stock market in China has dropped twenty percent since January. China's currency just had its two weakest months in history June and July along with the Chinese stocks in global value dropped thirty percent. The trade war still in full force and China's fragile aging economy, the United States exports and imports would be an effortless way out of the debt that China has created.

The impact of the tariff's will greatly impact China's economy, people and its power in the market world as the United States is their biggest profit and trade partner. When recession is brought into China, the fragile economy

falls apart with civil unrest and strikes. The last person to say the economy is stable before the new governor of the people's bank in China was, Herbert Hoover during the Great Depression. China's leaders and governmental officials can hide all that is going on to the public, basically stating the president can meet with Trump to end the trade war and go back to China without anyone knowing.

Rising prices on the exports and imports are the most concerning parts for companies and China's economy. The impact of the tariffs are leading to a combined loss of profits along with companies and employers having to cut some of their staff in order to stay profitable. With cuts in employees is equaling out to less production and but less money for running costs.

Although, some of the employers have already laid off some employees, that number is sure to rise with the new round of tariffs that were put into place by Trump.

Some companies that are based out of China whether or not the companies originated from the United States or not, they are planning on relocating, but not in China. They are looking for new places to relocate their companies now due to the increase in taxes on the imports that was put on China by the United States. The impact of the tariffs on China's economy has dropped the stock prices dramatically over the past year. With the rising debt numbers, China will have to produce more product and supplies to help them slowly dig their way out of the hole they were put into. The increase of tariffs will affect China's growth with the range of -3.4% to -2%. Instead of increasing the GDP the rate will actually go down by -.5% or -.3%.

All levels of the Chinese economy will be affected negatively by the tariffs. The companies may be be financial and some may not be, but are still losing export growth from a range of -8. 3% to -. 4%. China's economy is being affected by these tariffs because the biggest most profitable companies as well as the smallest companies are losing growth and GDP due to the tariffs that have been put in place by our President Donald Trump. China's fragile economy is about to break under the tariff's we have put on it and will see a Great Depression like did back in 1929.