

Are Trump's Tariffs Paving the Way for China to Amass More Power?

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A tax imposed by a government on goods imported from other countries—it sounds benign enough. However, these taxes, known otherwise as tariffs, are being wielded by President Donald Trump as a political and economic weapon, potentially to devastating effect. Historically, countries have used tariffs to promote domestic industries by raising consumer prices on foreign goods. World War II marked a significant shift in this strategy: advanced economies largely abandoned tariffs as tools of economic nationalism. For decades since, it has been the widely-held assumption that open markets, free trade, mutual cooperation, and low tariffs are paramount to international stability and economic prosperity. However, under President Trump, the US has upended this belief. Trump hit both economic rivals, such as China, and longstanding US allies, with shocking rounds of massive tariffs, abandoning decades of trade policy norms. These sweeping, unilateral tariffs violated trade agreements, including some negotiated by his first administration, such as the USMCA: “President Trump tore up a successor agreement to NAFTA that he negotiated with Canada and Mexico.”<sup>1</sup> The tariffs shattered American credibility and trust. President Trump has long argued that tariffs are a necessary mechanism to reshore manufacturing and counter China’s growing industrial prowess. In his first term, President Trump imposed tariffs on hundreds of billions of dollars worth of imported goods from China and other countries, primarily aimed at reducing US trade deficits and “boost[ing] domestic manufacturing in the name of national security and U.S. economic competitiveness.”<sup>2</sup> While these tariffs did lead to some reshoring of manufacturing, they resulted in retaliatory tariffs, damaging US supply chains, and leaving American consumers and manufacturers bearing the brunt of the costs.<sup>3</sup> Despite this, in his second term, Trump has rolled out more aggressive and

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<sup>1</sup> Thomas Friedman and Ezra Klein, *Why Trump Could Lose His Trade War With China* | *The Ezra Klein Show*, YouTube, April 15, 2025, <https://www.youtube.com/watch?v=UqBa0hBAQBA>.

<sup>2</sup> Noah Berman and Anshu Siripurapu, “What Are Tariffs?” *Council on Foreign Relations*, April 1, 2025, <https://www.cfr.org/backgrounder/what-are-tariffs#chapter-title-0-1>.

<sup>3</sup> Stuart Anderson, “Trump’s Tariffs Were Much More Damaging than Thought,” *Forbes*, September 12, 2023, <https://www.forbes.com/sites/stuartanderson/2021/05/20/trumps-tariffs-were-much-more-damaging-than-thought/>;

sweeping tariffs, arguing that they will reshore manufacturing, shift production from China, and isolate China. In reality, rather than isolating China or reviving US industry, tariffs have alienated allies, shattered US credibility, empowered Beijing by pushing allies and partners toward it, and disrupted American industrial and technological development. Ultimately, Trump's trade war has had the opposite effect, strengthening China's global position.

President Trump and his inner circle have used many arguments to justify the gargantuan tariffs the Administration has placed on other countries—US allies and rivals alike.

However, some of the most frequently cited objectives used to defend these tariffs have been shifting manufacturing away from China, internationally isolating China, and relocating industrial jobs to America. The White House has claimed that “large and persistent annual U.S. goods trade deficits have led to the hollowing out of our manufacturing base; resulted in a lack of incentive to increase advanced domestic manufacturing capacity; undermined critical supply chains;” it argues that Trump's reciprocal trade policy will reduce deficits, reflecting the President's broader “America First” agenda. Currently, China accounts for 32% of the world's manufacturing and is the largest exporter in the world, a disparity which is consistently growing—in 2024, growth in Chinese exports was 12%, compared to 3% for the rest of the world—.<sup>4</sup> This data is illustrated in the graph below.<sup>5</sup>

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Chao Deng, “What Was the Impact of Trump's First-Term Tariffs?” *The Wall Street Journal*, April 3, 2025, <https://www.wsj.com/livecoverage/trump-tariffs-trade-war-stock-market-04-02-2025/card/what-was-the-impact-of-trump-s-first-term-tariffs--IPtWCC0hVHkdJvBti7q7>.

<sup>4</sup> Keith Bradsher, “‘The Tsunami Is Coming’: China's Global Exports Are Just Getting Started,” *The New York Times*, April 7, 2025,

<https://www.nytimes.com/2025/04/07/business/china-manufacturing-exports-trump-tariffs.html>.

<sup>5</sup> Michael Weilandt and Brad W. Setser, “China's Stunning 2024 Export Growth,” *Council on Foreign Relations*, December 17, 2025, <https://www.cfr.org/blog/chinas-stunning-2024-export-growth>.



The disproportionate outsourcing of manufacturing to China poses serious national security risks to the US, as America relies heavily on China for production and supply chains.<sup>6</sup> The Trump Administration posits that massive tariffs on China will drive up the prices of cheaper Chinese goods, allowing for a more favorable competitive environment for American-made products in the domestic market.<sup>7</sup> According to Jason Karaian and Colby Smith, President Trump’s populist goal to reindustrialize America attempts to recreate an era in which industrial America was dominant: “For a time during the 20th century, parts of Europe and Asia were rebuilding after two world wars, so U.S. factories thrived, and manufacturing provided upward mobility for millions of Americans.”<sup>8</sup> Trump’s heavy tariffs on imports to the US are an attempt to resurrect

<sup>6</sup> Jason Karaian and Colby Smith, “Why the Bond Market Holds Sway Over Trump,” *The New York Times*, April 18, 2025, <https://www.nytimes.com/2025/04/18/business/bond-market-tariffs-trump.html>.

<sup>7</sup> Berman and Siripurapu, “What Are Tariffs?”

<sup>8</sup> Karaian and Smith, “Why the Bond Market Holds Sway Over Trump.”

this golden age of manufacturing. However, the President fails to acknowledge that this era had sociopolitically unique conditions, given that “the United States faced virtually no foreign competition and had enormous government investment in infrastructure, education and research and development.”<sup>9</sup> Furthermore, his economic agenda aimed at reviving this age reflects the widely held sentiment in the White House that since then, “due to the growth of the U.S.-China trade deficit,” US leaders have “allowed China to steal American jobs and industries.”<sup>10</sup>

Additionally, the intention of the Trump Administration’s tariffs is not just to reduce Chinese manufacturing and reindustrialize the US, but also to isolate China internationally; “The administration’s current theory of the case, which has been circulating among Trump allies and was confirmed by a White House official, is that tariff deals with Asian countries, as well as the dozens of others across the globe seeking to negotiate with the U.S., will isolate China, disrupt the Chinese supply chain and threaten to cut the country off from the rest of the world,”<sup>11</sup> said Felicia Schwartz and Megan Messerly. However, in reality, these tariffs have shocked US allies, damaging American alliances and undermining credibility and trust; in turn, this has had the reverse effect, pushing US allies closer to China. Recently, American allies who were shocked by Trump’s tariffs have met with Chinese leader Xi Jinping. In addition, countries such as Cambodia, Malaysia, and Vietnam have signed dozens of new trade agreements with China in response to the hostile American tariffs. Rather than rallying allies to put up a united front against China, the Trump Administration has hit close US partners with aggressive tariffs, obliterating the necessary leverage to negotiate with China and successfully relocate

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<sup>9</sup> Karaian and Smith, “Why the Bond Market Holds Sway Over Trump.”

<sup>10</sup> “Donald Trump Picks the Wrong Trade Fight with China,” *The Economist*, April 29, 2025, <https://www.economist.com/international/2025/04/29/donald-trump-picks-the-wrong-trade-fight-with-china>; “*Fact Sheet: President Donald J. Trump Declares National Emergency to Increase Our Competitive Edge, Protect Our Sovereignty, and Strengthen Our National and Economic Security*,” *The White House*, April 2, 2025, <https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/>.

<sup>11</sup> Schwartz et al., “Trump Wants to Make a Deal with China.”

manufacturing. “But instead of making it the whole industrial world against China, Trump made it America against the whole industrial world *and* China,”<sup>12</sup> according to Thomas Friedman. So far, Trump’s tariffs are hurting the US industry rather than expanding it. Although the President claims that tariffs will reduce US trade deficits—and thereby help American industry—economists argue otherwise; as research shows, “there is generally no correlation between a country’s tariff levels and its overall trade balance,” and “if the tariffs do succeed in meaningfully lowering trade deficits, it would most likely be because they caused a recession.”<sup>13</sup> Furthermore, in their tariff strategy, the Trump Administration followed a line of first-order thinking: after the implementation of their extensive tariffs on China, the US would need to take advantage of this time, providing US companies with the necessary infrastructure to build an industrial base in America. However, no such plan has been executed by the Administration.<sup>14</sup> Moreover, tariffs have damaged American manufacturing and industrial jobs due to China’s ability to cut off rare earth minerals and magnets that are crucial to manufacturing, as well as raising input costs across supply chains. Overall, Trump’s tariffs have backfired, alienating US allies and pushing them closer to China, as well as harming American industry and development.

Trump’s tariffs have drastically diminished America’s diplomatic leverage over China and threatened its standing as a global financial leader by betraying allies, eroding international trust, and undermining US credibility. Following the tariffs announcement, the French government released a statement proclaiming “[Trump] thinks he is the master of the world;” French President Emanuel Macron also responded to the tariffs in a video calling them “brutal and unfounded.”<sup>15</sup> America’s greatest advantage over China was its globally reaching, strong

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<sup>12</sup> Thomas L. Friedman, “What Trump Just Cost America,” *The New York Times*, April 9, 2025, <https://www.nytimes.com/2025/04/09/opinion/trump-tariffs-pause-china.html>.

<sup>13</sup> Friedman, “What Trump Just Cost America.”

<sup>14</sup> Friedman and Klein, *Why Trump Could Lose His Trade War*.

<sup>15</sup> Kelsey Ables, “The Global Reaction to Trump's Tariffs, in 10 Candid Quotes,” *The Washington Post*, April 4, 2025, <https://www.washingtonpost.com/world/2025/04/04/trump-tariffs-world-reaction-quotes/>.

alliances; however, by suddenly imposing erratic, unilateral tariffs on American allies and violating trade agreements, Trump has shattered the cooperative framework that gave the US negotiating power and leverage over China. The Trump Administration's tariffs have driven a wedge between the US and its allies, breaking down decades of shared interest and relationship building, as well as signaling that the US is not a trustworthy, reliable partner. This trust is not likely to be rebuilt. According to Steve Erlanger, "The tariffs highlight long-term damage to American relations with Europe that are unlikely to ever be fully repaired."<sup>16</sup> Moreover, as Thomas L Friedman argues, in recent weeks, "We have told our closest friends in the world — countries that stood shoulder to shoulder with us after Sept. 11, in Iraq and in Afghanistan — that none of them were any different from China or Russia. They were all going to get tariffed under the same formula — no friends-and-family discounts allowed."<sup>17</sup>

Historically, the US has had a network of allies, which have rallied together and cooperated to help each other, playing a key role in the formation of the social, political, and economic framework of the world today. The US, with the help of its allies, has led the international world order, fostering democracy and effectively limiting autocratic power, such as China's. However, Trump's tariffs are a stab in the back to America's allies. Alienating US allies and eroding international trust in America's commitment to uphold its agreements has serious implications; "Do you think these former close U.S. allies are ever going to trust getting into a trench with this administration again?"<sup>18</sup> Friedman continues that "the best way to get leverage would have been for Trump to enlist our allies in the European Union, Japan, South Korea, Singapore, Brazil, Vietnam, Canada, Mexico, India, Australia and Indonesia into a united front.

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<sup>16</sup> Steven Erlanger, "The Predatory Friend: Trump Treats Europe as Anything but an Ally," *The New York Times*, April 5, 2025, <https://www.nytimes.com/2025/04/05/world/europe/trump-europe-tariffs-defense.html>.

<sup>17</sup> Friedman, "What Trump Just Cost America."

<sup>18</sup> Friedman, "What Trump Just Cost America."

Make it a negotiation of the whole world versus China.”<sup>19</sup> Rather than using allies as leverage against China, rallying together to relocate production and to open the Chinese market, Trump has instead chosen to go it alone—a decision that reflects his broader isolationist approach to foreign policy.

American allies not only served as an advantage for negotiating, but were a critical tool in limiting advanced technology exports to China. According to Patricia Cohen, “Mr. Trump’s hostility to allies could also undercut government efforts in recent years to keep advanced technology out of China’s hands.”<sup>20</sup> In the past few years, before Trump’s tariffs were imposed, the United States was able to use its alliances with countries, such as Japan, Korea, and the Netherlands, to restrict exports of advanced semiconductors to China.<sup>21</sup> America’s close relationship with its allies was crucial in persuading them to limit the sales of advanced technologies; now that these relationships have been severely damaged, these countries may be more willing to export to China, bolstering its military and technological capabilities. Finally, the erosion of trust among US allies may weaken American financial power, opening the opportunity for China to claim a greater share. Other countries are voluntarily woven into the complex architecture of American financial dominance—a system that underpins America’s international strength as the world’s most stable and largest economy and currency. However, after being blindsided by massive, unilateral tariffs, these countries may unwind themselves from this architecture, no longer trusting America as it will tariff them on a whim. This could enable China to take financial power from the US, as it has the necessary economic, financial, and industrial

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<sup>19</sup> Friedman, “What Trump Just Cost America.”

<sup>20</sup> Patricia Cohen, “Why Trump’s Economic Disruption Will Be Hard to Reverse,” *The New York Times*, April 28, 2025, <https://www.nytimes.com/2025/04/28/business/economy/trump-trade-global-economy.html>.

<sup>21</sup> Noel King and Gabrielle Berbey, “How Trump’s Tariffs Could Help China,” *Vox*, April 4, 2025, <https://www.vox.com/today-explained-podcast/407112/trump-tariffs-china-vietnam-south-korea>; Patricia Cohen, “Trump’s Trade War Risks Forfeiting America’s Economic Primacy,” *The New York Times*, April 3, 2025, <https://www.nytimes.com/2025/04/03/business/trump-tariffs-dollar.html>.

infrastructure to financially lead the world and has positioned itself as a more stable and reliable alternative.<sup>22</sup>

Rather than drawing US allies closer, tariffs have pushed them towards China, which presents itself as the more stable and credible option, making trade and potentially military deals with US allies. By treating allies like adversaries and applying sweeping tariffs, the Trump Administration not only undermined the cooperation that America has historically relied on to limit Chinese expansion power, but also projected the image of the US as an unreliable and unstable partner—allowing China to step in and fill the diplomatic vacuum. Not only do Trump’s tariffs allow China to present itself as a much more credible and stable trade partner, but they also support China’s historical claim that the US is a bullying nation. According to Noel King and Gabriel Barbey, the Chinese Ministry of Foreign Affairs has claimed for decades “that the US is a country that bullies smaller countries — it talks a high and mighty game about these lofty ideals of freedom and democracy and human rights, but in reality it’s just looking out for itself.”<sup>23</sup> The United States’ recent embrace of President Trump’s “America First” policy states this outright, further bolstering China’s narrative. China has stated that tariffs are an American “attack on the rest of the world”, and with hostile tariffs catching US allies off guard, “Beijing has cast itself as a solution for nations that feel bullied by Trump’s trade approach.”<sup>24</sup> In this regard, tariffs have not only worsened the US’s position and credibility but also significantly elevated China on the world stage. Before Trump’s tariffs, the US had historically been perceived as a force of economic and sociopolitical good in the world. Trump’s trade policy calls this assumption of America as a reliable and stable ally into question; in this doubt, the US has given

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<sup>22</sup> Friedman and Klein, *Why Trump Could Lose His Trade War*.

<sup>23</sup> King and Barbey, “How Trump’s Tariffs Could Help China.”

<sup>24</sup> King and Barbey, “How Trump’s Tariffs Could Help China.”; Lili Bayer, John Geddie, and Matt Spetalnick, “Trump’s First 100 Days: America First President Is Overturning World Order,” *Reuters*, April 28, 2025, <https://www.reuters.com/world/us/trumps-first-100-days-america-first-president-is-overturning-world-order-2025-04-27/>.

China the space to create deeper bonds with other countries, rather than isolating it. A foreign ministry spokesperson told a press briefing in response to tariffs, “China will insist on shaking hands rather than shaking fists, tearing down walls instead of building barriers, connecting instead of decoupling.”<sup>25</sup> Recent tariffs have created the ideal landscape for China to deepen its connections with other countries, as Beijing’s current initiatives capitalize on the international sense of frustration and disillusionment triggered by the tariffs. In recent weeks, China has done just this: President Xi Jinping has swept through Southeast Asia, signing dozens of trade agreements with developing nations such as Vietnam, Malaysia, and Cambodia; trade ministers from Japan, South Korea, and China met in Seoul for the first time in five years; Pedro Sanchez, the Prime Minister of Spain, met with President Jinping in Beijing in early April; China said it has recently exchanged views with the EU on bolstering economic cooperation.<sup>26</sup> Moreover, for many countries, China is so tightly intertwined with their supply chains that they cannot afford to decouple as President Trump has urged. China’s centrality in global trading networks gives the country “serious clout.” While America accounts for less than a fifth of global trade, China is the biggest trading partner for over a hundred countries—in 2022, it provided over 19% of Japan’s imports, over a third of South Korea’s imports, and more than 38% of Vietnam’s imports—.<sup>27</sup>

Additionally, America’s loss of economic reliability and trust extends to all US commitments, including security guarantees, which may cause some countries, especially in Asia, to turn to China. According to James Crabtree, “China could increase its political and

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<sup>25</sup> “China Says It Is ‘Tearing Down Walls’ to Expand Trade Alliances amid US Standoff,” *Reuters*, April 15, 2025, <https://www.reuters.com/world/asia-pacific/china-will-trade-with-more-friends-rather-than-throwing-punches-foreign-ministry-2025-04-15/>.

<sup>26</sup> Bayer, Geddie, and Spetalnick, “Trump’s First 100 Days.”; Felicia Schwartz, Phelim Kine, Ari Hawkins, and Megan Messerly, “Trump Wants to Make a Deal with China. Here’s How He’s Trying to Make That Happen,” *Politico*, April 16, 2025, <https://www.politico.com/news/2025/04/16/trump-china-trade-strategy-00291979>; King and Berbey, “How Trump’s Tariffs Could Help China.”; *Reuters*, “China Says It Is ‘Tearing Down Walls.’”

<sup>27</sup> “Why China Has the Upper Hand in Its Trade War with America,” *The Economist*, May 1, 2025, <https://www.economist.com/finance-and-economics/2025/05/01/why-china-has-the-upper-hand-in-its-trade-war-with-america>.

military domination of the region....The perception of American unreliability may lead [Japan and South Korea]—and other countries, like Vietnam—to reach some kind of security accommodation with Beijing rather than resist.”<sup>28</sup> Trump’s tariffs have presented an unprecedented opportunity to China, not only allowing it to portray the US as the aggressor, but also opening the international stage for it to expand economically, militarily, and politically. In this pursuit, China will also likely exploit the opportunity of American withdrawal from USAID to portray the United States as the irresponsible great power. In addition, China is trying to utilize its foreign aid to fill the vacuum left by cuts in USAID.<sup>29</sup> As Dr. Jason Furman argues, given the choice between economic relations with the US and with China, countries that have been betrayed by Trump’s aggressive tariffs and have economies that are deeply intertwined with China “would probably choose the latter in a heartbeat. And where economic relations go, political relations will follow. This week’s tariffs are another step toward hurting the U.S. economy and creating a geopolitical system that increasingly has China at its center.”<sup>30</sup> Overall, American allies have not only met with but also signed dozens of trade agreements with Beijing; smaller nations that were reliant on American protection may now need to reconsider their security partnership due to America’s loss of credibility. China has presented itself as the better political partner when compared to American instability. These realities reveal the far-reaching consequences of Trump’s tariffs beyond trade policy, driving US allies closer to China across diplomatic, economic, and security arenas, as well as undercutting the historical US leadership of the economic and political order; rather than achieving their goal of bringing allies closer to the

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<sup>28</sup> James Crabtree, “Trump’s Tariffs Will Pay Off, for China,” *The New York Times*, April 22, 2025, <https://www.nytimes.com/2025/04/22/opinion/us-china-asia-tariffs.html>.

<sup>29</sup> Bayer, Geddie, and Spetalnick, “Trump’s First 100 Days.”

<sup>30</sup> Jason Furman, “Trump Is About to Bet the Economy on a Theory That Makes No Sense,” *The New York Times*, March 31, 2025, <https://www.nytimes.com/2025/03/31/opinion/trump-tariffs-economy.html>.

US and isolating China, tariffs have driven the world toward Beijing, marking a shift to a global landscape centered around China.

Although intended to revive American industry, Trump’s tariffs have backfired, instead undercutting US manufacturing, disrupting AI development and innovation, and threatening industrial jobs in America, overall undermining American competition with China. Reciprocal tariffs have made it more difficult and expensive for American AI—an industry already slowed by White House cuts to research funding—to innovate and expand. “One analysis estimates tariffs could increase the material costs of data centre building by around 20%, with IT hardware components potentially rising by 25%.”<sup>31</sup> Prior to tariffs, tech companies invested billions of dollars into AI datacenter construction, triggering a proliferation of new datacenters in the US; the extent of pre-tariff AI spending by big tech companies is depicted in the graph below.<sup>32</sup>

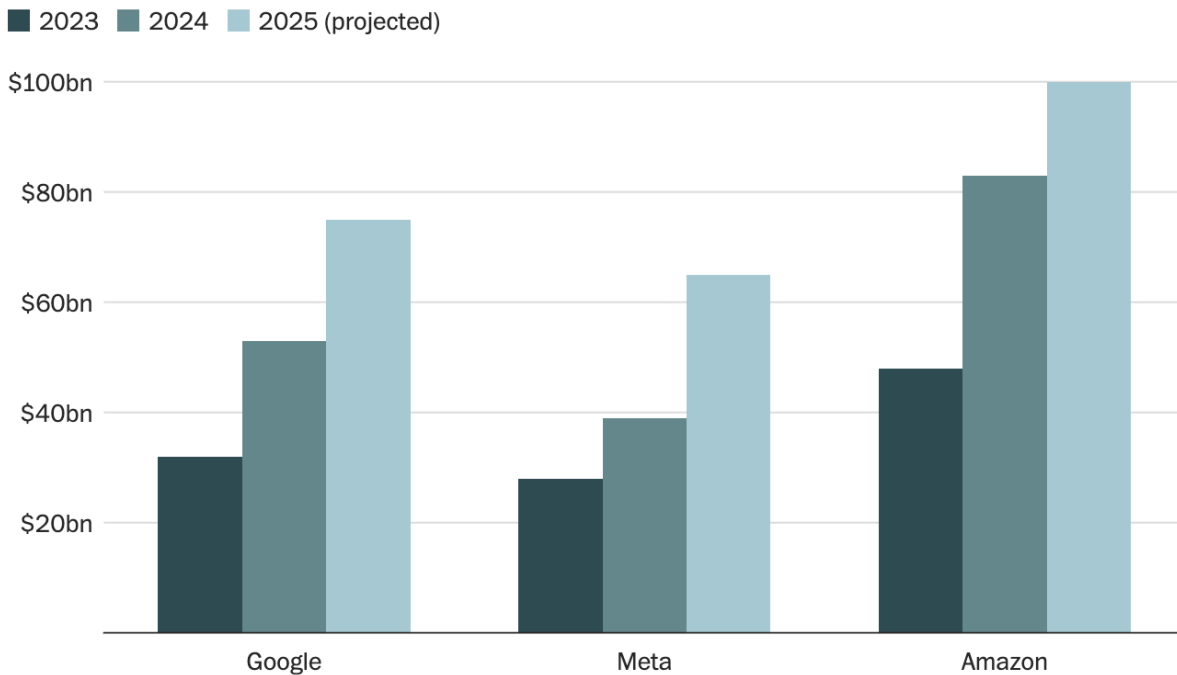
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<sup>31</sup> Albert Zomaya, “Trump’s Trade War Puts America’s AI Ambitions at Risk,” *The University of Sydney*, April 16, 2025, <https://www.sydney.edu.au/news-opinion/news/2025/04/16/trumps-trade-war-puts-americas-ai-ambitions-at-risk.html>.

<sup>32</sup> Gerrit De Vynck, “Trump’s Tariffs Could Threaten Silicon Valley’s AI Boom,” *The Washington Post*, April 13, 2025, <https://www.washingtonpost.com/technology/2025/04/12/tariffs-trump-threaten-silicon-valley-ai/>.

## Big Tech is spending billions of dollars in the AI race

Technology companies have increased capital expenditures as AI competition grows.



The extremely high costs these companies will now face due to tariff-induced supply chain disruption will significantly stifle their ability to grow and compete with China in the AI race. According to Chris Miller, increased costs of data centers are a “real risk” and “It has already been a major challenge to build all the datacenter capacity we need’ in the U.S. to stay ahead of China.... ‘Now datacenter construction will get meaningfully more expensive.’”<sup>33</sup> Victory in the AI race is a key foreign policy objective of the Trump Administration, as President Trump has emphasized that it is crucial to stay ahead of China in order to preserve US economic and national security. According to Jay Biggins, executive managing director at BLS and Co., a real estate consulting firm that helps AI data center developers find sites and plan their supply chains, for American companies focused on AI, “The overarching observation is one of uncertainty and

<sup>33</sup> Billy Perrigo, “How Trump’s Tariffs Could Hurt U.S. in AI Race with China,” *Time*, April 8, 2025, <https://time.com/7275771/trump-tariffs-ai-development-china/>.

confusion and inability to really plan.”<sup>34</sup> While tech companies generally prefer to build datacenters close to users for minimal lag time, the significant increase in prices and uncertainty over tariffs are generally considered more pressing issues, incentivizing big tech companies to construct datacenters abroad. Additionally, Trump’s tariffs have constrained investment in domestic manufacturing and slowed the growth of new industrial projects and new factories in the US, having the opposite effect of what was intended by the tariffs: rather than creating new manufacturing jobs in the US, these tariffs curtail the growth of industrial jobs and companies in the US. In reality, the higher input costs from tariffs on supply chains, as well as increased consumer anxiety caused by tariff uncertainty and pricing pressures, ultimately result in reduced manufacturing jobs. A Goldman Sachs estimate for 10% broad-based tariffs projects that for every 100,000 new manufacturing jobs created, almost 500,000 would be lost due to higher production costs.<sup>35</sup>

Moreover, American manufacturing is extremely reliant on rare earth minerals and magnets produced and refined in China, which are essential to automakers, aerospace manufacturers, semiconductor companies, and military contractors. Following the 34% tariff placed on goods from China on Trump’s “Liberation Day,” Beijing not only responded with tariffs of their own on US imports, but also suspended exports of critical minerals and magnets.<sup>36</sup> “On April 4, the Chinese government ordered restrictions on the export of six heavy rare earth metals, which are refined entirely in China, as well as rare earth magnets, 90 percent of which are produced in China.”<sup>37</sup> These materials now require a special export license to be shipped out

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<sup>34</sup> De Vynck, “Trump’s Tariffs Could Threaten AI Boom.”

<sup>35</sup> K. S. Scanlon, “What Trumponomics Is Really About,” *The New York Times*, April 16, 2025, <https://www.nytimes.com/2025/04/16/opinion/trump-tariffs-trumponomics.html>.

<sup>36</sup> David Pierson and Keith Bradsher, “Trump’s Trade War Escalates as China Retaliates With 34% Tariffs,” *The New York Times*, April 4, 2025, <https://www.nytimes.com/2025/04/04/business/china-trump-tariffs-retaliation.html>.

<sup>37</sup> Keith Bradsher, “China Halts Critical Rare Earth Exports as Trade War Intensifies,” *The New York Times*, April 13, 2025, <https://www.nytimes.com/2025/04/13/business/china-rare-earths-exports.html>.

of China. Not only does China produce 90% of the world's rare earth magnets, it also has a monopoly on the world's supply of heavy rare earth metals.<sup>38</sup> This poses urgent threats to American manufacturing, as these rare earth metals and magnets are crucial components of electric motors used in drones, missiles, robots, spacecrafts, and both electric and gas cars. Moreover, rare earth magnets account for only a tiny fraction of China's exports; therefore, a halt on shipments would result in minimal economic consequences for China. Conversely, for American manufacturers, these materials are crucial, and many of these companies have little to no stockpiles of them on hand, relying heavily on Chinese imports. As a result, if factories in the US run out of rare earth magnets and metals, they would be prevented from production, leading to a sharp decline in manufacturing output, job losses, and stalled industrial growth. Overall, Trump's tariffs already have and will continue to disrupt production and development of AI and industry in the US, backfiring by slowing America in the AI race, as well as hindering manufacturing through increased input costs and restrictions on essential materials.

With tariff policies changing drastically by the day and little predictability as to what they will entail, the issue of Trump's tariffs is arguably the most urgent and consequential policy debate today. President Trump and his Administration continue to defend this policy, insisting that tariffs will reshore manufacturing, shift production from China, and isolate China. However, in reality, tariffs have backfired, and the stakes could not be higher. The United States has alienated its allies—its most powerful leverage against China—, undermined its credibility, and slowed its own manufacturing and technological expansion, at a time when the AI and technology race against China is an essential victory. Far from isolating Beijing, these protectionist policies have empowered it, both economically and diplomatically, by pushing other nations—including many US allies—away from the United States and into China's orbit.

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<sup>38</sup> Bradsher, "China Halts Critical Rare Earth Exports."

With tariff escalation showing no sign of stopping, the world may be inching closer to a future where it's not the US and its allies vs. China, but the US vs. China and the world. The consequences of these tariffs on the US will likely be large. If they continue, these tariffs won't just be remembered as failed economic policy—they will reshape the landscape of geopolitical power for decades to come.

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In the article “The Predatory Friend: Trump Treats Europe as Anything but an Ally,” Steven Erlanger argues that Trump’s aggressive tariff policies and confrontational attitude toward NATO allies are fracturing the transatlantic alliance that has underpinned the Liberal World Order since World War II. European leaders are increasingly distrusting America, viewing it as “predatory” rather than “protective”, forcing them to rethink their military and economic strategies, which could permanently weaken the Liberal World Order. While The New York Times typically leans left and Erlanger uses a critical tone, he uses extensive evidence and quotes from European leaders and diplomats to support his points. This article is very helpful in discussing how Trump’s tariffs have damaged the alliances that are foundational to the maintenance of the Liberal World Order.

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In the news article "Trump Just Bet the Farm," Thomas Friedman argues that Trump's tariff policy is a reckless move that could destroy the global stability and economic prosperity the US worked to create after World War II. He warns that by shifting America from a "benign hegemon" to a predatory, isolationist power, Trump risks unraveling the liberal world order. This is an opinion piece, and while it has a liberal bias, Friedman's arguments are grounded in a strong understanding of US foreign policy history, international relations, and the liberal world order. This source is particularly useful in building the argument that Trump's tariffs—and more broadly, his approach to international relations—threaten the structure and stability of the liberal world order.

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In his article “What Trump Just Cost America,” Thomas Friedman argues that Trump’s handling of global tariff policies—particularly the abrupt 90-day pause—has significantly damaged US credibility and trust among allies. While Trump correctly identified the issue of China’s dominance in manufacturing, the way he addressed it—which fractured US alliances, destroyed our credibility, and isolated America—weakened US leverage over China. This is an opinion piece providing in-depth analysis by an informed author. However, this article is very emotionally charged and hostile, calling President Trump and his officials “knuckleheads” and “clowns.” This source is useful to describe how Trump’s tariffs have damaged important US alliances and inadvertently strengthened China’s position.

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"Why Trump Could Lose His Trade War With China" is a video podcast by Ezra Klein and Thomas Friedman, which discusses and critiques Trump's tariff strategy, particularly in relation to China. Friedman argues that while the goal of tariffs is to reduce reliance on Chinese manufacturing, the administration's first-order thinking lacks the follow-through needed to build a competitive industrial base in the US. Moreover, they argue that the administration has instead alienated allies and undermined trust in the US, which are both vital for the US to lead the liberal world order. Friedman and Klein assert that rather than strengthening America's position, Trump's unilateralism and unpredictability have weakened financial confidence in the US, setting the stage for China to take greater power as a financial leader of the world. This podcast is a conversation between two credible reporters, Ezra Klein and Thomas Friedman, and is very reliable as it is grounded in current geopolitical and economic knowledge. It is slightly biased as a liberal

news source, and the language is more polemical than scholarly. This is extremely useful in discussing how Trump's tariffs may erode the liberal world order, specifically discussing the loss of US soft power, breakdown of international trust, and alliances. Moreover, this article provides a strong counter to the argument that tariffs will help relocate manufacturing jobs from China to the US.

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"Trump's first 100 Days: America First president is overturning the World Order" is an article that argues that Trump's policies, especially his aggressive tariffs, have undermined the Liberal World Order. It highlights how Trump's unpredictability, transactional view of alliances, and disdain for multilateralism have alienated traditional allies, emboldened adversaries, like China and Russia, and triggered moves by other countries to hedge against American instability. This news article is based on interviews with international diplomats, analysts, and policymakers, making it a strong, informed, and credible source. A slight weakness is that it prioritizes providing a general overview of how Trump's policies in his first 100 days have broken down the liberal world order, as opposed to in-depth analysis. This source is ideal for arguing that Trump's tariffs have damaged US credibility, alienated allies, and opened opportunities for rivals like China, all of which contribute to the larger destruction of the Liberal World Order.

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