United States Senate

WASHINGTON, DC 20510

March 6, 2018

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

Dear Mr. President,

I write today to urge you to reconsider your plan to impose steep tariffs on all imports of steel and aluminum. The reaction to your announcement last week by American businesses and global markets demonstrated clearly that that such a plan would backfire, resulting in massive tax increases on American consumers and small businesses in the form of retaliatory tariffs. In New Hampshire and across the country, we simply cannot afford an unnecessary trade war that will kill American jobs, hurt small businesses and alienate our allies around the world.

Last week, you tweeted that "trade wars are good." Make no mistake: A trade war would be a disaster for New Hampshire. New Hampshire's economy has benefitted greatly from strengthened ties and increased access to foreign markets, especially neighboring Canada, our largest trading partner. In fact, international trade supports more than one in five jobs in the Granite State, and these trade-related jobs grew more than 9.6 times faster than overall employment from 2004 to 2013. A trade war would put New Hampshire's \$4 billion of exports at risk and hurt New Hampshire's exporters, 87 percent of which are small- and medium-sized businesses.

There is no question that we must address global overcapacity of steel and aluminum, especially regarding China. However, we must do so in a way that does not put American businesses and consumers in jeopardy. Imposing tariffs on our allies will do nothing to address the real concern while unnecessarily damaging American exporters and importers. Several countries have already indicated that they will impose retaliatory tariffs on unrelated goods should you go forward with the tariffs you proposed last week. This self-inflicted wound would harm American farmers and manufacturers who increasingly rely on global markets.

In addition, your announcement that these tariffs would apply to all countries regardless of whether they are contributing to the problem has unnecessarily strained key relationships with our allies in the European Union and NATO. Defense Secretary Mattis warned of this outcome, noting that the Department of Defense "continues to be concerned about the negative impact on our key allies." Going after Canada and our European allies will not only fail to solve the problem of Chinese overcapacity, but also jeopardize key markets for American goods and strategic relationships that we rely on for our national security.

Your announcement last week sent shockwaves across global markets. Moving forward with these tariffs will inflict further damage on American consumers and businesses, as well as our strategic relationships across the globe. I urge you to reconsider this damaging policy and consult with experts in the coming weeks so that we can prevent an unnecessary trade war that will hurt our economy.

Sincerely,

Jeanne Shaheen

United States Senator

CC: Hon. Wilbur Ross, Secretary of Commerce

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Hon. Rex Tillerson, Secretary of State

Hon. Robert E. Lighthizer, U.S. Trade Representative

Hon. James N. Mattis, Secretary of Defense

Hon. Linda McMahon, Administrator, Small Business Administration

Hon. Sonny Perdue, Secretary of Agriculture