

## Read the story and answer the questions.

The Trump administration believes that imposing tariffs would lead to more manufacturing jobs returning to the United States. This was presented as a key benefit of the "economic detox" that tariffs were intended to initiate.



However, a number of prominent economists express significant skepticism about this claim. Kimberly Clausing, a senior fellow at the Peterson Institute for International Economics, states she doesn't believe that tariffs would radically increase the proportion of goods made in America and has strong reasons for her skepticism based on prior literature and past experiments with tariffs.

Clausing notes that according to careful analysis of prior waves of Trump tariffs, it's often difficult to find evidence of significant employment growth in the industries that were most protected by these tariffs. The amount of additional employment was often "indiscernible", even in cases where some job gains were identified, such as a thousand steel jobs. Moreover, there tended to be reductions in employment in other parts of the economy.

Tariffs on intermediate products, which make up a majority of U.S. imports (like steel and aluminum), increase the costs for domestic manufacturers that use these inputs. This can make it more difficult for them to compete with foreign companies and it can lead to job losses in those downstream industries.



Furthermore, the typical response of foreign countries to U.S. tariffs is to retaliate with their own tariffs, often targeting American export goods, such as agricultural products. This hurts U.S. exporters and can lead to shrinking markets for their goods abroad. Economists have often found that, when all these effects are considered, tariffs actually destroy more jobs than they create. Many economists suggest that if the goal is truly to help American middle-class workers, tariffs are not a sensible policy.

Economists have also noted that the claim that tariffs will lead to a "massive insourcing of manufacturing facilities" and new revenue is potentially contradictory to the idea that tariffs are merely short-term negotiating tools. Insourcing requires sustained and steady tariffs to incentivize long-term investment in relocating supply chains.

In summary, while the Trump administration argued that tariffs would create manufacturing jobs, economic expert Kimberly Clausing suggests that evidence from past tariffs does not support this claim and that tariffs are more likely to result in little to no net job creation and potentially even job losses due to increased costs for businesses and retaliatory tariffs from other countries.