

JAMES P. McGOVERN
2ND DISTRICT, MASSACHUSETTS

COMMITTEE ON RULES

COMMITTEE ON AGRICULTURE

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Congress of the United States
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August 3, 2018

Robert E. Lighthizer
U.S. Trade Representatives
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Dear U.S. Trade Representative Lighthizer,

I write to you out of increasing concern about the adverse impact of U.S. tariffs and retaliatory tariffs is having on small and medium-sized businesses in my congressional district. I wish to convey to you the urgency of resolving these trade disputes before these companies are forced to cancel contracts because of rising costs due to tariff increases, lay-off workers and, in some cases, close their doors and shutter their factories. I'm sure that this is not the outcome the Trump Administration seeks when confronting our trading partners about advantages they exploit within existing trade regimes. But this is what's happening in my district and across the nation as a result of the series of decisions and actions taken on tariffs.

I invite you, Mr. Lighthizer, to accompany me on a tour to several companies in my congressional district that are suffering harm and remain deeply concerned by the current and potential future impact of U.S. imposed and foreign retaliatory tariffs on the fate of their businesses and the livelihoods of their employees.

As you know, small and medium-sized businesses are the backbone of the American economy. They create the jobs, good and services that deliver economic security for our families, communities, towns and cities. Harm them and you strike a blow at the heart of America. Many have spent years creating global supply and value chains that are now endangered by ever-escalating U.S. tariffs, retaliatory tariffs and unanticipated announcements of new tariffs on an ever-expanding list of products and goods. In nearly all the cases brought to my attention, it is not feasible for these companies to switch to a U.S. source either because such a source does not exist or because stringent qualification and testing are required of components and materials to fulfill manufacturing and contract terms.

As the U.S. Chamber of Commerce has said, the tariffs imposed by the U.S. end up being a tax increase on American consumers and businesses – including manufacturers, farmers and technology companies – who will pay more for commonly used products and materials. The retaliatory tariffs imposed by other countries on U.S. exports make American-made goods more expensive, resulting in lost sales and lost jobs here at home.

I support efforts to reduce excess steelmaking and exporting by China and to establish rules governing state-owned enterprises, intellectual property protection, digital trade, and a neutral trade dispute settlement mechanism. I support updating decades-old trade agreements in order to advance protections that benefit American workers and consumers. These are worthy goals best achieved through skilled, good faith negotiation and diplomacy, not by imposing ever-escalating tariffs that increasingly harm America's small and medium-sized manufacturers and businesses.

I ask you, Mr. Lighthizer, to please come and visit my district, listen to the CEOs and workers of these companies, and end these tariffs so that our local companies and communities can continue to grow and flourish. Thank you for your serious attention to this request.

Sincerely,



James P. McGovern
Member of Congress

cc: Wilbur L. Ross, Jr., Secretary of Commerce
Steven T. Mnuchin, Secretary of the Treasury