

Trump's Threat of New Tariffs on Chinese Imports

An interview with PressTV

By [Peter Koenig](#) and [Press TV](#)
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Introduction

*The US Chamber of Commerce warns against the consequences of new tariffs on Chinese imports proposed by the administration of **President Donald Trump**.*

The top business lobbying group said the tariffs dramatically expand the harm to American consumers, workers, businesses, and the US economy. It said the Trump administration lacks a coherent strategy to address China's alleged "theft of intellectual property" and other harmful trade practices.

The Chamber also demanded that Washington hold serious discussions with Beijing. Trump has threatened 25 percent tariffs on 200 billion dollars of Chinese imports. He says this is in response to China's retaliatory tariffs on 50 billion dollars-worth of US products.

PressTV: What is your take on this?

Peter Koenig: The key word is "threatened" - Trump has threatened an additional 25% import tariffs on 200 billion worth of Chinese imports - to retaliate for China's retaliation, so to speak. Chinese retaliation was to be expected and is fully justified. It is clear, that China will not reverse their import tariffs for US goods. Why would they?

China is poised to negotiate one a one-to-one even level, but not on the basis of the US dictating the rules. Trump and his "masters" must realize that.

Then the additional reason of "China's theft of intellectual property..." is today more a joke than reality. In many areas of technology development - especially certain precision electronics and foremost alternative energy - China is world's ahead of the United States. But nobody talks about it. China will soon be number one in alternative energy production - which China will be exporting to the world, to the detriment of the US-led petrol industry.

Maybe that's what Trump is focusing on - attempting to detract from what is really threatening a big junk of the US economy, the notorious dependence on hydrocarbon energy - the number one polluter an environmental destructor today.

And there is another factor, perhaps the number ONE target of Trump's ever-increasing tariffs for Chinese exports, or rather US imports of Chinese goods: That's the Chinese currency, the Yuan.

It is known since long to many treasuries of countries around the world, that the Chinese Yuan is a much safer investment or reserve currency than the US dollar which is based on hot air, or not even, while the Yuan is based on a solid Chinese economy and on gold.

Not only has the Yuan been admitted officially in the IMF's basket of SDRs – Special Drawing Rights, which consists of the five key reserve currencies – US Dollar, UK pound, Japanese Yen, Euro – and now also the Chinese Yuan.

The yuan is not only for most countries around the globe a very interesting investment currency, not a bullying currency as is the US dollar, always with severe strings attached, but the yuan is also growing rapidly as a reserve currency replacing the dollar.

Levying tariffs to hurt China's exports and economy – and the Yuan's strength, may be the key reason behind this deconstructive tariff game Trump is playing.

However, China has a strong market dominance in Asia and tariffs will do limited harm, besides, China has many other means to further retaliate, for example, devaluating the Yuan vis-à-vis the US dollar.

So, keep tuned. There will probably be more to come.

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