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## WORLD

#### Coal carrying competition

Women's race competitors run with 20-kilogram sacks of coal over a 1.1-kilometer course during the World Coal Carrying Championships in Ossett, West Yorkshire, England, on Monday. The event also had races for men and children. While men carried 50kg sacks, children had their own fun races. The first championship was held on Easter Monday in 1963, and it has been held every year since. JON SUPER / AF



# Economists term tariffs 'misguided'

Experts warn of 'self-inflicted recession' and undermining of balance of power

By RENA LI in Los Angeles renali@chinadailyusa.com

Dozens of leading economists, including two Nobel laureates, have signed a public declaration warning that US President Donald Trump's administration's escalating use of tariffs risks triggering a "self-inflicted recession" and undermining the constitutional balance of power in the US. The declaration, titled "Trade and

Tariffs Declaration: A Statement on the Principles of American Prosperity", which had gathered more than 1,300 signatures as of Monday, warns that the administration's so-called reciprocal tariffs, announced on April 2 and now affecting goods from more than 180 countries and regions, are calculated using "an erroneous

and improvised formula with no basis in economic reality".

"The current administration's tariffs are motivated by a mistaken understanding of the economic conditions faced by ordinary Americans," the letter reads. "We anticipate that American workers will incur the brunt of these misguided policies in the form of increased prices and the risk of economic contraction."

Among the signatories are Nobel laureates James Heckman and Vernon Smith, former US senator and economist Phil Gramm, and Harvard professor N. Gregory Mankiw, who served as Chair of the Council of Economic Advisers under president George W. Bush.

The economists emphasize that trade deficits, often used by the Trump administration to justify tariffs, are widely misunderstood.

"Contrary to widespread fears, US trade deficits are not evidence of US economic decline or of unfair trade practices abroad," the statement asserts. "Nor do these 'deficits' inflict damage on the US

economy. Quite the opposite is true.
"US trade deficits reflect global investors' high confidence in the US economy. And these investments, in turn, further strengthen the productive economy — and demand for the US dollar," the letter said.

Constitutional concerns were raised over the way these tariffs were enacted.

"The 'power to lay and collect taxes, duties, imposts and excises' was constitutionally reserved to Congress as the direct and explicit representatives of the people," the statement reads. "The April 2 tariffs have been imposed without that

body's consent, and without any intelligible guiding principle."

According to the declaration, the administration's use of emergency authority amounts to "unilateral executive decrees" justified by "improvised claims of emergency under a statute that does not even contemplate authorizing tariffs".

"This seizure of power is unconstitutional," the economists warned.

On April 2, Trump declared a symbolic "Liberation Day", unveiling sweeping new tariffs on US trading partners in what he described as a decisive step toward reducing the trade deficit and reviving domestic manufacturing.
While the administration argues

that such protectionist policies are necessary for economic revival, economists counter they will instead 'invert the principles of liberty" that have long supported US prosperity.

Meanwhile, a bipartisan group of

lawmakers is pushing back. Seven Republican members of Congress have cosponsored legislation that would require the removal of any presidential tariffs within 60 days unless explicitly approved by the legislative branch.

Financial markets have responded with volatility, with major US indexes hitting new lows in recent weeks. The Dow Jones Industrial Average fell 970 points on Monday.

As of Monday, the White House had not issued an official response to the economists' open letter.

Beyond the academic and legislative response, the broader US public also has mobilized. Over the weekend, coordinated protests swept the country under the banner of the "50501" movement symbolizing 50 protests in 50 states, united under one cause.

Agencies contributed to this story.

BUY

Signs are placed on a supermarket shelf in Vancouver on March 28.

urging citizens to purchase Canadian wines rather than those from

the US amid the trade tensions. MA JUN / FOR CHINA DAILY

## Mexico govt rejects US' immigrant ad campaign

MEXICO CITY — Mexico's President Claudia Sheinbaum on Monday criticized an anti-immigrant advertising campaign run by the US government and broadcast by privatelyowned Mexican television stations.

She said Mexico's government had written to private TV channels urging them to stop showing the message, which has been aired during prime-time programs such as major league football.

At her daily news conference, the president denounced the ad, saying it contains "highly discriminatory content", and "attacks human dignity, and could encourage rejection and violence against migrants".

The ad is part of a multimilliondollar international campaign announced by US Homeland Security Secretary Kristi Noem in February in radio, broadcast and digital formats in multiple countries.

"If you are considering entering America illegally, don't even think about it," Noem warns in the message, which in Mexico has Spanish subtitles.

If a migrant commits a crime, "we will hunt you down" because "criminals are not welcome," Noem said.

Sheinbaum's administration has formally requested its withdrawal, she said, adding the Mexican Constitution prohibits "any act or practice of discrimination".

In the meantime, her administration has asked broadcasters to remove the ad.

XINHUA-AGENCIES

#### **Briefly**

#### UNITED STATES

#### **Harvard sues Trump** admin over fund freeze

Harvard University said on Monday that it has filed a federal lawsuit against the Donald Trump administration's funding freeze, calling the action "unlawful and beyond the government's authority". In a lawsuit filed in the United States District Court for the District of Massachusetts, the university said this case involves "the government's efforts to use the withholding of federal funding as leverage to gain control of academic decision-making at Harvard".

#### Rice prices rise despite release of reserves

The average price of rice in supermarkets across Japan reached 4,217 yen (about \$30) per 5 kilograms in the week up to April 13, official data showed on Monday. The latest average price marked the 15th consecutive week of price rises, according to the Ministry of Agriculture, Forestry and Fisheries. As prices showed no signs of easing, the Japanese government has pledged to release stockpiled rice every month until July.

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## Washington whines as Ottawa bans wines

By YANG GAO in Toronto

The US wine industry is facing new pressure as several Canadian provinces ban US alcohol — a decision that could deeply affect US exporters, experts said.

Robert Eyler, an economics professor at Sonoma State University and an expert on the wine industry, said Canada remains a key export destination for US wine, accounting for roughly one-third of all US wine exports.

"Canada has been a consistent, lower-cost logistics market for US wine producers annually," he told China Daily.

Eyler said Canada's actions could send ripples through the US wine industry

Last month, the Ontario government directed the Liquor Control Board of Ontario, or LCBO, to halt the sale and import of all US beverage alcohol, as part of its response to US tariffs on Canadian goods.

The LCBO is the importer of record for all US alcohol products into Ontario, with annual sales of up to \$965 million.

"I think it's wonderful," said Peter Wilson, a 65-year-old shopper at an LCBO in Toronto, referring to the store's reduced availability of US wines. "I support that 200 percent."

Wilson, who said he would not buy US wine, linked his boycott to political dissatisfaction.

Other Canadian provinces such as British Columbia, Quebec and Nova Scotia also have imposed similar bans on US alcohol products.

"No question, the US is going to lose a bunch of Canadian shoppers," said Mark, an LCBO customer who declined to provide his last name.

Eyler said the LCBO's decision, given Ontario's population and market weight, matters in two critical ways.

"The LCBO's move shows that Canadians may reduce their purchases of American wine enough to where it makes sense to provide

cifically Canadian wine," he said.

Eyler argued that for US exporters, the message is clear: Overconfidence in US market power may no longer be justified.

"It does show that uncertainty means potential market loss, and the US may not have the market power it perceives to possess," Eyler said.

The Wine Institute of California

said on April 2 that wineries across the United States continue to suffer economic harm from Canada's total ban on US wine sales.

Before the restrictions, Canada accounted for 35 percent of all US wine exports, with a retail value exceeding \$1.1 billion, according to the institute.

### Wide impact

Robert P. Koch, president and CEO of the Wine Institute, said in a statement, "As this dispute drags on, it is creating economic instability at a time when the industry is already under significant pressure.

"When our industry is disrupted,

the impact reaches far beyond the winery - affecting farmworkers, distributors, small businesses, restaurants and entire communities across the country."

Despite that, Eyler said that a pivot to alternative markets may not be an easy solution. "That is unlikely due to the cost of trying to enter other markets, the general price uncertainty with the current tariff situation, and global competition," he said.

Rather than spurring immediate trade diversification, Eyler noted that the ongoing tension could contribute to broader structural shifts within the US wine industry.

"Because exports are a relatively small part of the US market, that will probably not drive as much change as the cost of doing business rising and uncertainty around labor and consumer demand," he said.

"Expect more consolidation and less consumer choice: wine manufacturing is not part of how protectionist policies aim to repatriate manufacturing," he added.



