



## Can Trump's tariffs break China's grip on manufacturing



US President Donald Trump has hit China with a second tariff in as many months, which means imports from there This is his latest salvo against Beijing, which already faces steep US tariffs, from 100% on Chinese-made electric vehicles to 15% on clothes and shoes. Trump's tariffs strike at the heart of China's manufacturing juggernaut - a web of factories, assembly lines and supply chains that manufacture and ship just about everything, from fast fashion and toys to solar panels and electric cars.

China's trade surplus with the world rose to a record \$1tn (£788bn) in 2024, on the back of strong exports (\$3.5tn), which surpassed its import bill (\$2.5tn). China has long been the world's factory - it has thrived because of cheap labour and state investment in infrastructure ever since it opened its economy to global business in the late 1970s. So how badly could Trump's trade war hurt China's manufacturing Tariffs are taxes charged on goods imported from other countries.

Most tariffs are set as a percentage of the value of the goods, and it's generally the importer who pays the So, a 10% tariff means a product imported to the US from China worth \$4 would face an additional \$0.40 charge applied to it. m. Trump has said his most recent tariffs are aimed at pressuring China to do more to stop the flow of the opioid fentanyl to the US. He also imposed 25% tariffs on America's neighbours Mexico and Canada, saying its leaders were not doing enough to crack.