

THE PRIMERUS PRESS

Trump's tariffs strike with devastating consequences

By Tom Kirvan

The word "tariff" is now casting a vast cloud over the global economy, much the way that the phrase "COVID-19 pandemic" loomed menacingly over society in 2020, the final year of Donald Trump's first term as president of the United States.

The difference between the two economic shock waves, of course, is that the global pandemic came as a deadly surprise, while the tariffs announced by President Trump on April 2 were part of his carefully planned "Liberation Day" meant to upend the global trade order. In some ways the tariffs have done just that, sending stock markets around the globe spiraling downward, alienating friends and foes alike, and setting the stage for a possible worldwide trade war.

In announcing the sweeping tariffs, ranging from 10 to 61 percent on products imported into the U.S., President Trump claimed his action will generate hundreds of billions in new revenue for the federal government and restore a sense of fairness to global trade.

"Taxpayers have been ripped off for more than 50 years," Trump said in announcing his tariff policy. "But it is not going to happen anymore."

Imposition of the tariffs by Trump fulfills a campaign promise and was carried out by executive order without congressional approval under provisions of the 1977 International Emergency Powers Act. He said that the tariffs will "supercharge our industrial base" and will serve as "our declaration of economic

independence." He claimed that the tariffs – which average 23 percent – will bring thousands of manufacturing jobs back into the U.S. and will help America sell more of its products overseas.

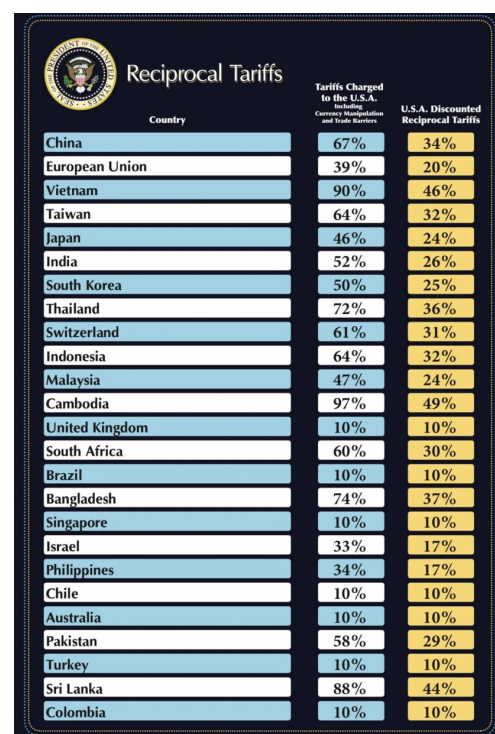
A number of the nation's leading economists have cast doubt on Trump's claims, saying that the tariffs pose the "largest tax increase" since the Revenue Act of 1968, which helped fund the cost of the Vietnam War.

Michael Feroli, the chief economist for JPMorgan Chase, the biggest bank in the U.S., said in a Forbes magazine article that the tariffs will "take the economy perilously close to slipping into recession" and could double the current inflation rate of 2.8 percent.

Feroli's concerns, according to the article, were also echoed by UBS economist Jonathan Pringle, who predicted that the tariffs will further shake confidence in both the economy and the stock market.

"The expansion was already slowing, fiscal support waning, and consumption strength narrowing," Pringle stated in the Forbes article.

The stock market took a major hit on April 3, the day after the new round of tariffs were announced, with the Dow plummeting 1,679 points or 3.98 percent. The broader S&P 500 was down by 4.84 percent, while the tech-heavy Nasdaq dropped 5.907 percent. The three major indexes posted their biggest single-day drop since the 2020 pandemic.



Country	Tariffs Charged to the U.S. (Including Currency Manipulation and Trade Barriers)	U.S.A. Discounted Reciprocal Tariffs
China	67%	34%
European Union	39%	20%
Vietnam	90%	46%
Taiwan	64%	32%
Japan	46%	24%
India	52%	26%
South Korea	50%	25%
Thailand	72%	36%
Switzerland	61%	31%
Indonesia	64%	32%
Malaysia	47%	24%
Cambodia	97%	49%
United Kingdom	10%	10%
South Africa	60%	30%
Brazil	10%	10%
Bangladesh	74%	37%
Singapore	10%	10%
Israel	33%	17%
Philippines	34%	17%
Chile	10%	10%
Australia	10%	10%
Pakistan	58%	29%
Turkey	10%	10%
Sri Lanka	88%	44%
Colombia	10%	10%

Page one of the chart that was presented during Trump's tariff announcement at the Rose Garden on April 2, 2025.

Source: U.S. President Donald Trump via Truth Social

"This is a roller coaster market with a wall of worry that's under construction," says Terry Sandven, chief equity strategist for U.S. Bank Asset Management Group. "We expect market volatility to remain elevated until we have more clarity."

The tariff news even prompted the Retail Industry Leaders Association (RILA) – a trade organization traditionally aligned with Republican administrations – to issue a press release proclaiming that Trump's actions will put a dent in American family budgets.

Trump's tariffs strike with devastating consequences

"The American people are counting on President Trump to grow the U.S. economy and end inflation," said RILA Senior Executive Vice President Michael Hanson. "Unfortunately, the President's plan for universal tariffs on household goods – including clothing, groceries, home goods, and school supplies – will raise costs on every American family. The President's plan is not a targeted attempt to protect American innovation or national security but will hit every family's budget. Americans cannot afford another round of price increases.

"These newly announced tariffs – and the expected retaliatory tariffs on American businesses – risk destabilizing the U.S. economy, undermining the goals of bolstering domestic manufacturing and growth," Hanson added. "We urge the President and his economic team not to abandon the pro-growth policies that powered his first term – namely the Tax Cut and Jobs Act. Before lasting damage is done to the economy and family budgets, we urge the White House to reconsider its course."

Politically, the higher levies on goods from Mexico, Canada, South Korea, Japan, Australia, and other Western and European countries run the risk of turning

allies into adversaries, according to several world leaders.

Australia Prime Minister Anthony Albanese, for instance, told reporters that Trump's tariffs "have no basis in logic and they go against the basis" of the diplomatic alliance between Australia and the U.S.

"This is not the act of a friend," Albanese said.

European Commission President Ursula von der Leyen was similarly dismayed by the U.S. imposed tariffs, labeling them a "major blow to the world economy."

Said von der Leyen: "Let's be clear-eyed about the immense consequences. The global economy will massively suffer. Uncertainty will spiral and trigger the rise of further protectionism.

The consequences will be dire for millions of people around the globe.

"All businesses – big and small – will suffer from day one," von der Leyen insisted. "From greater uncertainty to the disruption of supply chains to burdensome bureaucracy."

Which begs the question as to how members of the legal profession should advise their clients in the wake of the new tariff policies, which are expected to

'Advice of Counsel' needed in a world caught up in tariffs

As an international alliance of independent law firms, Primerus has attorneys all over the world who can offer clients the kind of advice they need to deal with the economic tsunami that recently began hitting in the form of tariffs.

"Our advice today is for clients to call your Primerus lawyer," said Jack Buchanan, founder and president of Primerus. "We have the attorneys who possess the legal knowledge and wisdom to help guide clients through this particularly challenging and uncertain economic time."

Relatedly, Buchanan indicated that Primerus soon plans to offer a series of CLE webinars titled "Best Advice to Clients" that will help keep everyone abreast of "ongoing developments in what is shaping up to be a global trade war of immense proportions and catastrophic potential."

More details on the webinars will be published in upcoming issues of the Primerus Weekly.

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. (Goods, Services, and Trade Barriers)	U.S.A. Discounted Reciprocal Tariffs
Peru	10%	10%
Nicaragua	36%	18%
Norway	30%	15%
Costa Rica	17%	10%
Jordan	40%	20%
Dominican Republic	10%	10%
United Arab Emirates	10%	10%
New Zealand	20%	10%
Argentina	10%	10%
Ecuador	12%	10%
Guatemala	10%	10%
Honduras	10%	10%
Madagascar	93%	47%
Myanmar (Burma)	88%	44%
Tunisia	55%	28%
Kazakhstan	54%	27%
Serbia	74%	37%
Egypt	10%	10%
Saudi Arabia	10%	10%
El Salvador	10%	10%
Côte d'Ivoire	41%	21%
Laos	95%	48%
Botswana	74%	37%
Trinidad and Tobago	12%	10%
Morocco	10%	10%

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. (Goods, Services, and Trade Barriers)	U.S.A. Discounted Reciprocal Tariffs
Algeria	59%	30%
Oman	10%	10%
Uruguay	10%	10%
Bahamas	10%	10%
Lesotho	99%	50%
Ukraine	10%	10%
Bahrain	10%	10%
Qatar	10%	10%
Mauritius	80%	40%
Fiji	63%	32%
Iceland	10%	10%
Kenya	10%	10%
Liechtenstein	73%	37%
Guyana	76%	38%
Haiti	10%	10%
Bosnia and Herzegovina	70%	35%
Nigeria	27%	14%
Namibia	42%	21%
Brunei	47%	24%
Bolivia	20%	10%
Panama	10%	10%
Venezuela	29%	15%
North Macedonia	65%	33%
Ethiopia	10%	10%
Ghana	17%	10%

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. (Goods, Services, and Trade Barriers)	U.S.A. Discounted Reciprocal Tariffs
Moldova	61%	31%
Angola	63%	32%
Democratic Republic of the Congo	22%	11%
Jamaica	10%	10%
Mozambique	31%	16%
Paraguay	10%	10%
Zambia	33%	17%
Lebanon	10%	10%
Tanzania	10%	10%
Iraq	78%	39%
Georgia	10%	10%
Senegal	10%	10%
Azerbaijan	10%	10%
Cameroon	22%	11%
Uganda	20%	10%
Albania	10%	10%
Armenia	10%	10%
Nepal	10%	10%
Sint Maarten	10%	10%
Falkland Islands	82%	41%
Gabon	10%	10%
Kuwait	10%	10%
Togo	10%	10%
Suriname	10%	10%
Belize	10%	10%

Trump's tariffs strike with devastating consequences

disrupt supply chains and take a heavy toll on the automobile, construction, energy, and consumer electronics sectors.

"Proceed with caution" seems to be the underlying message, advice that was underscored by U.S. Sen. Gary Peters of Michigan during a talk presented by the Detroit Economic Club.

"If you're trying to help an industry, to grow an industry . . . having some certainty is really important," said Peters, also an attorney and member of the United States Navy Reserve. "Chaos is not good for business."

And that is why the new rounds of tariffs are proving vexing for companies whose work relies on stable pricing of supplies, many of which are from foreign sources.

"What we've seen with this Administration is things can change on a dime, pretty quickly, and that is also part of the problem," said Peters, emphasizing the importance of seeking legal guidance as businesses pass the cost of the new tariffs down the supply chain.

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. Including Currency Manipulation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
Papua New Guinea	15%	10%
Malawi	34%	17%
Liberia	10%	10%
British Virgin Islands	10%	10%
Afghanistan	49%	10%
Zimbabwe	35%	18%
Benin	10%	10%
Barbados	10%	10%
Monaco	10%	10%
Syria	81%	41%
Uzbekistan	10%	10%
Republic of the Congo	10%	10%
Djibouti	10%	10%
French Polynesia	10%	10%
Cayman Islands	10%	10%
Kosovo	10%	10%
Curaçao	10%	10%
Vanuatu	44%	22%
Rwanda	10%	10%
Sierra Leone	10%	10%
Mongolia	10%	10%
San Marino	10%	10%
Antigua and Barbuda	10%	10%
Bermuda	10%	10%
Eswatini (Swaziland)	10%	10%

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. Including Currency Manipulation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
Marshall Islands	10%	10%
Saint Pierre and Miquelon	99%	50%
Saint Kitts and Nevis	10%	10%
Turkmenistan	10%	10%
Grenada	10%	10%
Sudan	10%	10%
Turks and Caicos Islands	10%	10%
Aruba	10%	10%
Montenegro	10%	10%
Saint Helena	15%	10%
Kyrgyzstan	10%	10%
Yemen	10%	10%
Saint Vincent and the Grenadines	10%	10%
Niger	10%	10%
Saint Lucia	10%	10%
Nauru	59%	30%
Equatorial Guinea	25%	13%
Iran	10%	10%
Libya	61%	31%
Samoa	10%	10%
Guinea	10%	10%
Timor-Leste	10%	10%
Montserrat	10%	10%
Chad	26%	13%
Mali	10%	10%

The final pages the chart that was presented during Trump's tariff announcement at the Rose Garden on April 2, 2025.

Source: The White House

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. Including Currency Manipulation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
Maldives	10%	10%
Tajikistan	10%	10%
Cabo Verde	10%	10%
Burundi	10%	10%
Guadeloupe	10%	10%
Bhutan	10%	10%
Martinique	10%	10%
Tonga	10%	10%
Mauritania	10%	10%
Dominica	10%	10%
Micronesia	10%	10%
Gambia	10%	10%
French Guiana	10%	10%
Christmas Island	10%	10%
Andorra	10%	10%
Central African Republic	10%	10%
Solomon Islands	10%	10%
Mayotte	10%	10%
Anguilla	10%	10%
Cocos (Keeling) Islands	10%	10%
Eritrea	10%	10%
Cook Islands	10%	10%
South Sudan	10%	10%
Comoros	10%	10%
Kiribati	10%	10%

Reciprocal Tariffs		
Country	Tariffs Charged to the U.S.A. Including Currency Manipulation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
São Tomé and Príncipe	10%	10%
Norfolk Island	58%	29%
Gibraltar	10%	10%
Tuvalu	10%	10%
British Indian Ocean Territory	10%	10%
Tokelau	10%	10%
Guinea-Bissau	10%	10%
Svalbard and Jan Mayen	10%	10%
Heard and McDonald Islands	10%	10%
Reunion	73%	37%