

Taxed Enough Already, You Say? Trump Disagrees.

On June 14, the Trump administration announced that it's raising your taxes by \$12.5 billion. On June 18, President Trump followed that announcement up with the threat of another \$20 billion tax hike.

Trump didn't put it that way, of course. Instead, he described both the actual and threatened tax increases as "tariffs" on "Chinese imports."

Don't be fooled. No matter how he gussies them up as correctives for "unfair competition" and "trade imbalances," tariffs are taxes on American consumers, and that's all they are. They aren't paid by Chinese manufacturers. They're paid by you, at the cash register, in the form of higher prices on the goods you shop for.

You can't avoid the effects of those taxes by "buying American," either. One of the main effects of tariffs — in fact, one of the primary PURPOSES of tariffs — is to let domestic producers jack up their own prices without worrying that foreign competitors might undersell them.

Nor is China the only front in Donald Trump's war on your wallet. *MarketWatch* reports that Trump's 20% tariff on Canadian lumber is beginning to hit the American housing market with rising lumber costs surpassing labor costs as the biggest pricing problem. If you're thinking about buying a home in the near future, prepare to pay more for it than you should have had to.

For reasons I've never understood, protectionism almost always successfully disguises itself as "populism." Foreigners, we're told, are screwing us by selling us stuff cheap instead of charging us extra. American workers shouldn't have to compete with foreign workers who accept lower wages. Trump, man of the people, is doing us a favor by making everything we buy more expensive.

In fact, tariffs and other protectionist policies are the very essence of elitism and the very opposite of populism. They benefit the stockholders of politically connected corporations at the expense of ordinary Americans. A few American workers may get (or keep) jobs in the affected industries, but as consumers those workers (and the rest of us) take it in the shorts to buy new yachts for the beautiful people with friends in Washington.

Some characterize Trump's ascendance as a comeback victory for the "Tea Party" movement that briefly flourished during Barack Obama's administration before establishment Republicans co-opted it and returned to business as usual.

One acronym powering that movement was TEA: Taxed Enough Already. True then, true

now. Perhaps someone should remind Donald Trump.