

*Office of the Governor
State of North Carolina*

*Roy Cooper
Governor*



20301 Mail Service Center
Raleigh, N.C. 27699-0301

July 18, 2018

President Donald Trump
White House
1600 Pennsylvania Ave.
Washington, DC 20500

President Trump:

I write on behalf of the state of North Carolina to ask you to stop the economic damage to our state from your escalating tariff battle with international trading partners.

Already our state's farmers face losing money as other countries cancel orders or slap higher tariffs on North Carolina grown products such as pork and tobacco. Similarly, North Carolina manufacturers using steel and aluminum in production will experience rising production costs.

Retaliatory tariffs in response to the US tariffs will directly impact North Carolina exports of approximately:

- \$210 million worth of pork exports to Mexico and China;
- \$340 million worth of tobacco exports to Turkey, the European Union, and China;
- \$36 million worth of aluminum exports to Canada and the European Union; and
- \$240 million worth of steel exports to Canada and the European Union.¹

While North Carolinians support a level playing field for exports, the tariffs imposed by the US Administration and retaliation by trading partners seem to uniquely target agriculture goods that are the foundation of our state's economy.

As the head of North Carolina's Farm Bureau says, North Carolina agriculture is the "tip of the spear" in this tariff war. Rather than being caught in the crossfire, farmers should be allowed to bring their products to market without fear of international payback.

Even domestic goods and commodities not a target of tariffs can suffer indirect harm. For example, North Carolina soybean farmers do not export a significant share of their crop to China,

¹ U.S. Census Bureau: Economic Indicators Division USA Trade Online. Source: U.S. Import and Export Merchandise trade statistics.

President Donald Trump
July 18, 2018
Page 2

but are harmed by declining prices for all U.S.-produced soybeans in the wake of tariff threats from China.²

Similarly, even though North Carolina imports of Canadian, E.U., and Mexican steel and aluminum are small relative to the size of the state's \$4 billion fabricated-metal manufacturing industry, rising prices for all U.S. steel and aluminum³ increases production costs for anyone who uses steel and aluminum in the production processes.

Our state's farmers, manufacturers and technology industries remain worried, and rightly so. Please use your power to stop the losses from retaliatory tariffs and indirect effects to keep our state's economy strong.

With kind regards, I am

Very truly yours,

A handwritten signature in black ink, appearing to read "Roy Cooper". The signature is fluid and cursive, with the first name "Roy" being more prominent and the last name "Cooper" following in a similar style.

Roy Cooper

RAC/sm

² <https://www.bloomberg.com/news/articles/2018-07-05/u-s-soy-prices-are-crumbling-as-trade-war-sparks-brazil-rally>

³ <https://www.wsj.com/articles/steel-aluminum-prices-rise-on-u-s-tariffs-1527792759>