

Mexican Retaliatory Tariffs Target Republican Areas In The United States

President Trump recently imposed tariffs on steel and aluminum from Mexico. Mexico retaliated by imposing tariffs on certain exports from the United States.

That's not too complicated.

However, there's more to it than that.

Mexico's recently-announced [retaliatory tariffs](#) were specifically imposed *on products produced in Republican areas of the United States*.

It almost makes one suspect that Mexican policy-makers actually pay attention to U.S. political trends, doesn't it?

As Candidate Trump said, Mexico has smart leaders.

Here's a quotation from *Expansión* (my translation): "The tariffs that Mexico is imposing on the United States are a political attack to get the Donald Trump administration to withdraw the tariffs imposed on Mexican steel and aluminum." (Source: [Los aranceles de México a EU dolerán a estados republicanos](#) ["Mexican Tariffs on the U.S. Will Hurt Republican States"] Dainzú Patiño, *Expansión*, June 4, 2018)

Many American products are exported to Mexico. But these Mexican retaliatory tariffs don't impose tariffs on all of them. Just certain selected products.

According to the same source quoted above, "...the Mexican government announced it would impose tariffs on flat steel products, lamps, pork, sausages and prepared foods, apples, grapes, blueberries, and various types of cheese from the

United States.”

Is this a random list of products? Or do they have something in common?

Here’s how that *Expansión* article explains it: “These products are not exactly the most common products sold by the U.S. to Mexico. Instead, they were strategically selected by the Secretary of the Economy. According to Alejandro Arzate Mejia, member of the *Comisión Fiscal del Colegio de Contadores Públicos de México* [Tax Commission of the Association of Public Accountants of Mexico], the states and counties where most of these goods are produced support the Republican party and Trump’s administration.”

As Arzate puts it, “Mexico’s action is not to protect Mexican producers as is Trump’s goal with the [Mexican] steel. It’s a political point.”

Did you get that? A political point.

The goal is for the price of these products to rise in Mexico, forcing consumers to substitute them with cheaper Mexico or foreign products, thus “lowering the demand of these products, to decrease the sale of these products located in Republican territory”.

In an interview with *Televisa*, Juan Pablo Castanon, president of the CCE (*Consejo Coordinador Empresarial* [Business Coordinating Council]), said that “It’s part of a strategy in which we have worked with the Secretary of the Economy.”

What’s supposed to happen next, according to Arzate, is “With producers in the United States affected by the low sales, Mexico’s goal is that they begin to pressure their legislators and representatives in the Chamber of Commerce so that the Trump administration will remove the tariffs on Mexican steel and aluminum”.

According to Manuel Padron-Castillo (photo [here](#)), of Baker McKenzie, “Many of the products that Mexico, Canada and Europe have promised to impose retaliatory tariffs on, such as pork, textiles, tobacco and other goods, come from states that this year have competitive elections for Congress and that President Trump must win in 2020 to be re-elected”.

Two days later [an article](#) in Mexico’s *Excelsior* reported that Mexico’s Economy Secretary Ildefonso Guajardo “neither denied nor confirmed” that the tariffs had as a goal “to damage Republican states in the United States” but the article went right on to point out specific products originating from specific Trump-voting states.

And what do you know, that same day Reuters came out with an article entitled

[Republicans in tight House races feel heat from Mexican tariffs](#) (Jason Lange, Anthony Esposito)

which said that “Mexican tariffs are roiling U.S. congressional campaigns in states where U.S. exporters could take a hit and President Donald Trump’s Republicans face tough races in November congressional elections.” The strategy even targets some specific congressional districts.

Quoth Reuters, “Mexico announced the levies ... in retaliation to Trump’s decision to slap tariffs on metal imports from Mexico and other countries. They fall on only about \$3 billion in U.S. exports, but were crafted to have a ‘very specific’ focus on vulnerable Republicans, said one senior Mexican official who asked not to be named. ‘We wanted to ensure that the issue is a top priority for key decision makers at the highest level,’ said another Mexican official who requested anonymity.

It sounds like Mexican policymakers know exactly what they are doing.

Mexican analysts pay attention to the United States, to the

economy, the politics, and the demographics. So when it comes to trade and immigration, the Mexican government is promoting its interests in the United States.

So how about our policymakers? Are they promoting our interests?

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