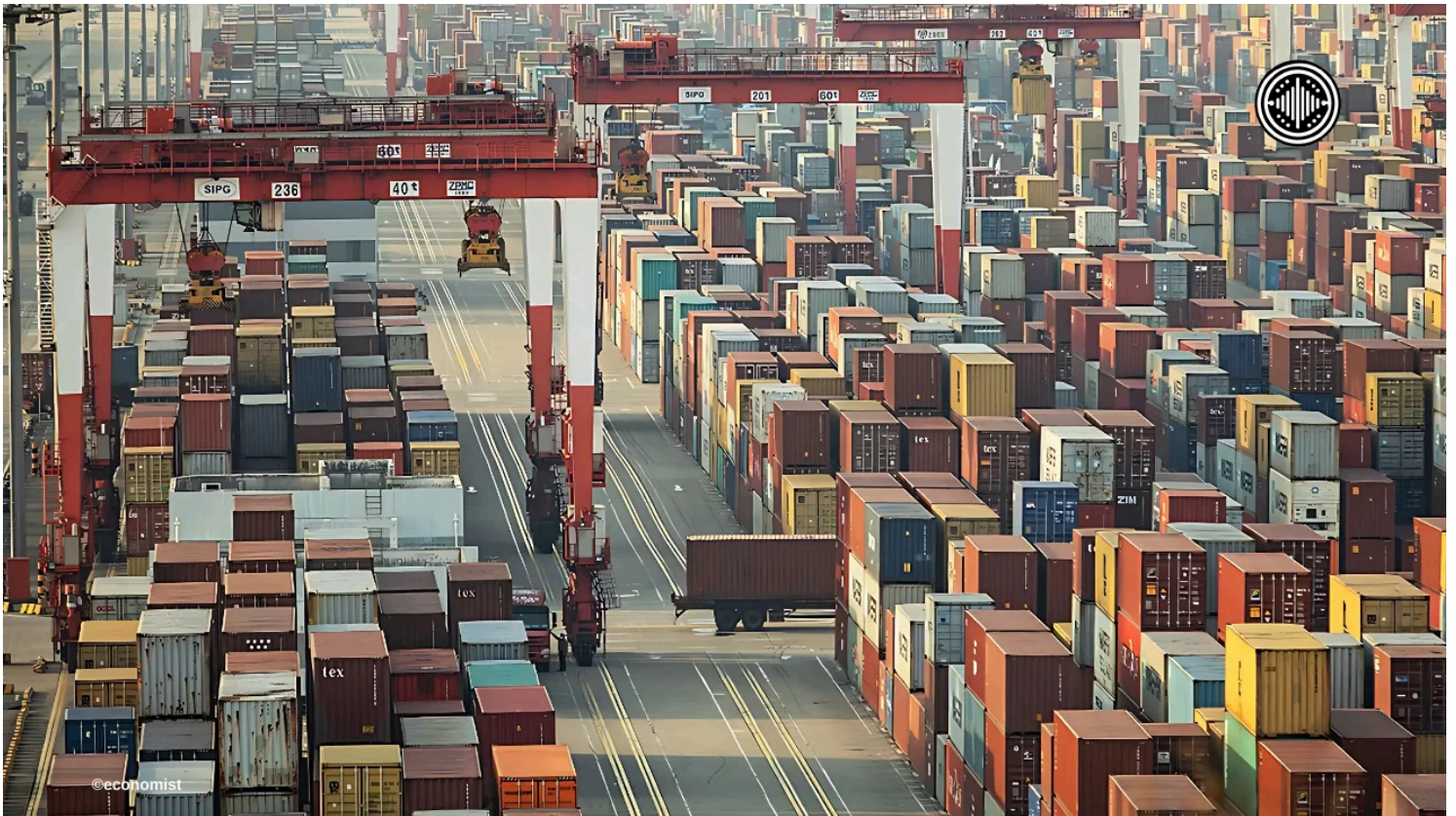


Tariff Uncertainty Risks \$490B US Manufacturing Loss

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Washington, D.C. – Trade policy uncertainty linked to President Donald Trump’s tariff agenda could reduce U.S. manufacturing investment by nearly half a trillion dollars over the next five years, according to a new report released Monday by the Joint Economic Committee’s minority members.

The analysis projects that deferred spending on new plants, research, and advanced equipment could total about \$490 billion by 2029 if businesses scale back due to ongoing trade instability. The report cites long-term data from the Congressional Budget Office and draws comparisons to the economic slowdown Britain experienced following its 2016 Brexit referendum.

“Strengthening American manufacturing is critical to the future of our economy and our national security,” said Sen. Maggie Hassan (D-N.H.), ranking member of the committee. She argued that tariff unpredictability has discouraged major capital investments in the sector. “Instead of expanding our manufacturing base, this chaos has created barriers that could weigh the U.S. economy down for years.”

The report notes that manufacturers are especially vulnerable to shifting trade rules because long-term investments, such as factory construction or machinery purchases, involve extensive planning and are difficult to reverse. Prolonged uncertainty, it warns, has the potential to reduce manufacturing investment by 13% annually, with lasting consequences even if trade tensions ease.

The committee compared the U.S. situation to post-Brexit Britain, where years of unclear trade rules cut business investment sharply. Economists estimate the U.K.’s gross domestic product was 4% to 8% lower in the years after the referendum than it otherwise would have been, primarily because companies delayed or canceled expansion plans.

Applying that precedent to U.S. projections, the report suggests that even a single month of policy volatility could carry long-term damage. In April alone, it estimates, the sector may have lost enough confidence to suppress investment by 1% annually through 2029, equivalent to \$42.2 billion.

Republican members of the committee, who hold the majority, did not immediately respond to the findings. Supporters of the Trump administration’s trade approach argue that tariffs are necessary to confront unfair practices by China and to protect U.S. industries from foreign competition. However, critics maintain that inconsistent policies undermine business confidence, leading to reduced hiring and slower economic growth.

The study underscores a broader debate over how much trade friction the American economy can absorb without discouraging domestic investment. With global supply chains

already strained, the manufacturing sector faces mounting pressure to balance short-term protection with long-term competitiveness.

The report concludes that without greater policy stability, American manufacturers may hesitate to commit resources needed to modernize production and secure the nation's industrial base in an increasingly competitive global market.