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## Trump Tariffs Hit EU, Asia, and India

August 8, 2025

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Former President Donald Trump has initiated a broad tariff expansion targeting more than 60 countries, including the European Union, Japan, South Korea, Taiwan, and India. The new trade measures, which took effect just after midnight Thursday, are expected to reshape the global trade landscape and stir domestic economic concerns.

Under the new rules, U.S. importers face 10% to 15% tariffs on goods from the EU, Japan, and South Korea. Products from Taiwan, Vietnam, and Bangladesh are hit with a 20% rate. Additionally, a 25% tariff has been imposed on Indian goods, raising its total trade barrier

with the United States to 50%. Pharmaceutical drugs and computer chips were not spared either, with the latter now subject to 100% import taxes.

Trump has justified the sweeping tariffs as a strategy to reduce America's long-standing trade deficit and revive its manufacturing sector. "I think the growth is going to be unprecedented," he stated at a press briefing Wednesday. He claimed the U.S. is "taking in hundreds of billions of dollars in tariffs," although he did not offer exact figures.

Despite the administration's confidence, early indicators suggest the tariffs may be taking a toll on the domestic economy. John Silvia, CEO of Dynamic Economic Strategy, said the early rollout in April had already begun to disrupt key sectors. "A less productive economy requires fewer workers," Silvia noted. "Higher tariff prices lower workers' real wages. The economy has become less productive, and firms cannot pay the same real wages as before."

Hiring has reportedly slowed, inflationary pressures are rising, and real estate values in several major U.S. markets have started to decline. Georgetown University economist Brad Jensen warned that the new tariffs could gradually wear down the U.S. economy. "It's going to be fine, sand in the gears and slow things down," he said.

Trump's tariff strategy also appears to have unintended global consequences. Germany, which sends about 10% of its exports to the U.S., reported a 1.9% drop in industrial production in June. ING Bank's global chief economist, Carsten Brzeski, said, "The new tariffs will weigh on economic growth."

The measures against India have drawn criticism from Indian trade groups, with exporters warning of severe consequences. SC Ralhan, president of the Federation of Indian Export Organizations, said the 25% tariff would impact nearly 55% of the country's exports to the U.S. "Absorbing this sudden cost escalation is simply not viable," Ralhan said. "Margins are already thin."

Switzerland has also been affected. President Karin Keller-Sutter and Swiss officials made a last-minute trip to Washington this week in an unsuccessful attempt to avoid a 39% tariff on Swiss goods. The Swiss Federal Council was expected to meet on Thursday to discuss a response.

Trump enacted the tariffs under a 1977 emergency economic powers law, a move that is currently being challenged in court. Critics, including former House Speaker Paul Ryan, have raised concerns over the legal and economic rationale behind the policy. “There’s no sort of rationale for this other than the president wanting to raise tariffs based upon his whims,” Ryan told CNBC.

In response to legal threats, Trump posted on Truth Social: “THE ONLY THING THAT CAN STOP AMERICA’S GREATNESS WOULD BE A RADICAL LEFT COURT THAT WANTS TO SEE OUR COUNTRY FAIL!”

The stock market, however, has so far remained resilient. The S&P 500 index has climbed more than 25% since its April low, buoyed in part by tax cuts in a spending package signed into law on July 4. The White House is optimistic that continued market strength will support broader economic growth in the months ahead.

Still, analysts caution against underestimating the long-term effects. ING’s Brzeski added, “While financial markets seem to have grown numb to tariff announcements, let’s not forget that their adverse effects on economies will gradually unfold over time.”

Supporters of the tariffs argue they will drive long-term manufacturing investment in the U.S., but critics warn the unpredictable rollout, marked by delays, reversals, and sudden increases, has created uncertainty that could deter businesses from expanding.

Rachel West, a former labor policy adviser in the Biden White House, expressed concern over the volatile environment. “There’s one person who can afford to be cavalier about the uncertainty that he’s creating, and that’s Donald Trump,” she said. “The rest of Americans are already paying the price.”

As the full economic impact unfolds, businesses, workers, and international partners alike will be watching closely to see whether the tariff gamble leads to renewed prosperity or sustained disruption.