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Economy

What the business community thinks about Trump's tariff plan

By Pawan Naidu



Credit: John R. Boehm

Zach Mottl, owner of Atlas Tool Works

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Donald Trump has recently doubled down on his position of imposing tariffs on a range of imports, reigniting debates over trade policies and their impact on the economy.

The former president and current GOP presidential nominee addressed the [Economic Club](#) last week. During the event, he emphasized the importance of tariffs as a strategy

to safeguard American jobs and industries. Specifically, he is proposing a 60% tariff on imports from China and 10% duties on imports from other countries.

“We’re all about growth,” Trump told Bloomberg News Editor-in-Chief John Micklethwait in an interview at the event. “We’re going to bring companies back to our country.”

Businesses in the Chicago area have varying opinions on the implementation of tariffs but generally agree of some potential to benefit the local economy, if they're targeted wisely. While some advocate for the implementation of tariffs on all imported goods — like the proposal put forth by Trump — others have differing views.

“He chastised some of the foreign companies, specifically BMW and Mercedes, who just assemble things here,” Zach Mottl, owner of Atlas Tool Works, told Crain’s. “Those companies want access to our giant and rich market to sell their goods. They do help America in that they build the final product here, but if we have universal tariffs as well as additional targeted ones, those companies will also start sourcing all the parts and pieces here in America.”

Mottl said the tool manufacturer aims to utilize “American products whenever it can.” The company was able to benefit from the first set of tariffs imposed during the initial Trump administration, because it made U.S. products more competitive. According to Mottl, companies producing goods within the U.S. were the biggest winners from the tariffs.

However, other manufacturers across Illinois are worried about the potential tariffs, according to Mark Denzler, president and CEO of the Illinois Manufacturers' Association. They are concerned that domestic imports could become more expensive, placing a greater financial strain on local companies.

"Former President Trump imposed tariffs and the current administration kept many of them," Denzler said. "It certainly increased the cost. I know there are a lot of concerns from manufacturers that use metals about higher cost."

He added that tariffs would be more effective if used as a "targeted approach" and broadly imposing them could alienate U.S. allies.

"We look at Canada and the close relationship we have; should they be treated the same as China or Turkey?" Denzler said.

While Trump has been one of the most vocal proponents of tariffs, the legislative tool has bipartisan support, according to Nick Klein, vice president of sales at logistics company OEC Group for the Midwest region.

"Biden has floated 50% tariffs on China," he said. "It's bipartisan and all of Congress really wants to reign-in China. Trump put them in and the other side said they were going to get rid of them, but they never did."

Additionally, benefits from tariffs could be long term and should be weighed alongside any potential immediate costs to businesses and consumers.

"I understand tariffs are used to keep factories from moving to other places, but that can take 30 years," Klein said. "This stuff takes time."

At the Economic Club event, some of the attendees cheered Trump's argument that dramatically increasing tariffs on foreign goods would protect "the companies that we have here and the new companies that will move in."

However, economists say tariffs are unlikely to create the revenue he would need to make a significant dent in the national economy. The Peterson Institute for International Economics estimates the tariffs could raise more than \$200 billion a year. The U.S. took in an estimated \$4.9 trillion in revenue in fiscal 2024.

By Pawan Naidu

Pawan Naidu is a general assignment reporter at Crain's Chicago Business. Before joining Crain's in 2024, he spent the last several years covering San Francisco's commercial real estate market for CoStar News and The Real Deal.