

# Table of Contents

|   |    |
|---|----|
| Lesson Description.....                 | 3  |
| Objectives .....                        | 3  |
| Concepts & Key Terms.....               | 3  |
| Preview Activity.....                   | 3  |
| Viewing Guide Instructions .....        | 3  |
| Answers to Viewing Guide.....           | 4  |
| Viewing Guide.....                      | 5  |
| Discussion & Analysis.....              | 6  |
| Discuss These Lines from the Video..... | 6  |
| Quotes for Discussion.....              | 7  |
| Activities .....                        | 7  |
| Quiz: The Trouble with Tariffs .....    | 10 |
| Political Cartoon Activity .....        | 11 |
| PMI Chart.....                          | 12 |
| K-W-L Chart.....                        | 13 |
| Exit Ticket .....                       | 14 |
| Transcript .....                        | 15 |

---

# The Trouble with Tariffs

---

Video Length: 5:10

## **Lesson Description**

What happens when the government raises taxes on foreign goods? Who benefits, and who pays the price? This video explores the real-world consequences of tariffs through personal stories and economic analysis, challenging students to think critically about trade, protectionism, and unintended consequences.

## **Objectives**

Students will be able to:

- identify the definition of and intended purpose of a tariff.
- explain how tariffs affect consumers, producers, and international trade.
- evaluate historical and modern examples of tariffs to determine their effectiveness.
- construct arguments about the economic and ethical implications of tariffs using evidence from the video.

## **Concepts & Key Terms**

**Free Trade:** An economic policy that allows goods and services to move across borders without government-imposed restrictions like tariffs or quotas.

**Retaliation:** When one country responds to trade barriers or other actions by imposing its own restrictions.

**Tariff:** A tax on imported goods designed to make them more expensive compared to domestic products.

**Trade War:** A cycle of escalating tariffs and other trade barriers between countries in response to each other's actions.

## **Preview Activity**

Use Think, Pair, Share to have students answer and discuss these preview questions: What does your family buy that comes from other countries? Have you ever noticed prices go up and wondered why? What do you think happens when governments try to control or restrict trade?

**OR**

Distribute copies of the K-W-L worksheet to the class. Have students fill in the K and W sections. After showing the video, have students complete the L section and answer the questions at the bottom of the worksheet.

## **Viewing Guide Instructions**

We recommend that teachers show the video twice: first to allow students to view the video and focus on the issues presented, and second to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs to share and verify answers.

### **Answers to Viewing Guide**

1. 75,000
2. consumers
3. chaos
4. increases
5. trade

---

# The Trouble with Tariffs

---

## Viewing Guide

Name \_\_\_\_\_

Date \_\_\_\_\_

Class \_\_\_\_\_ Period \_\_\_\_\_

Teacher \_\_\_\_\_

**Directions:** As you watch the video, fill in the blanks with the correct words.

1. Great. But more companies make things out of steel. And they lost \_\_\_\_\_ jobs.
2. The only people paying for it are me, my customers, and \_\_\_\_\_.
3. We had some very easy trade before these tariffs hit. And now it's kind of \_\_\_\_\_.
4. And for some companies, those cost \_\_\_\_\_ will mean the end.
5. Admit you made a bad decision and let's move on. That's what we do in business all the time. Free \_\_\_\_\_ is really a beautiful thing.

**Take a few moments to reflect on the video and answer these questions.**

Should the government be able to force consumers to "Buy American" if it makes prices higher? Why or why not? \_\_\_\_\_

---

---

---

How might countries resolve trade disputes instead of resorting to tariffs? \_\_\_\_\_

---

---

---

## **Discussion & Analysis**

1. What is a tariff?
2. Why do some leaders say tariffs help the economy?
3. How did the steel tariffs under President Trump affect jobs in related industries?
4. What did companies like Emily Ley's and Victor Schwartz's experience show about the real impact of tariffs?
5. Why can't some products, like champagne, simply be made in America?
6. How do retaliatory tariffs affect international trade relationships?
7. What happened during the Smoot-Hawley era, and how does it connect to today?
8. Who ultimately pays for tariffs imposed on imported goods?
9. How might higher costs from tariffs affect a small business's ability to grow or hire?
10. What is the logic behind using tariffs to pressure other countries to lower theirs?
11. Can you think of better ways for countries to resolve trade disputes rather than using tariffs?
12. What do the lawsuits filed against tariffs suggest about the rights of businesses?
13. How does free trade contribute to a nation's prosperity and job creation, according to the video?
14. Should the government be able to force consumers to "Buy American" if it makes prices higher?
15. How could voluntary cooperation and peaceful trade lead to more mutual benefit than protectionist policies?

## **Discuss These Lines from the Video**

Tariffs punish countries that unfairly sell us cheap stuff.

Jobs and factories will come roaring back into our country.

To maintain a profit on her \$64 planners, she would have to double the sticker price.

You can't make champagne in Oregon.

Tariffs were not an issue... and now it's kind of chaos.

Free trade is really a beautiful thing.

Everything we buy is cheaper and better, and America has more jobs because of

free trade.

Tariffs are a small business killer.

### **Quotes for Discussion**

Protectionism, I said, costs consumers billions of dollars, damages the overall economy, and destroys jobs.  
– Ronald Reagan

The exaction of more than this is indefensible extortion...becomes a hoarding place for money needlessly withdrawn from trade and the people's use...  
– Grover Cleveland

Under free trade the trader is the master and the producer the slave...Protection cheapens the product by elevating the producer.  
– William McKinley

Look, you could conceivably fund a lot of government with tariffs...we are pushing back against [China's] non-tariff barriers.  
– Scott Bessent

We call a tariff a protective measure. It does protect; it protects the consumer very well against one thing. It protects the consumer against low prices.  
– Milton Friedman

Tariffs are actually... an act of war, to some degree... Over time, they're a tax on goods. I mean, the Tooth Fairy doesn't pay 'em!  
– Warren Buffett

They're an economic weapon, you know, depending how you use it... If it's a little inflationary but it's good for national security, so be it.  
– Jamie Dimon

### **Activities**

1. Have students complete the K-W-L chart in class or for homework. (Recall that the K and W sections are to be completed before watching the video and the L section after watching the video.)
2. Have students complete the political cartoon activity in class or for homework.
3. Have students complete the PMI chart in class or for homework.
4. Have students complete and submit the Exit Ticket as they leave class.
5. Have students create a timeline showing major historical tariffs in the U.S., such as Smoot-Hawley, Trump-era tariffs, and Biden-era policies. Note the effects on jobs, trade partners, and the overall economy.
6. Divide into two groups and hold a structured classroom debate. One side will argue in favor of tariffs to protect jobs; the other will defend free trade and consumer benefit.
7. Use real or fictional prices of imported goods. Have students calculate the new cost to consumers after various tariffs and identify who ends up paying more.

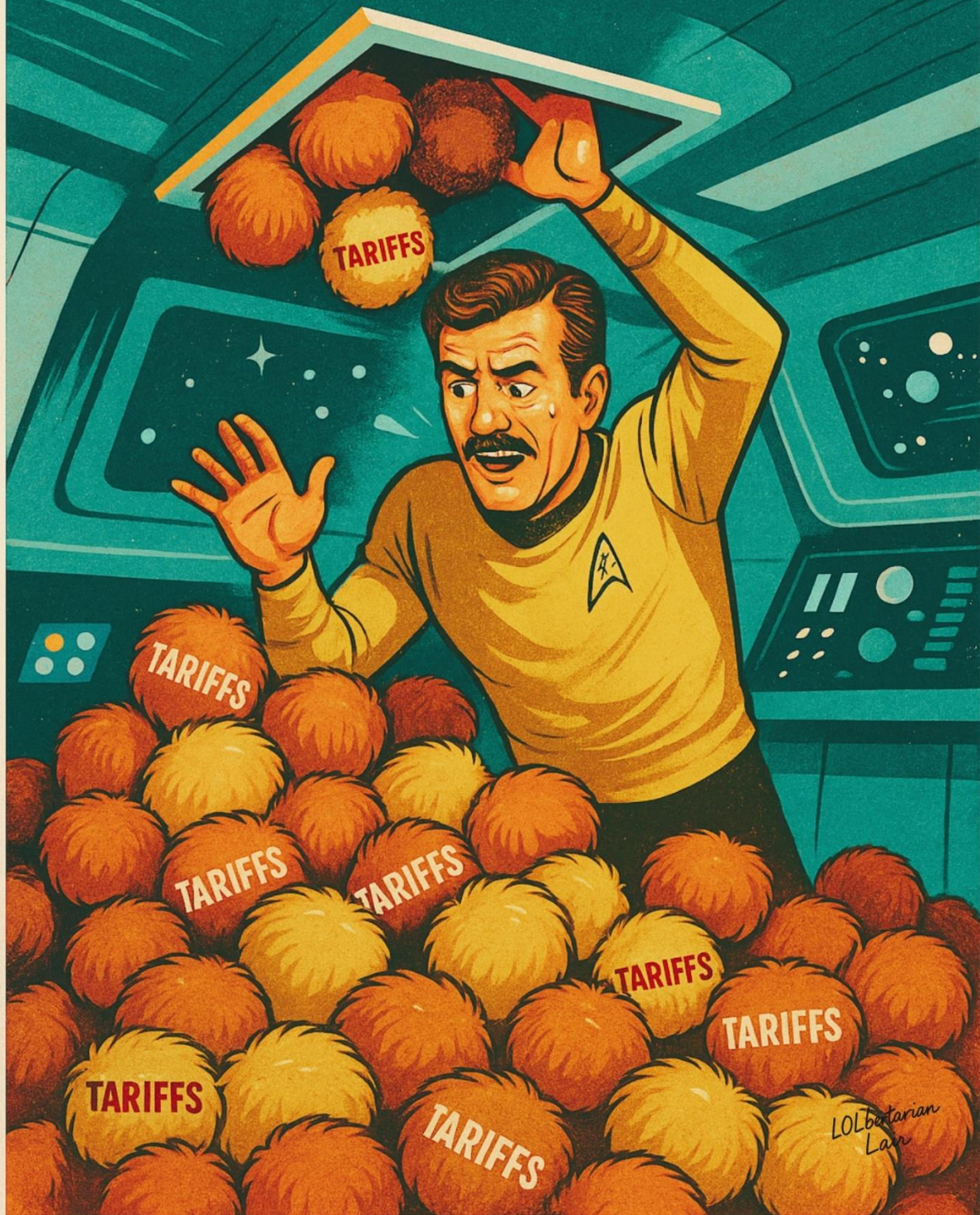
8. Write a short fictional narrative from the perspective of a small business owner hurt by a new tariff. Explain how it affects decisions about pricing, hiring, and future survival.
9. Identify where everyday classroom items come from. Mark them on a world map. Discuss how trade connects us globally and what would happen if trade barriers were put in place.
10. Discuss how voluntary trade between countries promotes mutual benefit and peace. Use this to reflect on how coercion (like tariffs) contrasts with cooperation.
11. In pairs, role-play interviews between a reporter and a small business owner about the effects of tariffs. Use lines and facts from the video to guide the conversation.
12. Compare how two different news outlets reported on the Trump or Biden tariffs. What words, headlines, or statistics did they use? How do those choices influence public opinion?
13. Read a short summary of the 1930 Smoot-Hawley Tariff. Write a paragraph comparing it to the modern tariff debate.
14. Write a journal response: Is it ever right to pass a law that knowingly harms some businesses to help others? Defend your answer.
15. Display the sci-fi poster *The Trouble with Tariffs*. (Found on the following page.) This retro-style poster is a parody of a famous *Star Trek* episode called *The Trouble with Tribbles*, where fuzzy creatures multiply and overwhelm the spaceship. In this version, the “tribbles” are labeled **TARIFFS** to show how trade restrictions can grow out of control and hurt more than they help.

#### Poster Activities:

- a. Challenge students to come up with their own clever caption or speech bubble that connects the image to concepts from the video. Captions should reflect the unintended consequences of tariffs in a humorous or dramatic way. Share entries aloud or vote on favorites as a class.
- b. Using the poster as inspiration, students write a short scene titled *The Trouble with Tariffs*, imagining that the spaceship’s economy is under attack by multiplying tariff creatures. In 3–5 lines of dialogue or narration, students must show how tariffs are affecting the ship’s crew, commerce, or supplies.
- c. Tell students they’ve been appointed economic advisors aboard the ship. Their mission: write a one-paragraph emergency briefing to the captain (who resembles John Stossel), explaining the economic problem caused by the “tariff fuzzballs” and proposing a peaceful, voluntary trade solution to restore order.



# THE TROUBLE WITH TARIFFS



Name \_\_\_\_\_

Date \_\_\_\_\_

Class \_\_\_\_\_ Period \_\_\_\_\_

Teacher \_\_\_\_\_

## Quiz: The Trouble with Tariffs

**Directions:** Select the answer that best completes the sentence.

1. A tariff is a tax placed on \_\_\_\_\_.
  - A. domestic wages
  - B. imported goods
  - C. exported services
  - D. local farms
2. According to the video, \_\_\_\_\_ usually pays for tariffs.
  - A. foreign governments
  - B. U.S. tax authorities
  - C. American consumers
  - D. International banks
3. After the U.S. raised steel tariffs, \_\_\_\_\_.
  - A. steel prices dropped
  - B. U.S. steel companies shut down
  - C. some jobs were gained, but more were lost
  - D. the stock market surged
4. Free trade is considered beneficial because \_\_\_\_\_.
  - A. it increases tax revenue
  - B. it decreases product quality
  - C. it raises prices for local goods
  - D. it provides more choice and lower costs
5. The main idea of the video is that \_\_\_\_\_.
  - A. tariffs are the best way to grow an economy
  - B. free trade always hurts workers
  - C. tariffs usually harm more people than they help
  - D. buying American products is always cheaper

Answer Key:

1. B
2. C
3. C
4. D
5. C

Name \_\_\_\_\_

Date \_\_\_\_\_

Class \_\_\_\_\_ Period \_\_\_\_\_

Teacher \_\_\_\_\_

## The Trouble with Tariffs

### Political Cartoon Activity

**Directions:** Use the political cartoon to answer the questions.



What does the cartoon suggest about who actually pays the cost of tariffs, and how does that compare with what some politicians claim in the video? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

How does the visual metaphor of a boomerang help us understand the real-world impact of government trade policies like tariffs? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

How does this cartoon reflect the idea of unintended consequences in economic policy and why is that a key theme in John Stossel's argument? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

What might this cartoon say about the difference between political messaging and economic reality, especially in light of the examples shown in the video? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_



Name \_\_\_\_\_  
Class \_\_\_\_\_ Period \_\_\_\_\_

Date \_\_\_\_\_  
Teacher \_\_\_\_\_

**The Trouble with Tariffs**  
**PMI Chart**

**P = Plus:** What might be some positive effects of tariffs on businesses, consumers, or the economy?  
**M = Minus:** What might be some negative effects of tariffs on businesses, consumers, or the economy?  
**I = Interesting:** What is interesting or surprising about how tariffs affect businesses, consumers, or the economy

| + Plusses + | - Minuses - | I |
|-------------|-------------|---|
|             |             |   |

Do you think the benefits of tariffs for some workers outweigh the costs to consumers and other industries? Why or why not?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Should economic policy prioritize protecting specific industries or maximizing consumer choice and affordability? Defend your answer with examples from the video.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

Teacher \_\_\_\_\_

**Directions:** Complete the **K** and **W** sections prior to watching the video. After you have seen the video, complete the **L** section and answer the questions below the K-W-L chart.

| <b>K</b>  | <b>W</b>  | <b>L</b>  |
|---|---|---|
| What I know about tariffs, free trade, and how trade policy affects businesses and consumers... | What I want to know about tariffs, free trade, and how trade policy affects businesses and consumers... | What I've learned about tariffs, free trade, and how trade policy affects businesses and consumers... |

---

---

---

---

---

---

## Exit Ticket

**Name**

Admit One

Do you think tariffs help or hurt the average American? Use one example from the video to support your answer.

---

---

---

---

---

Admit One

**EXIT TICKET**

**Name**

Admit One

Do you think tariffs help or hurt the average American? Use one example from the video to support your answer.

---

---

---

---

---

Admit One

**EXIT TICKET**

**Name**

Admit One

Do you think tariffs help or hurt the average American? Use one example from the video to support your answer.

---

---

---

---

---

Admit One

**EXIT TICKET**

## **Transcript**

**Donald Trump:** This is Liberation Day. The day American industry was reborn.

**John Stossel:** Industry will be reborn, says President Trump, because of his tariffs.

**Donald Trump:** "Tariffs" is the most beautiful word to me in the dictionary.

**John Stossel:** Tariffs, he says, punish countries that unfairly sell us cheap stuff.

**Donald Trump:** We've been ripped off by every country all over the world. They're laughing at us. They thought we were stupid.

**John Stossel:** But when his tariffs take effect:

**Donald Trump:** Jobs and factories will come roaring back into our country.

**John Stossel:** But this is just wrong, and he should know that. Not just because it's basic economics, but because last time he was President, he raised tariffs on steel. And the result?

**MSNBC Anchor:** He lost a lot of jobs.

**John Stossel:** Okay, that's MSNBC. But even a broken clock is right twice a day. Trump's tariffs did lead American steelmakers to hire 1,000 more people. Great. But more companies make things out of steel. And they lost 75,000 jobs. And then President Biden foolishly ratcheted Trump's tariffs up.

**Joe Biden:** We need a future that's made in America.

**Scott Lincicome:** When you raise the price of steel, well, companies that use steel are going to pay more. That means fewer workers.

**John Stossel:** Economist Scott Lincicome.

**Scott Lincicome:** Just simply mandating that stuff be made in America sounds great, but it's going to cost us a lot more.

**John Stossel:** Emily Ley's company makes designer stationery in China. She sells these planners for \$64.

**News Anchor:** To maintain a profit on her \$64 planners, she would have to double the sticker price.

**Emily Ley:** It's \$120.

**News Reporter:** For a planner.

**Emily Ley:** I'm not paying \$120 for a planner.

**John Stossel:** Victor Schwartz imports wine from all over the world.

**Victor Schwartz:** We have to raise prices. I can't change anything. If Trump decides 200% tariffs in May, we are S.O.L.

**John Stossel:** He scoffs at Trump's claim that other countries pay the tariffs.

**Victor Schwartz:** The only people paying for it are me, my customers, and consumers.

**John Stossel:** Trump says the solution is simple.

**Donald Trump:** Make your product in America.

**John Stossel:** Make your product in America.

**Victor Schwartz:** You might be able to move a semiconductor plant to Michigan, but you can't make champagne in Oregon. You can't recreate that place. The soil, the air.

**John Stossel:** Still, Trump has a point. Some countries do impose big tariffs on American goods.

**Karoline Leavitt:** Look at Canada. American cheese and butter, nearly 300% tariff. India, 150% tariff on American alcohol.

**John Stossel:** It seems sensible to pressure them to lower their tariffs. Our tariffs will maybe get them to reduce their tariffs.

**Victor Schwartz:** Tariffs were not an issue.

**John Stossel:** Schwartz mostly imports from Europe.

**Victor Schwartz:** It was 4 bucks or so a case. We sent wine over there. It was about the same. We knew what our customs and duty costs were. We had some very easy trade before these tariffs hit. And now it's kind of chaos.

**Donald Trump:** Everything's going to be just fine.

**John Stossel:** Trump says, trust me I'm making deals. And he lectures business reporters:

**Donald Trump:** It must be hard for you to, you know, spend 25 years talking about tariffs as being negative and then having somebody explain to you that you're totally wrong.

**John Stossel:** Once it gets established, the chaos will go and the bad guys will be punished and business will resume.

**Victor Schwartz:** 10% tariff, which I have to add, is on top of significant taxes and duties.

**John Stossel:** It's just 10%.

**Victor Schwartz:** 10%, you know, that's our cashflow, John. It's the fuel of our business.

**John Stossel:** Yeah, but your company—



**Victor Schwartz:** That means we have to buy less. That means we've got less capital to work with to add new products, to hire new people. Having 10% that you got to pay upfront, that's really painful.

**John Stossel:** And for some companies, those cost increases will mean the end.

**Emily Ley:** We can't survive the short-term pain.

**John Stossel:** She and others are suing Trump.

**News Reporter:** She filed this lawsuit against his administration, alleging he used his emergency powers illegally to enact the fees.

**Emily Ley:** If this is the end of my American dream, I'm going to go down swinging.

**John Stossel:** Schwartz is suing too, with the help of the Liberty Justice Center. Why you?

**Victor Schwartz:** Why me? This is a small business killer.

**John Stossel:** We've long had borders and tariffs.

**Scott Lincicome:** Well, yes, and those things made us poorer. We had so much evidence through the Smoot-Hawley era.

**John Stossel:** The Smoot-Hawley tariff passed in 1930.

**Scott Lincicome:** And exacerbated the Great Depression. It caused other nations to retaliate against the things that Americans—

**John Stossel:** Which they always do.

**Scott Lincicome:** Right, always retaliate. And so, it ended up just making us much, much poorer.

**John Stossel:** Other countries have already responded to Trump's moves. It's why Schwartz says, now for Trump, there's just one way out.

**Victor Schwartz:** Admit you made a bad decision and let's move on. That's what we do in business all the time. Free trade is really a beautiful thing.

**John Stossel:** [swoosh] It is! We don't notice it, and how it enriches us is almost too complicated to process. But everything we buy is cheaper and better, and America has more jobs because of free trade.