

Congress Should Act Immediately to Protect Americans from the Coming Trump Crash APRIL 8, 2025, PRESS RELEASE

Washington, D.C. — With dangerous economic fallout brewing from the Trump administration’s tariffs announcement—set to go into effect tonight—and unpredictable policymaking environment, the American Economic Liberties Project released the following statement and recommendations to curb a potential financial crisis.

With unsteady and erratic policymaking, Trump is fueling an economic and financial crisis, and potentially a credit crunch. There are two causes — a reckless and chaotic tariff plan and DOGE decimating government capacity to respond to these kinds of crises.

President Trump’s April 2nd tariffs policy lacks a coherent strategy. The administration’s mixed messages about the purpose and duration of these tariffs is generating economic chaos and financial losses and will not encourage the potential investment in domestic manufacturing that a well-structured tariff strategy could otherwise stimulate. **The president should immediately withdraw this tariff plan.**

There is a path to replace our current broken trade regime. What we need is a strategic tariff program aimed at protecting key sectors and broad-based tariffs on large mercantilist countries like China, Taiwan, and Germany to restore America’s ability to produce critical products necessary for the health, safety, and security of American families.

Macro signals indicate that much of the damage to our economy may have *already* been done. This moment demands a strong response from Congress similar to the scale of the chaos that Trump has unleashed. Specifically, **Congress should take immediate steps to restore government oversight of financial markets and protect small businesses and workers:**

- 1 Immediately dissolve DOGE so it cannot break any more parts of the government and bar firings for 60 days at government agencies, especially in the financial regulatory agencies tasked with managing bank stability and consumer protection, Small Business Administration, and the Commerce Department.
- 2 Set up a small business protection fund to help small and medium size businesses hit by the Trump crash to stay solvent and restore capacity at the Small Business Administration — potentially moving employees from the Fed over — to manage incoming demand due to cash flow and business disruptions.
- 3 Protect small retailers and vendors by ordering rigorous enforcement of the Robinson-Patman Act (RPA) to prohibit price discrimination against smaller stores and vendors in allocations of supply. Wholesalers often favor larger retailers—that can weaponize their

market power to demand discounted supply deals—in times of crisis, raising costs on and restricting the inventory of smaller players that are forced compensate for that offset.

- 4 Pair any use of emergency lending authority to large financial institutions with a broad-based prohibition on mergers, stock buybacks, dividend increases and other forms of financial engineering by any firm with more than \$20 billion in revenue.

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The American Economic Liberties Project works to ensure America's system of commerce is structured to advance, rather than undermine, economic liberty, fair commerce, and a secure, inclusive democracy. Economic Liberties believes true economic liberty means entrepreneurs and businesses large and small succeed on the merits of their ideas and hard work; commerce empowers consumers, workers, farmers, and engineers instead of subjecting them to discrimination and abuse from financiers and monopolists; foreign trade arrangements support domestic security and democracy; and wealth is broadly distributed to support equitable political power.