



The Daily Dish

And You Thought Tariffs Were a Bad Idea

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It is well-established that Eakinomics has some reservations regarding the president's tariff policies. But that should not be confused with "it can't get worse." In federal policy, it can always get worse. Always.

Exhibit A in support of this argument is the Price Gouging Prevention Act of 2025 by Representatives Jan Schakowsky and Chris Deluzio, along with Senators Elizabeth Warren and Tammy Baldwin. (Press release [here](#), one-pager [here](#), and bill text [here](#).) The stated purpose is "to fight back against the corporate greed enabled by the Trump administration's chaotic tariff policies."

One part of the sales pitch is a warmed-over version of the Biden "greedflation" argument.

The last five years have repeatedly shown us that giant corporations will take advantage of inflation and supply chain disruptions to expand their profit margins by raising prices higher than necessary to cover cost increases. President Trump's on-again, off-again tariffs have created yet another opportunity for corporate price gouging.

The greedflation idea has been thoroughly debunked, with AAF's Fred Ashton finding [no link](#) between market concentration and inflation.

Some other lowlights. "The bill would clarify that price gouging is an unfair and deceptive practice under the *FTC Act*. It would allow the FTC and state attorneys general to stop sellers from charging a grossly excessive price, regardless of where the price gouging occurs in a supply chain or distribution network" (emphasis added). To begin, there has been exactly zero outcry over the Federal Trade Commission (FTC) not having tools for

consumer protection. And could one find a more amorphous concept than an “excessive price?” Yes! A “grossly excessive price.”

Then there is the presumption of guilt. Specifically, the bill defines an “‘abrupt or significant shift in trade policy’—and outlines a standard for a presumptive violation of the price gouging prohibition during such a shock.” A *presumptive violation*! Whatever happened to innocent until proven guilty? But notice as well that only large, publicly traded companies are the target: The bill would “[r]equire public companies to clearly disclose costs and pricing strategies” and “[c]reate an affirmative defense for small businesses acting in good faith.”

This is absurd. Price-gouging should be price-gouging, regardless of the economic circumstances (a “trade shock”), the size of the firm, or the nature of the ownership. And turning every public company into a regulated utility spilling its proprietary pricing strategies is dangerous and offensive.

In the end, the notion of creating this tariff-specific set of FTC tools makes no sense. But, of course, they also tossed in an extra \$1 billion of spending. More spending is *always* a good idea.