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Press Release

Examining the Temporary Détente in the Boeing-Airbus Dispute

ALLISON EDWARDS | APRIL 12, 2021

Last month the United States and European Union (EU) agreed to suspend tariffs stemming from the Boeing-Airbus trade dispute for four months. In a new analysis, AAF's Data and Policy Analyst Tom Lee outlines the history of the dispute, calculates the economic impact of these tariffs, and considers the effect this temporary suspension might have on U.S.-EU trade relations.

His central points:

- The tariffs, which were in effect from October 2019 to February 2021, have covered \$12 billion of traded goods and cost the United States \$1.6 billion;
- The four-month suspension of these tariffs and possible future repeal will increase economic cooperation between the United States and the EU, which could help counter the economic influence of China; and
- Other major trade tensions remain between the United States and EU that could offset the added benefit from the repeal of these tariffs.

Read the analysis.