

‘It was quite terrifying’: Bay Area business owners reflect on Trump’s fluctuating tariffs

The Wednesday morning streets were quiet in the heart of San Francisco’s bustling Chinatown. Lion Trading’s store gate rattled open minutes before 9 a.m. – its opening hour all seven days of the week. For 15 years, owner Magan Li has served the Chinese community with supplies that support Buddhist traditions and practices, nearly all imported from China.

The family-owned store has lived through a series of economic crises – widening income inequality, the COVID-19 pandemic and now a U.S. trade war with Magan’s home country.

Lucas Li, 26, Magan’s son, has been an integral part of the business since he was 15 and has felt the burden of navigating U.S. imposed tariffs on foreign imports.

“At the beginning of the year when President Trump announced the tariffs, it was quite terrifying,” Lucas said.

Magan was in China arranging an order for a container shipment, inventory they order once every two years, when the tariffs were announced. The panic and fear set in, Lucas said, as they were unsure of the direction to go to keep their business afloat.

Trump upheld his campaign promise to tariff foreign countries by initially setting 10% tariffs on China and 25% tariffs on Mexico and Canada through a signed executive order on Feb. 1, set to go in effect Feb. 4. He declared a national emergency, claiming the three countries were contributing to [illegal immigration and drug trafficking](#) into the U.S. He later backed off Mexico and Canada, as they tried to appease Trump’s concerns.

April 9 marked the start of Trump’s “reciprocal” tariffs, which imposed 10% tariffs on nearly all countries and additionally matched tax rates other countries charged on imports. Hours later, Trump announced a 90-day suspension of the higher levies, but the 10% baseline stayed intact. Tariffs on Chinese goods were excluded and continued to escalate, peaking at 145%. Meanwhile, China continued striking back with their own tax rates on U.S. goods.

On May 12, both the U.S. and China agreed to scale back a majority of the tariffs during a 90-day pause to reevaluate their necessity, but a 30% tariff on Chinese goods still remained.

A U.S. trade court blocked a majority of Trump’s tariffs on May 28, but a federal appeals court temporarily reinstated them just a day later to consider the government’s appeal and ordered the plaintiffs to respond by June 5 and the administration by June 9.

Magan and Lucas are hopeful their shipment container will arrive before other tariffs are potentially reimplemented. If they return to their highest rate, Lion Trading likely wouldn’t be able to afford the inventory, Lucas said.

What was an attempt to level years of trade deficits between the U.S. and other countries has left businesses across Chinatown, San Francisco and the entire nation scrambling to adjust to the instability of prices.

Since 2002, Chinese imports have exceeded U.S. exports by [hundreds of billions](#) of dollars each year, averaging over \$167 billion annually since 1985.

Tariffs on Chinese imports were promised throughout Trump's second presidential campaign to combat "unfair trade practices," but within the first three months of 2025 the U.S. has accumulated a [\\$70 billion trade deficit](#) with China, \$10 billion more than the first three months of both 2023 and 2024.

Kyle Anderson, an economics professor from the Indiana University Indianapolis Kelley School of Business, noted Trump's repeated promotion of tariffs to increase U.S. manufacturing. Anderson said tariffs are typically introduced when unemployment rates are high. But now, U.S. unemployment is relatively low at [4.2%](#).

"It's pretty widely accepted that tariff costs tend to outweigh the benefits," he said. "I happen to agree."

Mureta & Co., a jewelry store in San Francisco's Pacific Heights neighborhood, imports almost all of their lab-grown diamond jewelry from India, which at one point reached a [36%](#) tariff, including the baseline 10% tariffs, on imported goods.

Owner John Quillinan initially adjusted prices, then backtracked, and has been navigating the realistic cost of their products so their customers won't be blindsided.

"As someone who's planning to run their business, to not know what's happening the next day is infuriating," he said.

In March, Quillinan began live-selling almost daily on TikTok with discounted rates to improve the slowing business traffic. He said he gave roughly \$250,000 in upgrades as part of the incentive. Still, income was increasing.

Now he simply plans to import less, just in case, because he doesn't want to think about tariffs any longer. He'll start buying secondhand from customers and the public and has considered seeking U.S. based manufacturers, but they are significantly more expensive than importing with the tariffs tacked on, he said.

Owners of Tantrum, a Bay Area toy store, Richard and Amanda Weld import from more than eight countries with tariffs severely affecting the prices of their products.

To ease the burden on their customers, they risked buying a year's worth of supply before the tariffs began. They haven't had to raise prices yet, and hope to avoid it, but they will if it becomes their only option.

“This reckless and frankly illegal implementation of tariffs...is utterly ridiculous,” Richard said. “We are a small, family-owned business, and our margins are already so tight just from operating in San Francisco, so we are very worried about the stability of our industry and of our store.”

While Richard said he, and presumably others, would love to see a return of high manufacturing in America, he understands it will take time and cost money.

However, businesses like Lion Trading, a store that relies on authentic Chinese goods, likely won't benefit from U.S. manufacturing.

Since the tariffs began, Magan and Lucas have seen customers become more selective with their purchases. They fear the community is less likely to prioritize items like incense and joss papers, which are essential for honoring and worshiping deities of their religion, than grocery items they need to survive.

Lucas said his mother has a loyal customer base, and will have to adapt in whatever way possible, but is unsure of how to get there. Because the cost of goods remains uncertain for businesses across the country, there has been little time to adjust.

“The only plan that we're hoping to happen is getting inventory,” Lucas said. “Otherwise, we won't know what to do.”