

Plastic Protectionism: Why Tariffs on Polyethylene Threaten More Than Just Trade

By GNA Editor



As the world grapples with climate shocks, crumbling infrastructure, and urgent demands for resilient development, geosynthetics—like geomembranes, geotextiles, and geogrids—have quietly become unsung heroes of global engineering. These materials, heavily reliant on polyethylene (PE), polypropylene (PP), and polyethylene terephthalate (PET), stabilize soil, prevent erosion, protect water systems, and reinforce everything from dams to landfills.

Yet in a geopolitical twist laced with irony, these very materials could become collateral damage in the looming trade wars. The European Union and Canada

have both fired early warning shots, proposing retaliatory tariffs on U.S. exports of polyethylene, in response to sweeping steel and aluminium tariffs imposed by the Trump administration. The implications are vast—and deeply troubling.

President Trump’s April 2 “Liberation Day” proclamation outlined a series of reciprocal tariffs aimed at nations perceived to be exploiting U.S. trade openness. While certain plastic resins like PE, PP, and PET initially appeared to be spared, the retaliation from U.S. trading partners may not be as merciful. With 60 plastic products potentially affected and \$5.9 billion in U.S. exports at risk, what was once a targeted steel dispute is rapidly metastasizing into a global plastic showdown.

The Geosynthetic Fallout

Polyethylene is not merely a consumer commodity—it’s a critical component of modern infrastructure. Tariffing PE isn’t just a jab at an industry—it’s a body blow to a fragile network of civil engineers, contractors, and governments depending on cost-effective, high-performance materials.

“The EU and Canada have proposed retaliatory tariffs on US exports of polyethylene (PE)... That makes polyethylene a prime target for retaliatory tariffs, if the U.S. starts a trade war.”

Geosynthetics are often project-critical, especially in developing economies where infrastructure is built on tight budgets and timelines. By turning polyethylene into a trade war pawn, governments risk delays, cost overruns, and inferior substitutions. The ripple effects could stretch from urban flood prevention in Southeast Asia to renewable energy infrastructure in Africa.

See the list of indicative product list to demonstrate what products may be subject to any future UK tariff response here:

<https://assets.publishing.service.gov.uk/media/67ee668c9eae202448299c5b/request-for-input-indicative-product-list.pdf>

Killing the Chain That Feeds Us

Economists warn that tariffs don’t happen in a vacuum. The globalization of manufacturing has created supply chains so interwoven that a tax at one end reverberates across oceans. As Matt Seaholm, president and CEO of the Plastics Industry Association, noted:

“These new tariffs will disrupt supply chains, increase production costs, and undermine our global competitiveness.”

Consider a simple example: a U.S.-based company producing geomembranes may source raw PE resin from Canada, manufacture in the U.S., and export to Europe or Asia. Retaliatory tariffs would jack up resin prices, reduce competitiveness abroad, and force manufacturers to either absorb losses or pass them to end users—governments, utilities, and contractors who, in turn, will delay or abandon projects.

Weaponizing Materials Is a Dangerous Game

Plastic resins are not just goods; they are enablers of development, clean water, disaster relief, and sustainability. With geosynthetics increasingly integrated into green infrastructure, such tariffs also undercut environmental goals—an unintended but deeply counterproductive consequence.

And yet, the political rhetoric rarely touches on this nuance. “Reciprocal tariffs” sound fair in theory. But in practice, they are blunt instruments, ill-suited to the delicate mechanisms of modern trade and industry.

The Way Forward: Strategy, Not Sabotage

Rather than trigger tit-for-tat tariffs that harm both sides, what’s needed is a more surgical, systems-aware approach—one that recognizes the strategic importance of industrial materials. Smart policy would focus on incentivizing local manufacturing, securing resin supply chains, and engaging in multilateral negotiations, not economic brinkmanship.

As the Plastics Industry Association rightly pleads, growth in U.S. manufacturing should not come at the cost of global integration. In a world of interconnected needs, where infrastructure, climate resilience, and trade are tightly bound, killing the chain means killing the progress it delivers.

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