

Tariffs Meet Fordism: Trump's Economic Policies in Practice.

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American President Donald Trump declared a national state of emergency under the International Economic Emergency Powers Act, placing an additional 25% tariff on imports from Canada and Mexico and a 10% additional tariff on Chinese imports.

Tariffs are a way for governments to raise revenue and protect domestic industries from foreign competition. President Trump did this to hold the close trading partners accountable for their commitments to halting illegal migration and stopping the flow of fentanyl, according to the white house fact sheet press release. Although a majority of the fentanyl coming into the USA is from Mexico. Since September 2024, 7,793 lb (3,534kg) of fentanyl have been seized in the US, according to figures published by US Customs and Border Patrol (CBP). Almost all (98%) were intercepted at the southwest border with Mexico. Less than 1% was seized across the northern US border with Canada. The remainder was from sea routes or other US checkpoints.

Trump wants tariffs to bring jobs back to America by allowing affected countries to put factories in America to avoid paying tariffs. U.S. international trade reports from the Census Bureau and Bureau of Economic Analysis show that the U.S. still buys more from China, Canada, and Mexico than it sells to them resulting in a trade deficit. In 2024, the U.S. trade deficit with China was \$295.4 billion, meaning it imported much more than it exported. The U.S. also had significant trade deficits with Mexico (\$171.8 billion) and Canada (\$63.3 billion). In December alone, the U.S. bought \$25.3 billion more from China than it sold to them. However, due to the tariffs only being imposed recently, it remains to be seen how effective these tariffs could be.

Deficits can stimulate global power and influence through non-diplomatic means. The USA may lose money on its tariffs but it supplies the world with materials and services, meaning it has greater control. The Tesco meal deal can be used as an analogy; yes, they lose money on the product overall, but it means more people come to the shop because it is cheaper and accessible.

The tariffs will increase prices for products and services that rely on these outside imports in America; however, unlike other forms of price increase, a tariff only increases prices if the size of the tariff increases. While the tariff may encourage some people to find domestically produced alternatives to specific products, this could prove more challenging due to an increased demand. Canada, Mexico, and China have all prepared to retaliate. China has imposed a 15% tax on coal and liquefied natural gas imports from the US, at the same time, crude oil, agricultural machinery, pickup trucks and large-engine cars will face a 10% tariff.

Due to this economic uncertainty from America's biggest trading partners, these countries may seek other trade deals to counter the tariffs and strengthen relationships outside of the USA. Suppose new trading relationships amongst the most significant trading partners to the United States are formed, excluding America. In that case, this will start to reduce years of economic influence that America has held for decades and may make it difficult for them to rebuild these relationships and regain their position in the future as the 'policemen of the world', being able to control other countries based on their economic powers. While Trump's attempts at this have been unfruitful, it does beg what the future may hold. These Tariffs are big enough to shift the perception of the USA to be similar to a bully trying to get what it

wants, but by targeting its strongest allies, they have left themselves open for an equally powerful response that has no winning, merely fighting fire with fire.

Canadian Prime Minister Justin Trudeau announced in a March 3rd press conference that there would be a 25% tariff on \$155 billion worth of American goods, with \$30 billion to take effect immediately and the remaining \$122 billion to take effect towards the end of the month in 21 days. They are to remain in place as long as the American tariffs are in place. What is left is what remains to be seen of the American led international order and where it will take us next.

(1. Ground work

Assess the ways in which the USA coerces (Enforces) other states through monetary and industrial power. An important example would be to look at the financialising effect of the US economy in the 1970's and how it impacted Britain and Europe as a whole. And how has the US presence in the western world or "global north" impacted the way in which its allies view it, could its previous stance of "policeman" of the world be applicable today and have allies, like the UK and France taken advantage of the United States in the past - [August 15, 1971 | HuffPost Impact](#) - Check that link out. It shows how there are not only interests in politics as well as alliances.

2. the techy bits

Assess how tariffs fundamentally work and how they can expand or hinder an economy, to this end the USA built its economy on tariffs, keeping British goods out of their economy long enough to industrialise. So using historical analysis and current geopolitics what could be the immediate effects of the tariff imposition this time.

3. Connect the dots

How could US tariffs on allies be a response to a declining hegemon looking to secure its position. Now its up to you to find out and make your own conclusion :-), James.