

OOPSIE

Trump Accidentally Wrecks His Own Tariff Spin in Leaked Call Stunner

In a call with auto CEOs, the president warned them against raising prices. Isn't that an admission that his argument for tariffs is bogus?



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Greg Sargent /
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Faced with expert opinion predicting that his tariffs will jack up prices for American consumers, President Trump has carefully considered a wealth of evidence surrounding this complex matter, and after extensive consultation with stakeholders on all sides, has concluded that his tariffs are a bad idea, after all.



Just kidding! Actually, Trump has decided to take another course entirely: Stung by that expert opinion, he's now corruptly wielding executive power to warn the relevant companies that they'd better not raise prices after his tariffs go into effect—or else.

The Wall Street Journal reports that in a private call with CEOs of the nation's leading auto companies this month, the president warned them against hiking prices after his tariffs hit. The White House will look unfavorably on them if they do, he darkly intimated, leaving them worried about retribution.

This is getting attention as another abuse of power, akin to his extortion of law firms. But it's notable for a different reason: It wrecks the spin Trump has offered on his

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in the auto industry, simply because they would facilitate the transition to a green future.

This week, Trump announced that he's imposing a 25 percent tariff on all imported vehicles and parts. Experts say this will raise auto prices by many thousands of dollars: tariffs on imported vehicles are a tax on their consumption, and tariffs on parts will make it more expensive to manufacture vehicles here.

Earlier this week, however, Trump declared that because his tariffs will cause an explosion of auto-manufacturing here, "you're going to see prices going down." Trump knows that's false: He wouldn't warn companies this way if prices were set to drop.

What's critical is that this shows he knows *why* his tariffs will raise prices. He knows they'll boost costs on those doing the importing (buyers) and on those making things with imported parts (manufacturers). That wrecks his claim that other countries will pay the tariffs. And Trump also said the following to CEOs who might raise prices:

Instead, Trump said, they should be grateful for his elimination of what he called former President Joe Biden's electric-vehicle mandate, which involved subsidies and emissions requirements to encourage electric-car production.

What all this underscores is that there's no coherent conception of the national interest at work behind any of this.

Trump's effort to eliminate Biden's "electric-vehicle mandate" is a reference to his January executive order that explicitly uses that phrase. In it, Trump vows to pursue the elimination of "unfair subsidies" that "favor EVs over other technologies," meaning government incentives that make EVs competitive relative to fossil-fuel-powered vehicles.

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regulations push automakers to evolve while investments spur manufacturing plants) and the demand side (subsidies keep EVs affordable).

Rolling all that back could lead to the cancellation of dozens of EV and battery factories and kill roughly 100,000 jobs, according to calculations by the Princeton Repeat Project. While you might think EV manufacturing jobs simply replace traditional auto-manufacturing work, Princeton professor Jesse Jenkins notes that China is aggressively cornering the global EV market even as global consumer tastes are trending toward EVs and the industry increasingly embraces self-driving vehicles, which optimally are electric.

“Electric vehicles are the future of employment growth in the industry,” Jenkins says. “We either win it—or lose it to China.” As *The New Republic*’s Kate Aronoff demonstrates, Trump may actually be killing the future of auto manufacturing in the United States.

Put it all together and here’s what you have: Trump is slapping tariffs on imported autos (and parts) to revitalize the future of American manufacturing (though economists say that won’t actually happen), even as he’s killing untold numbers of the American manufacturing jobs of the future.

As Paul Krugman and Adam Tooze detail, little about Trump’s broader vision of a reindustrialized America—let alone how his tariffs will achieve that—makes sense, and we should stop pretending otherwise. The underlying economic argument doesn’t add up. Neither do the goals: Trump seems to want to bring back low-level manufacturing, yet those jobs are pretty damn undesirable. Trump often seems to lack any discernible rationale here of any kind.

I’d add one thing to all that: None of this makes sense even if you accept that Trump does have some sort of larger vision of what tariffs are supposed to accomplish. Trump’s tariff obsession is often described as a kind of mania, but there’s also a genuine worldview behind it: It’s the idea that revitalized manufacturing work will

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manufacturing jobs—many of which are advanced manufacturing jobs well-suited for people without college degrees—*also* provide such a virtuous foundation?

Indeed, Vance has argued elsewhere that MAGA should represent the goal of fusing technological innovation with reindustrialization. If so, why don't the green manufacturing jobs of the future point toward exactly that? Vance and Trump sometimes justify their hostility to such manufacturing by insisting it will make us vulnerable to China, given its control of renewable supply chains. But that gets it backward: Trump and Vance are *ceding* to China that control over supply chains—and over the future.

So no, none of this makes sense. When Trump effectively admits his tariffs will boost prices, and boasts about his hostility to EVs, he's wrecking his own case for how he intends to achieve the future he wants—or the one he claims to want, anyway.

Greg Sargent |  | 

Greg Sargent is a staff writer at *The New Republic* and the host of the podcast *The Daily Blast*. A seasoned political commentator with over two decades of experience, he was a prominent columnist and blogger at *The Washington Post* from 2010 to 2023 and has worked at Talking Points Memo, *New York* magazine, and the *New York Observer*. Greg is also the author of the critically acclaimed book *An Uncivil War: Taking Back Our Democracy in an Age of Disinformation and Thunderdome Politics*.

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