

INTERVIEWS

What Catholic social teaching says about Trump's tariffs

by Grace Lenahan

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President Donald Trump stands before British Prime Minister Keir Starmer arrives at the White House, Thursday, Feb. 27, 2025, in Washington. (AP Photo/Evan Vucci)

On Tuesday, March 4, 2025, the Trump administration is set to impose tariffs on imports from Canada and Mexico. In 2018, during President Donald Trump's first term, the United States imposed tariffs on steel and aluminum imports, citing national security concerns. This time, the **Trump administration has cited** concerns over the Canadian and Mexican governments' alleged negligence regarding the flow of undocumented immigrants and illicit drugs—particularly fentanyl—into the United States.

Stephen Pitts, S.J., a Ph.D. candidate in the Department of Applied Economics at the University of Minnesota, studies the causes and consequences of migration from an economic perspective. In a February interview with **America**, Father Pitts spoke about how the Trump administration's tariffs align or conflict with the principles of Catholic social teaching.

This interview has been edited for length and clarity.

President Donald Trump has said he plans to “fully leverage America’s economic position” through tariffs, which he describes as a “proven source of leverage for protecting the national interest.” Will his tariff policies actually strengthen the American economy?

To try to put a positive interpretation on Trump's motivation, I think he's trying to respond to the concerns of his base, who are suffering from the long-term effects of two important events: the passage of Nafta and the entry of China into the World Trade Organization.

The United States, Mexico and Canada entered the North American Free Trade Agreement in 1994. At the time of Nafta's passage, it enjoyed bipartisan support and the endorsement of most mainstream economists. Since then, many economists have admitted that they underestimated the potential negative effects of Nafta, especially on workers without a college education.

China entered the World Trade Organization in 2001. Economists have also proposed that competition from China in certain industries, which they call the “China trade shock,” resulted in the loss of a half-million U.S. jobs in the next decade. These parts of the United States have still not recovered.

Thus, because of competition from China and Mexico, domestic production has suffered in the United States over the past two decades. Tariffs are often used to strengthen domestic production by helping it compete with cheaper goods from abroad. I think that Trump's strategy is, by using tariffs, to try and get some of this manufacturing back to the United States and then create jobs for these people who've lost economic opportunities by helping American manufacturing become more competitive.

There are two potential objections to this argument.

First, one of the claims of the Trump administration is that somehow these tariffs are going to stop inflation, and they're also going to lower prices. What many economists would say is if a tariff is just a tax and taxes tend to raise prices in the short term, then using tariffs in this way is just going to raise prices on goods in a period where we've already experienced a lot of inflation as a result of the pandemic.

Second, tariffs have the potential to raise prices because it is more expensive to manufacture goods in the United States than abroad. To see why, take the example of an automobile. Since Nafta, automobile manufacturing has been heavily integrated across the United States, Canada and Mexico. The parts in an automobile cross the border over a dozen times before the final assembly of the vehicle. Tariffs could potentially increase the cost of an automobile substantially, not only on the finished product but on every single part of the car. In addition, much of auto manufacturing is done in Mexico because of cheaper labor costs, so if tariffs moved auto manufacturing to the United States, then auto manufacturers would pass these higher labor costs onto consumers as well.

Are tariffs morally justifiable through the lens of Catholic social teaching?

For the Catholic social teaching side, it's hard to see how imposing tariffs on the developing world respects human dignity. Two specific encyclicals deal with tariffs directly. First, in the wake of decolonization in the 1960s, Pope Paul VI's "**Populorum Progressio**" emphasizes the importance of just trade relationships (Nos. 58-61). For unequal countries, the market logic of fair trade is not enough. Just as C.S.T. supports minimum wages as a way to ensure that workers are paid enough to respect their dignity, C.S.T. supports just prices in trade relationships to ensure that countries receive enough income to respect their dignity.

In 2009, Pope Benedict XVI's "**Caritas in Veritate**" went further. Early on, it mentions high tariffs in rich countries as a problem that hinders the economic development of poor countries. Later on, it invokes the principle of subsidiarity to talk about the most effective forms of international aid. Ideally, we must help the developing world in ways that develop their local economies. Giving those countries access for their goods and services to markets in the developing world is a good way to do that.

My dissertation research has looked at one example of this sort of development: **a coffee cooperative in southern Mexico** sponsored by the Mexican province of the Jesuits.

We can apply the analysis above to the specific case of a **Mexican coffee farmer**. One way to help him would be to buy his green coffee at a price higher than the market price. That's what many fair trade options do. The Jesuits have gone one step further: They have built a facility so that the producers can roast and market their coffee directly in rural Mexico. This method cuts out the middleman. In the short term, both options could provide the same economic gain for the farmer, but in the long term, the second method is better according to C.S.T. because it empowers the community.

It's hard to see how imposing tariffs on the developing world respects human dignity because global market access is what these countries need, especially countries that are sending us lots of migrants. The president of Mexico, Claudia Sheinbaum, **has been vocal** in some of the responses to the threat of tariffs on Mexico. One of the things she's said is, "If even a small percentage of what the United States allocates to war were instead

dedicated to building peace and fostering development, it would address the underlying causes of human mobility.”

The Trump administration framed its tariff policies as putting “America first.” How does this align or conflict with C.S.T.’s emphasis on the global common good?

I think proponents of the global common good would say, first of all, the United States has been involved in Mexico and the history of Central and South America for over a hundred years. So it’s not like the migrants are coming out of nowhere. Our military and our economy are responsible for many of the conditions that make people feel like they have no way to make a living, which makes people feel like they have to migrate. Therefore, we have a moral obligation to be part of the solution, and let’s look at a solution that’s better for those countries because people can make a living in those countries. And then we’ll be better off, too.

In a lot of parts of the United States, these cities feel like their infrastructure is strained a great deal by having to host so many migrants. And that’s not to mention all of the suffering that takes place on the journey. As a Spanish-speaking priest over the past seven years, I can’t count the number of stories that people have told me about things that happen if they go through Central America, if they go through Mexico. Improving the common good means finding the policy solution that improves welfare at the origin, welfare on the journey and welfare at the destination. And those sort of solutions do exist. We just have to be more creative.

Trump’s tariffs were designed to protect American borders and industries, particularly steel and manufacturing. Does C.S.T. lean toward supporting protectionist measures, or does it favor a freer global market?

Your question about tariffs and protectionism is like a broader question: How do we want to design the market? It’s not an easy thing to do.

Church teaching won’t tell you the exact public policy suggestion, either, but C.S.T. always gives you a good process to have a conversation. One of the great things about Catholic social teaching is that a lot of it uses natural reason, so we can be in dialogue with people of goodwill. In this natural dialogue, we might notice a conflict about protectionist measures that arises when we realize that many insular, “America First” policies simply do not work to improve prices or general welfare.

On the flip side, and this is what I wrote in my thesis, there’s a question about what criteria we are using to evaluate what looks like a more just market. It’s not just more money for everyone. We have to consider broader measures like education, empowerment and so forth. The United Nations, for example, has proposed **17 Sustainable Development Goals**, which are an “urgent call for action by all countries—developed and developing—in a global partnership.”

In this vein, I think that Catholic social teaching can feed into what outcomes that we measure, and then we can think about a system of tariffs, less tariffs, more tariffs, more free trade, less free trade, and we can evaluate different scenarios as a nation or maybe as a global community and say what leads to the desired outcomes.

What can the average American who is not an economist or a politician do to support these Catholic social teaching principles in the midst of this?

All of us are moral agents because we participate in the market. I think you can start by looking at your preferences, including how you spend your money. To return to the coffee example, you can find out where your business gets the coffee, find out where your school gets coffee, and recognize that you have a voice in institutional purchasing arrangements. One of the things I love about using a credit card is that once a month, I get to perform a sort of Ignatian examen of where my money is going. Generally, I tend to support buying local and consuming less.

Some of my friends are dissatisfied with federal politics, which has inspired them to get more involved in local politics because your local school board or parks commission is probably much more nonpartisan, and because you're all neighbors, and the stakes aren't as high. You can think of economic development in your local community along similar lines. If the whole conversation on tariffs came about because there is a big chunk of the U.S. population that's suffering from lack of opportunity, maybe there's some small thing that you can do in your community, like hire a veteran or support some local business. You can do your part to push back against these national trends so people don't feel so threatened by foreign imports.

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