# Public feud between Elon Musk and Peter Navarro highlights trade policy rift within Trump’s circle



Tensions have emerged within the inner circle associated with Donald Trump, as public disputes between key figures highlight deep divisions over trade policies. A photograph recently surfaced showing Trump gesturing at Elon Musk through a White House window, capturing a moment that underscores the undercurrent of friction between the two.

The dispute escalated with a series of public insults between Elon Musk, CEO of Tesla and SpaceX, and Peter Navarro, Trump’s former trade advisor. Musk derided Navarro’s credentials by belittling his Harvard PhD in economics, a qualification widely regarded as prestigious. In response, Navarro dismissed Musk as merely a “car assembler,” pointing to the globalised nature of Tesla’s manufacturing process. The exchange continued with Musk labelling Navarro “truly a moron” and “dumber than a sack of bricks,” later issuing a mock apology stating, “That was so unfair to bricks.” Navarro retaliated with a derogatory nickname for Musk, further intensifying the public spat.

White House press secretary Karoline Leavitt downplayed the conflict, describing it as a clash between “two individuals who have very different views on trade and on tariffs,” adding, “Boys will be boys – and we will let their public sparring continue.”

The rift centres mainly on the trade tariffs implemented during the Trump administration, which have notably impacted Musk’s Tesla business. Tesla’s reliance on a highly globalised supply chain has made it susceptible to the adverse effects of such protectionist policies, contributing to a sharp decline in its stock price. This downturn has also affected Musk’s personal wealth, which this week fell below $300 billion. Concerns are mounting over the potential knock-on effects on SpaceX, Musk’s aerospace company that plays a key role in his vision to make humanity an interplanetary species.

Musk appears to oppose Trump’s tariffs on ideological grounds as well, having shared a video featuring economist Milton Friedman advocating for the benefits of free trade using a simple pencil analogy to demonstrate global economic interdependence.

This dispute between Musk and key Republican figures signals a broader schism within the Republican-MAGA coalition, centred on the clash between free trade and protectionism. Historically, such disagreements have fractured political parties, including the British Conservative Party in the early 20th century and during the Brexit debates.

On one side are the so-called “RINOs” (Republicans In Name Only), representing the party establishment, allied with conservatives such as Senator Ted Cruz. Opposing them are MAGA supporters and prominent business figures like Musk who champion more globalised economic policies. This division has stirred tensions among business leaders, donors, and factions within Congress and the wider party membership, intensifying an already heated debate.

The economic stakes of this protectionist approach are significant. Protectionism, along with isolationism and nativism, often leads to economic challenges and has historically provoked conflicts. While it may seem appealing to some, global economic integration is widely regarded as irreversible due to the progress and improved living standards it facilitates.

Additionally, the repercussions of trade tensions are rippling through international markets. Investors have begun shunning US Treasury bonds amid fears over the health of the US economy and the stability of the dollar. This trend raises the cost for the US government to borrow funds.

China, a major holder of US debt with approximately $750 billion in Treasury bonds, wields considerable influence in this domain. Although it is unlikely that China would abruptly offload its holdings—since this would devalue its own investments—the possibility of doing so could arise if trade barriers, such as Trump’s 104 per cent tariffs, severely impede Chinese exports to the US and force Beijing to find liquidity elsewhere.

These tensions were further inflamed when Vice-President JD Vance made a disparaging comment about “borrowing money from Chinese peasants to buy the things those Chinese peasants manufacture.” Beijing dismissed the remark as “ignorant and disrespectful,” underscoring the limits of US influence in relation to China, which maintains considerable economic and geopolitical clout.

The recent exchanges and the underlying policy disagreements suggest that the MAGA faction, including Trump’s allies, may need to reconsider their positions on tariffs and international relations as these issues continue to evolve on both the domestic and global stages. The AOL.com is reporting on this developing story.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://abcnews.go.com/Politics/musk-top-trump-adviser-feud-tariffs-dumber-sack/story?id=120597806> - This article corroborates the public feud between Elon Musk and Peter Navarro over trade tariffs, including Musk calling Navarro 'a moron' and 'dumber than a sack of bricks,' and Navarro calling Musk a 'car assembler.' It also mentions White House press secretary Karoline Leavitt's comment dismissing the dispute as 'boys will be boys.'
* <https://www.youtube.com/watch?v=XDaHIxp2GGI> - The video details the escalation of the dispute between Musk and Navarro, highlighting Navarro's claim that Musk is a car assembler rather than a manufacturer and Musk's retaliatory insults. It supports the narrative of their public sparring over tariffs affecting Tesla.
* <https://www.politico.com/news/2025/04/13/navarro-denies-musk-tariffs-00288361> - This article confirms Navarro’s public defense of tariffs and his remarks about Tesla’s reliance on foreign parts, while also reporting Navarro’s denial of a personal clash with Musk despite the public insults exchanged.
* <https://www.cnbc.com/2025/04/13/elon-musk-tesla-stock-price-impact-trump-tariffs.html> - This CNBC report discusses the impact of Trump’s tariffs on Tesla’s business, including the negative effect on Tesla’s stock price and Musk’s personal wealth, which supports the article’s claim about the economic consequences of tariffs on Musk’s companies.
* <https://www.bloomberg.com/news/articles/2025-04-14/china-holds-750-billion-in-us-treasury-debt-economic-influence> - This Bloomberg article details China’s holdings of around $750 billion in US Treasury bonds and explains the potential economic leverage China holds, backing the article’s points on the implications of US-China trade tensions and Treasury bond market dynamics.