

## **OPINION:** The Supreme Court Ruling on Tariffs and the Cartel Killing Are Two Sides of the Same Story

*Within days of each other, two events reshaped the future of North American relations.*

By [Michael C. Camuñez](#) | February 27, 2026



The Supreme Court struck down the Trump administration’s sweeping emergency tariffs. And Mexican forces, supported by U.S. intelligence, killed the leader of the Jalisco New Generation Cartel, triggering violence across parts of Mexico.

One story was framed as constitutional law. The other as cartel warfare. They are in fact deeply connected. Together, they mark a shift in how the United States exerts leverage in North America. Broad tariff escalation is constrained. Security integration and enforcement are rising.

After the Court invalidated tariffs imposed under emergency authority, the administration replaced them with a 10 percent duty under Section 122 of the Trade Act of 1974, though it may rise to 15 percent to reflect President Trump's [February 21 announcement](#). The drop from 25 percent to 10 percent drew attention. What mattered more was what remained untouched. Goods that comply with the United States-Mexico-Canada Agreement (USMCA) continue to enter duty free. That decision reaffirmed the USMCA as the legal safe harbor of continental trade.

Over the past year, tariff escalation forced companies to restructure supply chains to qualify under USMCA rules of origin. Mexican exports entering under USMCA preferences surged as firms increased regional content and tightened compliance systems. Those investments were significant. They are not easily reversed.



By preserving USMCA exemptions under Section 122, Washington signaled that North American integration remains the preferred framework. Mexico's relative advantage narrows as global tariffs compress, but it does not disappear. Compliant North American supply chains still receive preferential treatment.

For American workers, this matters. Modern manufacturing is regional. A vehicle assembled in Michigan may cross the United States Mexico border multiple times before completion. Agricultural and medical supply chains operate in the same way. When North American trade flows predictably, it supports domestic production. When it destabilizes, costs rise and jobs are exposed. Regional integration, properly structured, is co-production.

The Court's ruling narrows one instrument of leverage. In recent years, the implicit threat of rapid tariff escalation shaped negotiations among the United States, Mexico, and Canada. That tool is now legally constrained. But leverage has not disappeared. It is shifting.

The operation targeting the leader of the Jalisco New Generation Cartel underscores how economic and security policy in North America are becoming more tightly intertwined. The designation of major cartels as terrorist organizations

expands the legal tools available to U.S. authorities. Intelligence cooperation deepens. Border enforcement intensifies.

As tariff flexibility narrows, enforcement intensity is likely to increase. Customs inspections, origin verification audits, and scrutiny of Chinese origin inputs routed through Mexico may expand. Migration and fentanyl concerns, long entangled with trade tensions, may increasingly be addressed through enforcement architecture rather than across the board tariffs. In short, the center of gravity moves from tariff escalation to compliance and security integration.

For American manufacturers, the principal risk is not geopolitical rupture. It is operational friction. Longer inspections at ports of entry and stricter origin verification can raise costs and create uncertainty. Companies that invested in USMCA compliance are better positioned. Those that have not may face rising exposure.

This shift arrives just as the three countries prepare for the 2026 USMCA joint review. Without the blunt instrument of emergency tariffs, negotiations are more likely to focus on tightening rules of origin, codifying enforcement standards, and embedding security cooperation more directly into the trade framework.



The United States, Mexico, and Canada form one of the most deeply integrated production platforms in the world. Energy systems are interconnected.

Automotive, aerospace, and medical supply chains span borders. Millions of American jobs depend not only on exports but on the steady movement of intermediate goods within the region. The real question is whether policymakers will recognize that trade and security are no longer separate tracks.

The Supreme Court reaffirmed that Congress controls the power to tax. The administration reaffirmed that USMCA compliance confers protection. And bilateral security cooperation is deepening in visible ways. Tariffs were the most visible pressure point. The more durable challenge now is building a North American framework that aligns trade, enforcement, and security in a way that strengthens American workers and stabilizes the region.

The cartel killing and the tariff ruling are not disconnected events. They are signals that North America is entering a new phase. The success of that phase will depend not on the tariff rate, but on whether the three countries can build institutions strong enough to manage both economic integration and shared security risks.

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