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Trump in the Midst of a Worldwide Trade War and Domestic Problems



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The official representative of the Chinese Foreign Ministry, Lin Jian, recently stated, as reported by Reuters, that the American people will not support the tariff policy of the President of the United States of America, Donald Trump, which will ultimately fail. The Chinese diplomat stressed that “Beijing has no interest in a trade war, but will not be afraid if Washington continues to threaten tariffs.” Lin Jian also reiterated that the People's Republic of China “will not stand idly by and allow the legitimate rights and interests of the Chinese people to be violated.”

The political tradition in the United States of America is that a new president enjoys a kind of leniency in criticism of his actions during the first 100 days after taking office.

However, this rule does not seem to be working for Trump, the 47th President of the United States: his opponents are ready to immediately take hostile measures against any initiative taken by the head of the White House.

The policy of the current US president already has its victims, and China is not the only one among those most affected. Trump has not disappointed his enemies, starting from the very first days by burning the legacy of the Democratic Party with fire and brimstone: he has banned the previous state policy that encouraged “gender diversity” and sex change for minors, purged the state apparatus, the army, and the special services of supporters of the previous government.

Trump has even closed two organizations that promoted the previous government's agenda around the world: the US Agency for International Development (USAID) and Voice of America. The current US president did not even try to bring them under his control. In Trump's view, these organizations were necessary in the era of globalization, but they did not meet US expectations, are useless, and therefore must be closed.

However, all initiatives to reorganize the US bureaucracy have not yet yielded significant results in terms of simple savings. Even the attempt to significantly reduce ordinary public spending without increasing social tension has not yielded any results.

Trump is forced to solve the budget deficit problem, but instead of resorting to internal reserves, he has decided to turn to external ones. The declaration of a trade war against China aims, among other things, to solve two main tasks: to contain the development of the main geopolitical adversary and to intimidate other countries, forcing them to accept changes in international trade conditions and thus replenish the budget of the United States of America.

During the presidential election campaign, Donald Trump promised to significantly improve the economic situation of US citizens, in particular by reducing the prices of energy, medicines, and food. This was pure populism, but such are the laws of US politics: without deceiving the most gullible part of the electorate, it is impossible to win

a presidential election. But these voters become disillusioned with politicians just as quickly as they become fascinated by them.

In the first days after the inauguration of the 47th president of the United States of America, 50% of those polled supported his actions, while 44% opposed them. By mid-March, the number of those who approved and those who disapproved of Trump's performance was equal, and today 50% of US citizens disapprove of his performance as president, while 47% continue to approve of him.

At the same time, supporters of the Democratic Party have become more active, emerging from the coma that followed their defeat in last November's parliamentary and presidential elections. Protests have already taken place in all fifty states under the common slogan "Hands off!": demonstrators demanded that Trump not cut social programs, stop deporting illegal immigrants, stop firing federal employees, and restore government support for the transgender movement. Although the total number of protests across the country was 1,400, they attracted only about half a million people. The largest demonstration took place in Washington, where there are now many unemployed former officials angry with Trump, but even there, only about 20,000 people gathered.

The idea of impeaching Trump continues to resurface in the US Congress. Particularly persistent is the most turbulent member of the Democratic Party in the House of Representatives, black Protestant pastor Albert Leornes 'Al' Green, who was even escorted out of the Congress chamber by security guards for attempting to interrupt the president's speech.

However, Trump has a couple of aces up his sleeve. He recently claimed that US President Joe Biden's executive orders pardoning his son Hunter Biden and a number of officials close to him used a facsimile instead of a normal signature. This supposedly renders them invalid. This means that the current president has signaled to the Democratic Party leadership that he has no personal issues with them, as long as they

remain silent in the assembly. The prospects for a parliamentary revolt therefore seem slim.

Trump's opponents may have made a false start by demonstrating that the anti-Trump agenda does not even find support among the majority of Republican Party supporters. Most Americans, while slightly disappointed with Trump, are still more or less satisfied with their economic situation. In March, the US created 228,000 new jobs (forecast: 140,000) and annual inflation fell to 2.8% (forecast: 3%), the lowest figure since March 2021.

However, when Trump's tariffs cause import prices to rise and retaliatory tariffs cause US exports to fall, protests could gain a broad social base and spread further. But if the White House comes up with the idea of solving the budget deficit by drastically raising taxes, public discontent will be even more severe.

While all is quiet on the streets, Trump continues to make major changes to the deep state. Elon Musk has been appointed as an external advisor to the White House, but has effectively become the head of the Department of Government Efficiency (DOGE), which is tasked with bringing order to public spending by preventing cases of embezzlement of budget funds, suspending funding for senseless government programs, and firing unnecessary civil servants. Musk initially announced plans to cut federal spending by \$2 trillion per year, but later revised his target to \$1 trillion.

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In two months, 280,000 of the three million public employees (excluding the two million military personnel and postal workers) were laid off, which Trump's opponents tried to portray as unprecedented and threatening the collapse of the government. However, the history of the United States of America knows examples of more radical cuts. For example, the administration of Democratic President Bill Clinton cut 400,000

of the 2.2 million civil servants without any effect on the efficiency of the government apparatus.

It is interesting to note that Trump's personnel revolution is meeting resistance not only from the opposition but also from members of the government. Thus, the conflict between Elon Musk and Secretary of State Marco Antonio Rubio, of Cuban origin, who did not want to reduce the State Department's staff, has come to light. Incidentally, this US "world management" office employs around 70,000 people.

In the end, Trump sided with Rubio, stating that the final decision on reducing the number of department employees would be made by the head of the department himself. Well, what minister would want to reduce the number of his departments and thus his own administrative weight?

By preventing Musk from making truly large-scale cuts, Trump is most likely following this logic, fearing that a sharp reduction in the number of federal officials will ultimately reduce the weight of presidential power in the country.

In addition, the head of the White House has his own ideas on how to train the 'deep state'. His representatives are very afraid of Musk, which means that Trump is playing the role of the good cop, counting on officials to develop Stockholm syndrome. Instead of carpet bombing, the White House prefers to carry out targeted attacks against disloyal employees.

According to DOGE, the department has already saved the government \$140 billion. But at the same time, in February of this year alone, the federal budget deficit amounted to \$307 billion, 3.7% more than in February 2024. Therefore, it is still too early to talk about DOGE's great successes.

Its boss, Elon Musk, is clearly annoyed that Trump snatched him away from the business world and entrusted him with a task that Trump himself is preventing from being implemented. But Trump didn't need results from Musk, he needed public

relations, such as the recent use of military aircraft to deport illegal immigrants from the United States of America. Flying illegal immigrants on a C-17 military transport plane to Guatemala cost five times more than flying them in business class: it was terribly inefficient, but it was good news.

Donald Trump has publicly stated that Elon Musk could leave government service at the end of May, according to AP/TASS. That is why today the relationship between Trump and Musk is deteriorating before everyone's eyes. At the end of March 2025, the president of the United States of America publicly stated that Musk could leave government office at the end of that month and return to running his many businesses.

It is now clear that Donald Trump is not willing to take shortcuts to reduce the budget deficit, especially if it involves political costs. For example, the president is not seeking to cut healthcare costs, which account for a third of federal budget spending, despite having taken similar measures at the beginning of his first presidential term. Trump is focusing on social stability. In just a year and a half, midterm elections will be held for Congress, and with a sharp increase in the number of dissatisfied people, the Democrats could take control of both houses of parliament, stifling the Trumpist “revolution” in its infancy.

Under these conditions, foreign trade has become the main area of transformation. During the election campaign, Trump continued to create the image of a foreign economic enemy that was “taking advantage of our trade,” focusing in particular on China. According to Trump, the unfairness consisted in the use of a wide range of non-tariff barriers, such as exchange rate manipulation or taxation of imports in addition to duties in the form of ordinary taxes.

However, Trump did not specify that the rules of globalization are set by the United States of America itself. He preferred to focus on the negative result, represented by a huge trade deficit.

The intensity of anti-Chinese sentiment in the White House is demonstrated by the recent statement by Pentagon chief Pete Hegseth, who, accusing China of global military

ambitions and a desire to militarize space, also made the absurdly racist claim that “Chinese fishermen are stealing food from Western Hemisphere countries.” Following this logic, we should expect Americans to accuse the Chinese of stealing oxygen from the United States of America because people breathe in China too.

By imposing high tariffs on China, the European Union, Japan, South Korea, and numerous other countries, Trump has acted according to a previously planned scenario, which originally envisaged continuing the trade war with China alone. For example, the White House justified the 90-day suspension of tariff increases on all countries except China on the grounds that no retaliatory measures had been taken against the United States and that negotiations had been requested.

However, this is not the case: the EU has announced retaliatory tariffs, but Trump has chosen to ignore them and continue to act according to the pre-approved anti-Chinese plan. If the United States adopts trade policies against China and the EU, this could contribute to the formation of a Sino-European anti-US alliance, which other countries harmed by Washington would be happy to join.

But even after the “generous” reduction of tariffs against the EU from 20% to 10%, the Europeans' demonstrative drift towards China has continued. The press has thus learned that China and the EU have agreed to start negotiations on the abolition of EU tariffs on Chinese electric vehicles. It has also been announced that EU leaders will travel to Beijing in July for a summit with Chinese President Xi Jinping.

Washington and Beijing continued to exchange customs tariffs with apparent superficiality, with the result that on Friday evening, April 11, US tariffs on Chinese products amounted to 145%, while China increased tariffs on US imports to 125%. At this level of tariffs, mutual trade loses meaning, we should expect its complete cessation, and we can begin to calculate mutual losses.

By the end of 2024, the volume of trade between the United States of America and China (according to the General Administration of Customs of the People's Republic of China)

amounted to \$688.28 billion, of which \$163.62 billion were US exports to China and \$524.66 billion were Chinese exports to the United States of America.

However, if we assess the political risks, these are higher for the United States of America. US consumers have long been spoiled by the abundance of goods and spoiled by their availability, and any deterioration, even minimal, in their financial situation will certainly be reflected in the next elections. If we consider that the country with the highest proportion of obese people in the world is Nauru, with 71.7% of its inhabitants (19.3 km²; 12,623 inhabitants), the second is the United States of America, with 9,833,520 km² and 340,110,988 inhabitants, two-thirds of whom are potential overweight voters.

Elon Musk has started a public rebellion against the trade war that has just begun, allowing himself to publicly insult the White House's chief economic adviser, Peter Kent Navarro, who is a supporter of the introduction of tariffs.

Trump's response, however, was harsh. Shortly afterwards, during a cabinet meeting attended by Musk, he said: "I don't need Elon at all, I just like him. He's done a great job. I don't need his Tesla. You know what I'm going to do? I'm going to let the guys in the office drive it."

The tariffs were also opposed by renowned American economist Jeffrey Sachs, a professor at Columbia University, who said that "if the tariffs are intended to reduce the US trade deficit, they will fail" and promised that such measures would lead to a decline in US competitiveness and the standard of living of its citizens.

But for Trump, this reasoning is similar to that of a chess player explaining that a boxer can never beat him. The White House chief understands perfectly well that temporary difficulties are inevitable and warns US citizens about this. "We were stupid and defenseless victims, but that will never happen again. We are bringing back jobs and businesses like never before. More than five trillion dollars has already been invested, and this figure is growing rapidly! This is an economic revolution and we will win! Hang

in there, it won't be easy, but the end result will be historic,” Trump wrote on his social media. Will it be so, or not?

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