

The militarist component of Trump's trade war

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20 September 2018

Washington's imposition on Monday of a new round of tariffs on Chinese imports and subsequent remarks by President Trump on the escalating trade conflict have clarified the essential driving forces of US policy.

Under the new measures, some \$200 billion worth of Chinese products will be hit with a 10 percent levy from next Monday, rising to 25 percent in January of 2019, unless, in a highly unlikely development, the US secures complete capitulation by Beijing.

While China is at present the prime target, the Trump administration sees the US as being involved in an economic war against the rest of the world.

As the *World Socialist Web Site* has emphasised, the driving force of the conflict is the long-term economic decline of the US vis-a-vis its old rivals, principally Germany and Japan, and its fear of the rise of a new one in the form of China.

This was underlined by remarks made by Trump at a press conference on Tuesday with Polish President Andrzej Duda. Responding to a question on the tariff measures imposed the previous day, Trump let fly with a series of denunciations directed at all the major trading partners of the US.

Emphasising his more than 30-year concern with US deficits, which started back in the 1980s with Japan and has now extended to China, he said: "We are the piggy bank to the world. We've been ripped off... by the European Union. We've been ripped off by everybody. Canada has taken advantage of our country for a long time."

Trump's recounting of talks between himself and European Commission President Jean-Claude Juncker in July is indicative of the Mafia-style negotiating techniques now being employed by Washington.

Claiming the EU had refused to negotiate with the US, he said he told Juncker: "That's OK, we don't

have to negotiate any longer. We're going to put a tariff on all of the millions of cars that you send into the United States."

Trump continued: "Honestly, he was in my office so quickly from Europe that I didn't know they had airplanes that flew that fast... And [now] we have the semblance of a deal. Because it's—to a large extent—economically all about cars. Cars are a very big factor."

Under the agreement, which came after the US insisted it would retain its tariffs on steel and aluminium exports from Europe, the two sides agreed to hold talks on reducing trade barriers, with the EU pledging to join the US in seeking to push back against China through the World Trade Organisation.

The US agreed not to go ahead, for the present at least, with its threat to impose a 25 percent tariff on imports of cars and auto parts, under Section 232 of the 1962 Trade Expansion Act, which gives the president the power to take action on "national security" grounds.

However, the proposed levy, which would most severely impact German producers, rendering some of their exports unprofitable in the US market, has not been dropped. It remains as a threat hanging over the negotiations, to be imposed if Washington considers the EU to have stepped out of line.

After recounting the course of his "discussions" with Juncker, Trump returned to his central theme. "Our country has been taken advantage of by virtually every country it does business with and we're not going to let that happen," he declared.

In other remarks on the tariff issue, Trump pointed to one of the key underlying issues—the calculated effort to disrupt existing global supply chains in order to bring manufacturing back to the US. "What's going to

happen,” he said, “is businesses will start moving back into the United States... that’s the dream... And product will start being made here.”

This reactionary economic nationalist doctrine is inexorably connected to the militarist drive of US imperialism. As the most strident anti-China hawks within the Trump administration, White House economic adviser Peter Navarro and US Trade Representative Robert Lighthizer, have made clear, the key issue is not trade deficits as such. Their overriding concern is to prevent China developing its industrial and technological base, lest this threaten the economic hegemony of the US and ultimately its military supremacy.

However, no one should labour under the illusion that these conceptions have emerged simply from the fevered minds of Trump and his key economic advisers. They are widely shared within the political establishment, including by the Democratic Party and the trade unions.

Moreover, concerns over the impact of globalised production on the “national security” of the US—that is, its capacity to wage war—were raised more than a decade ago. They were articulated in article entitled “Globalization and its Discontents” published in the *New York Times* on May 29, 2008. The article was authored by President Nixon’s secretary of state and national security adviser, Henry Kissinger, a long-time strategist of US imperialism and the instigator of some of its bloodiest crimes.

Kissinger noted that with the development of globalised production and finance, major corporations tended to site their operations to take advantage of lower labour costs. But this process weakened US military capabilities. In other words, the sinews of war tended to be dispersed.

“The strategic impact of globalization,” he wrote, “raises perhaps the most important issues on two levels: Are there industries indispensable for national security in which foreign investment should be limited or even precluded? Second, what industries must be kept from collapsing in order to maintain America’s defense capability? The answers to these questions clearly lend themselves to abuse. But this not an excuse for avoiding what the national interest dictates must be faced.”

He called for the administration to establish a

commission at the highest level “to study what constitutes an indispensable strategic US industrial and technological base and the measures to preserve it.”

Kissinger’s remarks serve to make clear the significance of the fact that all of Trump’s trade war measures have been invoked on “national security” grounds. This is sometimes viewed simply as a rationale for protectionist measures. But it has a deeper historic significance. As the tides of economic development move against it, US imperialism is seeking to bring together the sinews of war to prepare for military conflict directed against its rivals, old and new. This is one of the driving forces of the current trade war measures.



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