

The militarist agenda at the centre of Trump's tariff war against the world

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The executive order issued by US President Trump on Thursday evening, imposing sweeping tariffs on virtually every trading partner of the US, is a milestone in the decay and breakdown of American and global capitalism.

The US has now created a tariff wall around itself equivalent to that imposed, with disastrous consequences both economically and politically, during the Great Depression of the 1930s, and which played a decisive role in creating the conditions for the eruption of World War II, the greatest bloodbath in human history.

The consequences of Trump's economic war against the world will be no less significant. It will bring about a rapid descent into intense economic conflict leading inexorably to the eruption of war.

In fact, the situation is potentially even more serious than that which prevailed in the 1930s. At that time, international trade largely comprised the export and import of raw materials and finished goods. Manufacturing production was largely carried out within national borders.

Today, there is no commodity of which it can be said that it was produced in a particular country. Every single good, from the simplest to the most complex, is produced on a global scale. The world has become an integrated economic organism, and the working class has become likewise objectively integrated and unified.

But this development, the globalization of production and the development of complex supply chains which crisscross countries and continents, has raised to a new peak of intensity a central contradiction of the world capitalist order – that between the global economy and the division of the world into rival national states and imperialist powers.

Trump's measures signify the total destruction of the post-war trading order put in place after the disasters of the 1930s and World War II, which sought to contain it. As one administration official put it: "This is a new system of trade."

It is surely that. The full significance of Trump's measures can only be grasped and understood when they are placed in their historical context.

The post-war trading order was based on the lowering of tariff measures and the removal of restrictions. These mechanisms were not only aimed at promoting economic

growth, but they also had a profound geopolitical content. They were based on an understanding, drawn from the experience of the 1930s, that a world economic order in which every country sought to protect and advance its national interests through tariffs and other restrictive measures led inexorably to military conflict.

The post-war system was grounded on the economic dominance of US capitalism, which used its vast industrial capacity to reconstruct the world market on which it had become vitally dependent. But pax Americana contained an irresolvable contradiction.

The very revival and then expansion of the world economy steadily undermined the dominance of the United States. This quantitative decline, extending over decades, has now led to a qualitative turning point in which the US not only confronts old rivals in the form of Europe and Japan, but new ones such as China.

The economic warfare initiated by Trump is not simply the product of his fevered brain or those of his fascistic advisors.

His actions are the expression of an existential crisis confronting US imperialism which was developing long before he appeared on the scene.

It is exemplified in the transformation of the US from the industrial powerhouse of the world into the center of financial parasitism revealed in a series of storms and crises – extending from the stock market collapse of October 1987, to the tech-wreck of 2000-2001, the 2008 financial crash, and the freezing of the Treasury bond market in March 2020 at the start of the pandemic.

US imperialism has no economic program to resolve this crisis, neither by tariffs nor any other measures, but is driven to the use of mechanical means.

The militarist character of Trump's tariff war against the world is apparent throughout the executive order.

It refers to the impact of the so-called lack of reciprocity by foreign trading partners on "the domestic manufacturing base, critical supply chains, and the defense manufacturing base."

Throughout the order, there are references to the need for all countries which seek to trade with the US to align with it on "economic and national security matters." In other words, they must become fully integrated with the drive by the US to

maintain its position as the dominant imperialist power, above all in the battle against China, or they will be hammered economically.

In the case of India, for example, Trump railed against the Modi government for “buying Russian oil and weapons.”

The 50 percent tariff imposed on Brazil reveals most clearly the underlying agenda. It has been hit with a 50 percent tariff despite the fact that it is one of the few countries with which the US has a trade surplus.

But it is in Trump’s crosshairs because of the court action against his fascist ally Jair Bolsonaro over his attempted coup and because Brazil is one of the most prominent members of the BRICS group of countries seeking to find alternative means of international finance outside the dollar system.

As Trump has said on a number of occasions, losing dollar supremacy – vital for the capacity of the US to continue to run up massive debts – would be the equivalent to losing a war.

Almost a century ago, Leon Trotsky explained that the dominance of US imperialism would be expressed most openly and violently not in a period of boom, but in one of crisis.

And that prescient warning has come to pass. It is exemplified in the character of the so-called deals which are not the outcome of negotiations, but are the product of the diktat laid down by Trump with which other countries must comply or be hit by crippling sanctions.

This was seen most clearly in the “deal” struck with the European Union, which capitulated to Trump’s demands under the threat of the imposition of tariffs which would have had the effect of cutting it off completely from American markets.

The EU backed down in the face of an all-out trade war for which it is not yet prepared. But the capitulation was met with denunciation, typified by the remarks of the French prime minister Francois Bayrou that the bloc had “resigned itself into submission.”

Despite the claim by European Commission President Ursula von der Leyen that the “deal” had brought certainty, the European ruling classes know that the rampage has only just begun and that the agenda of US imperialism is to render them totally subservient. Japan is likewise targeted. The rivals to US imperialism cannot and will not accept a program under which they are continually ground into the dust.

Thus, the seeds of a new inter-imperialist war have not only been planted, they are starting to germinate.

In the course of the 20th century, German imperialism twice went to war against the US, and Japan engaged in a bloody conflict in World War II for dominance of the Asia-Pacific. These contradictions were suppressed and contained during the post-war era, but its foundations have now been shattered, and they are set to erupt to the surface once again as they did in the 1930s.

But there is a vital difference between that period and the present situation which must be grasped by the working class as it confronts the enormous dangers now confronting it.

In the 1930s, the working class had suffered enormous defeats, above all due to the coming to power of the Nazis in Germany. But today, the working class is not defeated or demoralized. There is a growing movement to the left around the world, a deepening anti-capitalist sentiment, and a turn towards a socialist solution, above all among the youth.

The crucial task is the arming of this movement with a clear perspective. It must be grounded on the understanding that the crisis does not arise from the proclivities of Trump, but from the historical bankruptcy of the entire capitalist order and its nation-state system.

It can, therefore, only be resolved through the fight for an internationalist perspective based on the unification of the working class in the political struggle for a socialist program, the watchword of which is “the main enemy is at home.”

Immediately for the American working class, that means the fight against the nationalist agenda promoted by Trump. For all his claims that his tariff wars will make America great again and lift up workers, the objective economic facts of life speak otherwise. Tariffs raise the cost structure of US industry, which employers are driven to try to overcome by massive attacks on jobs and working conditions in order to maintain their profits.

Likewise, workers around the world must reject and fight against the perspective of their “own” ruling classes that the way forward against the economic warfare launched by US imperialism is the advancement of a nationalist program. This is the road to disaster.

The perspective of world socialist revolution advanced solely by the International Committee of the Fourth International, the world Trotskyist movement, is not some utopian objective. As the death agony of capitalism, exemplified by Trump’s war, enters a new and even more dangerous stage, it is the only viable and realistic program of the day. The crucial task is to build the necessary leadership to fight for it.



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