

Trump steps back



Donald Trump was forced to take two steps back in his tariff war. Photo: France24

By Guillermo Alvarado

Faced with evidence that much of the global economy, including that of the United States—or perhaps primarily that of the U.S.—was on the brink of disaster, President Donald Trump was forced to take two steps back in his tariff war.

I mentioned on another occasion that the magnate's advisors never anticipated that in this confrontation, the gap would be insurmountable. Washington, with barely two and a half centuries of history, sought to intimidate China, heir to a culture spanning thousands of years, and practice proved this point.

To rage, born of ignorance, patience—born of wisdom—prevailed. Ultimately, the head of the White House had to announce a substantial reduction in the tariffs he had hastily imposed on the Asian giant, which limited itself to making a few strategic moves.

Thus, Trump acknowledged that the additional 145% tariffs on imports from China were excessive and announced there would be a significant reduction.

This came alongside his willingness to sit down and discuss the matter at the highest level with Beijing.

Even before this, President Xi Jinping had declared that tariff and trade wars "undermine the legitimate rights and interests of all countries, damage the multilateral trade system, and impact the global economic order."

He was even more emphatic in stating that his country does not seek a trade war but is not afraid to fight one—something his opponent undoubtedly never expected to hear.

But this is not the only front where the Republican had to backtrack and retreat. His attack on Federal Reserve Chairman Jerome Powell, whom he not only threatened but also insulted, brought negative results.

The president's willingness to seek mechanisms to remove the official caused the three main financial indicators in the United States to plummet, along with a significant tremor in global stock markets.

True to his style, Trump eventually declared that he "never" intended to fire Powell, and the situation began to stabilize.

At this point, it seems clear that the president of the northern power is playing something akin to trial and error, without realizing that in economics, as in other sciences, this can be catastrophic.

<https://www.radiohc.cu/en/especiales/comentarios/381961-trump-steps-back>



Radio Habana Cuba