# Trump's Turbulent Debut, Claudio katz

http://www.thedawn-news.org/2017/02/03/trumps-turbulent-debut/

In his first days as President, Donald Trump confirmed he is a reactionary who plans to carry out many harmful measures. While resistance grows on the street, the viability of his aggression still remains a question. But in any case, an accurate analysis of his project is worth more than countless predictions.

# A virulent agenda

The executive orders Trump signed illustrate his backwards purposes. He ratified the construction of the wall, to be paid by Mexico, began a mass expulsion of undocumented immigrants, annulled visas for various Arab countries, announced the removal of federal subsidies to cities that protect immigrants, began the dismantling of Obama's health care system and froze the hiring of state workers.

His cabinet of generals and multimillionaires includes experts in destroying public education (Betsy DeVos), in emptying the healthcare system (Tom Price), in plundering the environment (Scott Prui) and freezing minimum salary (Andy Puzder). Trump's Vice President (Mike Spence) leads campaigns to penalize abortion and his main officials are declared anti-Islamists (Michael Flynn) or white supremacists (Bannon).

Since the representative of oil lobby (Tillerson) has resumed the construction of contaminating oil pipes, repression might fall on the people that are resisting those projects in North Dakota.

Trump's predilection for heavy-handedness was expressed in his justification of torture. He guaranteed total protection for CIA activities and elevated the tone of his insults against the press for their coverage of opposition protests. And with his story about fraudulent voting, he's preparing some sort of voter-registering mechanism.

Trump is negotiating with the Republican establishment the economic plan and foreign policy, backing the obscurantist agendas of the far-right members of his cabinet. This agenda includes white-supremacist initiatives against African-Americans and other minorities. Not only latinos are excluded from his plan to 'make America great again' (Davis, 2016).

The tycoon plans to back his xenophobic discourse with actions. He's seeking support from the electorate to demonize Mexicans and Muslims. That's why he calls on 'true Americans' to defend him against the 'professional politicians' in Congress.

Some analysts have called his combination of explosive rhetoric, personalism and nationalism as 'anti-systemic populism' (Fraga, 2016). They question his demagoguery and his lack of knowledge on democratic principles. They affirm these defects are shared across nations by both left-wing and right-wing leaders.

But this comparison lacks basis. Parallelism can be drawn between Trumpa and Marine Le Pen, for example, but to propose a relevant similitude with Nicolás Maduro or Evo Morales is absurd. He's a representative of the bourgeoisie, that seeks to rebuild the US political system through an authoritarian administration.

Given that this goal demands para-institutional methods, the government coalition includes the fascist component of the militias and groups that promote the use of weapons in universities.

Some authors (Cabrera, 2017), accurately highlight these threats, while other hesitant liberals appease him, highlighting that his voters were mostly disgruntled workers, and playing down the reactionary aspect. Some also accurately criticize Obama and Hillary, while they downplay the danger that the new President poses (Fraser, 2017). With this attitude, the extraordinary explosion of protests that Trump's arrival unleashed is hard to assess.

### **An Unprecedented Resistance**

No president ever initiated his term with so much initial rejection. Four million protestors transformed the physiognomy of the main streets of United States. But more appealing was the radical nature of the speeches and the directives.

Under an avalanche of signs proclaiming that Trump "Is not my president", multiple orators highlighted the illegitimacy of the leader. The polls ratified that half the population validates this perception. Not just Michael Moore and Bernie Sander's followers question the legitimacy of the actual presidential administration. Some of the personalities of the establishment agree on that concern (Krugman, 2017). This proposals undermine the foundings of the American institutional system.

Trump's inauguration ceremony was boycotted by 40 senators leaded by an emblematic African American rights fighter (Lewis). This convulsive scenery raises unthinkable comparisons with Latin American countries.

Along the manifestations, a new culture of resistance present in ingenious sings emerges, remembering the graffitis of the 68. The social networks replaced the old paintings in the walls, facilitating the instant diffusion of the messages. The international repercussion of those slogans grows along the repudiation of Trump, that it is shared by all Hollywood's artistic community.

The next battle will be fought in the "sanctuary cities", that extended protection documents to the prosecuted. The authorities of 300 urban centers have declared that they will resist the federal demands of deportation, arguing that "immigration makes America great".

Various journalists make comparisons with the context that preceded the 60s mobilizations against the Vietnam War. That memory has replaced the similarities of Trump with Reagan for more appropriate comparisons with Nixon. If the resistance consolidates, the new leader's plans will face the complications that paralyzed his predecessor.

Trump reopens old wounds of the American society. He confronts with the descendants of the Sioux indigenous people, that reject the contaminating gas pipelines. In the Standing Rock piquet was commemorated the plunder suffered by that community, with a support that included several war veterans. Everybody asked for forgiveness for the extermination of the indigenous people and their confinement in reserves (Honty, 2016).

This resurface of old cracks is deeper in the racial scenario. Trump receives the hidden Ku Klux Klan supporters, who inherit the hate of the defeated South planters towards

African Americans. During the last century, that sector preserved a huge power in the ministries, in the courts and in the legislatures (Pozzi, 2016) and sustained the electoral system that privilege the rural, conservative and less populated states (Majfud, 2016).

Trump was anointed by the anti democratic system that violated the great part of the votes obtained by his opponent. Now he reopens from the presidency the most painful cracks of the American history. His presence in the White House has unleashed a political earthquake. After the outstanding support achieved by Sanders, this convulsion has created a great audience for the left proposals.

## The strategic power struggle with China

Trump isn't as improvised as he seems in his administration of the most powerful country in the world. Assessments made by the establishment's own research centers have determined that the process of neoliberal globalization promoted by the US is benefitting China (Silva Flores, Lara Cortes, 2017).

Solving that contradiction is the tycoon's main goal. He seeks, above all, to reduce the colossal commercial deficit with the Asian giant. This includes revising free-trade treaties that don't provide enough earnings to the US economy.

That's why he inaugurated his administration by halting the Trans-Pacific Treaty negotiations, which according to him provided too many concessions to the other members of the association.

This decision doesn't equate to a protectionist isolation of the economy, which is highly interconnected with international supply networks. Trump is trying to reaccommodate—and not suppress—the treaties that regulate world commerce, through a scheme designed by the WTO in the mid-90s.

The goal is to regain the US' hegemony in the global trade system (Lucita, 2016). He doesn't intend to reverse the international structure of transactions, which is currently being handled by multinational companies.

This sort of revision has already been by the United States, when it substituted the failed FTAA project by bilateral treaties with several Latin American countries. And now Trump is preparing a renegotiation to protect all of the interests of the Northern power.

Trump will retake from the fallen project of the TPP (and the pending TISA) the advantages achieved by US companies on property rights in various areas (medicine, cinematography, informatics, mail, aeronautics, finance). He will seek to convalidate the supremacy of his country in services and privileged access to public buying of other nations (Ghiotto, Heidel, 2016).

But the negotiation with China is more complex. Trump not only demands to open the Asian market to banks and US providers. He also demands limits to the direct penetration of Chinese products and their indirect access through production platforms in third-party countries. Cars are a primary target of this operation.

Pressure against China also affects the monetary sphere. Trump won't obstruct the buying of treasury bills (which preserve the international preeminence of the US dollar), but he'll try to avoid the appreciation of the US currency and the devaluations of the yuan, which affect US exports.

With this aggressive commercial and monetary scheme, Trump will try to dominate China, without affecting the power of the highly globalized sectors of US economy.

The nearing clash with the Eastern giant has similarities with the historic power struggle with the Soviet Union. Republican presidents have specialized in this sort of confrontation. Reagan promoted the Cold War, Bush commanded invasions to the Middle East and Trump leads the wrestling with China.

But the establishment has doubts about this challenge (Nye, 2017). The hawks of capitalism deem China economically vulnerable and incapable of substituting the US in the lead of the global order.

But the sector related to Obama fears the consequences of this clash. They prefer a neutralization of China, through its full incorporation (and therefore, submission) to the global circuits of finance (that is, to give the nation voting power in the IMF) and currency (to create a world currency with participation of the yuan) (Bond, 2015).

Trump has already began his offensive with a phone call to Taiwan, but he's preparing the escalade carefully. The Chinese government responded aggressively, offering new free-trade treaties to all the disputed partners at Davos.

China has also set forth its own Pacific treaty: the Regional Comprehensive Economic Partnership (RCEP), which strengthened the strategic alliance with Russia and achieved unprecedented deals with Philippines, Malasia and several countries of South-East Asia. Facing such a strong resistance, Trump is preparing for a confrontation by provoking a defenseless neighbor in the American continent.

#### The meaning of aggression to Mexico

The furious attacks on Mexico are a warning to bigger competitors. Trump is flexing his muscles with with the struggle to get the victims to pay for the wall that excludes them.

Another thing at stake is the reduction of the commercial deficit with the neighboring country and a renegotiation of the North American Free Trade Agreement (NAFTA) to make it more favorable. But since the imbalance of the NAFTA is not as important as in treaties with other countries, evidently this is a preparation for larger struggles.

Trump assumes that Peña Nieto will accept all humiliations, since 90% of Mexico's exports go to the U.S., and to increase taxes on them would be nefarious for the country's economy. He also imagines that the country's establishment lacks an alternative to the complete subordination of the North. He's also sure that Canada will back him.

A third of the wall has already been built by previous administrations without the need for an aggressive bravado. But Trump is interested in the message. It's propaganda for his administration's plan to manage workforce conservatively. His emphasis on the need for white workers to take all of the jobs deepens the internal fragmentation of the working class. In the old days, the enemy of American workers were European immigrants. Later on, they were encouraged to hate black and latino workers (Gordon, 1985).

Over the last few decades, this fracture was used to consolidate the reduction of wages. The minimum wage is currently 25% lower than in 1968, despite the fact that productivity doubled.

Trump resurrects neoliberalism to reinvent the segmentation of workers in the current neoliberal scenario. He combines chauvinism with privatizations and labor flexibilization. He uses xenophobia to limit the mobility of workers and consolidate the power of capital.

This restriction of workers' mobility is the main focus of his revision of free trade treaties. He doesn't intend to question the continuity of accumulation at a worldwide scale. He wants to extend the scheme in the relation between the US and China, which excludes the circulation of workers between both countries. (Pantich, 2016).

#### The risks for the economy

Because Trump began his administration with many open fronts of battle, he'll need economic successes to keep his administration afloat. His immediate approach is to make public works, which many demanded to Obama without success.

This inversion is necessary in an economy that is affected by the shabby state of public service after three decades of reductions to federal spending.

Trump's proposal is not as ambitious and involves outlays that are far inferior than those made by China in the last decade. But even at this scale there are few precedents for effectivity in this kind of initiatives. No Western economy has achieved substantial reactivation through this method. The last failure of this kind was registered in Japan.

Trump's project also entails a big public indebtedness and a significant increase of interest rates. This would make credits more expensive, in a country where the cheapness of credits had alleviated the economy in recent years.

For the time being, the markets are satisfied with their new representative in the White House. They approve the imminent tax reduction on business activity and approve the protagonism that bankers have in the cabinet. But the increase of fiscal deficit can impact investment funds with many US bonds.

The important presence of oil lobby also predicts bad news. They have recovered the power they had during the Bush administration, and their complete denial of climate change means that attempts to stop it will surely be hindered and control on toxic gas emissions won't be addressed. After the warmest 5 years of recent history, the US will dismantle the Environmental Protection Agency (Chomsky, 2016).

It's hard to imagine how Trump plans to recompose industrial labor as he promises. None of his proposals reverts the specialization of US economy in services or manufacturing of final goods. They also don't counteract the automatization processes that are pushing the workforce out. And they also don't make US worker cheaper than Asian ones.

This model entails a mix of monetarism (high interest rates) and ofertism (tax reductions), with Keynesian ingredients (reactivation of public spending).

#### **International reconfiguration**

Trump's war-mongering is reflected in the President's advisers. He incorporated more militaries in security positions than any other government in the last 60 years. He has already mandated a salary increase for the military and a bigger budget for the Pentagon.

Obama had already recomposed the Pentagon's worldwide presence with the creation of more international military bases (from 60 in 2009 to 138 in 2016) and the authorization to drop 26,171 bombs (Gandásegui, 2017).

Trump attempts to get closer to Russia to weaken China. He's doing the opposite move that Nixon did in the 70s when he sought to undermine the USSR by making deals with the Asian giant.

The oil agreements signed between Putin and Tillerson (in representation of Exxon Mobil) have opened this chapter. But the State Department is torn over this course. That's why so many secrets about Trump's relation with Moscow have leaked.

Russia, on its side, has made numerous deals with China and has shown its geostrategic ambitions in Syria.

Trump also risks conflicts with European governments for his approach to Putin. Several European leaders refuse to eliminate the sanctions introduced by Hollande and Obama during the Ukraine crisis. This controversy adds to the uneasiness created by Trump's demand for Europe to inject more money into NATO.

Even the faithful UK is in tension with the US. Trump backed the Brexit to ease the task of renegotiating free-trade treaties with individual regions. But opposers to the Brexit promote an intermediate bond with Europe, like Norway's. Others propose a long, 7-year transition. Everything depends on the final resolution by the Parliament.

#### **Latin America trembles**

No other country of the world is so torn by Trump's presidency as Mexico. The government is completely clueless and Peña Nieto only postponed the peregrination to Washington when Trump cancelled it via Twitter. The opposition unanimously criticized this act of submission.

Social struggle is boiling. Marches against the *gasolinazo* followed the long struggle of teachers and were more multitudinous than the reaction for the 43 murders in Ayotzinapa (Aguilar Mora, 2017).

But not only Mexico's dominant class is clueless. Every neoliberal President of the continent expected to strengthen the conservative restoration with Hillary, by closing the deal on the Trans-Pacific Alliance. But they find it hard to design a strategy for the new scenario. They only deepen the internal paralysis of the Mercosur, and lack a defensive plan.

The main strategy until now is seeking alternative free-trade treaties, not only with the European union but also with China. Argentina and Brazil are negotiating with the Asian country, without even analyzing the economic consequences of these deals.

If Latin America were to remain in the middle of a commercial battle between the US and China, the effects could be devastating. Given the lack of sovereign policies in the region, both giants would ramp up the dumping and the plundering of natural resources.

The left is solidarious with the US protesters, which converges with their anti-imperialist rejection towards the White House.