

Trump, Putin, and the New Globalization

Juan Carluccio

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The arrival of Trump to the presidency of the United States removes any doubt that history is very much alive and that globalization is evolving into a new era, where power struggles between states are at the center of the global economy, writes Juan Carluccio.

Since January 20, the world has been trying to decipher Donald Trump's behavior, who, after imposing a 10% tariff on Chinese imports, has multiplied threats concerning goods from various countries such as Canada, Mexico, Colombia, and Japan, and has recently announced a plan to impose "reciprocal tariffs" on all its trading partners.

What logic underlies these seemingly erratic actions?

A Coercive Philosophy

It is important to distinguish between two contrasting approaches within the Trump administration regarding the role of the state in economic affairs. On the one hand, national economic policies aim to reduce state intervention and regulation in the economy, reflecting the belief that entrepreneurship is the foundation of American greatness.

Conversely, in terms of trade policy, Trump fully relies on the power of the state and the hegemonic role of the United States in the global economy. His approach is based on coercion: he uses economic power as a strategic lever to achieve objectives beyond the strictly commercial or economic sphere, such as combating illegal immigration or drug consumption.

An analogy can be drawn with Putin's strategy when he leveraged his dominant position in gas supply to the EU to achieve a geopolitical goal: the annexation of Ukrainian territories. Putin thus transformed an economic resource into a geopolitical weapon. Trump's threats to tax imports from specific countries should be viewed through the same lens. They condition access to an economic resource over which he holds the keys: the domestic market of the world's largest economy.

Protectionism as a Political Weapon

One might be tempted to see this as a move toward anti-globalization and protectionism, or even a strategy to reindustrialize the United States. However, while the use of tariffs as an industrial policy tool divides economists, one consensus prevails: if not accompanied by other complementary measures, they will only increase prices and provoke retaliatory actions, ultimately harming American exporters and having negative effects on employment.

While Trump's measures may not lead to the reindustrialization of America, he nevertheless capitalizes on the frustrations caused by globalization and deindustrialization to present these coercive measures as a defense of American workers. He was elected with massive support from the classes left behind by globalization: low-skilled workers living in regions

where competition from imports, particularly from China, has had a significant impact on employment.

Thus, the negative effects of his trade policies can be framed as collateral damage in the battle waged in the name of restoring America's greatness (MAGA).

From Symptom to Engine

Trump does not seek to de-globalize the world but to restore the global hegemony of the United States in a context of competition between great powers. He is part of – with his own style and vision – a dynamic that was already underway before Trump 2.0: a paradigm shift in trade relations where power logic replaces rule-based logic. Initially a symptom, Trump is also an engine of these historical movements.

While globalization has profoundly transformed the world, lifting millions of people out of poverty, it has also created a hyperconnected and multipolar planet, marked by China's rise as a global superpower. Geographical specialization of production was the pillar and fundamental source of these gains. Today, it is what enables the weaponization of trade relations: happy globalization has become a victim of itself.

Proof that history has no end: it is immortal.