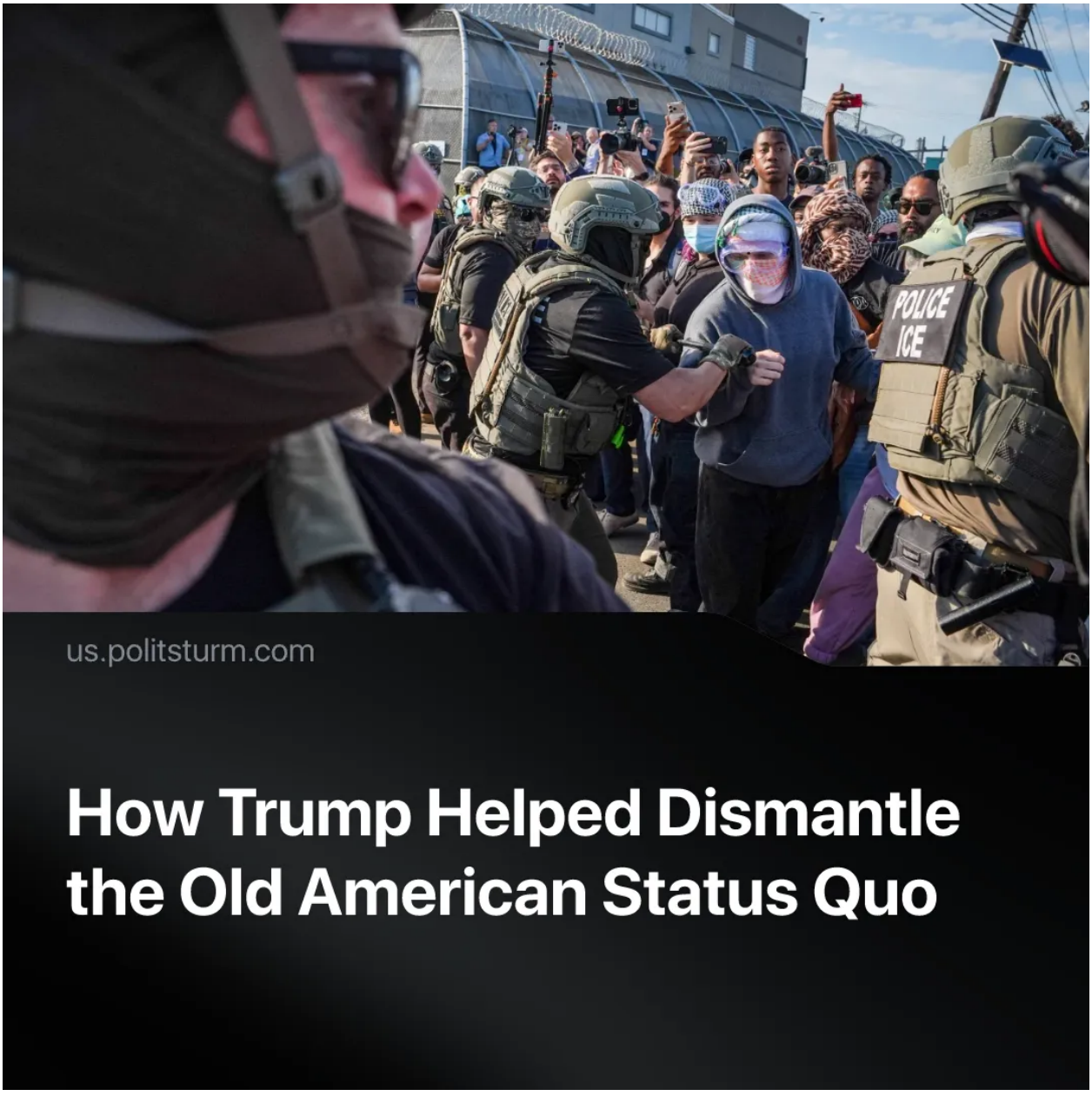
How Trump Helped Dismantle the Old American Status Quo



Original article

2026-11-26

3 min read

Competing factions of the US ruling class remain united in defending American imperialist interests. Trump has served his purpose in advancing them.

Details. 2026 has marked a sharp turn toward open coercion in US foreign and domestic policy. Military expansion remains a bipartisan strategy, with the Trump administration accelerating military spending and operations across multiple regions. This has primarily involved subduing intermediate imperialist powers caught between the US and China, carrying out a coup in Venezuela, intervening in the Middle East, and preparing for confrontation with China.

► Alongside military pressure, Washington is using sweeping tariffs to extract economic concessions from rivals and allies alike. The average statutory US tariff rate has risen from 2.5% to 11.2%, with tariffs affecting 54% of US goods imports. In January, the US withdrew from 66 international organisations.

► This foreign offensive coincides with deepening domestic polarisation, amid protests, far-right propaganda, and widening class and racial disparities, exacerbated by ICE. Republicans are intensifying anticommunism, demanding $350 billion to fight “communism on our own shores”. Meanwhile, Democrats are increasingly promoting “democratic socialists” and anti-establishment populists to capture worker’s discontent.

► To repress rising unrest, Washington has expanded ICE's capacity and funding while seeking greater legal protections for federal agents. ICE received $70 billion in additional funding, including $40 billion for detention capabilities, under the 2025 budget bill. The agency has also hired over 12,000 new agents since Trump's return to office. Under Biden, ICE already held nearly 40,000 people in detention. This repressive buildup has culminated in the first federal terrorism sentences against “Antifa-linked” defendants in Texas.

► Corporate executives and financial firms are also stepping directly into state governance. Billionaires Elon Musk and Palmer Luckey are involved in Project Meridian, a 120-day Pentagon study shaping future weapons and AI priorities. Meanwhile, the military is courting massive Wall Street investment and awarding hundreds of millions in no-bid contracts to hedge fund and private equity-linked firms.

Context. These trends are not exclusive to the United States. Global military spending reached a record $2.89 trillion in 2025, while active state-based conflicts hit their highest number since World War II. Global trade restrictions also surged, covering $5.4 trillion in imports. Governments worldwide are tightening state repression, amplifying anticommunism and witnessing the rise of far-right movements alongside increasingly radical-sounding left-bourgeois parties.

► Driving this shift is the erosion of US unipolar dominance over the past two decades. China's share of global exports grew from 12.8% in 2017 to 18% in 2026, while its goods trade surplus reached a record $1.19 trillion in 2025. Meanwhile, US imports from China fell by 30%. Regional powers, including Russia, Israel, Iran and the EU, are also seeking to assert their own interests.

► In the US, consumer prices have risen 22% over five years, annual inflation reached 3.7% in September 2026, and employers announced more than 121,000

AI-linked job cuts during the year. While workers face a deepening cost-of-living crisis, the country's ten richest billionaires added $698 billion to their wealth in a single year. This reflects a wider global concentration of wealth, with the richest 10% owning three-quarters of all assets.

Important to Know. Despite his deep unpopularity, Trump has fulfilled his role for American capital by acting as a “battering ram” against the old status quo. Rather than creating these crises, he has pushed existing trends in US capitalism to their logical next step.

► Trump has dismantled the post-1990s “social contract”, dropping old “democratic” pretences and openly expressing the interests of capital. His administration has cut nearly $1 trillion from Medicaid and almost $187 billion from food assistance, while seeking $1.5 trillion in military spending. Trump has stated that the US cannot afford social programmes while “fighting wars”. When taking control of Venezuelan oil revenues, which Trump boasted that "to the victor belong the spoils" and later argued the seized Venezuelan crude already paid for the war on Iran "25 times over".

► With the old social contract broken, fascisation is proceeding openly. ICE increasingly operates as a proto-fascist force terrorising American and migrant workers alike, shooting US citizens while its agents receive “federal immunity”. Its detention apparatus was already being expanded under Biden and Trump's first term. Neither party intends to dismantle this machinery. Regardless of political views or citizenship, the bipartisan repressive state is being strengthened against the population.

► The President’s turn toward isolationism means hardening domestic supply chains and prioritizing hemispheric control over global policing, showing a broader imperialist shift as rival powers rearm and erect permanent tariff walls to protect their own national capitalists.

► Despite Brussels' public show of “unity against Trump”, the US has consistently fractured and steered European policy. Since 2021, European military spending has increased by 75%, reaching €454 billion in 2026. European wealth is increasingly channelled into US arms contractors, while Europe remains drawn into costly proxy conflicts and US-aligned far-right movements receive support across the continent. Europe is now feeling the consequences.

Original article