



"The crisis consists precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of morbid symptoms appear."

Antonio Gramsci
Prison Notebooks

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The End of Illusion

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Mr Trump has branded his tariff regime as 'economic patriotism'—a blunt instrument masquerading as "tough negotiation." But tariffs, in truth, are not a sign of strength; they are the desperate tool of a hollowed-out empire. Once a global leader in innovation, industry, and competitive enterprise, the United States now tries to dictate terms it can no longer enforce, relying on coercion where competence has faded.

China's response to Trump's tariffs—first matching them, then freezing further escalation—is not a retreat. It is a declaration of independence. It says, in essence: "We no longer require access to your market." The United States, for all its bluster, is being quietly but firmly cut off from the vast and growing Chinese economy. This is not deescalation. It is de-dollarization in motion.

By weaponizing the dollar, and now, trade, Washington has accelerated the global pivot away from its financial and economic dominance. The more aggressive the tactics, the swifter the world moves to insulate itself from them. What appears to be negotiation is, in fact, the fracturing of a world order built on the illusion of American indispensability.

Washington continues to operate as if it inhabits the post-Cold War unipolar world — a world where it could dictate trade terms while sitting on mammoth debt, running trillion-dollar deficits, threatening allies and rivals alike while its industrial base withered, and imagine that China would endure economic warfare simply to keep selling goods to Walmart or buying U.S. Treasury bonds.

That world is gone.

One remembers Gore Vidal's most prophetic and famous lines that has appeared in multiple interviews, essays, and speeches:

"We are permanently the United States of Amnesia. We learn nothing because we remember nothing."

GORE VIDAL, THE DECLINE AND FALL OF THE AMERICAN EMPIRE.
ODONIAN PRESS, 1995.

Vidal, ever the insider-outsider, diagnosed American exceptionalism as a kind of illusion sustained by willful forgetting and warned of the costs when reality finally intrudes.

And it has.

The illusion has come to an end.

Today, China has reoriented its trade through the Belt and Road Initiative. It has strengthened currency and trade alliances within BRICS+, invested heavily across the Global South, and fortified its domestic market. Most critically, it has broken its dependence on Western export markets — particularly the United States.

So, when Beijing says it will "ignore" further U.S. tariff actions, it is not signalling weakness. It is asserting sovereignty. The U.S. has already priced itself out of relevance in key sectors; more threats are not necessary. The drama is over. The curtain is falling on an era of American presumption.

It is no secret that, for years, America's economy has been running on financial parasitism rather than production. Wall Street dismantled the industrial backbone.

Labor was deskilled, jobs outsourced, and infrastructure allowed to decay while ten trillion dollars vanished in endless foreign wars and corruption. The country that once built the world's factories can no longer even manufacture the tools to win a trade war.

Mr Trump's tariffs are not a coherent policy. They are a symptom—a sign of late-stage imperial decline.

Markets seem to agree. Since February, some \$10 trillion in stock market value has evaporated, and despite periodic rallies, there is no illusion that this is 2001. China is not cowering. It holds the keys to the future: rare earths, battery technology, semiconductors and a huge industrial base. The strategic high ground is not in tariffs, but in control of the supply chain.

Trump claims the tariffs are punishment for China "ripping off the USA." The Chinese are not angels, but the real question is: who truly gutted American industry? Was it China or Europe? Or was it Wall Street and Washington?

Who hollowed out the factories, looted pension funds, turned homes into speculative assets, and poured trillions into forever wars that enriched defence contractors and hedge funds?

Indeed, America has been "ripped off," but by its own elite decision-makers—who outsourced jobs, deregulated finance, and prioritized short-term profits, all while using the dollar as a powerful weapon in debt creation and government intervention in the affairs of other nations.

Beijing may have naturally pursued its own interests vigorously but did not orchestrate any theft. The theft happened in American boardrooms, think tanks, universities, and Senate committees, under the banners of "free markets", "national security" and "financial innovation."

So, who really "ripped off " whom? Is it the one who, for decades, produces goods at razor-thin margins, or the one who buys and pays for them with money conjured from thin air?

This moment is not the climax of a trade war—it is the end of an illusion. The illusion that America can sanction, tariff, and bully its way to eternal dominance. An empire that neither makes nor builds cannot win an economic war. It can only lash out, hoping its reputation will substitute for relevance.

By prioritizing low inflation and cheap credit, the Fed created an environment that rewarded financial speculation over long-term investment. Easy money fuelled asset bubbles—not factories.

Consequently, short-term profit seeking became king. Activist shareholders demanded quarterly gains, not durable growth. Offshoring, stock buybacks, and financial engineering replaced investment in plant and labour or the pursuit of skill creation and industrial resilience.

Moreover, trillions of dollars were spent projecting power abroad while infrastructure at home decayed. Military Keynesianism replaced industrial policy — enriching defence contractors and Wall Street but doing little for domestic production.

America stopped valuing making things and started chasing making money. Products gave way to products-as-vehicles-for-profit—from mortgages to university degrees to entire towns turned into speculative assets.

For decades, business schools and economists preached efficiency, outsourcing, and lean operations. Manufacturing was seen as outdated—services and "light capital" were the future. "We have a knowledge economy," they said. But hollow supply chains cannot feed nations.

The world is moving on. We are at the beginning of a post-America world—the end of hegemony. It's been brought to us by America itself. Chaotic and messy as it may appear, the Trump administration arguably understands this predicament more clearly than its critics.

It is illusion that sustained America's dominance longer than its fundamentals could support, and this illusion is now irretrievably broken.

Yes, the world is moving on, but many observers agree that the US empire is likely to remain a major disruptive force on the rest of the world for a while to come. It is the time when "a great variety of morbid symptoms appears."

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