

The Fed has smelt the populist coffee and really does n...

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The US Fed cut its interest rate by 0.25% yesterday. In a world of low interest rates that's a big figure. And after a number of increases in the Trump era, the change in direction is significant.

I think there's one thing we can be sure of about this change in Fed sentiment: it was not done to appease Trump, even though he had been demanding it.

The Fed appears to have no love for Trump, or desire to appease him.

Instead I think it can fairly be said that this was done as an affront to Trump. The Fed has smelt the coffee. And what they're saying is that Trump and his populism is the problem that threatens the US economy now.

The trade war with China threatens US wellbeing.

The threat of trade war with the EU does the same.

And populism, which has given rise to Brexit as well as the deeply disruptive policy's promoted by Trump, also threatens global stability.

The result is that the ability to address real economic issues - rather than these wholly artificially manufactured ones - is threatened.

Add all that up and the Fed is signalling that it thinks we're in trouble. And they're right. We are. Deep trouble.

And I stress, the problem is that this trouble is not the result of fundamental imbalances. Nor is it because of the issues we face that demand real reforms, like global heating. Instead this trouble has been manufactured by politicians like Trump and Johnson to create the division that is now, in the Fed's opinion, threatening us.

Our wellbeing is at risk. And the risk has been deliberately created by elected politicians seeking to pursue their own ends instead of ours.

That's the depths politics has reached.