

Is Trump going to meltdown?

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Trump is bringing financial markets down whilst increasing tensions inside and outside the USA. How long is it before he delivers a meltdown?

<https://www.youtube.com/watch?v=mdA9pdV-lss&si=DKqwYbSXgpYBYTUC>

This is the audio version:

https://www.podbean.com/player-v2/?i=49kxa-17e3b1c-pb&from=pb6admin&share=1&download=1&rtl=0&fonts=Arial&skin=f6f6f6&font-color=&logo_link=episode_page&btn-skin=c73a3a

This is the transcript:

Is Trump in meltdown as he enters the third week of his time in office?

It looks very likely that something I predicted in November is correct. I said then that 2025 would be a nightmare year for Trump, and I stick by that idea.

There were, in essence, two ideas that I put forward in November when I made that claim. The first was that he would either fail to deliver his policies and the MAGA - the Make America Great Again crowd - who support his presidency would go mad with him because he had not delivered, in which case 2025 would be a nightmare and the Democrats would come back into office in 2026, at least in the Senate and the House.

Or he would try to deliver his policies, and we get meltdown that way instead.

Well, we now know which of those options is in play. He is very clearly delivering on his promises.

The consequence of Trump trying to deliver on those promises is quite extraordinary.

We've seen trade war break out with China, Canada, and Mexico.

Stock markets around the world are falling because they can see the obvious consequence of that trade war, which is going to be bad not just for corporate America, who are not going to like this, and other corporations around the world.

Trump has already warned the people of America that there will be a serious cost of these tariffs, but says it's okay, it'll all be worthwhile in the end. Yeah, what, when we're dead? I doubt it, Donald. And I don't think the American people are going to fall for that.

And we've seen the consequences elsewhere.

We are seeing FBI agents being sacked for having tried to uphold the law.

We are seeing Musk taking over the federal spending system of the US government. Six trillion dollars now appears to be under the control of him and a few of his associates, none of whom have security clearance and none of whom are state employees, but all of whom seem to think it's entirely within their right to decide who is and is not paid.

Musk has said that USAID, which tried to block this - USAID being the US overseas aid agency that is responsible for all its spending basically on aid programs outside the US, many of which are absolutely fundamental to, for example, the control of terrorism - he has described that organisation as criminal and needing to be shut down. The obvious consequence is that those foreign diplomacy programmes which have underpinned US soft power are in jeopardy.

But we've seen the same with regard to other Musk initiatives. Medicaid is in chaos.

There are over 2 million federal employees who do not know whether they have a job or not anymore.

And we could keep going onwards because the list is ever growing in terms of the chaos that Trump is unleashing.

We have to look then at what are the soft points.

I am worried about the state of US governance, the state of US taxation, the control of law and order and so on. But those aren't the things that most people worry about on a day-to-day basis. That's the preserve of people like me who are a bit geeky about

government and those sorts of issues.

In Main Street America they'll be worried about two things. The first will be the fall in the value of their savings. Because that's a key measure of American economic strength, according to the US media. And shares are likely to tumble.

That will also have a major consequence, of course, for Trump's donors, who are not going to like seeing the value of their shares fall as a consequence of a wholly unnecessary trade war into which he has entered, as the Wall Street Journal has called it.

But more than that, the people of the USA are not going to like this because, in effect, what Donald Trump is doing is putting a tax on them because that is what tariffs will do. Tariffs are, in the way in which they will behave inside the US economy, a sales tax. And most of that sales tax, in proportion to income, will be paid by the lower-paid and middle-class earners of the USA.

They're the people who spend more on imports of products from Mexico, for example.

They're the people who will be paying more on fuel imported from Canada.

They're the people who'll be paying more on the import of electronic technology from China, for example.

And who will get the benefits of this tax reallocation from income tax, which is what Trump promised after all? It will be the wealthy. There's going to be a major reallocation of the tax burden from the wealthy onto those on low incomes and that is going to trigger a touchpoint as well.

Two things then will bring Trump into meltdown. One, falling share prices.

Two, increasing taxes.

There's no point in the Democrats discussing anything else because the rest of it doesn't matter to most people.

Political geeks don't like what's going on, and rightly so, and we should be upset and protesting and everything else. And that's for the Democrats to deal with in the House, in the Senate, and so on.

But, when it comes to Main Street America - ordinary people - then it is share prices, and taxes, and the consequent increase in inflation. This is where Trump is going to be in deep trouble.

Is he going to be in deep trouble? Yeah, I think he really will be in deep trouble because these things are going to have massive consequences.

We're seeing significant moves in share prices, as if the markets hadn't realised that Trump would do what he said, which is quite bizarre in itself.

Now we're going to see the tax changes as well because Trump will do what he said. That's the one thing we seem to be learning about this administration this time around. They're doing what they said.

And we're going to see inflation as a consequence.

And we're going to see tax increases on ordinary people in America as a consequence.

And all of that is going to create the economic nightmare that I forecast for Trump in November.

Is this going to be a year of meltdown for Donald Trump?

We can only hope that America comes to its senses very quickly.

And that the rest of the world sees the consequence of voting a person like Trump into office and doesn't, as a consequence, move to the far right everywhere else.

We can live in hope.

That's the best thing I can offer to you right now because this journey is going to be decidedly uncomfortable.