

It's happening

<https://www.taxresearch.org.uk/Blog/2025/08/01/its-happening/>

Published: January 12, 2026, 8:31 pm

The signs of a downturn are appearing. [This news from the New York Times](#), just out, is particularly relevant:

Employers continued to create jobs but pulled back on hiring, a sign that more businesses are putting expansion plans on hold as they deal with economic uncertainty created by President Trump.

The economy added 73,000 jobs last month, the Labor Department reported on Friday, lower than economists' expectations. The unemployment rate slightly rose to 4.2 percent, up from 4.1 percent the month before.

They added:

In a sign that the labor market may not have been as robust as it seemed earlier this year, job gains from the previous two months were also revised down by a total of 258,000, an unusually high number.

It is customary for the USA to add jobs to its economy every month: this is still a growing country, and such jobs are needed to meet demand and to provide economic activity to all those living in the country. 73,000 is a very low number of additions, and the fact that earlier figures are also downgraded suggests that the downturn is already happening in the US economy. Employers are fighting back against tariff pressure on them and general economic uncertainty by not employing new people, and unemployment is edging upward, albeit slowly, as a result.

This would not matter, except that tariff impacts really do not hit until today, assuming Trump can make them stick, which I suspect Trump will succeed in doing, [although I draw attention](#) to Ivan Horrock's comment on this made earlier today.

The [German Dax index](#) is also down because of tariffs. US markets are closed.



These things by themselves prove nothing. They do, however, provide the signs that all is very far from right in the world.