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“America First” and the great upheaval in international relations

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The “America First” logic, adopted by the US neofascist movement known as MAGA, may seem rational to those who are not familiar with the economic history of international relations. According to Trump and his acolytes, America has spent huge sums of money protecting its allies, especially the rich countries among them, i.e. the geopolitical West (Europe and Japan in particular) and the Gulf Arab oil states. It is time for them to pay off the debt: all these countries must foot the bill by escalating their investments in the United States and their purchases from it, especially their purchases of weapons (which is what Trump means by his constant pressure on the Europeans to increase their military spending). All of this naturally falls within the mercantile logic consistent with the nationalist fanaticism that characterizes neofascist ideology (see “The Age of Neofascism and Its Distinctive Features”, 04/02/2025).

From this perspective, US military expenditure – which has truly exceeded not only that of America’s allies but almost equalled at one point the military spending of all other countries in the world combined – has been a major sacrifice for the benefit of others. According to the same logic, the large deficit in the US trade balance is but the outcome of other countries exploiting US goodwill, which is why Trump wants to reduce it by imposing tariffs on all countries that export to the United States more than they import from it. In doing so, he also seeks to increase the federal state’s income in order to offset his reduction of the same income by means of tax cuts benefitting the rich and big business.

The historical truth, however, is very different from this simplistic portrayal of things. First, US military spending after World War II was, and remains, a major factor in the specific dynamics of the US capitalist economy, which has since been based on a “permanent war economy” (this is explained in detail in my book *The New Cold War: The United States, Russia, and China, from Kosovo to Ukraine*, UK edition, US edition, 2023). Military spending has played, and continues to play, a major role in regulating the course of the US economy and in financing technological research & development (the latter role was prominent in the ICT revolution, a field that restored the United States to technological pole position after the relative decline of its traditional industries).

Second, the military protection that the United States provided to its allies in Europe, Japan, and to Arab Gulf states was part of a feudal-like relationship, in which these countries provided great economic privileges to the US overlord, in addition to their participation in its military network under its exclusive command. The truth completely contradicts Trump’s and his acolytes’ portrayal of the United States’ relations with its allies as being based on their exploitation of it. The reality is the exact opposite, as Washington has imposed on its allies, especially the rich countries among them, a pattern of economic relations through which it has exploited them, especially by imposing its dollar as an international currency, so that these countries directly and indirectly financed the twin deficits of the US trade balance and federal budget. The dollars of the US trade deficit, along with sundry dollar resources of various countries, have continually returned to the US economy, some of them directly financing the US treasury.

Thus, the United States lived, and continues to live, far beyond its own means, a fact that is evident in the size of its trade deficit, which approached a trillion dollars last year, and the size of its enormous debt, which exceeds 36 trillion dollars, equivalent to 125 percent of its GDP. The United States is the ultimate epitome of a large and powerful debtor who lives at the expense of wealthy creditors in a relationship of domination of the former over the latter, instead of the other way around.

Even towards Ukraine, the \$125 billion the United States has given to that country so far (far from Trump’s fanciful figures, where he claims that his country has spent \$500 billion in this regard) is equivalent to what the European Union alone has provided (even though the EU’s GDP is about 30% less than that of the US), not counting what

Britain, Canada and other traditional US allies have contributed. In fact, what the United States has spent in funding the Ukrainian war drive served its policy of weakening Russia as an imperial rival. Washington is primarily responsible for creating the conditions that facilitated the neofascist transformation in Russia and led to its invasion of its neighbour. It deliberately stoked hostility towards Russia and China after the Cold War to consolidate the subordination of Europe and Japan to its hegemony.

However, when Trump and his acolytes acknowledge the responsibility of previous US administrations in creating the situation that led to Russia’s invasion of Ukraine, they do not do so out of their love for peace as they hypocritically claim (their position on Palestine is the best evidence of their hypocrisy), but rather in the context of their transitioning from considering Russia a rival imperialist state – an approach that Washington has increasingly pursued since the 1990s despite the collapse of the Soviet Union and Russia’s return to the fold of the global capitalist system – to considering Putin as their partner in neofascism, looking forward to cooperating with him in strengthening the far-right in Europe and the world, in addition to benefiting from Russia’s large market and great natural resources. Whereas they see in Europe’s liberal governments an ideological opponent and an economic competitor at once, they see in Russia an ideological ally that cannot compete with them economically.

On the other hand, China, in the eyes of Trump and his acolytes, is the greatest political opponent and economic and technological competitor. Joe Biden followed this same policy, establishing a continuity between Trump’s first and second terms with regard to hostility to China. While the Trump team may hope to separate Moscow from Beijing, just as China separated from the Soviet Union in the 1970s and allied with the United States, Putin will not risk taking this path as long as he is not sure of the permanence of the US neofascists at the helm of their country.

The big question now is whether the European liberal axis is ready to take the path of emancipation from US tutelage, which requires stopping its alignment with Washington in hostility towards China and consolidating cooperative relations with it. This also requires European countries to be prepared to work within the framework of international law and contribute to strengthening the role of the United Nations and other international institutions, two things that Beijing has been constantly calling for.

Europe’s economic interest is clear in this regard, of course, especially the interest of the largest European economy, the German economy, which has extensive relations with China. The irony is that China is now joining forces with the Europeans in defending global trade freedom against the mercantile approach adopted by Trump and his acolytes, and in defending environmental policies against their rejection, accompanied by climate change denial, that characterizes various brands of neofascists. The sharp positions expressed by the incoming German Prime Minister, Friedrich Merz, in criticising Washington and calling for Europe’s independence from the United States, if they lead to an actual attempt to follow this path, may get reflected in the European Union’s attitude towards China, especially since the French position is leaning in the same direction.

All these matters confirm the death of the Atlantic liberal system and the world’s entry into a stormy phase of reshuffling the cards, of which we are still at the beginning. The US Congressional elections next year will play a major role in pushing this process forward or curbing it, depending on whether they lead to strengthening or weakening neofascist dominance over US institutions. Meanwhile, the US neofascist movement has begun to imitate its counterparts in various countries in gradually undermining electoral democracy and laying its hands on US state institutions in an effort to perpetuate its control over them.

Source: [Gilbert Achcar](#)

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