

IMPACT 2024:

How Donald Trump's Reelection Could Amplify Global Inter-systemic Risk

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Link to full report: <https://cascadeinstitute.org/technical-paper/impact-2024/>

Addendum

In this addendum, we briefly update our October 3, 2024 report to account for recent analyses and developments.

Authoritarian risk

Concerns in both liberal and moderate conservative circles about Mr. Trump's authoritarian proclivities have deepened. Reports have focused on his likely use of the Department of Justice and other federal instruments to attack opponents.ⁱ Senior members of the first Trump administration have explicitly labelled Mr. Trump a "fascist" unfit to lead the country.ⁱⁱ

Threat of post-election violence

A consensus has emerged among commentators and even in the general public that Mr. Trump will refuse to concede defeat, regardless of the election result.ⁱⁱⁱ In the event he loses or the election is disrupted (see Figure 1 in the full report), he will denounce the election as fraudulent, attack Democrats and electoral officials as "cheaters," and activate his base in "stop the steal" actions to interrupt the democratic process. Republicans have already attempted to change voting eligibility in numerous states, and some officials are threatening to refuse to certify election results.^{iv}

Costs of proposed policies

The Peterson Institute for International Economics estimates that Mr. Trump's plans to deport 8.3 million immigrants, implement a 10 percent universal tariff and a 60 percent tariff on Chinese goods, and compromise the independence of the Federal Reserve would reduce US real GDP 9.7 percent by 2028 and increase inflation by 7.4 percent in 2026.^v The American Immigration Council similarly found that the deportation of 13.3 million immigrants lacking legal status would directly cost \$315 billion (for arrests, detentions, legal processing, and removal), reduce US GDP by 4.2 to 6.8 percent (\$1.1 to 1.7 trillion in 2022 dollars), diminish federal, state, and local tax revenues by tens of billions of dollars, and shock labor markets in construction, agriculture, and hospitality. Deportations at a rate of one million people per year, rather than all at once, would cost the US government \$88 billion annually, totalling \$967.9 billion over the next decade.^{vi}

These policies would also impact the world economy. Tariffs imposed in President Trump's first term, and the resulting trade conflicts with China, generated a sharp and sustained contraction of global manufacturing.^{vii} The tariffs proposed for his second term would affect ten times as many imports, greatly increasing the risks of the trade-war spiral (FL1) and the economic downturn and xenophobia spirals (FL4 and FL5) we have previously identified. Trump's protectionism would jeopardize the global economic recovery.^{viii}

Support from tech entrepreneurs

Key digital technology entrepreneurs and financiers such as Elon Musk, Peter Thiel, and Marc Andreessen are conducting a coordinated campaign to aid Mr. Trump's reelection.^{ix} Elon Musk is now Mr. Trump's second largest donor (contributing almost \$120 million); he is also paying voters in swing states to sign a "pro-constitution" petition, with a purported \$1 million given randomly to a different signee every day. If Mr. Trump is re-elected, these donors will have a disproportionate say on federal policy, especially on AI, leading to less regulation in the tech sector and closer links between the US military and key tech companies, in turn amplifying the risk of an AI arms race with China (FL8).

Pandemic risk

Recent statements by Robert F. Kennedy Jr. and Mr. Trump indicate that the former—already a part of Trump's transition team—will likely be appointed to a senior public health role in a second Trump administration. Mr. Kennedy's "Make America Healthy Again" platform is anti-vaccine; he has proposed ceasing funding for infectious disease research and prosecuting prestigious medical journal editors for propagating "fake science." Within a Trump administration, he would influence leadership appointments at the FDA, NIH, and CDC, undoubtedly favoring champions of his causes.

H5N1 has already been detected in unpasteurized milk, yet Mr. Kennedy wants to give the public access to raw, unpasteurized milk, which could increase exposure to the H5N1 virus and thus raise the probability of dangerous viral mutations. His involvement in a second Trump administration's health team would further amplify the risk of another pandemic, by both degrading institutions responsible for health crisis management and fueling misinformation that would hinder disease prevention and safe practice.^x

Heightening Impacts

The above evidence suggests that our initial analysis generally underestimated the inter-systemic risks of a second Trump presidency and their potential to exacerbate the global polycrisis.

Endnotes

- ⁱ Bazelon, E. & Schwartz, M. (2024, October 3). Why legal experts are worried about a second Trump Presidency. *New York Times Magazine*. <https://www.nytimes.com/2024/10/03/magazine/trump-justice-department-rivals.html>.
- ⁱⁱ Goldberg, J. (2024, October 22). Trump: 'I need the kind of generals Hitler had'. *The Atlantic*. <https://www.theatlantic.com/politics/archive/2024/10/trump-military-generals-hitler/680327/>.
- ⁱⁱⁱ Bump, P. (2024, 2 October). Trump and his allies are not planning to concede another electoral loss. *The Washington Post*. <https://www.washingtonpost.com/politics/2024/10/02/trump-his-allies-are-not-planning-concede-another-electoral-loss/>; Pew Research Center (2024, October 10). "Most voters think Harris will concede—and Trump won't—if defeated in the election." *Pew Research Center*. <https://www.pewresearch.org/politics/2024/10/10/most-voters-say-harris-will-concede-and-trump-wont-if-defeated-in-the-election/>.
- ^{iv} Rutenberg, J. (2024, October 25). The army of election officials ready to reject the vote. *New York Times Magazine*. <https://www.nytimes.com/2024/10/25/magazine/far-right-election-results.html>.
- ^v McKibbin, W., Hogan, M., & Noland, M. (2024, September 26). *The international economic implications of a second Trump Presidency*. Peterson Institute for International Economics. <https://www.piie.com/publications/working-papers/2024/international-economic-implications-second-trump-presidency>.
- ^{vi} American Immigration Council (2024, October 2). *Mass deportation: Devastating costs to America, its budget and economy*. American Immigration Council. <https://www.americanimmigrationcouncil.org/research/mass-deportation>.
- ^{vii} Romai, V. (2019, October 1). Global manufacturing contraction stretches to longest in 7 years. *Financial Times*. <https://www.ft.com/content/9999171e-e45e-11e9-9743-db5a370481bc>.
- ^{viii} Smith, C. & Fleming, S. (2024, October 27). Policymakers warn protectionism threatens global economic recovery. *Financial Times*. <https://www.ft.com/content/b3620eb7-3bb7-43fd-a330-7aea80f65353>.
- ^{ix} Mahler, Jonathan., Mac, R., & Schleifer, T. (2024, October 18th). How tech billionaires became the G.O.P.'s new donor class. *The New York Times*. <https://www.nytimes.com/2024/10/18/magazine/trump-donors-silicon-valley.html>.
- ^x Bedard, R. (2024, September 30). What to expect if Kennedy is promoted to a position of power. *The New York Times*. <https://www.nytimes.com/2024/09/30/opinion/rfk-kennedy-health.html>; Crane, E. (2024, October 18). Trump says RFK Jr. will be in admin if he wins election: 'He had a big impact'. *The New York Post*. <https://nypost.com/2024/10/18/us-news/trump-says-rfk-jr-will-be-in-his-admin-if-he-wins-election/>.