

Trump 2.0: US Revivalism Driven By Tech Oligarchy



24-03-2025 ~ Trump 2.0 has had a tumultuous start. While Trump has always been erratic and almost deliberately

unpredictable, the scope and magnitude of changes being ushered in this Trump 2.0 administration is qualitatively different. An ambitious attempt is being made to restructure the US state, military, and their relations with the rest of the world. New tariffs are announced daily - including against the United States' closest partners, Canada and Mexico - and then are subsequently withdrawn, controversial foreign policy decisions are made, and the US government is radically restructured.

While Trump's erratic decision-making is often attributed to his personality, a broader strategy appears to underpin these moves: a section of the US bourgeoisie has concluded that American total dominance with control over global institutions, international trade, and endless wars is no longer viable. Instead, they are pushing for reviving America's declining economic, technological, and military strength while settling for a cold war with China.

The Tech Oligarchy - the big tech monopolies and their billionaire owners - are at the front and centre of this ambitious effort. Tech monopolies have come to play an increasingly important role in the American economy, and are now starting to flex their political muscle. The Who's Who of tech, including Jeff Bezos, Mark Zuckerberg, Sundar Pichai, Tim Cook, and Elon Musk, had front-row seats in Trump's inauguration, showcasing their importance. [Tech billionaires such as Elon Musk, Peter Thiel, David Sacks and Marc Andreessen](#) are central characters in the Trump administration, taking on key roles and advisory positions.

Under both Trump and Biden, Washington sought to curb China's technological rise through stringent sanctions, particularly in semiconductor manufacturing. The Biden administration passed the CHIPS and Science Act, allocating \$52 billion in incentives to bring semiconductor production back to the US. However, China has made significant strides in chip design and manufacturing, undermining the intended impact of these policies. China's breakthroughs in

producing [Huawei's mobile phones with advanced 7nm chips](#) and [Deepseek](#), an AI model competitive with the leading US models, have come as shocks. They are 'Sputnik moments' to the US tech industry. Meanwhile, efforts to relocate chip production domestically have faced setbacks.

Trump administration now appears to favour a more aggressive economic policy, using tariffs and [corporate pressure to force foreign firms](#) -such as Taiwan's TSMC, the world's most cutting-edge chip manufacturer - to establish factories within US borders. The underlying belief is that economic coercion, rather than subsidies, will restore American manufacturing strength. Along with tariffs is a deep commitment to deregulation, especially regarding AI safety and environmental concerns. The belief is that spectacular advances in AI on the back of massive investments in data centre hardware, cheap energy, and crippling China's tech capabilities using sanctions will enable the US to extend its technological edge and maintain its economic pole position.

The Ukraine war has also reshaped US military strategy. Initial expectations that Russia would collapse under Western sanctions have proven unfounded, with Moscow emerging more resilient both economically and militarily. Furthermore, Russia and China have demonstrated superior military technology in areas such as hypersonic missiles, highly sophisticated air defence systems, sixth-generation fighter planes, and autonomous drone warfare. The Russian demonstration of the most advanced [Oreshnik missile](#), which is estimated to be capable of reaching a speed of Mach 10 or 12,348 km/hr, and the Chinese demonstration of their [6th generation J36 stealth fighter jets](#) acted as another set of 'Sputnik moments' for the US in the military sphere. Even Yemeni Houthi rebels have managed to disrupt Red Sea shipping despite the presence of US naval forces.

The Ukraine war has shown that the US military's reliance on expensive 'game changers' such as aircraft carriers, nuclear submarines, B-52 bombers, Abrams tanks and Patriot anti-aircraft missile systems, has been largely ineffective. Modern warfare has evolved to use swarms of cheap drones which can overwhelm weapons which are orders of magnitude more expensive. Next-generation systems have proved far more effective. Elon Musk's Starlink systems have kept the command-and-control communications of the Ukrainian Military running despite much of the ground telecommunication system being knocked off by the Russians. Peter Thiel's company Palantir has played a pivotal role in Ukraine's war efforts. [Palantir's software, which uses AI](#) to analyse satellite imagery, open-source data,

drone footage, and reports from the ground to present commanders with military options, is responsible for most of the weapons targeting, including artillery and anti-tank missiles, by Ukraine.

A key element of Trump's strategy involves leveraging Silicon Valley's expertise, with prominent tech billionaires such as Elon Musk and Peter Thiel and their companies playing direct roles in developing [AI-based futuristic weapons](#) and drone armies. These are envisioned to be central to future American wars.

Domestically, Trump has launched an all-out assault on the federal bureaucracy. Key departments, including the Department of Education, are being targeted for elimination. Elon Musk has been tasked with leading the Department of Government Efficiency (DOGE), which has already implemented deep cuts in various agencies. This is driven by the libertarian ideology of Trump's tech industry allies, who advocate for minimal government intervention in economic affairs.

A newly established [cryptocurrency sovereign fund](#) further underscores the administration's libertarian bent as far as domestic economic policies are concerned. Several billionaires within Trump's circle such as Peter Thiel, Elon Musk, David Sacks, and Marc Andreessen who hold significant crypto investments stand to benefit.

The overarching theme of Trump's second term appears to be a rapid and radical attempt to revive US strength in the face of mounting economic and military challenges. The administration's approach suggests a transition from a unipolar world order to a new Cold War, with China as the primary rival. The peace initiatives with Russia may also be prompted by an effort to pull Russia away from its 'friendship without limits' relationship with China.

However, Trump's policies are riddled with contradictions and ideological blind spots. Without first building the necessary industrial capacity and technical know-how to run modern industry hollowed out by decades of outsourcing, the aggressive use of tariffs in the hope of regaining economic self-sufficiency may backfire. It may also alienate allies, weakening the US position on the global stage. Ultimately, Trump 2.0 represents a radical and highly unpredictable experiment in reshaping US power - one that carries profound risks and an uncertain future for the US empire.

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