

American retreat: On Trump's turn to protectionism

The U.S. risks **ceding** its position as a global economic **powerhouse**

What United States President Donald Trump did to global trade on April 2, 2025 in Washington closely **mirrors** a **disruptive precedent set** by President Richard Nixon in 1971. On August 15, Nixon **stunned** the world by announcing the “temporary **suspension**” of the U.S. dollar’s convertibility into gold. This effectively **dismantled** the Bretton Woods **framework** that was **worked out** quite **unilaterally** in 1944, which **led to** the **setting up** of the World Bank and the International Monetary Fund, and provided an **anchor** for global currency **stability** — an **avenue** to **address** balance of payments crises, and to **finance** the reconstruction efforts of former **colonial** powers. Though announced as a temporary move, it became permanent and **upended** the global financial system, as nations **reckoned** with a new **era** of financial **market volatility**. Similarly, Mr. Trump’s **reciprocal tariffs** have instantly **ushered in** global economic uncertainty, the full **extent** of which **will** be felt in the months and the years ahead. By unilaterally **altering** trade relationships, he has **disrupted** the very system of interconnected global commerce that the U.S. helped build in the post-war era.

The international reaction has been one of shock and concern. The U.S. is the world’s largest importer of manufactured goods, **accounting for** about 13% of global imports in 2023. The new tariffs will **reroute** supply chains and force countries to diversify their export strategies. In the immediate term, the **cost** of imports **will** rise for American consumers, leading to reduced demand. The **ripple effects** will be global, causing production **slowdowns** as exporters **scramble** to find alternative markets. **Economies** such as China, Japan, India and the European Union **are** likely to experience a temporary decline in economic growth. Yet, unlike in the Nixon era, the U.S. today holds a **diminished** position in global trade. In the 1970s, it was the world’s **dominant** trader, with an estimated 13%-15% share of global trade. China’s presence was negligible at the time, accounting for less than 1%. Today, China commands the largest share of global trade, at around 14%, while the U.S. has slipped to roughly 10%. The international community also accepted the dollar’s **supremacy** in the 1970s because of America’s **overwhelming** economic and technological dominance. Now, although the dollar remains the preferred reserve currency, the **centre** of economic **gravity** **has** shifted. The world’s leading **exporters** of advanced technologies **are** now China and other Asian powers, including South Korea, Japan, and Taiwan. Thus, Mr. Trump’s **turn** to **protectionism** — an attempt to regain American economic dominance — **may** well **hasten** the country’s retreat from its **hegemonic** position. **[Practice Exercise]**

- Red/blue coloring of words in the sentence indicates subject verb relationship; where ‘red’ denotes ‘subject’ and ‘blue’ denotes ‘verb’.

Vocabulary

1. **Retreat** (noun) – withdrawal, pullback, fallback, exit, recession वापसी
2. **Protectionism** (noun) – trade barriers, tariff policy, import restrictions, economic nationalism, market shielding संरक्षणवाद
3. **Cede** (verb) – surrender, relinquish, give up, yield, hand over त्यागना
4. **Powerhouse** (noun) – a person or thing of great energy, strength, or power. शक्ति केंद्र
5. **Mirror** (verb) – reflect, resemble, imitate, replicate, echo प्रकट करना
6. **Set a precedent** (phrase) – establish example, initiate tradition, create benchmark, lay groundwork, pioneer उदाहरण स्थापित करना
7. **Disruptive** (adjective) – unsettling, disturbing, radical, game-changing, chaotic विघटनकारी
8. **Stun** (verb) – shock, astonish, daze, amaze, dumbfound चौंका देना
9. **Suspension** (noun) – halt, pause, stoppage, interruption, break निलंबन
10. **Dismantle** (verb) – break down, remove, abolish, disassemble, undo तोड़ना
11. **Framework** (noun) – structure, system, setup, model, arrangement ढांचा
12. **Work out** (phrasal verb) – resolve, develop, formulate, figure out, sort out समाधान करना
13. **Unilaterally** (adverb) – independently, one-sidedly, alone, singly, solo एकतरफा रूप से
14. **Lead** (to) (verb) – result in, cause, trigger, give rise to, bring about उत्पन्न करना
15. **Setting up** (noun) – establishment, creation, formation, launching, initiation स्थापना
16. **Anchor** (verb) – stabilize, secure, root, fix, support आधार बनाना
17. **Stability** (noun) – steadiness, firmness, constancy, balance, security स्थिरता
18. **Avenue** (noun) – route, path, channel, option, opportunity मार्ग
19. **Address** (verb) – deal with, handle, tackle, resolve, confront समाधान करना
20. **Finance** (verb) – fund, support, sponsor, underwrite, back वित्त देना
21. **Colonial** (adjective) – imperial, pre-independence, dominion-related, foreign-ruled, empire-related औपनिवेशिक
22. **Upend** (verb) – overturn, disrupt, unsettle, invert, destabilize उलट देना

23. **Reckon** (verb) – think, believe, estimate, suppose, consider मानना series of things one after the other श्रृंखलाबद्ध प्रभाव
24. **Era** (noun) – period, age, epoch, phase, time युग 34. **Slowdown** (noun) – decline, deceleration, slump, dip, recession मंदी
25. **Market volatility** (noun) – fluctuation, instability, swings, unpredictability, turbulence बाजार में अस्थिरता 35. **Scramble** (verb) – rush, hustle, scurry, compete, struggle संघर्ष करना
26. **Reciprocal tariff** (noun) – a tax or trade restriction that one country places on another in response to similar actions taken by that country. प्रतिशोधोदात्मक शुल्क 36. **Economies** (noun) – Countries in terms of GDP अर्थव्यवस्थाएं
27. **Usher in** (phrasal verb) – introduce, start, initiate, launch, bring in शुरूआत करना 37. **Diminished** (adjective) – reduced, lessened, weakened, declined, shrunken कम हुआ
28. **Extent** (noun) – range, level, scope, degree, magnitude सीमा 38. **Dominant** (adjective) – leading, powerful, prevailing, controlling, ruling प्रमुख
29. **Alter** (verb) – change, modify, adjust, revise, transform बदलना 39. **Supremacy** (noun) – dominance, superiority, preeminence, authority, control प्रभुत्व
30. **Disrupt** (verb) – interfere, disturb, damage, interrupt, destabilize बाधित करना 40. **Overwhelming** (adjective) – massive, immense, powerful, intense, great भारी / अत्यधिक
31. **Account for** (phrasal verb) – make up, represent, constitute, comprise, बनाना 41. **Gravity** (noun) – seriousness, importance, weight, magnitude, significance महत्व
32. **Reroute** (verb) – redirect, divert, shift, rechannel, change path रास्ता बदलना 42. **Hasten** (verb) – accelerate, quicken, rush, speed up, expedite तेजी लाना
33. **Ripple effect** (noun) – the effect or influence of a situation, action, event, etc. that does not stop but is experienced on a 43. **Hegemonic** (adjective) – dominant, controlling, ruling, powerful, imperialistic प्रभुत्वशाली

Summary of the Editorial

1. **Historical Parallel** – Donald Trump's recent tariff move mirrors President Nixon's 1971 decision to end the dollar's convertibility to gold.
2. **Impact of Nixon's Move** – Nixon's decision dismantled the Bretton Woods system, sparking long-term global financial instability.
3. **Disruptive Action** – Trump's reciprocal tariffs have similarly triggered global economic uncertainty by altering trade norms unilaterally.
4. **System Undermined** – The U.S., once a champion of post-war global commerce, is now disrupting the very system it helped build.
5. **Global Shock** – The international community has responded with alarm and concern over the abrupt tariff imposition.
6. **U.S. Trade Role** – As the world's largest importer (13% of global imports in 2023), U.S. policy shifts significantly impact global trade flows.
7. **Supply Chain Disruption** – New tariffs are expected to reroute supply chains and force countries to diversify their export strategies.
8. **Consumer Impact** – American consumers will bear the brunt of rising import costs, leading to lower domestic demand.
9. **Global Ripple Effects** – Export-driven economies like China, Japan, India, and the EU may face temporary growth slowdowns.
10. **Shift in Trade Dominance** – Unlike the 1970s, the U.S. no longer dominates global trade; it now holds only a 10% share.
11. **Rise of China** – China has overtaken the U.S. with a 14% share of global trade and leads in advanced technologies.
12. **Dollar's Status** – While the dollar is still the top reserve currency, America's relative economic dominance has declined.
13. **Asian Technological Powerhouses** – Countries like China, Japan, South Korea, and Taiwan now lead in tech exports.
14. **Protectionism's Irony** – Trump's protectionist stance, aimed at restoring U.S. dominance, may actually accelerate its global retreat.
15. **Declining Hegemony** – The editorial suggests that such unilateral actions risk the U.S. ceding its position as a global economic leader.

Practice Exercise: SSC Pattern Based

1. **What can be inferred about the long-term impact of Trump's tariffs based on the passage?**
 - A. They are likely to strengthen America's global economic dominance
 - B. They will temporarily benefit American consumers by lowering prices
 - C. They may accelerate America's decline from its hegemonic status
 - D. They will have no real effect on the global economy
2. **According to the passage, what was the approximate share of global trade held by China in recent times?**
 - A. Less than 1%
 - B. 10%
 - C. 14%
 - D. 15%
3. **Why did Nixon suspend the dollar's convertibility into gold in 1971?**
 - A. To reduce gold reserves
 - B. To increase imports from Europe
 - C. To dismantle the Bretton Woods system
 - D. To address financial instability under the Bretton Woods framework
4. **What is the tone of the passage?**
 - A. Optimistic and encouraging
 - B. Critical and concerned
 - C. Neutral and indifferent
 - D. Humorous and satirical
5. **What is the closest meaning of the word "hegemonic" as used in the passage?**
 - A. Isolated
 - B. Dominant
 - C. Democratic
 - D. Regressive

Comprehension:

In the following passage, some words have been deleted. Read the passage carefully and select the most appropriate option to fill in each blank.

Many parents think of overweight children as 'cute' and cuddly. However, obesity must not be (1) _____ as a healthy sign. (2) _____ obese children grow up, they will be more prone (3) _____ health problems like high blood pressure (4) _____ diabetes. Today, overweight children are becoming a common (5) _____ in many countries

6. **Select the most appropriate option to fill in blank no. 1.**
 - A. see
 - B. saw
 - C. seeing
 - D. seen

7. **Select the most appropriate option to fill in blank no. 2.**
- A. Who
 - B. What
 - C. Where
 - D. When
8. **Select the most appropriate option to fill in blank no. 3.**
- A. on
 - B. at
 - C. in
 - D. to
9. **Select the most appropriate option to fill in blank no. 4.**
- A. nor
 - B. neither
 - C. never
 - D. or
10. **Select the most appropriate option to fill in blank no. 5.**
- A. might
 - B. sight
 - C. light
 - D. tight
11. **Select the most appropriate ANTONYM of the underlined word in the given sentence.**
His opponents viewed him as stubborn, dogmatic, and inflexible
- A. Amenable
 - B. Biased
 - C. Dishonest
 - D. Careless
12. **Select the most appropriate option that can substitute the underlined word in the given sentence.**
The family was saved from the burning building by the brave firefighter
- A. cowardly
 - B. fearless
 - C. timid
 - D. unafraid
13. **Select the most appropriate ANTONYM of the word 'bold' in the given sentence.**
A person can be friendly, timid, clever, or fearless based on the context of the situation
- A. fearless
 - B. timid
 - C. friendly
 - D. clever
14. **Select the most appropriate option that can substitute the underlined segment in the given sentence.**

Dhruv's anger blazed of uncontrollably

- A. anger blazed onwards
- B. anger blazed into
- C. anger blazed after
- D. anger blazed up

15. **Select the most appropriate meaning of the given idiom.**

Blowing smoke

- A. To tease someone relentlessly
- B. To hide something
- C. To burn something important
- D. To lie to perplex others

16. **Select the most appropriate ANTONYM of the underlined word in the given sentence.**

It is no exaggeration to say the Hussain Sagar Lake is an integral element of Hyderabad and Hyderabad's history.

- A. essential
- B. extra
- C. inherent
- D. total

17. **Select the option that will most suitably substitute the underlined part of the given sentence.**

He was not happy until he gave up his job and live as a fakir in the forests

- A. until he gave up his job and lives
- B. until he gave up his job and lived
- C. unless he gave up his job and lives
- D. until he gives up his job and lived

18. **Select the most appropriate homonyms from the given alternatives to fill in the blanks.**

He _____ imitate the playful movement of the _____.

Alternatives:

A. does (female deer)

B. does

C. dose

A. A, B

B. C, B

C. A, C

D. B, A

19. **Select the most appropriate option that can substitute the underlined segment in the given sentence.**

Riding a horse was a piece of cake for him.

- A. a very difficult task
- B. confusing work
- C. an everyday affair

- D. a very easy task
20. **Select the most appropriate option that can best replace the bracketed word to fill in the blank**
His _____ stature was not a measure of his overall personality. (scrawny)
A. keen
B. sickly
C. muscular
D. thin
21. **Select the INCORRECTLY spelt word in the given sentence.**
'Vande Mataram', a poignant poem, is obviously and indisputably the premier national song of India.
A. Obviously
B. Poignant
C. Indisputably
D. Premier
22. **Select the most appropriate synonym of the given word.**
Respect
A. Invalidate
B. Disrespect
C. Attend
D. Honour
23. **Select the most appropriate homonym to fill in the blank.**
Sonu eats _____ like a rabbit
A. caret
B. carat
C. carrot
D. karat
24. **Select the INCORRECTLY spelt word**
A. Rebuke
B. Dissappoint
C. Foresee
D. Seize
25. **Select the most appropriate option to substitute the underlined segment in the following sentence.**
The company do not broke the law at any time.
A. do not brakes
B. did not broken
C. did not breaking
D. does not break

Answers

1. C 2.C 3.D 4.B 5. B 6. B 7. D 8. D 9. D 10. B 11. A 12.B
 13. B 14.D 15.D 16.B 17.B 18.D 19.D 20.D 21.C 22.D 23.C 24.B
 25. D

Explanations

1. C) They may accelerate America's decline from its hegemonic status

The passage suggests that Trump's unilateral protectionist policies could backfire, "hasten the country's retreat from its hegemonic position," and cause global economic disruption.

A. Incorrect – The passage argues the opposite: that such actions may weaken U.S. dominance.

B. Incorrect – The passage clearly says import costs for American consumers will rise, not fall.

D. Incorrect – The ripple effects are described as global and significant, not negligible

2. C) 14%

The passage states, "Today, China commands the largest share of global trade, at around 14%."

A. Incorrect – This was China's share in the 1970s, not now.

B. Incorrect – This is the current U.S. share, not China's.

D. Incorrect – The passage mentions 14%, not 15%, for China.

3. D) To address financial instability under the Bretton Woods framework

The passage says Nixon's move "effectively dismantled the Bretton Woods framework... an avenue to address balance of payments crises," implying he acted in response to instability under that system.

A. Incorrect – There is no mention of a goal to reduce gold reserves.

B. Incorrect – Increasing imports isn't stated as a reason.

C. Incorrect – While dismantling Bretton Woods was a consequence, it wasn't the reason stated in the passage.

4. B) Critical and concerned

The passage expresses disapproval of Trump's protectionist policies, comparing them to Nixon's disruptive actions and highlighting negative consequences like global economic uncertainty.

A) The passage does not express optimism; instead, it warns about economic instability.

C) The author takes a clear stance against Trump's policies, so the tone is not neutral.

D) There is no humor or satire; the passage is serious and analytical.

5. B) Dominant

"Hegemonic" (adjective) – dominant, ruling, commanding, controlling, influential प्रभुत्वशाली, प्रभावशाली

In the passage, it refers to the U.S. holding a leading or dominant role in global affairs.

6. D) 'Seen' का प्रयोग होगा क्योंकि "seen" का अर्थ है किसी चीज को देखा गया या माना गया। जबकि 'see' का अर्थ देखना, 'saw' का अर्थ है देखा, और 'seeing' का अर्थ है देखना का प्रक्रिया, जो इस संदर्भ में सही नहीं है।
- 'Seen' should be used because it means considered or regarded as. Whereas, 'see' means to look, 'saw' is the past tense of see, and 'seeing' implies the process of looking, which don't fit in this context.
7. D) 'When' का प्रयोग होगा क्योंकि "when" का अर्थ होता है किसी घटना के घटित होने का समय निर्दिष्ट करना। जबकि 'Who' का अर्थ है कौन, 'What' का अर्थ है क्या, और 'Where' का अर्थ है कहाँ, जो इस संदर्भ में सही नहीं है।
- 'When' should be used because it specifies the time at which an event occurs. Whereas, 'Who' means who, 'What' means what, and 'Where' means where, which don't fit in this context.
8. D) 'To' का प्रयोग होगा क्योंकि "to" का अर्थ होता है किसी स्थिति या समस्या के प्रति संवेदनशील होना। जबकि 'on' का अर्थ होता है किसी सतह के ऊपर, 'at' का अर्थ होता है किसी विशेष स्थान पर, और 'in' का अर्थ होता है किसी स्थान के भीतर, जो इस संदर्भ में सही नहीं है।
- 'To' should be used because it implies being sensitive or susceptible to a situation or problem. Whereas, 'on' means on a surface, 'at' means at a specific location, and 'in' means inside a place, which don't fit in this context.
9. D) 'Or' का प्रयोग होगा क्योंकि "or" का अर्थ है विकल्प या जोड़ना। जबकि 'nor' का अर्थ है 'ना ही', 'neither' का अर्थ है 'दोनों में से कोई नहीं', और 'never' का अर्थ है 'कभी नहीं', जो इस संदर्भ में सही नहीं है।
- 'Or' should be used because it means an alternative or addition. Whereas, 'nor' means 'not either,' 'neither' means 'not one nor the other,' and 'never' means 'at no time,' which don't fit in this context.
10. B) 'Sight' का प्रयोग होगा क्योंकि "sight" का अर्थ होता है देखने का दृश्य या दृश्यता। जबकि 'might' का अर्थ है शक्ति या संभावना, 'light' का अर्थ है रोशनी या हल्का, और 'tight' का अर्थ है कसा हुआ या तंग, जो इस संदर्भ में सही नहीं है।
- 'Sight' should be used because it means something that is seen or viewed. Whereas, 'might' means power or possibility, 'light' means illumination or not heavy, and 'tight' means firmly held or close-fitting, which don't fit in this context.
11. A) **Dogmatic** (adjective) – Inclined to lay down principles as incontrovertibly true, rigid, inflexible, uncompromising. कट्टर/ हठधर्मी

Antonym: **Amenable** (adjective) – Open and responsive to suggestion, easily persuaded or controlled, flexible. जवाबदेह

- **Biased** (adjective) – Unfairly prejudiced for or against someone or something, partial. पक्षपाती
- **Dishonest** (adjective) – Not honest, untrustworthy, deceitful. बेईमान
- **Careless** (adjective) – Not giving sufficient attention or thought to avoiding harm or errors, negligent. लापरवाह

12. B) **Brave** (adjective) – Ready to face and endure danger or pain; showing courage. साहसी

Substitute: **Fearless** (adjective) – Lacking fear, brave, unafraid, bold. निडर

- **Cowardly** (adjective) – Lacking courage, afraid, fearful. कायर
- **Timid** (adjective) – Showing a lack of courage or confidence, shy. डरपोक
- **Unafraid** (adjective) – Not frightened, not scared. निडर

13. B) **Bold** (adjective) – Confident, courageous, daring, fearless. साहसी

Antonym: **Timid** (adjective) – Showing a lack of courage or confidence, easily frightened. डरपोक

- **Fearless** (adjective) – Lacking fear, brave, courageous. निडर
- **Friendly** (adjective) – Kind and pleasant, affable, amiable. मित्रवत
- **Clever** (adjective) – Quick to understand, learn, and devise or apply ideas; intelligent. चतुर

14. D) 'blazed' के बदले 'blazed up' का प्रयोग होगा क्योंकि 'blazed' के साथ 'up' का प्रयोग होता है जो अचानक और तीव्र रूप से उभरने का संकेत देता है; जैसे—His anger blazed up uncontrollably.

Blaze up (phrasal verb) – to suddenly become very angry भड़कना

- 'blazed up' will be used instead of 'blazed' because 'blazed' is commonly paired with 'up' to indicate a sudden and intense emergence; Like—His anger blazed up uncontrollably.

15. D) **Blowing smoke** (idiom) – To lie to perplex others झूठ बोलकर भ्रमित करना

16. B) **Integral** (adjective) – Necessary to make a whole complete; essential or fundamental. अखंड / अभिन्न

Antonym: **Extra** (adjective) – Added to an existing or usual amount or number; additional, surplus, not essential. अतिरिक्त

- **Essential** (adjective) – Absolutely necessary; extremely important. महत्वपूर्ण
- **Inherent** (adjective) – Existing in something as a permanent, essential, or characteristic attribute. अंतर्निहित
- **Total** (adjective) – Comprising the whole number or amount; complete. कुल

17. B) lives के बदले 'lived' का प्रयोग होगा क्योंकि 'was' Past Tense में है और उसी Clause में दूसरी भाग में Verb 'lives' भी Past Tense में होगी; जैसे— He was not happy until he gave up his job and lived as a fakir in the forests.

- 'Lived' will be used instead of 'lives' because the verb 'was' is in Past Tense, so the other verb 'lives' in the same clause will also be in Past Tense; Like— He was not happy until he gave up his job and lived as a fakir in the forests.

18. D) B, A

'does' का प्रयोग होगा क्योंकि पहले रिक्त स्थान में हमें एक helping verb की आवश्यकता है इसलिए 'does' सही है, जबकि दूसरे रिक्त स्थान में हमें एक noun की आवश्यकता है इसलिए 'does' (female deer) सही है।

- 'does' should be used because in the first blank we require a helping verb, so 'does' is correct, whereas in the second blank we require a noun, so 'does' (female deer) is correct.

19. D) **A piece of cake** (phrase) – A very easy task एक बहुत ही आसान काम

20. D) **Scrawny** (adjective) – (of a person or animal) unattractively thin and bony. मरियल

- **Thin** (adjective) – Skinny, slim, slender, bony, lean पतला

21. C) The incorrect spelling in the sentence is '**Indisputably**'. The correct spelling is 'Indisputably' which means "in a manner that cannot be challenged or denied" निर्विवाद रूप से.

22. D) **Respect** (noun) – A feeling of deep admiration for someone or something elicited by their abilities, qualities, or achievements. सम्मान

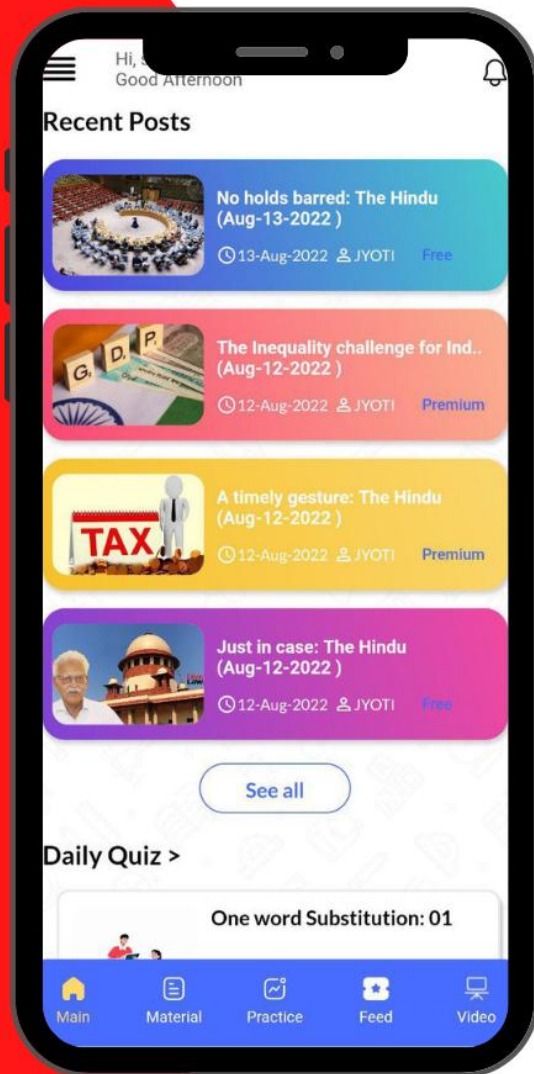
Synonym: Honour (noun) – High respect; great esteem. सम्मान

- **Invalidate** (verb) – To make an argument, statement, or theory unsound or erroneous. अमान्य करना
- **Disrespect** (noun) – Lack of respect or courtesy. अपमान
- **Attend** (verb) – To be present at (an event, meeting, or function). उपस्थित होना

23. C) Carrot is correct here where we compare it with other options available.

24. B) The correct spelling of 'Dissappoint' is '**Disappoint**,' which means "to fail to fulfill the hopes or expectations of someone" निराश करना.

25. D) 'do not broke' के बदले 'does not break' का प्रयोग होगा क्योंकि 'Do/Does/Did + Base form of verb' का प्रयोग होता है, अतः शेष विकल्पों को सरलता से हटा सकते हैं और अंतिम विकल्प D का चयन कर सकते हैं; जैसे— The company does not break the law at any time
- 'does not break' will be used instead of 'do not broke' because 'Do/Does/Did + Base form of verb' is used, so we can easily eliminate the other options and select the last option D; Like— The company does not break the law at any time.



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