Introduction

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The allies of president Trump claim that he is a business saviour but according to Paul Krugman, an economist, he argues that Trump is an absolute opposite. Trump is establishing considerable burdens in the economy and uncertainties with his wars in trade and aggressive deregulatory policies. We need to be careful because business uncertainties are often used in attacking progressive policy. According to Paul Krugman, the unpredictable and hostile trade policies established by Trump and relaxed regulations of the environment are bad for long-term businesses and their productivity. The economist argues that wars in trade and tariffs imposed by Trump will cause hindrance to growth in businesses and their productivity since there will be increased costs of business operations, potential accessibility to the market will be cut off and long-term planning in businesses will be hindered due to their unpredictable nature. Also, these policies may cause recession leading to adverse effects on the future investments of businesses. Moreover, recession will cause business to reduce their hiring rates or freezing it completely. In order to reduce costs, businesses will not purchase new business equipment, they will not carry out their research and they will stop rolling out of new commodities.