

A Summit of Subordinates

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For the second time across two terms, [US President Donald Trump](#) has walked out of a G7 summit the grouping of dominant countries in the capitalist world. The last time, it was in a fit of pique; this time, it was an act of demonstration. The G7 was established 50 years ago, with its first summit being convened in France in 1975; this followed the end of dollar-gold convertibility in 1971, the collapse of the Bretton Woods system of fixed exchange rates, and the oil shock of 1973.

With the US declaring that it would no longer shoulder the burden of ensuring the stability and growth of [capitalism](#) it took on after the Second World War, the G7 summit was an informal attempt at coordination and “collective leadership”. In practice, however, it has been a forum for the leading capitalist powers to coax each other, especially the US, to behave responsibly. While through most of the G7’s history, its summits have been nothing more than talking shops, they did provide a semblance of joint action during times when the capitalist world faced a crisis. Thus, following the [global financial crisis of 2008](#), the limited efforts at macroeconomic coordination were undertaken partly through the G7, but changed global circumstances required the constitution of the G20 which included China, India, Indonesia, Mexico, South Africa, and South Korea without whose cooperation the crisis could not have been managed.

But through that period, one aspect stood out. The US remained the world capitalist leader even while it turned selective when shouldering the global economic and military responsibilities that went with that position. England was in long-term decline; Japan never recovered from its subordination after its defeat in the Second World War; and Europe settled into enjoying the benefits and importance of being the principal bulwark against communism and riding the “open” global markets, especially in the US, without having to pay the bills for those advantages. The only real cost these G7 allies of the US had to pay was acceptance of the latter’s leadership and domination, despite its weakened stature in the larger world stage given a rising China.

That defining aspect of the G7 implied that its summits had meaning only if their concerns and conclusions were led by the US or had the acceptance of the US. One difficulty in recent years has been that the US, despite being accepted as hegemon, has had its economic dominance questioned. That was not a problem for its globalised capitalists but definitely was for those who depended on buoyancy and growth in the domestic economy for employment and increases in real wages. This latter group, left behind by neoliberal globalisation, is the base on which Trump rode to power twice. His appeal to that base was his declared adherence to a policy of US withdrawal from the world stage, increased attention to domestic shortcomings, protectionism on the economic front, and the rhetorical rejection of expensive military engagement abroad.

Not surprisingly, on the two occasions, in 2018 and 2025, in which Trump walked out of a G7 summit rejecting or precluding a joint communique, an issue that rankled was concerns over US protectionism. In 2018, Trump was upset by the host Canadian Prime Minister Justin

Trudeau's remark that he would not be cowed down by Trump's protectionist threat. While walking out of the summit, Trump tweeted: "PM Justin Trudeau acted so meek and mild.... Only to give a news conference after I left saying that 'US tariffs were kind of insulting' and 'he will not be pushed around'." He declared later that he had "instructed... US reps not to endorse the communiqué".

This time, the non-US six in the G7 decided to be more circumspect since they needed Trump's support on two matters. One was on joining pending negotiations to drop Trump's threat to impose debilitating tariffs on trading partners, in return for significant trade concessions. The other was moral and material support for Ukraine in its war with Russia, including intensification of sanctions on Russia. Trump was not in a hurry to proceed with the first. And he was not on the same page on the second.

The only participant privileged with a meeting on trade with Trump was UK Prime Minister Keir Starmer, given the ease of formalisation of a trade deal that had been agreed upon earlier. The big benefit here was for automobile manufacturers in the UK. Up to 1,00,000 automobiles from Britain can enter the US subject to a tariff of 10 per cent, with exports of more than that number facing a higher 25 per cent impost. But most UK exports to the US remain subject to a 10 per cent tariff rate. What and how much the UK has given the US in return as part of this "deal", which Trump mistakenly termed a "trade agreement with the European Union", is unclear. Even this limited deal was an exception. Many other countries hoping to carve out concessions on the sidelines of the summit, including India, were left disappointed by Trump's sudden departure.

Trump also made it clear that he had no time for a European push for support to Ukraine against Russia or for a statement calling for a ceasefire in the war launched by Israel with Iran. Rather, he held that it was a mistake to have expelled Russia from the G8 and managed to extract a G7 leaders' statement that "affirmed" that "Israel has a right to defend itself" and "urged" that "the resolution of the Iranian crisis leads to a broader de-escalation of hostilities in the Middle East, including a ceasefire in Gaza".

In Trump's book, getting Iran to climb down on its nuclear programme and using Israeli aggression backed by an explicit sanction of its genocide in Gaza for the purpose were far more important than reducing trade and economic uncertainties or ending the [Israel-Iran war](#).

The message is clear from the Trump administration. It has little use for the G7 and wants all-round submission and acceptance of its economic and political demands. What is surprising is the willingness of Europe and the rest of the G7 to go along. The fig leaf of collective leadership of global capitalism has been dropped.

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