

# **Evaluating Government Efficiency and Trade Policy: Substance vs. Performance in the Trump Administration**

## **I. Executive Summary**

This report provides a critical assessment of the Department of Government Efficiency (DOGE) and analyzes the recent US-China tariff agreement under the second Trump administration, focusing on the extent to which these initiatives prioritize political performance over substantive policy outcomes.

The analysis of DOGE reveals a significant disparity between its stated mandate of enhancing government efficiency and saving taxpayer funds, and its operational reality. While claiming substantial savings, independent analyses suggest these figures are vastly overstated, potentially by orders of magnitude, and are overshadowed by considerable costs associated with DOGE's disruptive actions, including mass layoffs and questionable contract cancellations. Furthermore, DOGE's operating methods, including controversial access to agency data systems and targeting of specific programs often linked to political ideology, have generated legal challenges and significant scrutiny from oversight bodies like the Government Accountability Office (GAO). The evidence strongly suggests that DOGE functions more as a political instrument aimed at reshaping government according to specific priorities and projecting an image of decisive action against waste, rather than as an effective vehicle for genuine, measurable fiscal improvement.

Similarly, the analysis of the US-China trade conflict under the administration reveals a policy characterized by extreme volatility and brinkmanship. A rapid escalation saw tariffs reach unprecedented levels (145% US, 125% China), effectively creating an embargo that generated significant economic anxiety and risked recession. The subsequent 90-day truce agreed upon in Geneva, while providing immediate market relief, represents a tactical pause rather than a resolution of fundamental trade disputes. Economic analyses consistently indicated that the high tariffs inflicted substantial harm on the US economy through reduced GDP, increased consumer prices, job losses, and heightened stagflation risks, contradicting the administration's stated objectives. This cycle of crisis creation followed by a temporary de-escalation framed as success points towards a prioritization of political spectacle and negotiation leverage over stable, predictable, and economically sound trade policy.

Overall, both DOGE and the tariff strategy exhibit common characteristics: ambitious initial claims undermined by empirical evidence, a reliance on disruption presented as decisive action, a focus on easily communicable but potentially misleading metrics,

and a significant gap between official rhetoric and independent analysis. This pattern suggests a governing approach where the performance of tackling perceived problems often takes precedence over achieving sustainable, positive, and evidence-based policy outcomes, with potentially detrimental consequences for economic stability, public trust, and effective governance.

## **II. Introduction**

A central challenge in contemporary governance involves distinguishing between substantive policy achievements that yield tangible benefits and actions primarily designed for political effect or 'performance'. The second administration of President Donald Trump provides compelling case studies for examining this dynamic, particularly through the establishment of the Department of Government Efficiency (DOGE) and its aggressive approach to US-China trade relations. Both initiatives were launched with bold claims of correcting perceived systemic failures – bureaucratic waste and unfair trade practices, respectively.

This report aims to critically evaluate the effectiveness of DOGE by comparing its stated objectives and claimed accomplishments against independent analyses, documented operational methods, and resulting controversies. Concurrently, it analyzes the recent escalation and subsequent temporary de-escalation of US-China tariffs, assessing this policy trajectory through the lens of 'performance versus substance'. The central question is whether these high-profile initiatives represent genuine efforts towards achieving stated goals or are primarily driven by political signaling and the appearance of decisive action.

The analysis relies on a synthesis of information drawn from official administration statements and websites, independent reports from think tanks and research organizations, economic data and modeling, reporting from reputable news sources, and documents from government oversight bodies like the GAO.<sup>1</sup> By examining the available evidence, this report seeks to provide an objective, data-driven assessment of these key administration policies.

## **III. The Department of Government Efficiency (DOGE): An Assessment of Effectiveness**

### **A. Mandate vs. Reality: Stated Goals and Reported Actions**

The Department of Government Efficiency (DOGE) was officially established by President Trump via Executive Order on January 20, 2025, emerging from discussions between the President and technology entrepreneur Elon Musk.<sup>3</sup> Its stated purpose,

according to official communications, is to bring accountability and transparency to federal spending, optimize and streamline government agency operations, eliminate inefficiencies, reduce waste, fraud, and abuse, and ultimately save taxpayer money.<sup>1</sup> The initiative promised enhanced oversight, improved financial management through modern tools, and a focus on ensuring taxpayer dollars are used wisely and effectively.<sup>1</sup> The administration positioned DOGE as a critical tool for eliminating bureaucratic inefficiency, citing large figures for improper payments under the previous administration as justification.<sup>24</sup>

However, the operational reality of DOGE appears markedly different from its stated mandate. Reports indicate that DOGE, operating with unclear status (formerly designated as the U.S. Digital Service, now comprising the U.S. DOGE Service Temporary Organization scheduled to end July 4, 2026) and ambiguous leadership, has engaged in actions extending far beyond traditional efficiency audits.<sup>3</sup> Elon Musk's precise role remains contested; while the White House has described him as a senior advisor and denied he makes government decisions (naming Amy Gleason as acting administrator), President Trump has insisted Musk heads the department.<sup>3</sup> A federal judge declared Musk must be the *de facto* leader, potentially requiring Senate confirmation under the Appointments Clause.<sup>3</sup>

DOGE members have reportedly filled influential roles within federal agencies, gaining control over information systems.<sup>3</sup> This access has allegedly been used not just for oversight, but to facilitate mass layoffs, dismantle organizations (including impacts on USAID<sup>4</sup>), terminate federal contracts (with small businesses often bearing the brunt<sup>3</sup>), copy sensitive data from government databases, and assist with immigration crackdowns.<sup>3</sup> Specific actions attributed to DOGE include purging Diversity, Equity, and Inclusion (DEI) initiatives and personnel, attempting to transfer assets of the United States Institute of Peace (USIP), proposing to outsource Social Security customer service, and cutting contracts related to specific topics like equity assessments at HHS or an exhibit on Anthony Fauci at NIH.<sup>3</sup>

This divergence between mandate and action points to a fundamental contradiction in DOGE's operations relative to its stated goals. An initiative claiming to foster transparency and accountability<sup>1</sup> has itself been marked by ambiguity regarding its legal status and leadership.<sup>3</sup> Despite Musk claiming DOGE is transparent, President Trump reportedly sought to exempt it from disclosure requirements.<sup>3</sup> Furthermore, DOGE's methods for accessing agency IT systems and handling data have generated significant controversy, leading to lawsuits and formal audits.<sup>3</sup> The removal of federal identification numbers from its publicly available "wall of receipts" actively hinders independent verification of its claimed savings.<sup>3</sup> This pattern suggests that DOGE's

operational priorities may lean more towards exerting control and implementing disruptive changes rather than pursuing methodical, transparent improvements in government efficiency.

Moreover, the specific targets of DOGE's actions raise questions about whether "efficiency" is being defined through a political or ideological lens. The focus on terminating contracts related to equity assessments, DEI programs, environmental protection, and figures like Anthony Fauci, while simultaneously dismantling parts of agencies like USAID<sup>3</sup>, suggests a potential alignment with specific political agendas rather than a neutral pursuit of fiscal waste. Critics have explicitly argued that DOGE cuts appear driven more by political ideology than by principles of frugality.<sup>3</sup> The involvement of Elon Musk, despite potential conflicts of interest related to his companies' government contracts<sup>3</sup>, further fuels concerns about the motivations behind DOGE's activities. This pattern implies that DOGE may be functioning, at least in part, as an instrument to reshape the federal government according to particular ideological preferences under the banner of efficiency.

## **B. The Bottom Line: Deconstructing Claimed Savings and Actual Costs**

A central justification for DOGE's existence and disruptive actions is the promise of substantial savings for taxpayers.<sup>1</sup> Initial projections associated with Elon Musk were extraordinarily high, suggesting potential annual savings of \$2 trillion, later revised to a still-ambitious \$1 trillion target.<sup>4</sup> By April 2025, DOGE officially claimed to have achieved savings of \$150 billion to \$160 billion through a combination of layoffs, canceled contracts and grants, asset sales, lease terminations, and rooting out fraud and improper payments.<sup>3</sup> These claims are publicly tracked on the DOGE website via a "wall of receipts".<sup>3</sup> Specific items cited include approximately \$400 million in cost savings from 679 lease terminations, although the GAO noted it had not reviewed the accuracy of this information.<sup>6</sup>

However, independent analyses and scrutiny from budget experts paint a starkly different picture, casting significant doubt on the veracity and net benefit of DOGE's claims. Jessica Riedl, a senior fellow at the conservative-leaning Manhattan Institute, noted that of the claimed \$150 billion, only about \$5 billion in savings had been verified, representing less than 0.1% of federal spending.<sup>4</sup> This suggests the vast majority of DOGE's claimed savings lack substantiation.

Furthermore, analyses indicate that DOGE's actions have incurred substantial costs, potentially outweighing any verified savings. The Partnership for Public Service (PSP), a nonpartisan nonprofit focused on the federal workforce, estimated that DOGE's activities—including placing tens of thousands of employees on paid leave, re-hiring

mistakenly fired workers, and lost productivity—would cost taxpayers approximately \$135 billion in the current fiscal year alone.<sup>4</sup> This estimate was based on the \$270 billion annual compensation cost for the federal workforce and calculated the impact of DOGE's disruptions.<sup>7</sup> Notably, this \$135 billion figure does *not* include the costs of defending against multiple lawsuits challenging DOGE's actions, nor does it account for potential long-term revenue losses.<sup>7</sup>

Scrutiny of DOGE's accounting practices has revealed significant irregularities and potential misrepresentations. Independent analyses found billions of dollars in misaccounting associated with DOGE's claims.<sup>3</sup> Specific examples include instances where roughly one-third of canceled contracts yielded no actual savings or were already obligated, a major error where an \$8 million canceled contract was misreported as \$8 billion (though the White House disputes the error's origin<sup>25</sup>), and \$46.5 billion out of a claimed \$55 billion in savings lacking linkage to any specific actions.<sup>3</sup> The reliability of DOGE's public "wall of receipts" has been further undermined by the removal of hundreds of claimed savings items, including large ones, and the deletion of federal identification numbers that would allow for verification.<sup>3</sup> Details on USAID contract terminations were also removed, citing "legal reasons".<sup>3</sup> Critics contend that DOGE may be redefining terms like "fraud" to politically target specific federal employees and programs rather than focusing on objective waste.<sup>3</sup>

Beyond the direct costs calculated by PSP, other analyses point to significant indirect economic consequences stemming from DOGE's cuts. The Yale Budget Lab estimated that planned workforce reductions of roughly 40% at the IRS could lead to \$323 billion in foregone tax revenue over the next decade due to reduced compliance and audits.<sup>7</sup> Similarly, researchers from institutions including the University of Maryland and University of Pennsylvania estimated that cuts to health research funding would result in an annual economic loss of \$16 billion and the loss of 68,000 jobs.<sup>7</sup>

Perhaps most tellingly, despite the narrative of aggressive cost-cutting, overall federal spending has reportedly *increased* during the period of DOGE's operations compared to the previous year.<sup>4</sup> This suggests that DOGE's actions, even if achieving some savings in targeted areas, are insufficient to counteract broader spending trends or may be offset by the costs they generate. Analysts also note that DOGE has largely avoided targeting the largest categories of federal spending, such as Social Security and Medicare, which President Trump vowed not to cut.<sup>4</sup>

The following table summarizes the conflicting fiscal claims surrounding DOGE:

**Table 1: DOGE Fiscal Impact Summary (Approximate Figures as of April 2025)**

Category	Figure	Source Snippets	Notes
Initial Savings Promise (Musk)	\$2 Trillion (annual)	4	Scaled back to \$1 Trillion target
Latest Claimed Savings (DOGE)	\$150 Billion - \$160 Billion	3	Total claimed savings from various actions
Verified Savings (Manhattan Institute)	~\$5 Billion	4	Analyst estimate of substantiated savings
Estimated Direct Costs (PSP)	\$135 Billion (fiscal year)	4	Costs from paid leave, rehires, lost productivity
Estimated Indirect Costs (Yale Budget Lab)	\$323 Billion (10-year loss)	7	Potential lost IRS tax revenue due to staff cuts
Estimated Indirect Costs (UMD/UPenn et al.)	\$16 Billion (annual loss)	7	Economic loss from health research cuts (includes 68,000 jobs lost)

This stark contrast between the administration's narrative of massive savings and the empirical evidence presented by independent analysts reveals a profound disconnect. The persistent promotion of large, often unsubstantiated savings figures, coupled with questionable accounting practices and significant hidden costs, suggests that the *performance* of aggressively tackling government waste may be a higher priority than achieving verifiable, positive fiscal outcomes. The "wall of receipts," despite its documented inaccuracies, serves as a key prop in sustaining this narrative.<sup>3</sup>

### **C. Oversight, Controversy, and Legal Scrutiny**

While DOGE operates under the banner of improving government accountability, its own operations have become subject to significant scrutiny and legal challenges. Initially, during the first month of the administration, there was reportedly very little contact between DOGE and the Government Accountability Office (GAO), the primary congressional watchdog agency.<sup>5</sup> Subsequently, Comptroller General Gene Dodaro

stated that interaction increased, with DOGE "actually using our recommendations".<sup>5</sup> A GAO spokesperson confirmed outreach from DOGE regarding past work and "productive discussions" about implementing recommendations.<sup>5</sup>

However, this narrative of collaboration is complicated by concurrent developments. In March 2025, the GAO initiated a formal audit of DOGE itself.<sup>5</sup> This audit specifically examines how DOGE has handled data within the sensitive IT systems of multiple major agencies, including the Social Security Administration (SSA), Treasury, Education, Labor, Homeland Security (DHS), and Health and Human Services (HHS).<sup>5</sup> This GAO audit was prompted by DOGE's controversial "forays" into agency IT networks, which sparked litigation and led Democratic lawmakers to request investigations.<sup>5</sup> Additionally, the Treasury Department's Office of Inspector General (OIG) announced in February 2025 that it would also audit DOGE's access to payment systems.<sup>5</sup>

The existence of these formal audits, driven by external pressure and legal concerns surrounding DOGE's methods, suggests a level of scrutiny that goes beyond voluntary collaboration. It indicates significant concern within oversight bodies and Congress regarding DOGE's operational tactics and potential overreach, particularly concerning data security and access to sensitive systems.

Furthermore, DOGE's actions have faced multiple lawsuits.<sup>3</sup> Challenges have been mounted against its access to sensitive systems, notably resulting in an appeals court upholding a block on DOGE's access to Social Security systems.<sup>5</sup> These legal battles underscore the controversial nature of DOGE's approach and raise questions about the legality and appropriateness of its methods.

Concerns about DOGE's lack of transparency persist. As previously noted, its legal status and leadership structure remain ambiguous.<sup>3</sup> Attempts by the administration to shield DOGE from disclosure requirements<sup>3</sup> and the removal of verifiable data from public records<sup>3</sup> further contribute to an image of opacity, directly contradicting its stated mission of enhancing government transparency. The gravity of these concerns is reflected in criticisms from some observers who have warned of a potential constitutional crisis or even likened DOGE's actions to a coup d'état.<sup>3</sup>

#### **D. Evaluating DOGE: Genuine Efficiency Drive or Political Tool?**

Synthesizing the evidence regarding DOGE's mandate, actions, fiscal impact, and the controversies surrounding its operations leads to a critical assessment of its effectiveness and purpose. The stated goals of enhancing efficiency, transparency, and saving taxpayer money<sup>1</sup> stand in stark contrast to the documented reality of

questionable savings claims, substantial estimated costs, ideological targeting of programs, disruptive operational methods, and a lack of transparency that has invited legal and congressional scrutiny.<sup>3</sup>

The data strongly suggests that DOGE has failed to deliver on its primary promise of significant, verifiable cost savings. Independent analyses indicate that claimed savings are vastly inflated and likely negated by the direct and indirect costs generated by DOGE's disruptive actions.<sup>3</sup> The focus on specific targets like DEI programs and environmental regulations, coupled with expert opinions that cuts were driven more by political ideology than frugality<sup>3</sup>, points towards DOGE serving as an instrument for advancing a particular political agenda under the guise of fiscal responsibility.

Therefore, the evidence supports the interpretation that DOGE functions less as a genuine, effective efficiency initiative and more as a political tool. Its primary achievement may lie not in substantive fiscal improvements but in the *performance* of taking decisive, visible action against perceived government bloat and waste, thereby aligning with and reinforcing a specific political narrative favored by the administration. The disruption caused, the controversies generated, and the questionable net fiscal impact appear secondary to the political symbolism of the initiative.

## **IV. The US-China Tariff Agreement: Substance or Spectacle?**

### **A. Escalation and De-escalation: The Path to the 90-Day Truce**

The period between February and May 2025 witnessed an unprecedented and rapid escalation of trade tensions between the United States and China, culminating in extremely high tariffs before a sudden, temporary truce was declared. This volatility began on February 1, 2025, when President Trump signed an executive order imposing 10% tariffs on all Chinese imports (alongside tariffs on Mexico and Canada, which were later reprieved).<sup>9</sup> These tariffs took effect on February 4, prompting immediate retaliation from China with duties on various American goods.<sup>9</sup>

The situation escalated sharply thereafter. On March 4, the US imposed an additional 10% tariff on Chinese goods, bringing the total to 20%.<sup>9</sup> China responded with tariffs up to 15% on key US agricultural products and expanded controls on US companies.<sup>9</sup> April saw a dramatic acceleration: on April 2 ("Liberation Day"), Trump announced further tariffs, initially stated as 34% on all Chinese imports, effective April 9.<sup>9</sup> China matched this with its own 34% tariffs and additional measures like export controls on rare earth minerals.<sup>9</sup> On April 9, the US tariffs were implemented at an even higher rate

than announced, jumping first to 104% and then immediately to 145% on all Chinese goods.<sup>9</sup> China retaliated by raising its tariffs to 84% effective April 10, then to 125% effective April 12, stating it would go no further.<sup>9</sup>

This rapid sequence brought tariffs to levels widely seen as prohibitive, effectively creating an embargo between the world's two largest economies.<sup>10</sup> Against this backdrop of near-total trade blockage, high-level talks were convened in Geneva, Switzerland, in early May 2025, involving US Treasury Secretary Scott Bessent and US Trade Representative Jamieson Greer, and Chinese Vice Premier He Lifeng.<sup>9</sup>

These talks resulted in an agreement announced on May 12, 2025, establishing a 90-day pause or truce in the tariff war.<sup>10</sup> Under the terms of the agreement, both sides agreed to significantly roll back the recently imposed tariffs for this three-month period to allow further negotiations.<sup>10</sup> Specifically, the US agreed to reduce its tariff rate on Chinese goods by 115 percentage points, from 145% down to 30%.<sup>10</sup> China reciprocated by lowering its tariff rate on US goods by the same amount, from 125% down to 10%.<sup>10</sup> China also agreed to suspend or remove other retaliatory measures, such as export controls and entity list additions, that it had implemented since early April.<sup>11</sup>

The following table outlines this dramatic timeline:

**Table 2: US-China Tariff Escalation and May 2025 Agreement Timeline**

Date (2025)	US Action / Tariff Rate on China	China Action / Tariff Rate on US	Key Terms of May Agreement
Feb 1	10% Tariffs Announced	-	-
Feb 4	10% Tariffs Effective	Retaliatory Tariffs Announced	-
Mar 4	Additional 10% (Total 20%)	Retaliatory Tariffs (up to 15%)	-
Apr 2	Additional 34% Announced	-	-
Apr 4	-	34% Tariffs Announced +	-

		Measures	
Apr 9	Tariffs Raised to 104%, then 145%	-	-
Apr 10	-	Tariffs Raised to 84%	-
Apr 11 / Apr 12	-	Tariffs Raised to 125%	-
May 12 (Announced)	Tariffs Reduced to 30%	Tariffs Reduced to 10%	90-day pause; Tariff reduction by 115 points; China suspends other measures

This extreme and rapid oscillation—from standard trade relations to near-embargo levels of tariffs (145%/125%) within approximately two months, followed by an equally sudden, albeit temporary, rollback—points towards a policy approach characterized by volatility and brinkmanship. Such drastic swings create significant uncertainty for businesses and global markets.<sup>11</sup> The pattern suggests that the imposition of extraordinarily high tariffs may have been intended more as a negotiation tactic or a form of political signaling ("performance") rather than a stable, long-term economic strategy ("substance"). The subsequent de-escalation can be seen as a necessary retreat from an unsustainable extreme, framed as diplomatic progress.

**B. Economic Consequences: Analyzing the Impact of the Tariff War and the Pause**

The imposition of high tariffs by the Trump administration, particularly the escalation witnessed in early 2025, drew widespread concern from economists regarding potential negative impacts on the US and global economies. Numerous analyses projected significant adverse consequences:

- GDP and Economic Growth:** Multiple economic models indicated that the tariffs would reduce US economic output. The Penn Wharton Budget Model (PWBM) projected that the tariffs in effect as of early April 2025 would reduce long-run US GDP by approximately 6%.<sup>17</sup> The Yale Budget Lab estimated a persistent long-run reduction in US real GDP of 0.6% (equivalent to \$170 billion annually in 2024 dollars) and a reduction in real GDP growth of 1.1 percentage points over calendar year 2025.<sup>21</sup> The Tax Foundation estimated a GDP reduction of 0.8% to 1.0% from the tariffs, even before accounting for foreign retaliation.<sup>23</sup> Scenarios developed by the NYC Comptroller's office also showed GDP declines associated with the

tariffs potentially triggering recession.<sup>22</sup>

- **Inflation and Consumer Costs:** A strong consensus exists among economists that tariffs function as taxes largely passed on to domestic consumers and businesses.<sup>18</sup> The Yale Budget Lab calculated that the 2025 tariffs would increase the overall consumer price level by 2.9% in the short run (equivalent to an average loss of \$4,700 per household), settling at a 1.7% increase (\$2,700 loss per household) after consumers substitute away from higher-priced goods.<sup>21</sup> Particularly sharp price increases were projected for clothing (up 64% short-run), textiles, food, and motor vehicles (potentially adding \$9,000 to the price of a new car).<sup>21</sup> Federal Reserve Chair Jerome Powell explicitly acknowledged that sustained high tariffs were likely to generate a rise in inflation.<sup>19</sup> Research on the 2018 washing machine tariffs found that a 20% global tariff led to roughly a 10% price increase for consumers, suggesting full pass-through.<sup>29</sup>
- **Employment and Wages:** Negative impacts on the labor market were also projected. PWBM estimated a 5% reduction in long-run wages.<sup>17</sup> The Yale Budget Lab projected 740,000 fewer payroll jobs by the end of 2025.<sup>21</sup> The Tax Foundation estimated a loss equivalent to 664,000 full-time jobs.<sup>23</sup> Fed Chair Powell noted the risk of higher unemployment resulting from the tariffs.<sup>19</sup> Furthermore, analyses highlighted that tariffs on imported inputs hurt US manufacturers, potentially costing domestic manufacturing jobs, contrary to the administration's stated goals.<sup>20</sup>
- **Trade Deficit:** Despite President Trump's stated aim of reducing the trade deficit through tariffs<sup>30</sup>, economists widely argue that tariffs are ineffective at changing the overall trade balance, which is driven by broader macroeconomic factors like saving and investment.<sup>18</sup> Tariffs tend to reshuffle trade patterns rather than eliminate deficits.<sup>18</sup> Indeed, the US goods trade deficit reached a record high in March 2025, partly attributed to companies importing goods in anticipation of the tariffs taking full effect.<sup>31</sup> The administration's focus on bilateral deficits is seen by many economists as a misunderstanding of global trade dynamics.<sup>18</sup>
- **Investment and Capital Stock:** Tariffs were projected to negatively impact investment and reduce the nation's capital stock due to increased uncertainty and the diversion of savings needed to finance government debt resulting from reduced foreign capital inflows.<sup>17</sup> PWBM projected a long-run decline in the capital stock of nearly 10%<sup>17</sup>, while the Tax Foundation estimated a 0.6% reduction.<sup>23</sup>
- **Stagflation Risk:** Fed Chair Powell highlighted the unusual and difficult challenge posed by the tariffs: the simultaneous risk of *both* higher inflation (due to increased import costs) and higher unemployment (due to slower growth and

increased business costs), a combination often referred to as stagflation.<sup>19</sup>

The announcement of the 90-day pause and significant tariff reduction in May 2025 triggered an immediate positive reaction in financial markets. Global stock indices rallied<sup>11</sup>, the US dollar strengthened<sup>13</sup>, and oil prices increased.<sup>13</sup> This reflected palpable relief among investors who had feared the extreme tariff levels could trigger a global recession.<sup>13</sup> Analysts described the deal as "better than expected," given the prior escalation.<sup>13</sup> Treasury Secretary Bessent acknowledged that the high tariffs had amounted to "the equivalent of an embargo," an outcome neither side desired.<sup>10</sup>

The stark contrast between the administration's objectives of strengthening the US economy and reducing the trade deficit through tariffs<sup>26</sup> and the overwhelming consensus from economic analyses projecting significant harm<sup>17</sup> is striking. This divergence suggests either a fundamental disagreement with, or disregard for, mainstream economic principles, or that the administration's primary motivations were non-economic, perhaps focused on political positioning, disrupting established trade norms, or exerting geopolitical pressure.

While the market rally following the Geneva agreement signaled relief from the immediate threat of an economic crisis precipitated by the extreme tariffs, the temporary nature of the truce introduces its own challenges. The 90-day pause alleviates short-term pressure but fails to resolve the underlying trade disputes between the US and China.<sup>11</sup> Experts cautioned that there was "no guarantee that the 90-day truce will give way to a lasting ceasefire".<sup>11</sup> Businesses require predictability for investment and planning<sup>11</sup>, and the lingering uncertainty over whether tariffs will be reimposed after the pause limits the substantive long-term economic benefit of the agreement, despite the positive short-term market sentiment.

### **C. Rhetoric vs. Reality: Official Narratives and Expert Economic Analysis**

The administration's justification for its aggressive tariff strategy rested on a narrative of correcting decades of unfair trade practices, protecting American industries, reducing the trade deficit, and prioritizing "Main Street" over Wall Street.<sup>26</sup> President Trump consistently argued that tariffs would compel other countries to change their behavior and would not harm US consumers.<sup>26</sup> Tariffs were presented as a versatile tool capable of achieving multiple economic and even non-economic goals.<sup>26</sup> Treasury Secretary Bessent initially adopted a confrontational tone, comparing China's negotiating position unfavorably ("playing with a pair of twos").<sup>26</sup> President Trump also displayed inconsistency regarding whether tariff reductions were a precondition for talks, at times ruling it out<sup>27</sup>, suggesting a possible reduction to 80%<sup>26</sup>, or indicating it

"could be" considered.<sup>15</sup>

Following the Geneva agreement, the administration's tone shifted. Officials hailed "substantial progress"<sup>10</sup> and emphasized a mutual desire to avoid economic decoupling and achieve more "balanced trade".<sup>10</sup> This shift from confrontation to conciliation mirrored the policy swing from extreme escalation to temporary pause.

China, for its part, consistently called for the US to cancel the tariffs<sup>9</sup> and framed the Geneva agreement as a positive step towards resolving differences through dialogue, aligning with mutual interests, and promoting global economic stability.<sup>11</sup> Prior to the agreement, Chinese officials employed retaliatory rhetoric, dismissing perceived bullying as ineffective ("paper tigers").<sup>26</sup>

This official rhetoric, particularly from the US administration, stands in sharp contrast to the analyses provided by numerous independent economists and trade experts. Experts consistently argued that tariffs primarily harm domestic consumers and producers through higher prices and input costs<sup>18</sup>, are an ineffective tool for reducing the overall trade deficit<sup>18</sup>, risk damaging stagflation<sup>19</sup>, and are often based on a flawed understanding of bilateral trade balances in a globalized economy.<sup>18</sup> Some commentary suggested the administration underestimated both China's resolve to withstand tariff pressure and the extent of US economic dependence on Chinese goods and manufacturing inputs.<sup>26</sup>

The significant mismatch between the administration's narrative of strength and economic benefit derived from tariffs, and the expert consensus highlighting self-inflicted economic harm and flawed premises, is central to understanding the policy. The eventual shift in rhetoric from Secretary Bessent, acknowledging the damaging "embargo" effect of the high tariffs<sup>10</sup>, suggests a potential collision between the initial aggressive strategy and the emerging economic and political realities, necessitating a tactical retreat framed as diplomatic success.

#### **D. The Geneva Accord: A Substantive Breakthrough or Temporary Reprieve?**

The agreement reached in Geneva undeniably averted an immediate economic crisis that the 145% US and 125% Chinese tariffs threatened to precipitate.<sup>10</sup> By establishing a 90-day pause and dramatically lowering tariff rates, the accord provided crucial breathing room for businesses, consumers, and financial markets.<sup>13</sup>

However, the significance of the accord as a substantive resolution to the underlying US-China trade disputes appears limited. Its core feature is its temporary nature – a 90-day "truce" or "ceasefire".<sup>10</sup> The agreement did not address the fundamental

disagreements over issues such as intellectual property rights, market access, state subsidies, or other structural economic concerns that have long strained the relationship. Experts explicitly cautioned that the pause offers no guarantee of a lasting resolution and leaves significant uncertainty about the path forward after the 90 days expire.<sup>11</sup>

Therefore, the Geneva accord appears less like a substantive breakthrough based on genuine compromise on core issues, and more like a tactical de-escalation driven by the economic and political untenability of the extreme tariff levels reached in April. It serves to alleviate immediate pressure, provide political space for both sides, and generate positive headlines, but effectively postpones the difficult task of resolving fundamental disagreements. The entire cycle – dramatic escalation creating a crisis atmosphere, followed by a high-profile agreement to pause hostilities, framed as significant progress – aligns with a pattern where the political performance and management of perceptions may be as important, if not more so, than achieving lasting policy solutions.

## **V. Analyzing Policy Priorities: Performance Over Substance?**

Examining the trajectories of both the Department of Government Efficiency and the US-China tariff strategy reveals recurring patterns that suggest a potential overarching approach to policymaking within the administration, one where political performance may often supersede substantive outcomes.

### **A. Connecting the Dots: Common Themes in DOGE and Tariff Policies**

Several common themes emerge when comparing the implementation and surrounding discourse of DOGE and the tariff policies:

1. **Bold Claims, Questionable Outcomes:** Both initiatives were launched with highly ambitious claims – DOGE promising trillions, then billions, in savings<sup>4</sup>, and tariffs purported to fix trade deficits, revitalize US manufacturing, and compel concessions from trade partners.<sup>26</sup> In both cases, these initial claims were either significantly scaled back or directly contradicted by subsequent evidence and independent analysis, which showed minimal verified savings for DOGE alongside high costs<sup>4</sup>, and negative economic consequences from the tariffs.<sup>17</sup>
2. **Disruption as Policy:** Both DOGE and the tariff strategy involved significant disruption presented as necessary and decisive action. DOGE's methods included mass layoffs, controversial access to agency systems, and abrupt contract cancellations.<sup>3</sup> The tariff policy involved sudden, massive duty hikes that disrupted global supply chains and trade flows.<sup>9</sup> This embrace of disruption

occurred even when analyses suggested the actions were fiscally costly (DOGE) <sup>4</sup> or economically counterproductive (tariffs).<sup>19</sup>

3. **Focus on Visible Metrics:** Both initiatives emphasized easily communicable, often simplified or potentially misleading, metrics. DOGE relied on its "wall of receipts" to showcase claimed savings, despite questions about its accuracy and verifiability.<sup>3</sup> The tariff policy focused heavily on bilateral trade deficits, a metric many economists deem economically insignificant in isolation <sup>18</sup>, rather than more complex indicators like overall trade balance, consumer welfare, or net economic impact.
4. **Rhetoric vs. Reality Gap:** In both cases, a significant gap existed between the administration's narratives of success, benefit, and effectiveness, and the assessments provided by independent analysts, oversight bodies, and economic data. Official claims of DOGE's massive savings and efficiency gains were challenged by findings of high costs and questionable accounting. Assertions about the economic benefits of tariffs were countered by widespread projections of harm.

The recurrence of these themes across two distinct policy areas – domestic government administration and international trade – suggests a potential pattern of performative policymaking. In this approach, the *appearance* of taking bold, decisive action against perceived problems (government waste, unfair trade practices) and disrupting the status quo seems highly valued. Generating headlines, provoking reactions, and presenting simplified metrics of success appear central to the strategy, potentially taking precedence over the meticulous, evidence-based development and implementation required for achieving sustainable, positive substantive outcomes. The political symbolism and narrative control associated with these actions may be prioritized, even if the actual results are economically damaging or fail to meet the initially stated goals.

## **B. Expert Perspectives on the Administration's Policy Approach**

Expert commentary provides further context for understanding the administration's policy priorities. Some analysts identified elements of populism in the administration's economic rhetoric, such as the framing of policies as benefiting "Main Street" over Wall Street <sup>28</sup>, even if the mechanisms chosen, like tariffs, could disproportionately burden average consumers through higher prices.<sup>28</sup>

The administration's approach has also been described as containing elements of "quasi-industrial policy," attempting to steer the economy in particular directions.<sup>28</sup> However, the chosen tools, particularly broad tariffs, are often viewed by economists

as counterproductive means of achieving industrial goals, as they can raise costs for domestic manufacturers reliant on imported inputs and distort resource allocation away from genuinely competitive sectors.<sup>20</sup>

A recurring critique from economists centers on the administration's apparent dismissal or misunderstanding of fundamental economic principles, particularly regarding international trade balances and the incidence of tariffs.<sup>18</sup> The focus on bilateral deficits and the assertion that foreign countries pay the tariffs are points frequently contested in economic literature.

Furthermore, experts consistently highlighted the significant economic damage caused by the *uncertainty* generated by the administration's unpredictable and often arbitrary policy actions, particularly in trade.<sup>18</sup> This lack of predictability hinders business investment and planning, imposing costs beyond the direct effects of the policies themselves. While the available research snippets do not contain direct expert commentary using the specific phrase "performance over policy" in relation to these Trump administration initiatives<sup>33</sup>, the collective weight of expert criticism regarding the substance, rationale, and outcomes of these policies strongly supports the interpretation that performative aspects often overshadowed evidence-based considerations.

## **VI. Conclusion and Recommendations**

The analysis presented in this report indicates significant shortcomings in the effectiveness and grounding of both the Department of Government Efficiency (DOGE) and the administration's recent US-China tariff strategy.

DOGE, established with the mandate to enhance efficiency and fiscal responsibility, appears to have largely failed in this mission based on available evidence. Its claimed savings are highly questionable and likely dwarfed by the substantial direct and indirect costs generated by its disruptive actions. Its operational methods have invited legal challenges and formal oversight scrutiny, while its targeting of specific programs suggests political motivations frequently superseded objective assessments of waste. DOGE emerges less as a tool for genuine efficiency and more as a political instrument focused on projecting an image of decisive action against bureaucracy, regardless of the actual fiscal or operational consequences.

Similarly, the administration's approach to US-China trade, characterized by rapid tariff escalation to extreme levels followed by a temporary truce, exemplifies policymaking driven by brinkmanship and political signaling rather than stable economic strategy. The overwhelming consensus from economic analyses points to

significant self-inflicted harm caused by the tariffs, including reduced GDP, higher consumer prices, job losses, and increased risks of stagflation, directly contradicting the administration's stated goals. The Geneva accord provided necessary short-term relief but failed to address underlying issues, highlighting the temporary nature of the reprieve.

The common threads linking these two case studies – ambitious claims undermined by evidence, disruption prioritized over stability, focus on simplistic metrics, and a persistent gap between rhetoric and reality – point to a broader tendency within the administration to prioritize political performance over substantive policy outcomes. The appearance of being tough, decisive, and willing to challenge the status quo often seemed paramount, even when the chosen actions were economically counterproductive or based on questionable premises.

This prioritization of performance over substance carries significant implications for governance. It can erode public trust when claimed successes are revealed to be unfounded or costly. It injects damaging uncertainty into the economy, hindering investment and growth. It can undermine the credibility of US policy on the international stage. And it risks substituting political theater for the difficult, evidence-based work required to address complex policy challenges effectively.

Based on these findings, several general recommendations emerge for fostering more effective and accountable governance:

1. **Enhance Transparency and Data Verification:** Government initiatives claiming significant fiscal impacts, such as DOGE, must be subject to rigorous, transparent accounting standards. Data supporting savings claims should be readily available and verifiable by independent bodies like the GAO and the public. Mechanisms like DOGE's "wall of receipts" should be accurate and auditable, not opaque promotional tools.
2. **Ground Policy in Rigorous Analysis:** Major policy decisions, especially those with significant economic consequences like trade tariffs, should be demonstrably grounded in thorough, objective economic analysis. Policymakers should engage with, rather than dismiss, consensus views from relevant experts and consider the full range of potential impacts, including unintended consequences.
3. **Prioritize Policy Stability and Predictability:** Particularly in economic policy, stability and predictability are crucial for fostering investment and long-term growth. Governments should strive to avoid sudden, arbitrary policy shifts that create unnecessary uncertainty for businesses and consumers. Policy changes

should be clearly communicated, well-justified, and implemented with due consideration for transition periods.

4. **Strengthen Independent Oversight:** Robust oversight from bodies like the GAO, Inspectors General, and Congress is essential for ensuring accountability, particularly for entities like DOGE granted significant power to alter government operations or access sensitive data. These oversight functions must be adequately resourced and empowered to conduct thorough, independent investigations.

Ultimately, effective governance requires a commitment to substantive outcomes, grounded in evidence and pursued with transparency and accountability. While political communication is inherent to governing, allowing performance to consistently overshadow substance risks undermining the very foundations of sound public policy.

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