



By: **Emre Alkin**

Trump's Psychological Profile and His Economic Decisions



As the renowned psychiatrist Vamik Volkan's numerous studies and British physician and former minister David Owen's **book** "In Sickness and In Power" show us, there is a strong link between the critical decision-making of the leaders and their psychological states, their psychological histories, and even the medications they take while in office.

For example, it is known that Trump's own mother once said, "To me, he's an empathy-deficient sociopath—God forbid he enters politics." Whatever kind of childhood he had, it led his mother to make such a candid and radical statement.

Trump's psychological profile can be summarised under the following headings:

- Narcissism: A belief in his own extraordinariness; constant craving for praise.
- Overconfidence and aggressive self-esteem: Preferring his instincts over expert opinions. (A trait often found among businesspeople—the mindset of "if you're rich, you must be right.")
- Recklessness: The ability to ignore potential damage when making decisions.
- Populism or popularity addiction: Using appealing narratives to gain applause, even if they are untrue.
- Power addiction: Using aggressive strategies to stay in power and dominate.

This level of pathology leads to a loss of relativity in financial matters—millions and billions begin to blur.

It's fair to say that the psychological structure outlined above directly reflects Trump's economic decisions. But it's only fitting that I illustrate what I mean. So, let's begin.

Economic Policies and Psychological Connections

I remember very clearly that when Trump was

first elected, he wanted to surpass Ronald Reagan—perhaps the most iconic Republican president. Just like Reagan, he introduced a **tax reform**, cutting the corporate tax rate from 35% to 21%.

However, due to his weak grasp of history, he seemed unaware that Reagan's tax reform only began to yield results three years later. (By the way, his lack of historical knowledge recently came to light when he welcomed the Italian Prime Minister to the White House and said, "We share bonds going back to the Roman Empire"—leaving the translator baffled.)

"You have to know when to listen to the people—and when to lead them." - Mitch McConnell

Why did he do this?

The answer is simple: He sees himself as a "deal maker" from the business world and thus believes, "If anyone can pull this off, it's me."

His narcissistic confidence led him to believe groundless claims that this reform would spur growth. In reality, aside from short-term effects, the tax cut failed to produce lasting growth.

Since part of my family lives in the U.S., I know well that the average citizen has weak economic literacy. But the masses don't chase logic—they chase self-interest.

Still, Mitch McConnell, one of the most influential figures in Trump's own party, puts it best in his **book**, "The Long Game": "You have to know when to listen to the people—and when to lead them."

Trade Wars and Tariffs on China

The illusion of being a "deal maker," as I mentioned above, causes Trump to confuse horse-trading with diplomacy. For example, in believing he could overpower China, he

implemented high tariffs that disrupted global supply chains in undesirable ways. Trump enjoyed this, but the results were not beneficial—even for him.

The reason he pursued this doomed policy lies in his “win or lose” binary worldview

Will these steps help the U.S.?

Let me share the cold, hard truth. A comparison between the U.S. and China gives us little hope that tariffs can change the equation:

- In the steel industry, the U.S. ranks 8th, but China produces 20 times more.
- In shipbuilding, China’s output is 200 times that of the U.S.
- In the automotive sector, China produces 12 times more than the U.S.
- In e-commerce, the U.S. and China are neck and neck, each with around \$1.2 trillion in volume.

In summary: Trump is right about the loss of manufacturing power to China, but while he was getting rich off a real-estate-based growth model that deindustrialised America, he had nothing to say.

The reason he pursued this doomed policy lies in his “win or lose” binary worldview. And of course, he has a constant hunger for applause. Everyone is familiar with his “What a great man I am” attitude. Add to that a disregard for the fundamental principles of economics.

Attitude Towards Debt and Lack of Fiscal Discipline

Trump claimed he would shrink the government and cut spending. Yet as soon as he took office, he increased public expenditures—especially in defence and infrastructure.

His plan to finance corporate tax cuts with increased import tariffs could only be described as delusional. But he thinks of himself as a “genius.”

Why did he do this?

Because he enjoys short-term results. That’s how sociopaths operate. Moreover, having managed his own company through heavy debt and tax avoidance, he assumed he could run the government the same way.

Using Stock Market Performance as a Personal Trophy

Just like during his first term, Trump often presented the rises in the Dow Jones and S&P 500 as personal achievements. Like a primitive leader boasting about a 100,000-seat stadium and a stock exchange, he took credit for stock movements. If markets rose, it was his doing; if they fell, it was the fault of his enemies.



Trump behaves like a child who craves parental approval—exaggerating every market rise on social media

This behaviour is clearly rooted in narcissistic reflection. Otherwise, how could anyone attempt to present stock market performance as proof of their leadership skills?

He behaves like a child who craves parental approval—exaggerating every market rise on social media.

Assessment from a Behavioural Economics Perspective

Let's conclude the analysis. Trump's policies deviate significantly from the classical rational leader model.

Interpreted through behavioural economics, we observe:

- Overconfidence Bias: He believes he can accurately predict complex economic outcomes and thus takes risky decisions.
- Present Bias: He favours unsustainable policies to create short-term economic gains ahead of midterm elections.
- Confirmation Bias: He selects data that supports his policies and ignores the rest.
- Status Quo Bias: He assumes all previous policies were flawed and replaces them with radical revisions.

Trump's psychological inclinations strongly influence both the content and timing of his economic policies. Above all, a tension emerges between short-term gain and long-term sustainability.

He is undoubtedly charismatic, but his leadership style is dismissive of expertise and rooted in impulsive, intuitive decisions.

While this may not be as in-depth as David Owen's work, I've offered an analysis of a leader who appears to have psychological issues and who may even, due to age, be taking medications that affect critical decision-making.

I suspect those who like to brand inconsistent political behaviour as "great wisdom" may not enjoy this perspective.