

Would Trump prefer 28 phone numbers?

AN ASSESSMENT OF THE US ADMINISTRATION'S POLICY ON EUROPE BY LEADING AMERICAN THINK TANKS



Henry Kissinger's famous question about whom to call when one wants to speak to Europe arose a time when the US considered dialogue with the Europeans to be vital, particularly in questions of foreign affairs and security. Having launched his presidency under the motto "America First", Donald Trump has sown uncertainty as to the future of the transatlantic partnership.

How does the new US administration perceive the EU? How does it envisage its relations with Europe in the key areas of trade and security? Which policies are think tanks close to the government recommending, and what do other political experts think about the future of the Trump administration's policy towards Europe? This analysis attempts to provide possible answers to these questions.

Perception of the EU

"Consortium"

During the election campaign and into the beginning of his tenure, there were several occasions when President Trump voiced criticism of the European Union. This may be due in part to a general mistrust of multilateral organizations. Consequently, he sees the EU mainly as an ineffectual bureaucratic structure—incapable of creating jobs and growth in Europe—which makes life difficult for entrepreneurs like himself because of its tendency towards overregulation. During a press conference with the British Prime Minister Theresa May on January 27, 2017, he referred to the EU member states as a "consortium".¹

¹ CNN, "Entire Trump-British PM News Conference", January 27, 2017. <http://www.cnn.com/videos/politics/2017/01/27/d>

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Trump also seems to consider the EU a supranational body that seeks to homogenize its individual member states by restricting their sovereignty, particularly on immigration. Due to this belief, he has stated that Brexit will prove to be a "great thing", and that further member states will leave the EU because "people, countries want their own identity".²

For Steve Bannon, Trump's top advisor and chief political strategist in the White House, there is no desirable alternative to national sovereignty, in the United States or for the USA's traditional Western European allies. He also supports Brexit as a way for the British to regain their sovereignty, and encourages similar movements in other EU countries. As far back as 2014, he made positive statements about nationalist movements in Europe during a conference in the Vatican.³ According to Reuters, Bannon told the German ambassador to the United States, Dr. Peter Wittig, in mid-February 2017 that he considered the EU a "flawed construct", and preferred bilateral ties with European countries. After the meeting, a Reuters source confirmed that the Europeans had better prepare for a policy of "hostility towards the EU".⁴

Businessman Ted Malloch, the US government's pick for ambassador to the EU, is also a Brexit supporter, who believes that the euro will fail in the not too distant future. After an interview with the BBC at the end of January 2017, he ruffled feathers in Brussels by comparing the EU to the Soviet Union, among other things.⁵

[onald-trump-theresa-may-entire-news-conference-sot.cnn](http://www.cnn.com/2017/01/15/politics/donald-trump-theresa-may-entire-news-conference-sot.cnn)

² "Ich mag Stärke. Ich mag Ordnung" – Donald Trump spricht exklusiv im Bild-Interview", *Bild-Zeitung*, January 15, 2017.

<http://www.bild.de/bild-plus/politik/ausland/donald-trump/das-grosse-bild-interview-49790140>

³ Frances Stead Sellers, David Fahrenthold, "Why even let 'em in?' Understanding Bannon's worldview and the policies that follow", *Washington Post*, January 31, 2017.

https://www.washingtonpost.com/politics/bannon-explained-his-worldview-well-before-it-became-official-us-policy/2017/01/31/2f4102ac-e7ca-11e6-80c2-30e57e57e05d_story.html?utm_term=.21938f37bd51

⁴ Noah Barkin, "Exclusive - White House delivered EU-sceptic message before Pence visit: sources", Reuters, February 22, 2017.

<http://uk.reuters.com/article/uk-europe-trump-idUKKBN1601D6>

⁵ "I had in a previous career a diplomatic post where I helped bring down the Soviet Union. So maybe there's another union that needs a little

The only person in the White House who appears to have a positive attitude towards the EU is Vice President Mike Pence, who reaffirmed the traditional US position towards Europe on February 20, 2017 in Brussels. During a press conference with EU Council President Donald Tusk, he said that President Trump had asked him "to express the strong commitment of the United States to continued co-operation and partnership with the European Union". He went on to say: "Whatever our differences, our two continents share the same heritage, the same values and above all the same purpose, to promote peace and prosperity through freedom, democracy and the rule of law".⁶

Integration vs. solidarity

The **Heritage Foundation** shares President Trump's negative stance towards the EU.⁷ In a report published on January 12, 2017, it argued that European integration is causing increasing restrictions of political freedom, greater economic tensions, and a diminution of the transatlantic partnership in the area of security. According to the authors, this is due to the fact that the EU interferes with national sovereignty, prevents the establishment of genuine transatlantic free trade areas, is damaging to transatlantic security, distorts European immigration policy, and wastes taxpayers' money. Consequently, the **Heritage Foundation** recommends that the Trump administration should re-examine its support for this supranational organization and instead forge closer relations with individual European governments. The Foundation believes that the National Security Council (NSC) should conduct a study on how the USA can better advance its long-term interests in Europe.⁸

taming". See BBC video: "Donald Trump pick for EU Ambassador Ted Malloch hints at destruction of EU", YouTube.

<https://www.youtube.com/watch?v=7mxFUa1wzEw>

⁶ Gardiner Harris, James Kanter, "Mike Pence, in Europe, Says Trump Supports Partnership With E.U.", *New York Times*, February 20, 2017 (with video of the press statement).

https://www.nytimes.com/2017/02/20/world/europe/pence-european-union-trump.html?_r=0

⁷ On the links between the Heritage Foundation and the Trump administration, see for instance: Dr. Céline-Agathe Caro, "Welche Agenda für die Trump-Regierung? Erste Projektionen aus den amerikanischen Think Tanks für die zukünftige Innen- und Außenpolitik der USA", Think Tank Analyse, Konrad-Adenauer-Stiftung, January 17, 2017, p. 1-2. <http://www.kas.de/wf/de/33.47689/>

⁸ Ted Bromund PhD, Luke Coffey, Daniel Kochis, "Recommitting the United States to European Se-

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During a hearing in the House of Representatives in early February, one of the **Heritage** directors, Nile Gardiner, described the EU as an inward-looking and declining entity with a protectionist mindset and outright hostility to economic freedom. He called upon the representatives to turn away from the EU and concentrate on expanding bilateral relations with the UK.⁹ John Bolton from the **American Enterprise Institute (AEI)**, who for a while had been tapped as a candidate for a high-ranking position in the Trump administration, took a similar stance. He also believes that it is a mistake to think that Trump will actively work to disrupt the EU—the Europeans are quite capable of doing that themselves.¹⁰

The **Hudson Institute** is considered close to the administration because of its strong relationships with Vice President Mike Pence and several Republican Members of Congress. Many Hudson experts have also displayed skepticism towards the European project. At the center of their criticism is the belief that the EU diminishes national identities. Furthermore, many of them regard the EU as an illegitimate authority. Peter Rough, for instance, has called on the US government to support the UK in the Brexit process, and hopes this development will lead to a “democratic renaissance” in Europe.¹¹ In an article he wrote jointly with his colleague Michael Doran, he stressed that there are two models of integration for Western cooperation: integration or solidarity. Under the solidarity model, national

curity and Prosperity: Five Steps for the Incoming Administration”, Report Europe, The Heritage Foundation, January 12, 2017.

<http://www.heritage.org/europe/report/recommitt-ing-the-united-states-european-security-and-prosperity-five-steps-the>

⁹ Foreign Affairs Committee, Next Steps in the “Special Relationship”: Impact of a U.S.-U.K. Free Trade Agreement. Dr. Nile Gardiner, Director, Margaret Thatcher Center for Freedom, The Heritage Foundation. Testimony before House Committee on Foreign Affairs Joint Subcommittee Hearing: Subcommittee on Terrorism, Nonproliferation, and Trade; Subcommittee on Europe, Eurasia, and Emerging Threats, February 1, 2017.

<https://foreignaffairs.house.gov/hearing/joint-subcommittee-hearing-next-steps-special-relationship-impact-u-s-u-k-free-trade-agreement/>

¹⁰ John R. Bolton (AEI Senior Fellow), “The return of the ‘special relationship’ between the US and UK”, *The Boston Globe*, January 30, 2017.

http://www.aei.org/publication/the-return-of-the-special-relationship-between-the-us-and-uk/?utm_source=twitter&utm_medium=social&utm_campaign=boltonukusrelationship

¹¹ Peter Rough, “Engaging Europe: A Strategy for the President-elect”, Hudson Institute, January 18, 2017. <https://hudson.org/research/13246-engaging-europe-a-strategy-for-the-president-elect>

governments, which must answer to voters, maintain their independence and enter into specific cooperative ventures. According to the authors, Trump’s preference for the solidarity model is a logical consequence of his nationalist stance, which stresses the need for democratic legitimacy.¹²

Dangerous break with tradition

Several experts, especially from left-leaning think tanks, stress that Donald Trump is the first US president not to represent the traditional, pro-European stance of his predecessors in the White House. They express concern about the fact that Trump appears to be at best indifferent to the European Union, and has not articulated the traditional mantra that a stable and united Europe advances the USA’s economic and security interests. By contrast, most US foreign policy think tanks agree that the United States largely benefits from a strong EU.¹³

According to Hans Kundnani from the **German Marshall Fund (GMF)**, this negative stance towards the EU could hamper cooperation with EU institutions. He underlines, however, that tense relations between Washington and Brussels are not entirely atypical, and this stance may provide active encouragement to Euroskeptics in the EU.¹⁴ Trump’s election victory has already put wind into the sails of some nationalist movements in the EU. Some commentators view the official visits to Washington by Brexit campaign leader Nigel Farage, as well as the expansion of Breitbart News¹⁵ into different EU countries (incl. Germany and France) with Steve Bannon’s blessing as signs of this indirect support.

¹² Michael Doran, Peter Rough (Hudson Institute), “Trump’s ‘America First’ Puts Britain ‘at the Front of the Line’”, *Wall Street Journal*, January 27, 2017. <https://www.hudson.org/research/13276-trump-s-america-first-puts-britain-at-the-front-of-the-line>

¹³ See for instance: Charles Kupchan (Georgetown University/Council on Foreign Relations), “Trump and Merkel Need to Find a Way to Work Together”, *Foreign Policy*, March 13, 2017.

<https://foreignpolicy.com/2017/03/13/trump-and-merkel-need-to-find-a-way-to-work-together/>

¹⁴ Hans Kundnani, “President Trump, the U.S. Security Guarantee, and the Future of European Integration”, Policy Brief, German Marshall Fund, January 17, 2017.

<http://www.gmfus.org/publications/president-trump-us-security-guarantee-and-future-european-integration>

¹⁵ Breitbart News is a US news website that is highly controversial due to its right-wing populist contents. Steve Bannon, the US President’s Chief Strategist, used to be Editor in Chief of this website.

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In this context, James Kirchick, Fellow at the think tank **Foreign Policy Initiative**, believes that "with the Bundestag elections coming up in the fall, [Merkel should] not only worry about Russian, but also about US interference attempts".¹⁶ Harold James, Professor at **Princeton University**, has a similar view. He believes that the US criticism of the German trade surplus is influencing German domestic policy and encouraging Merkel's critics, which inadvertently aligns the US government with the opposition.¹⁷

Trade Relations with Europe

"Fair trade"

Donald Trump has stressed that he is not against free trade per se, as long as it is "fair".¹⁸ He believes that unfair international trade agreements have caused a significant trade deficit in the USA. He therefore has stated his intention to introduce protectionist measures for the benefit of US workers.

Trump sees trade distortions above all in relation to China, but also Europe, and in particular Germany. According to a statement Trump made in mid-January 2017, the EU is a simple "means to an end for Germany", and was founded in part for the purpose of "beating the U.S. in international trade".¹⁹ At the end of January, Peter Navarro, head of the newly formed National Trade Council, declared the Transatlantic Trade and Investment Partnership (TTIP) to be dead, and indicated that the new administration would focus on bilateral deals.²⁰

¹⁶ James Kirchick, "Die Welt unter Trump - Merkel gegen Bannon", *Frankfurter Allgemeine Zeitung*, February 22, 2017.

http://www.faz.net/aktuell/politik/trumps-praesidentschaft/die-welt-unter-trump-merkel-gegen-bannon-14888334.html?printPagedArticle=true#pageIndex_2

¹⁷ Prof. Harold James, "Trump's Currency War Against Germany Could Destroy the EU", *Foreign Policy*, February 2, 2017.

<http://foreignpolicy.com/2017/02/02/trumps-currency-war-against-germany-could-destroy-the-european-union/>

¹⁸ CNN, "Donald Trump's Congress speech (full text)".

<http://www.cnn.com/2017/02/28/politics/donald-trump-speech-transcript-full-text/> See also: ARD, "Trump und Merkel vor den Medien. Die Pressekonferenz im Video", March 17, 2017. <https://www.tagesschau.de/ausland/trump-merkel-pressekonzferenz-101.html>

¹⁹ Bild interview with Donald Trump, see note 2.

²⁰ Shawn Donnan, "Trump's top trade adviser accuses Germany of currency exploitation", *Financial Times*, January 31, 2017. <https://www.ft.com/content/57f104d2-e742-11e6-893c-082c54a7f539>

Concluding a free trade deal quickly with the UK will be one of the US President's priorities.

At the Conservative Political Action Conference (CPAC) on February 23, 2017, Steve Bannon laid out the fundamental principles upon which decisions on global trade issues will be made: "economic nationalism" (implying protectionist measures) and "sovereignty" (i.e. the aggressive defense of national interests).²¹

"Special relationship"

Think tanks are already debating the future free trade agreement between the US and the UK. The **Heritage Foundation** has advocated that London should be at the front of the queue (referring to Barack Obama's "back of the queue" comment) for negotiations with Washington. Both partners should strive to agree upon the best possible deal quickly, even if it is not perfect. To this end, the think tank recommends that they should focus on the following points: eliminating tariffs and quotas on visible trade, ensuring the continuation of the freedom of investment, and developing a system of mutual recognition for standards in a few high-value areas. According to the **Heritage Foundation**, such a deal would be good for both nations, and would set a valuable example of liberalization for the rest of the world.²² John Bolton (**AEI**) also hopes for an early deal with the UK, which Canada could join, with other non-EU nations in Europe coming on board in due course.²³

At his congressional hearing on February 1, Nile Gardiner (**Heritage Foundation**) further stated that such a trading area would symbolize and foster the UK-US opposition to supranational control and express the common conviction that government must be based on sovereignty and freedom. He believes that the deal should be implemented within 90 days from the UK leaving the EU, i.e. during the first 6 months of 2019.²⁴

²¹ For an explanation of these terms, see for instance the analyses by Prof. Daniel Kreiss (University of North Carolina) in: Max Fisher, "Stephen K. Bannon's CPAC Comments, Annotated and Explained", *New York Times*, February 24, 2017. <https://www.nytimes.com/2017/02/24/us/politics/stephen-bannon-cpac-speech.html>

²² Heritage Foundation, see note 8.

²³ John R. Bolton, see note 10.

²⁴ Dr. Nile Gardiner, Testimony before House Committee, see note 9.

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For Peter Rough (**Hudson Institute**), a free trade agreement between the US and the UK would cement the UK's foothold in North America and prove Trump's commitment to fair trade. In addition, it would not only strengthen the "special relationship" between the two countries, but also motivate the EU to conclude an agreement with London so as not to lose any market shares in key sectors.²⁵

TTIP is not an option for Gardiner. He sees the project as "hugely flawed", partly because it would entail the importing of regulations and the expansion of "big government". His **Heritage** colleague Ted Bromund has also declared TTIP's untimely demise.²⁶ Irvin Stelzer from the **Hudson Institute** believes that the Transatlantic Trade and Investment Partnership has little chance of surviving in the present climate: "Our negotiator-in-chief wants to practice the art of the deal one-on-one".²⁷

Most important trading partner

With respect to Trump's commitment to fair trade, US economists frequently mention that global trade as such is not responsible for job losses in the US, but that new technologies, the modernization of production facilities, and a deficit in training among workers are to blame. Protectionist measures and efforts to bring manufacturing back to the US would therefore have little chance of improving life for the working class in the USA.²⁸ One outstanding question is whether the risk of trade wars could potentially stop the US government from pursuing aggressive foreign trade policies, for example towards the EU.

Peter Sparding and Philipp Liesenhoff from the **German Marshall Fund** comment that

²⁵ Peter Rough, see note 11.

²⁶ Theodore Bromund, Senior Research Fellow, Heritage Foundation. Contribution to a discussion held on March 1, 2017 during a conference on: "The future of the European security order", Brookings Institution. <https://www.brookings.edu/events/the-future-of-the-european-security-order/>

²⁷ Irwin M. Stelzer (Senior Fellow, Hudson Institute), "Getting a Feel for Trump's Trade Game", *Weekly Standard Online*, February 18, 2017. <https://hudson.org/research/13374-getting-a-feel-for-trump-s-trade-game>

²⁸ See for instance the analyses by Martin Baily (Brookings) in: Jeff Guo, "Why the White House seems a little jealous of Germany", *Washington Post*, February 2, 2017. https://www.washingtonpost.com/news/wonk/wp/2017/02/02/how-germany-was-able-to-win-globalization-but-the-united-states-was-not/?utm_term=.2853b0c31a6d

even though there are several free trade deal supporters in the Trump cabinet, it will more likely be ministers and advisors sharing the President's positions who will develop the government's future trade policies: Wilbur Ross (Commerce Secretary), Robert Lighthizer (United States Trade Representative nominee), and Peter Navarro. Regarding the proposed border tax adjustments²⁹, Sparding and Liesenhoff argue that they might be incompatible with WTO rules and would not improve the country's competitiveness. They believe that the Trump administration's new economic policies of higher government spending and tax reductions could stimulate demand in the US, resulting in increased imports from Europe. However, they also argue that the disadvantages of such US policies would outweigh the benefits for Europe in the long run if the US decisions were to damage the multilateral system of the WTO, cause transatlantic disputes, or split the Europeans.³⁰

When speaking about the trade deal between the USA and the UK during a congressional hearing on February 1, 2017, Simon Lester from the **Cato Institute** argued that London would not be able to work on a deal with the USA without taking the EU's interests into account. In his view, it would be better for the American side to wait until the agreement between the EU and the UK is finalized to then negotiate a deal with London since the nature of future economic relations between the United Kingdom and the EU would have consequences for US products. Following libertarian tradition, he recommended a "narrow" deal between the USA and the UK that does not regulate all areas of cooperation, partly to avoid conflicting with WTO rules.³¹

During the same congressional hearing on February 1, Dan Hamilton (**Johns Hopkins University SAIS**) agreed with Simon

²⁹ On the proposed "Border Tax Adjustment plans", see Gary Clyde Hufbauer, Zhiyao Lu, "Border Tax Adjustments: Assessing Risks and Rewards", Policy Brief, Peterson Institute for International Economics, January 2017. <https://piie.com/publications/policy-briefs/border-tax-adjustments-assessing-risks-and-rewards>

³⁰ Peter Sparding, Philipp Liesenhoff, "What America's Economy First Means for Europe", Policy Brief, German Marshall Fund, February 15, 2017. <http://www.gmfus.org/publications/what-america%E2%80%99s-economy-first-means-europe>

³¹ Simon Lester, Trade Policy Analyst, Herbert A. Stiefel Center for Trade Policy Studies, Cato Institute. Testimony before House Committee, see note 9.

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Lester pertaining to the sequence of the deals. They both believe that the US should wait for the trade agreement between the EU and the UK before concluding a deal with London. Hamilton produced further arguments to dampen the expectations of the US representatives with respect to an early free trade agreement between the US and the UK. For instance, he does not expect a deal between London and the EU to be signed before 2025, which would push a subsequent deal between Washington and London far into the future. Hamilton underscored the fact that the EU (even with 27 members) would still be the most important trading partner for both the US and the UK, and that both London and Washington would benefit more from a strong agreement with the EU. He also pointed out that the UK was a strategic gateway to the European Single Market for US companies and banks. Hamilton therefore proposed to integrate the deal between the US and the UK into a wider trilateral "North Atlantic Initiative for Jobs and Growth", in which all three sides of the triangle (USA, UK, EU) would strengthen each other. To this end, the US should continue in its efforts to reach an agreement with the EU in parallel with the discussions with the UK.³²

In agreement with Peter Sparding and Philipp Liesenhoff (**GMF**), Hamilton also believes that it is not very likely that TTIP will be signed any time soon. But the negotiations between the US and the EU could be continued under the auspices of the Transatlantic Economic Council. Together with his **SAIS** colleague Niklas Helwig, he also advocates US-EU deals in individual business sectors to enhance the competitiveness of European and American companies in the face of China's foreign trade policy.³³ Dalibor Rohac (**AEI**), for his part, advocates making TTIP a priority again in 2017. Creating an integrated Atlantic marketplace could potentially help the Eurozone to overcome its crisis, which would be in the USA's interest.³⁴

³² Dr. Daniel S. Hamilton, Austrian Marshall Plan Foundation Professor, Executive Director, Center for Transatlantic Relations, Johns Hopkins University SAIS. Testimony before House Committee, see note 9.

³³ Daniel Hamilton, Niklas Helwig, "Trump Faces Merkel's Art Of The Deal", *The Huffington Post*, March 12, 2017. http://www.huffingtonpost.com/entry/trump-faces-merkels-art-of-the-deal_us_58c2c22ee4b0a797c1d39bae?

³⁴ Dalibor Rohac, "What to do 2017: Europe", AEI Ideas, American Enterprise Institute, March 3,

Common Security Interests

It's all good, isn't it?

Donald Trump's statements on NATO have caused a great deal of anxiety in the US and in Europe. After his interview with the *Bild* newspaper on January 15, most commentators focused on his remark that the transatlantic alliance was "obsolete". During his first speech to Congress on February 28, 2017, the US President made his first clear statement on the transatlantic alliance: "We strongly support NATO, an alliance forged through the bonds of two World Wars that dethroned fascism, and a Cold War that defeated communism".³⁵

Trump's criticism of NATO pertains first and foremost to the fact that most of the European states are not complying with the NATO obligation to spend at least two percent of their GDP on defense. Speaking in Brussels in February, Secretary of Defense Jim Mattis called upon his European colleagues to meet the two percent target, or risk the US scaling back its defense engagements in Europe. He requested that all countries put forward plans to increase spending by the end of the year.

Tense situation

There is a broad consensus among US think tanks about the fact that NATO and the transatlantic partnership remain crucial to US security and to the defense of American interests, particularly considering Russia's aggressive foreign policy. Many observers, such as Mark Cancian from the **Center for Strategic and International Studies (CSIS)**, emphasize that the new Secretary of Defense General Mattis is a firm supporter of the transatlantic alliance.³⁶ Several experts (including Peter Rough from the **Hudson Institute**, Damon Wilson from the **Atlantic Council**, and **Harvard** Professor Nicholas Burns)³⁷ had called for a clear

2017. <http://www.aei.org/publication/what-to-do-2017-europe/>

³⁵ CNN, "Donald Trump's Congress speech", see note 18.

³⁶ See Mark Cancian's (CSIS) analyses in: Aaron Mehta, "With allies seeking reassurance, Mattis heads to NATO", *Defense News*, February 13, 2017. <http://www.defensenews.com/articles/with-allies-seeking-reassurance-mattis-heads-to-nato>

³⁷ Peter Rough, see note 11; Atlantic Council, "Trump's Victory is Brexit Gone Global. Interview with Atlantic Council Executive Vice President Damon Wilson", November 10, 2016. <http://www.atlanticcouncil.org/blogs/new-atlanticist/trump-s-victory-is-brexite-gone-global>.

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statement from Trump after the US election, which he delivered in Congress on February 28. Prior to that date, those in the Washington security community who were happy with the administration's reassurances, such as Kurt Volker (**McCain Institute**) and Strobe Talbott (**Brookings**)³⁸, were clearly in the minority. It now remains to be seen whether Trump's speech to Congress will over time convince the others. Several experts, for instance at the **Center for a New American Security (CNAS)**, **CSIS**, **Brookings**, and the **Atlantic Council**, are still drawing attention to the fact that Steve Bannon and other Trump advisors are outspoken NATO skeptics, and that it is too early to know which camp in the Trump White House will prevail on this issue.³⁹

Be that as it may, all the experts (**CSIS**, **Brookings**, etc.) agree that the Europeans will have to do more for their own defense in future, both financially and strategically.⁴⁰ The new NATO policy pursued by the US government could therefore provide the Europeans with a good opportunity to take on a greater leadership role within the alliance. The irony has not gone unnoticed among experts that President Obama, despite his popularity in the EU, was unable to convince his European partners to increase their defense spending, while an unpopular president spouting threats has succeeded in focusing their attention on the issue. Richard

Sokolsky (**Carnegie**) emphasizes, however, that the Trump administration has vastly underestimated Europe's past contributions to NATO.⁴¹

Like several **CSIS** and **Brookings** experts, he stresses that the two percent target does not guarantee that the NATO members will have an effective military structure in the future ("output guarantee"). Anthony Cordesman (**CSIS**) believes that the US government should therefore stop putting pressure on its European partners to drastically increase their defense budgets as this is not realistic and serves no clear strategic goal. However spurious the two percent target may be, Constanze Stelzenmüller and Bruce Jones (**Brookings**) think that it will remain the benchmark against which the US government will measure Europe's goodwill.⁴²

The great majority of experts are not optimistic about the two percent target being achieved, which is definitely not going to help improve the mood in the transatlantic relationship. However, Christopher Chivvis from the **RAND Corporation** advises the Europeans against turning inward and away from their traditional partner, despite the current confusion in the USA.⁴³ Ted Bromund (**Heritage Foundation**) notes that critical voices and threats among NATO partners are generally not helpful.⁴⁴

Not all American NATO experts are convinced that Trump's desire for NATO to re-focus its priorities, especially on the fight against terrorism, is a realistic approach. According to Bruce Jones (**Brookings**), the alliance is not equipped to fight against

For Prof. Burns, see: Steven Erlanger, "A Worried Europe Finds Scant Reassurance on Trump's Plans", *New York Times*, February 19, 2017. https://www.nytimes.com/2017/02/19/world/a-worried-europe-finds-scant-reassurance-on-trumps-plans.html?_r=0

³⁸ Kurt Volker, Executive Director, The McCain Institute for International Leadership. Contribution to discussion taking place on March 1, 2017 at Brookings, see note 26; for Strobe Talbott (Brookings Director), see: Steven Erlanger, Alison Smale, "In Munich, Pence Says U.S. Commitment to NATO Is 'Unwavering'", *New York Times*, February 18, 2017.

<https://www.nytimes.com/2017/02/18/world/europe/pence-munich-speech-nato-merkel.html>

³⁹ See for instance: Julianne Smith, Senior Fellow and Director, Strategy and Statecraft Program, Center for a New American Security. Contribution to discussion taking place on March 1, 2017 at Brookings, see note 26; Jeffrey Rathke, "Chancellor Merkel Comes to Washington as Germany Navigates its Relationship with the Trump Administration", *CSIS*, March 13, 2017.

<https://www.csis.org/analysis/chancellor-merkel-comes-washington-germany-navigates-its-relationship-trump-administration>

⁴⁰ See for instance: Anthony Cordesman, "NATO and the Delicate Balance of Deterrence: Strategy versus Burden Sharing", Center for Strategic and International Studies, February 7, 2017.

<https://www.csis.org/analysis/nato-and-delicate-balance-deterrence-strategy-versus-burden-sharing>

⁴¹ Richard Sokolsky, Gordon Adams, "Penny Wise, Pound Foolish: Trump's Misguided Views of European Defense Spending", *War on the Rocks*, March 7, 2017.

<http://carnegieendowment.org/2017/03/07/penny-wise-pound-foolish-trump-s-misguided-views-of-european-defense-spending-pub-68202>

⁴² Constanze Stelzenmüller, "Munich: A watershed moment for Europe", Brookings Institution, February 23, 2017.

<https://www.brookings.edu/blog/order-from-chaos/2017/02/23/munich-a-watershed-moment-for-europe/>;

Bruce Jones, "Two cents on the 2 percent question. A dispatch from the Munich Security Conference", Brookings Institution, February 21, 2017.

<https://www.brookings.edu/blog/order-from-chaos/2017/02/21/two-cents-on-the-2-percent-question/>;

for A. Cordesman, see note 40.

⁴³ Christopher Chivvis, Associate Director, International Security and Defense Policy Center, RAND Corporation. Contribution to discussion taking place on March 1, 2017 at Brookings, see note 26.

⁴⁴ Contribution to discussion taking place on March 1, 2017 at Brookings, see note 26.

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“fake news” from Russia, refugee crises, or domestic radicalization in Europe.⁴⁵ In his view, it is predominantly an instrument for territorial defense. The **Heritage Foundation** concurs, and has recommended that NATO should concentrate on constraining Russia, and the US on expanding its military presence in Europe. To work towards the strongest possible alliance, Heritage has advised the US government to stop supporting further EU integration in the area of security.⁴⁶ In Anthony Cordesman’s opinion (**CSIS**), the alliance should both strengthen its deterrence vis-à-vis Russia, and improve its limited capabilities in dealing with violent Islamist extremism and terrorism.⁴⁷

Ultimately, the Trump administration’s expectations of NATO might also have direct consequences for the future of the EU. Compared to the clear conditions set forth for US engagement in Europe, the Trump cabinet has created some uncertainty regarding Article 5, NATO members’ commitment to mutual defense. If the Europeans do not succeed in developing a defense union of their own, this lack of certainty may exacerbate European tensions, argues Hans Kundnani (**GMF**). It could shift the balance of power in Europe between Germany as an economic power and France and the UK as nuclear powers, among other things. This could potentially affect current crisis management in the Eurozone as well as the Brexit negotiations.⁴⁸

Conclusion

The new US government’s policy toward Europe is not yet clearly defined. It will be Washington’s concrete decisions over the next few months, rather than its recent, partly conflicting messages, that will determine the future relationship of the transatlantic partners. How the US government will position itself at the impending NATO, G7, and G20 summits also remains to be seen. Right-leaning think tanks tend to support Trump’s EU-skeptic and bilateral approach, particularly regarding trade, while US experts are in general agreement about the relevance of the transatlantic alliance.

Currently, the US government seems to comprise two very different camps that exist in a kind of “cohabitation” or form a “grand coalition”. The foreign policy stances

of classic Republicans and supporters of the transatlantic partnership such as Mike Pence and Jim Mattis are frequently out of sync with statements made by Steve Bannon and other advisors to the US president, like Stephen Miller and Sebastian Gorka, who at least until now appear to have more direct access to the Oval Office. For US think tanks it remains to be seen which camp will prevail where transatlantic issues are concerned.

Given these circumstances, the Europeans would be well-advised to seek dialogue with Washington. They should use this time of uncertainty to let Washington know Europe’s wishes and visions in the areas of foreign policy, security, and trade. After all, it is also in the EU’s interest to have a hand in shaping the future of the transatlantic partnership. In addressing the current state of transatlantic relations, think tank experts have made it clear that to be heard in the US, Europeans should speak with one voice.

The statements made by President Trump during the Chancellor’s visit have confirmed the compelling need for European decision-makers to actively promote the EU. As Angela Merkel did, representatives from EU states should always make a point of bringing up the EU in their talks with Washington, and not restrict themselves to national topics. This is all the more important as the US administration currently appears to be keeping all options on the table, to potentially take advantage of tensions with Germany or the EU over trade and security issues.

Current developments in the US are a further reason for the EU member states to pull together and strengthen the European project. They might also want to respond to Kissinger’s request and provide Washington with a phone number for Europe.

⁴⁵ Bruce Jones, see note 42.

⁴⁶ Heritage Foundation, see note 8.

⁴⁷ Anthony Cordesman, see note 40.

⁴⁸ Hans Kundnani, see note 14.

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Recommended reading

Heritage Foundation

“Recommitting the United States to European Security and Prosperity: Five Steps for the Incoming Administration”

Report Europe by Ted Bromund PhD, Luke Coffey, and Daniel Kochis

January 12, 2017

<http://www.heritage.org/europe/report/recommmitting-the-united-states-european-security-and-prosperity-five-steps-the>

Johns Hopkins University SAIS

Foreign Affairs Committee, Next Steps in the “Special Relationship”: Impact of a U.S.-U.K. Free Trade Agreement.

Testimony before House Committee on Foreign Affairs Joint Subcommittee Hearing: Subcommittee on Terrorism, Nonproliferation, and Trade; Subcommittee on Europe, Eurasia, and Emerging Threats.

By Dr. Daniel S. Hamilton, Austrian Marshall Plan Foundation Professor, Executive Director, Center for Transatlantic Relations.

February 1, 2017.

<http://docs.house.gov/meetings/FA/FA18/20170201/105501/HMTG-115-FA18-Wstate-HamiltonPhDD-20170201.pdf>

Center for Strategic and International Studies (CSIS)

“NATO and the Delicate Balance of Deterrence: Strategy versus Burden Sharing”

Report by Anthony Cordesman

February 7, 2017

<https://www.csis.org/analysis/nato-and-delicate-balance-deterrence-strategy-versus-burden-sharing>

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