

# At a Crossroads

Which direction will Trump take after inauguration? By Clifford A. Kiracofe



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net secretaries.

On the foreign policy and defense side, the National Security Council (NSC) became bloated with unnecessary staff, and its micro-management caused significant frictions. The NSC must be reorganized and streamlined.

## Economy

This is a tall order, considering its poor condition. The middle class has eroded over the past four decades, while poverty has increased and the rich have become richer. Results must be shown before the 2018 elections, lest Republicans lose seats in Congress.

Trump must also ensure financial stability at a time when some economists view the banking situation as more precarious than just prior to the onset of the 2007-08 crisis.

One litmus test will be whether or not his administration will ensure early passage of the Glass-Steagall banking act, which separates commercial banking from speculative investment banking. During his campaign,

Trump drew critical attention to Wall Street for its greed and irresponsibility.

The Glass-Steagall legislation had been in place since the Great Depression of the 1930s, but under the influence of neo-liberalist politicians lobbied by the banking sector, Congress tore up the act in the late 1990s, setting the stage for the financial crisis which ensued a decade later.

Another decisively indicative test will be whether or not the Trump administration addresses infrastructure issues in a timely manner. As the American Society of Civil Engineers points out in its annual reports, the disintegrating state of U.S. infrastructure is abysmal. They ought to know.

The society recommends aggressive action with respect to roads, railways, canals, dams, municipal water and sewage systems, airports, ports, and power structures. Such action can create jobs, but the political will to implement projects must exist.

The U.S. Army Corps of Engineers

On January 20, the rubber hits the road for Donald Trump and his new administration. Stunned by his election, the world now awaits Trump's presidency for better or for worse. Will he deliver on his promises to revitalize the United States' economy and reorient Washington's foreign policy?

First, he must put his house in order, which will take a few months. Organizing and staffing a new administration takes time, and the brief transition after the election is just the beginning of the process. Aside from the tier-one cabinet appointments, positions at various lower levels throughout the administration—not to mention several thousand other political roles—need to be filled.

At the top, Trump will need a well-rounded team to formulate logical and consistent policy. It is said that in business he permits rival groups with differing viewpoints and then makes the final decisions. Whether this business management style will lead to coherent and effective domestic foreign policies remains to be seen.

On a positive note, it is believed that he will allow his cabinet secretaries considerably more room than Barack Obama did. Critics say that the Obama administration tightly micromanaged from the White House as if there were no cabi-



Donald Trump at his first post-election news conference in New York City on January 11

undertakes major infrastructure construction. Many worthwhile projects have already been designed, approved, and even funded by Congress but remain to be implemented. Trump should order such off-the-shelf projects to begin immediately.

As focus turns to infrastructure, many opportunities will arise for business to participate. Such involvement, however, must not turn public goods into private monopolies, as in the case of private toll roads and private bridges, whose income streams can be parasitized by Wall Street or foreign financiers.

The private sector can best serve infrastructure development in the design and construction phases. Joint ventures between U.S. and Chinese companies, for example, could help modernize infrastructure in the United States. And, beyond the United States, such partnerships could drive forward the practical development of China's Belt and Road Initiative consisting of the Silk Road Economic Belt and the 21st-Century Maritime Silk Road.

## Foreign policy

This is another major challenge, the realization of which remains to be seen. Trump inherits from Obama a mostly failed foreign policy characterized by a new Cold War against Russia, chaos in North Africa and the Middle East, and tensions in the East and South China Seas.

To his credit, Obama did improve relations with Cuba and also negotiated an important nuclear agreement with Iran. Trump must continue these positive steps.

But, will Trump actually deliver on his campaign promises to improve relations with Russia and to reorient U.S. foreign policy toward a more multipolar vision?

He appeared to advocate a sharp break with the longstanding policy of U.S. hegemony and the aggressive stance of the U.S. foreign policy establishment under Wall Street's thumb. Trump said he wanted to bring new experts with new thinking into his administration.

Certainly, stabilization of the relations between major powers is critical at this time of significant change in the international system. Nuclear proliferation, terrorism, and organized crime are challenges requiring major power cooperation.

Trump has been consistent in his approach to Russia and very public about his desire for improvement in relations. While this is a prudent line, there are challenges from the dominant foreign policy elite in the United States, riddled as it is with neoconservatives, and from transatlantic elites wanting to justify NATO expansion.

The fierce anti-Trump media campaigns and political attacks regarding his Russia stance indicate the mobilization, both public and behind-the-scenes, of transatlantic forces to defend NATO expansion and Western

hegemony led by the United States. The promotion of hysteria about Russia and Vladimir Putin is no accident; it is calculated.

During his campaign, Trump made the usual China-bashing statements employed by many U.S. politicians at election time. Canards such as "currency manipulation" and "stealing jobs" play well with some voters, but are misleading.

Such rhetoric could have been written off as campaign talk were it not for Trump's major mistake in the phone call incident with Taiwan leader. Several tweets compounded the error, which was caused by a combination of incompetent staff and well-placed political lobbyists hired by Taiwan.

Trump and his team may not yet realize the extensive and unnecessary damage the incident did to his public image in China. Perhaps, though, they have taken note of Obama's reiteration that the one-China policy is a fundamental U.S. policy, not to mention the international criticism the affair sparked.

Trump's policy must be clear and follow his stated desire to improve relations with major powers, including China, and to work with them on major international challenges such as terrorism. Of course, reinforcing the international community's desire for peace and development is a vital consideration for the major powers.

Trump's choice for secretary of state, Rex Tillerson, positions the United States well to develop a pragmatic, economically focused foreign policy that can promote not only U.S. interests, but also global interests. His appointment of anti-China hawk Peter Navarro as head of the new White House Trade Council, however, raises significant issues.

Trump must reign in Pentagon hawks and take effective steps to calm the waters of the East and South China seas churned by Obama's failed containment policy.

A reasonable view for now is "wait and see." The timely personal visit to Trump by the widely respected Chinese businessman, Jack Ma, on January 9 may point to the new president developing a realistic, pragmatic, and cooperative perspective on China. Time will tell. ■



Donald Trump meets Jack Ma, founder and Chairman of China's e-commerce giant Alibaba Group, in New York City on January 9

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