

Back to pre-1914 Fortress America

Trump's radical breakup of consensus

by Meghnad Desai in New Delhi

Wed 9 Jan 2019

The liberal US establishment has long been hegemonic. It shapes foreign policy, controls the print media and, apart from Fox, dominates television. Wall Street has been harnessed to the cause, as we saw in Hillary Clinton's presidential campaign. Donald Trump is an alien creature whom the liberals can neither understand nor take seriously. While they wait for his impeachment or hope for his removal in 2020, he has used his presidency to make the most radical breach with the post-war consensus.

Despite some signs of waning activity, Trump's short-run economic performance has been outstanding. The economy has been growing at 3%. US unemployment is at a historic low. Inflation is at the level targeted by the Federal Reserve. The stock market has soared, though it has wobbled in the last few weeks. The tax cut has paid off by bringing US corporate flows back home. The dollar is strong.

When Trump was elected in November 2016, I said he would be a unilateralist. His behaviour over North Korea was his own decision. His trade war with China is his own; again, no ally was consulted. Trump confides in and takes advice from neither the G7 nor G20 nor the North Atlantic Treaty Organisation. He remains a unilateralist. In that spirit, he has redefined the aims of US foreign policy.

We are back to pre-1914 'Fortress America'. The US entered the first world war only because of the German U-boat sinking of the RMS Lusitania. It entered the second only after the bombing of Pearl Harbor. Trump wants to confine US defence activity strictly to defend national interests. He no longer wishes to run the world.

Liberals do not credit the right wing with any intelligence. They believe in their monopoly of radical thought. Trump comes from outside the consensus. Establishment people like former Secretary of State Rex Tillerson come (as Tillerson has said) from a structured corporate culture with rules of compliance and chains of command. Trump does not.

Trump thinks that the US has a serious deficit in its social expenditure. His inaugural address was the least triumphalist of all post-1945 presidents. The US is running a double deficit. No nation can continue to be a great power and generously look after the defence needs of richer partners who fail to pay their way.

Hence the pre-Christmas announcement of troop withdrawal from Syria, although by making withdrawal dependent on Turkey ensuring the safety of Kurdish fighters, Trump has shown compromise. We can expect a wind-down of the Afghan campaign and a demotion of Nato. Of course the foreign policy establishment hates it. They have lived off fear-mongering over Russia, Islamist terrorism and North Korea. But Trump worries about the bottom line. He no longer wants to sacrifice US lives nor spend US money.

Trump has ended the doctrine of the US as global policeman codified by President John Kennedy in 1961. Significantly, the doctrine came from a Democratic president. When the cold war got under way, all forms of left-wing radicalism came under suspicion. Kennedy understood the importance of the Democrats asserting their cold warrior credentials. Thereafter, up to President Barack Obama, there was no dissent from the bipartisan consensus.

The US fought many wars over the nearly 60 years since the promulgation of the Kennedy doctrine. It failed to win one decisively, except perhaps Iraq in 2003, where it then made a mess. And yet the legend of the US superpower has persisted. The UK apart, no Nato ally joined the US on its campaigns. Even the UK did not join the Vietnam war. During the 21st century, following the September 11 attacks in 2001, the US has been fighting in Iraq, Afghanistan and Syria, against the Taliban, Al Qaeda and Isis. The Afghan war has been one of the longest ever for the US, with no sign of it ending with success for Washington.

One idea has been that US prosperity depends on its 'imperial' role. Withdrawing from the world may cost the country its prosperity. But that is not necessarily true. Spending to defend other countries has been one of the factors behind six decades of near-continuous budget deficits.

To win re-election, as I believe will happen, Trump will need to keep up his economic promise. Another financial crisis such as in 2008 could scupper his chances, but that is improbable. The other black swan would be the US-China confrontation boiling over into war. The US has been strengthening its defence relationship with India over the past decade, as insurance against hostilities with the Chinese. If conflict broke out in the next 12 months, then all bets are off. But that is highly unlikely to happen. I believe Trump will force Chinese concessions on trade and other matters – another area where the president is likely to triumph in battles his liberal adversaries never thought he would win.

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