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EIN Seminar with the support of Hudson Institute on: "*The Transatlantic relations after the US presidential elections*", Brussels

Chair:

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Speakers:

- **Steven BLOCKMANS**, *Senior Research Fellow and Head of EU Foreign Policy, CEPS*
- **Craig KENNEDY**, *Senior Fellow, Hudson Institute*
- **Peter CHASE**, *Senior Fellow, German Marshall Fund of the United States (GMF)*
- What is happening in US is like a movie, we have just watched the first 3 minutes and still don't know what will follow, we have to wait and see.
- Trump has no ideology, he is an entertainer, a reality show man who wants his Presidency to be provocative. His tempo is a key part of his actions, to tweet fast, even with mistakes, but he considers all his mistakes can be later fixed.
- In USA we have a coalition government between Trump and Republicans. The government has populists and people of the Republican establishment altogether in a controversial cabinet. However, he has very qualified staff members that will have a great use pushing legislation on, smoothly. It is clear that Trump will need the Congress and the Republicans' consent to succeed in his scores.
- Despite his lack of political experience, Trump was able to appeal to those who felt left behind by the establishment - the blue collars - by giving them hope in the future. In some extension, his ideas are not different from the Republican Party ones. The president has not an elegant and sophisticated discourse, however it is quite effective with the opposition - and not very effective with his allies.
- Several of Trump's views are contradictory. Concerning China, by dropping the TPP, the president gave space for China to react, destroying an agreement that was made in first place to constrain China, instead of punishing them for their trade policy.
- Regarding TTIP, the agreement was never addressed by Trump during the campaign nor as president. Nevertheless it should come back to the agenda, since trade with Europe is considered to be fair. The agricultural chapter will have to be included to count with the approval not only of the President but of the USA Senate. Nonetheless, provisions like the environmental ones or concerning public procurement might stay out of this new alignment, and TTIP might be rehabilitated through several sectorial trade deals. If in one hand the EU might not be interested in that scenario, on the other hand, the bases are set for a better understanding between regulators both in Europe and the US.
- Most of immigrations issues on US-Mexican border are not caused by Mexicans rather than other nationalities. Trump wants to urge Mexico to strengthen its borders.
- The US and Europe have been, for the last 70 years, close allies in defence matters. That relation, however, changed over the years; it is difficult to explain to the common Americans the expense on international defence institutions they don't understand. Asking Europe to more for its defence is a legitimate request. Nonetheless, these changes, made the future less predictable.
- Economically speaking, Trump's main political objectives are characterised by a highly expansionary fiscal policy, including deregulating, a tax reform with tax cuts, an infrastructure bill and more spending on defence. Economically, Trump can be described as a mercantilist.
- Both regions are strongly connected and depend on each other to grow. The EU and the US share a very deep corporate relation, with more than 2.5 trillion dollars of mutual investment, fact that enhances US's interest in the EU's internal market.
- In conclusion, the new American approach for Europe is softer and more political, in opposition with the approach for Asia, where they placed the most serious people, with very specific goals to achieve. Europe should change its narrative on defence, and take Trump's assertiveness about the EU to be the missed catalyst for further integration.

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