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**DONALD TRUMP:  
A PROFESSIONAL PROFILE  
OF THE NEW U.S. PRESIDENT**

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The United States is entering a new stage in its development. Although the U.S. remains the leading world power, recent events indicate that it is not immune to instability and change. More importantly, those changes caught the U.S. elite by surprise. Neither Hillary Clinton nor Donald Trump, the two major parties' presidential candidates, offered a program to resolve the country's underlying problems, and are themselves symptoms of those ills. Therefore, either outcome of the presidential election would have perpetuated the same overriding sense of uncertainty that characterizes the U.S. political system. And because the U.S. holds a special position in the world, that uncertainty will spill over into global processes and complicate an already complex picture.

The 2016 electoral cycle in the U.S. coincided with a worsening of the country's two greatest challenges. Signs are becoming increasingly clear in the international arena that the global leadership role of the U.S. is diminishing. However, the greater danger is the emerging threat to the internal stability of the U.S. political system. The anti-elite mood and protest vote upended the U.S. electoral process and threaten to spread beyond the political arena. It turned out that the U.S. elite were unprepared for this challenge. This largely explains why U.S. political scientist Robert Legvold refers to this time as "the era of small minds."

Regardless of his political program, President-elect Donald Trump will be hostage to several major problems that he cannot dismiss.

First, he will have to respond to public demand for social progress and a more equitable distribution of wealth. Failure to meet these demands will radicalize the "left."

Second, he will have to form a new national consensus between the declining white majority and numerous minorities. The white population of America, including the majority of women, supports Donald Trump, while the great majority of the non-white population does not. The failure to form a national consensus could lead to a radicalization of the country's political life.

Third, the White House will have to look for ways to overcome the anti-elite attitudes in society and respond to the "request for authenticity." The elite will have to re-invent themselves, abandoning the political mainstream of recent decades and welcoming outsiders into its membership.

Finally, the key challenge will be to answer the question: What does U.S. leadership mean in the 21st century and which resources is the United States willing to allocate to maintain its dominance? The painful awareness that the global influence of the U.S. is weakening could cause the elite to react in shock.

In addition to these tasks, a number of serious internal political constraints will hamper President-elect Trump.

The first is the deep political rift that the presidential candidates' aggressive rhetoric only exacerbated. Donald Trump does not have a full-fledged popular mandate. Internal political problems will absorb the attention of the new president more than foreign policy issues.

The Republican majority in Congress will be critical of Trump. He will almost certainly face political sabotage by the Democrats. In its turn, if Trump performs poorly as president, the Republicans will turn against him at the end of his term and back a new candidate for the next elections.

The new presidency will likely be marred by a series of criminal cases. The Republicans, in accordance with promises Trump made during his campaign, will demand an investigation into Clinton's handling of classified information funding given to the Democratic campaign by Saudi Arabia, Qatar, and Ukraine. The Democrats, in turn, will seek to prosecute Trump for tax evasion and sexual harassment. There is also some chance of an investigation into alleged "Russian interference" in the U.S. elections. In a worst-case scenario, the U.S. might plunge into a constitutional crisis.

What might await Russian-U.S. relations in the future? We have no solid grounds on which to base a prediction of President-elect Trump's

positions on specific international issues. However, the election results are unlikely to cause a significant change in U.S. national interests. After forming his administration, the new president will focus on domestic issues. Foreign policy and relations with Russia will be largely dependent on events as they unfold.

Despite his positive public rhetoric, Donald Trump has not made any concrete proposals to improve relations with Russia. His presidency brings a great deal of uncertainty to bilateral relations. The administration Trump is forming contains both individuals that have positive experience working with Moscow (such as Rex Tillerson, his choice for secretary of state), as well as typical “hawks” (such as the Cold War-minded General James Mattis, his pick for secretary of defense).

In all likelihood, the two countries will maintain their current policies toward each other for the next four years. Relations might encounter some vicissitudes, but it would make sense for Moscow and Washington to try to keep them on an even keel. This will depend on the specific circumstances of their relationship, and on developments between other countries.

The Ukrainian crisis put an end to the period when it was generally thought that Russia and the West were pursuing a common goal of forming a Euro-Atlantic community. Russian-U.S. relations need more than a new “fix” or “reset:” they need a complete reformatting. In the coming years,

however, the U.S. is likely to be too focused on itself for such an undertaking.

In addition, the West will gradually lift its anti-Russian sanctions under pressure from those who oppose them in the U.S. and EU. The Ukrainian crisis propelled Russia toward China, to the detriment of U.S. long-term interests. The U.S. might well respond by enlisting Russia’s support in containing China. Washington will gradually lift sanctions in an attempt to get Russia moving in the desired direction. The Ukrainian question will gradually lose urgency.

Using the methodology of U.S. political scientist Fred Greenstein, this report evaluates the basic parameters of Donald Trump’s psychological and professional competence – his effectiveness as a public communicator, organizational capacity, political skill, vision, cognitive style, and emotional intelligence.

The second part of this report attempts to predict Donald Trump’s future foreign policy platform based on his past statements, the people he has chosen as advisors, and his supporters.

The report also analyzes the domestic political context of the new U.S. presidential administration and identifies the political constraints the new occupant of the White House will face.

Finally, this report will formulate conclusions pertaining to Russia based on the outcome of the U.S. election campaign and describe likely scenarios by which bilateral relations will develop after Trump takes office.

## Effectiveness as a Public Communicator

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Donald Trump has appeared before television cameras continually since the late 1980s and has used his media image as a pillar of his political career. From the TV screen, Trump radiates a benevolent self-satisfaction that his supporters interpret as strength and confidence but that his detractors see as weakness and evidence of an inferiority complex. However, his reputation as a flamboyant showman not only did no harm to his political career, but it

made him invulnerable to criticism – like Ronald Reagan, who in his time was dubbed the “Teflon” president. Even well founded accusations “do not stick” to Trump; they only serve to reinforce his reputation as a shrewd and unsinkable politician.

Although Trump’s public statements are rife with factual errors, rude expressions, and clichés, they are the very things that form the basis of his popularity. Trump refers to himself as a walking

example of the “American Dream” – a successful and worldly man, a veritable hero who bows before no traditional authorities.<sup>1</sup>

Trump’s strength as a communicator lies in his rejection of the rules to which public politicians have traditionally adhered. Trump personally speaks with members of the press and does not hide behind aides to escape the avalanche of criticism directed at him. On the contrary, he skillfully parries every verbal attack, his impromptu responses invariably putting his opponents off balance.

Another reason Trump is successful is that he expresses those aspects of the traditional U.S. mentality that the progressive media considers socially deplorable – strength, confidence, masculinity, a traditional view of family, etc. Those qualities are in great demand by many U.S. citizens tired of the “softness” and ambiguousness of Barack Obama’s presidency.

Nonetheless, the media find Trump’s self-satisfied manner greatly irritating and criticizes him daily for each of his new escapades. However, rather

than diminishing his popularity, those media attacks produce the opposite result – actually increasing Trump’s popularity among his supporters. By constantly stirring up the public, Trump manages to remain the center of attention, control the agenda, and shift the discourse from the substantive to the emotional.

This trait could prove dangerous for Trump as president. Once he becomes the Chief Executive, Trump will have to comply with the requirements of political tact in dealing with foreign leaders and influential opponents within the United States. He would have to adjust his style of communication in order to make his stay in office more manageable. However, throughout his public career, Trump has never shown himself in any other light. Faced with an insurmountable obstacle, Trump typically blames the obstacle rather than himself. In a worst-case scenario, Trump will struggle under the weight of the formal requirements of his office and periodically vent his frustration with emotional outbursts, damaging constructive relations with partners.

## Organizational Capacity

A newcomer to politics, Trump used his business organizational skills during the election campaign. He surrounded himself with a small circle of loyal, though at times incompetent advisers, and is likely to follow the same approach as Chief of State. In Trump’s view, a selfless desire to contribute to the “company mission” more than compensates for any lack of competence.

Every member of Trump’s small team has ready access to him and is free to express their

personal opinion, even if it directly contradicts his. However, this organizational style precludes access for anyone outside his inner circle, including members of the Republican political establishment. Despite his formal proximity to Trump, Virginia state senator and Vice President-elect Michael Pence largely functioned as a politically reliable “screen” from behind which the candidate listened more closely to Governor Chris Christie, who held out hope for the Number Two spot until the very last moment.

Trump’s older children – Donald Jr. (for whom many predict a future in politics), Ivanka, and Eric – also have a significant influence on the President-elect. They convinced Trump to replace the less experienced Corey Lewandowski with Paul Manafort, who had worked on the election campaigns of several

<sup>1</sup> This image of Trump bears a resemblance to the U.S. archetype of an independent, successful, and straight-talking “Squire Jack.” This was the nickname of Captain John Porter – a hero of the war with Britain in 1812, self-made coal magnate from Pennsylvania, and the inspiration for the painting “Independence” by U.S. artist Frank Mayer. The success of that painting and Porter’s own reputation in the mid-19th century popularized the “Squire Jack” image – a symbol of the “American dream” and a personification of the U.S. itself.

Republican presidents and who brought in advisors from the campaign headquarters of several of Trump's rivals for the Republican nomination.

Trump's promise to compensate for his lack of experience in political affairs by delegating authority to competent experts is only half-true. Such people will doubtless appear, but they will influence Trump's decision-making process only after they win his trust.

According to rumors stemming from the billionaire's staff, after his inauguration, Trump might begin cleansing the government of political appointees and give the business community more direct access to senior leaders. Trump explains this as a need to listen to people who know about the country's problems firsthand. His critics, in turn, point to the inevitability of conflicts of interest arising, along with the spread of nepotism.

## Political Skill

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Trump's complete lack of political experience generates a great deal of speculation as to how he will operate within the U.S. political system. As of this writing, his public statements suggest two completely different approaches.

On one hand, Trump has repeatedly said that, with his negotiating skills, he would have no problem handling his responsibilities as president, and that he would choose a vice president who understands all the intricacies of Washington. However, in the business negotiations with which Trump is familiar, failure leads only to the search for a new business partner, whereas political negotiations require a greater degree of adaptability and failures can have far-reaching consequences. In fact, the political viability of an entire administration often depends on this ability. So far, Trump has not demonstrated the ability (or desire) to concede even the slightest point to his opponents, even if he stood to lose politically from such intransigence.

As president, Trump will undoubtedly face a largely hostile Congress that will oppose and resist his habit of issuing ultimatums.

On the other hand, Trump campaigned on the need to fight corruption among the ruling elite. In other words, Trump is not talking about working with Congress, but of "shaking it up," along with the rest of the political establishment. Voters are expecting Trump to take a confrontational approach to Washington and the billionaire is sure to oblige with his usual histrionics.

It is possible, however, that an increasing number of congresspeople who were opposed to Trump – but whose tenure on Capitol Hill depends on voter support – will be compelled to take a more tolerant approach to him once he becomes president. If they want to retain that voter support in the next presidential elections, they will have to strike a delicate balance between opposing and supporting the new president.

## Vision

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Trump's election campaign had two main slogans: "Make America Great Again" and "America First." The first describes Trump's view regarding

the current condition of the country and the second offers a way to achieve that greatness. Taken together, they offer an idea of President-elect

Trump's political vision of the position the U.S. holds in the world.

The bipartisan consensus of the last 70 years draws a direct connection between U.S. prosperity and the construction of a global order based on liberal democratic values. Bucking that consensus, Trump claims that this approach has weakened the country. Whereas Barack Obama suggested that the U.S. should "ride the wave of globalization," Trump believes the U.S. should save itself from that wave. In his opinion, the blurring of borders has sparked a rise in illegal migration and enabled terrorists to infiltrate the country. Large-scale trade agreements as measures for liberalizing the economy have led to the flight of U.S. capital and, consequently, higher unemployment. Multilateral military alliances only overstress a national budget already suffering under the burden of massive debt. Moreover, the development of modern technology has made the United States vulnerable to militarily less powerful countries and terrorist groups.

Trump suggests that the solution is to shift focus temporarily from building the world order to putting things in order at home, and to approaching world affairs strictly from the standpoint of the primacy of national interests – the economy foremost among them. That is why Trump views China – that steals U.S. technologies and uses "dishonest" trade practices – as a greater evil than Russia, which could assume some of the burden for establishing order to the Middle East. He measures the loyalty of U.S. allies according to their willingness to pay for services to guarantee their security. Trump feels the U.S. does not have the moral right to preach democracy as long as it has failed to "fix" democracy at home.

By pursuing a course based on pragmatism and national self-interest, Trump will encounter two major obstacles – the entrenched views of the Washington bureaucracy and the unpredictable consequences of radically altering the country's foreign and domestic policies.

## Cognitive Style

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Donald Trump likes to say, "I'm really smart." This does not prevent him from making many factual errors: 86% of his statements range from "half-truths" to "blatant lies." The truth probably lies somewhere in the middle: Trump is not as smart as he says, but is smarter than he appears to be.

Donald Trump was educated at the University of Pennsylvania, an Ivy League institution. He worked simultaneously at his father's firm and halted his formal education after earning his bachelor's degree, preferring practical knowledge to theoretical. He nearly drove his newly formed Trump Organization into bankruptcy, but was later listed in the Guinness Book of World Records for best personal financial comeback. Although he confuses the capitals of European countries, Trump displays a remarkable command of legal and financial details concerning construction projects and his own companies. There

could be several explanations for this discrepancy.

First, Trump thinks big and leaves the details of how to implement those ideas for later. It is not by chance that in his book "The Art of the Deal," Trump tells his readers to "aim high" and to not be afraid to make drastic decisions.

Second, Trump never dealt with politics prior to his campaign, and it is possible that he has the ability to master new information quickly. His level of competency on foreign policy issues improved discernibly in 2016, with his public statements growing more informed and considerably more measured.

Third, Trump follows one piece of his own advice – namely "know your market" (or, in this case, audience). Trump's bold, simplistic, and emotional speeches fill stadiums with mostly middle-income males.

Last, Trump often makes decisions based on intuition rather than careful forethought. He departed from this strategy only once during

his campaign, in choosing Michael Pence as his running mate – a decision he immediately regretted.<sup>2</sup>

## Emotional Intelligence

During the election campaign, Trump's opponents had the greatest success when leveling their attacks against his emotional instability. Clinton supporters constantly argued that, "Such a person cannot be trusted with the nuclear codes."

Trump's subordinates claim that unpredictability is his most salient character trait. One day, he delves meticulously into all the details of a project, and the next he becomes an aloof leader who does not want to be bothered with trifles. He prizes employee loyalty above all else, and is quick to punish any individual whose devotion he has reason to doubt. Such punishment usually takes the form of a public lynching rather than a backroom intrigue.

Trump's emotional instability comes coupled with an extraordinary capacity for work. He sleeps only a few hours per day, maintains an almost maniacal discipline, has a fear of germs, and is known as a perfectionist. Trump developed these qualities while attending the New York Military Academy where his father sent him in order to channel the energies of his disobedient and aggressive son in a positive direction. It was at the Academy that Trump became convinced of the idea first inculcated by his father, that life is a constant battle (the Academy used corporal punishment). Trump also learned how to emerge from that battle victorious, having formed the "correct" relationship with the school authorities. Trump recalls: "I made it clear that I respect their authority, but that they couldn't scare me." After graduating near the top of his class in the Academy and earning his diploma from the University of Pennsylvania, Trump resolved to surpass the achievements of his father, who owned apartment complexes in Queens and Brooklyn. After requesting and receiving seed capital from him, Trump set out to conquer Manhattan.

To some extent, Trump was lucky: his negligible real estate investments in crime-ridden Manhattan paid off when the area turned into a global business center. Trump's focus on success rather than money also played a role. "Money was never a big motivation for me, except as a way to keep score," he wrote. Always ready to put everything he owned on the line, Trump was drawn to high-risk and high-stakes projects that generated huge profits – when they succeeded.

The turning point came in the early 1990s, when, in addition to family problems, a number of such projects fell through, pushing Trump to the brink of bankruptcy. He has been more cautious ever since, effectively walking away from the construction business (apart from a personal interest in golf courses). He began thinking about his own political career (having blamed his failure on "terrible" tax reforms) and began earning money by selling the right to use the Trump brand. From that point on, his success stemmed not so much from his business dealings, as from his popularity as a public figure: a tough and authoritarian leader who had made his fortune through his own efforts.

That is the Trump many Americans voted for in the primaries, but it is also the Trump that his opponents claim "lacks the qualifications to be president." It is worth noting that opponents of the seventh U.S. president, Andrew Jackson (1829-1837) leveled the same charges against him. Jackson was known for his quick temper and tempestuous social life, but became one of the most successful U.S. presidents.

<sup>2</sup> Even after announcing Pence as his running mate, Trump asked his assistants if it were not too late to replace him with Chris Christie.

## TRUMP'S FOREIGN POLICY PROGRAM

### National Security and the Use of Force

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Donald Trump has repeatedly stated that he would make decisive use of military force for the sake of guaranteed political gains. He has promised voters victories, and that means he will avoid protracted and politically hopeless military ventures. This primarily concerns the prospect of war against Iran, a country that Trump criticized vehemently during the campaign.

Trump's criticisms of military operations in Afghanistan ("should have sent in troops sooner") and Iraq ("shouldn't have interfered") indicate that he values results over Washington's responsibility to its partners, and pragmatism over spreading democracy. It is safe to say that Trump will not hesitate to dismantle Obama's policies if he feels they harm U.S. interests. One positive consequence of this approach is that Trump will probably be skeptical about supporting popular unrest in CIS countries. In his view, the main result of "color revolutions" is that they saddle the U.S. with the financial burden of supporting new ruling regimes.

Under Trump, the U.S. will likely free itself from the burden of involvement in the protracted conflicts in Afghanistan and Iraq. The gradual withdrawal of U.S. troops and the weakening

of financial support for the regimes in Baghdad and Kabul could lead to the destabilization of those countries. On the other hand, Trump will step up the air campaign against ISIL<sup>3</sup>. By achieving a symbolic victory – whether in cooperation with Russia or otherwise – the U.S. under Trump will show little interest in reconstructing Syria.

Trump has voiced the desire to resolve conflicts at the negotiating table, but has warned that those negotiations will be short-lived if agreement is not quickly forthcoming. This approach provides little hope for progress in resolving the acute or long-standing conflict in Ukraine, as well as the Arab-Israeli, Israeli-Palestinian, and Armenia-Azerbaijan conflicts, among others. Moreover, his impatience and exceedingly straightforward approach could lead to a breakdown in U.S. relations with such difficult allies as Turkey, Pakistan, and Saudi Arabia.

Under Trump, the U.S. will continue the energetic modernization of its armed forces, especially their nuclear, space, and cyber components. The primary goal will be to maintain the gap between U.S. military potential and that of China and Russia, as well as to prevent the European Space Agency from emerging as a competitor.

### Security in the Middle East

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Trump describes radical Islamic terrorism as the main threat to the U.S. He attributes the rise in such terrorism to the failed policies of the previous administration in the Middle East, including the operation in Libya in 2011 and calls to overthrow Syrian President Bashar al-Assad.

While condemning outside interference in the internal affairs of other countries with the goal of imposing democracy, Trump said the U.S. must increase its presence in Iraq to 15,000–20,000

troops in order to defeat both ISIL and al-Qaida<sup>4</sup> as quickly as possible. He continues Obama's approach in other areas: the organization of a multilateral coalition with the obligatory participation of regional powers, the active use of drones, and the need to capture of leaders of terrorist movements. In addition, he acknowledged the need to maintain a minimum U.S. military presence in Afghanistan.

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<sup>3</sup> *Banned in Russia.* – **Ed. note.**

<sup>4</sup> *Banned in Russia.* – **Ed. note.**

Trump has named Israel, Egypt, and Jordan as the main partners in the region, and said he plans to restore relations with Tel Aviv to previous levels. He speaks with great reserve about such “complicated” allies as Turkey (although he admires President Erdogan’s leadership qualities) and Saudi Arabia (whose dominance in the energy field Trump has vowed to end). Even before the start of the election campaign, Trump

complained about Pakistan, but later admitted that ending U.S. aid to the country would lead to further destabilization.

Trump places the threat to U.S. interests posed by Iran on a par with that of terrorism. Promising to reverse the “Iranian nuclear deal,” he plans to cut off Iran’s ability to finance the Hezbollah and Hamas movements. In all likelihood, Trump will demand a halt to the return of Tehran’s financial assets.

## China and the Situation in the Asia-Pacific Region

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The main blow of Trump’s new trade policy will fall on China. He has promised to declare China a “currency manipulator” on his first day in office, to bring it to account for stealing technology, allowing sub-standard working conditions and loose environmental controls, and plans to force Beijing to the negotiating table to discuss new terms for bilateral trade that are more favorable for the United States. Toward the same end, Trump has proposed providing additional arms to China’s neighbors and imposing a 45% duty on Chinese goods.

At the same time, Trump views the U.S. military presence in the Asia-Pacific region not so much as

a means for ensuring stability in the region as a tool for exerting pressure on Beijing regarding economic policy. It is therefore possible that, under Trump, the U.S. position concerning the South China Sea will directly depend on the quality of trade relations.

Trump has also said that China is the key to solving the North Korean nuclear issue and promises to pressure Beijing into ending its support for Pyongyang entirely.

Ultimately, Trump expects to reach a new agreement with China on international trade that will better meet U.S. interests. Trump has fewer concerns about improving security in East Asia.

## NATO and European Security

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Trump considers NATO an outdated structure because the very purpose for creating the Alliance – countering the Soviet Union – is no longer relevant. That does not mean the organization will be disbanded. Rather, Trump speaks of the need to reformat NATO to confront terrorism, the most dangerous threat of the modern era, by changing the structure and composition of the Alliance.

Trump also promises to make European countries pay for U.S. services that ensure their security. However, he has not specified how

he would accomplish it, given that the U.S. has pursued the same goal without success for decades. Trump has stopped just short of threatening to refuse to fulfill U.S. collective security obligations toward NATO member countries that refuse to fork over their share.

Trump’s insistence on this point could lead not only to a sharp deterioration in relations with European allies, but also to political problems at home. A refusal to support U.S. allies could encounter fierce opposition from military circles

and the political establishment. At the same time, a decision to restructure NATO and stop exaggerating the Russian threat would reduce Washington's attention on the "eastern flank." However, it is also

possible that the U.S. under Trump could have a falling out with Russia, in which case Washington would bring all its available tools into service and NATO would revert to its original mission.

## Relations with Russia and the Ukrainian Crisis

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Trump's political opponents actively accuse him of being too "friendly" or "accommodating" toward Russia.

He has repeatedly expressed admiration for the leadership qualities of Russian President Vladimir Putin and Trump's team has taken exception to the Republican Party platform position of the need to supply arms to Ukraine. Trump also took a positive view of the start of Russian military operations in Syria and supported cooperation between the two countries in the fight against ISIL. In addition, Trump has not ruled out lifting sanctions and recognizing Crimea as Russian territory.

Given Trump's proclivity for negotiations, the practical realization of these proposals will depend, in the first place, on the nature of personal relations between the leaders of the two countries and, secondly, on whether those issues will be on the table. Without a doubt, Trump, as president, will demand a high price for any U.S. concessions.

Trump is cautious in answering the question of whether he will be able to get along with Vladimir Putin, but he always adds that he will definitely make the effort and that it would benefit both countries. At this point, Trump has every opportunity to get

on good terms with the Russian leader. Not having skimmed on positive assessments of Putin since 2007, Trump promises to begin treating Russia's interests with respect. For his part, Putin limits himself to describing Trump as "colorful" and "extravagant," but has maintained the possibility of mending bilateral relations. On the other hand, Trump makes no breezy promises of establishing perfect relations with the Russian leader. Trump believes that only by taking a firm approach and advancing his own interests can he achieve mutual respect and good relations with Putin.

Even while some points of contention in Russian-U.S. relations such as Ukraine, Syria, and NATO expansion could become less acute, the possibility remains that new problems will emerge. Concerted U.S. efforts against Iran could jeopardize the achievements of the "nuclear deal" in which Russia invested considerable energy. The withdrawal of troops from Iraq and Afghanistan could create a power vacuum and give rise to new threats to regional security. Raising the stakes with China could lead to uncontrolled escalation. But the most challenging situations could arise in connection with such difficult U.S. allies as Pakistan, Saudi Arabia, and Turkey.

## International Trade and Energy

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Trump referred to himself as a political outsider during the campaign, and his position on trade is the most vivid proof of that.

Arguing that the U.S. got so carried away with the idea of liberalized world trade that it often sacrificed its own interests, Trump said that

Washington should revise some trade agreements, such as NAFTA, and scrap others altogether, such as the TTP. After winning his party's nomination, Trump only reluctantly bent to Republican pressure and, in a mutually acceptable concession, vowed that instead of withdrawing from those agreements, he would severely punish anyone who violates their terms. Nonetheless, many still fear the outbreak of trade wars.

In fact, Trump might be using this tough posturing as a negotiation tactic, making heavy demands in order to win maneuvering room, and threatening to withdraw from agreements in order to pressure opponents. Given that Trump constantly claims he can easily negotiate with anyone, he will

probably use economic pressure to “intimidate” obstinate negotiating partners.

As is the case with NATO, the political establishment would strongly oppose any attempt by Trump to revise existing trade agreements, although progressives such as the supporters of Bernie Sanders would strongly approve of such measures.

Trump has made it a foreign and economic policy priority for the U.S. to become a leader in traditional energy. He also plans to resume mining operations in the Arctic, support the construction of a pipeline from Canada, and increase the U.S. presence in the Arctic. In all likelihood, the White House will finally give a “green light” to Russian-U.S. cooperation on energy production in the Barents Sea.

## Clinton and Trump in the Context of U.S. Political Cycles

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The U.S. presidential election campaign of 2016 threatens to overturn all the established notions of the U.S. establishment. The program of the future president of the world's most powerful country is of no small importance to Russia. In order to understand what is happening and why – and even more importantly, to predict what might happen next – it is necessary to place the Clinton-Trump election race in a broad historical context, in terms of both the internal dynamics of U.S. politics and U.S. relations with the world.

This latest U.S. election campaign was the first in what is now clearly a wave of rapidly changing global economic and political paradigms. Not only has the balance of power changed in the world arena, but spheres of influence are also shifting at an increasing pace and weakening international institutions are unable to diffuse the rising tensions. The world is entering a period of increasing volatility and uncertainty.

Globalization has transformed potential U.S. rivals – China, foremost among them – into economic giants. However, the next 10 years will offer the first glimmerings – especially in the United

States – of the new social and technological order in the world. The mass transition to manufacturing based on robotics, AI, and additive technologies will cause the collapse of global production chains and the re-localization of production in wealthy consumer states that, at the same time, will become energy independent. Exerting an overriding influence on production, effective demand will drive the process of regionalization so that producers “fence off” access for competitors to “their own” markets – a phenomenon already observed in politics when countries try to rewrite the rules of the game in order to create exclusive zones for their corporations. After the world divides into zones of influence according to economic interests, it might further split into political and military blocs.

It is unlikely that the next 10 years will pass without deep systemic crises arising, one of which already proves itself. The global economy probably cannot achieve sustainable growth during the transition period. That will lead to budget deficits, social tensions, political crises, and increasing changes to governments and alliances. This instability will only aggravate

the problems of migration and structural unemployment, problems that will primarily hit the already struggling middle class. This crisis is the key to understanding the pre-election political dynamics in the U.S., where income inequality has reached the level of 1914, when 1% of the population controlled 90% of the country's wealth.

All this produces the effect of *dejà vu* – as if the clock had turned back 100 years to the time of World War I. Of course, this is in keeping with the findings of many authoritative scholars who have shown that history passes through long-term economic and political cycles. For the purposes of this report, it is interesting that the current election campaign opens a new political cycle that, like all that came before, sets the stage for new political forces, a new “U.S. consensus,” a new understanding of the role of the U.S. in the world, and a new U.S. foreign policy.

Consider the stages through which the U.S. has passed in the last century. World War I resulted from the victory of the industrial revolution that turned Germany and the United States into major competitors that were intent on redefining their zones of influence. Germany started that war and the U.S. made use of its results. In the U.S. and the entire developed world, a social upheaval triggered by the results of the war, an economic crisis, and blatant inequality overturned the existing status-quo. A new political wave began that took as its slogan the search for a just society. That political cycle – what we will call the cycle of “justice” – saw the election of former U.S. President Franklin D. Roosevelt and the U.S. government taking a stronger role in the regulation of industry and the distribution of state resources as a means of buttressing the foundations of the system. This more central role for the state – typical at that time for most of the world – turned out to be very useful for the American people during World War II.

By the end of the 1940s, the nominal tax rate for the wealthiest U.S. citizens reached 90%. As the economy recovered, society consolidated, the middle class gained strength, and government policy was freed from the danger of social conflict.

A new political cycle began with the establishment of post-war global economic and political institutions and the deepening of the ideological confrontation between the Soviet Union and the United States. The personification of this cycle – that we call the “cycle of freedom” – was Ronald Reagan, who made the struggle for the liberation of corporations from government intervention and the liberation of populations from “Soviet tyranny” the *raison d'être* of his presidency. Presidents George Bush, Bill Clinton, and George W. Bush continued the “cycle of freedom,” although the latter's disastrous venture in Iraq and the crisis of 2008 made it clear that the highpoint of the cycle had already passed. Moreover, an accumulation of structural problems has made the U.S. economy less competitive since the early 2000s. The ineffective Obama presidency also reveals the accumulation of a range of problems both in domestic and foreign policy, and of the need for fundamental change.

In political terms, the next decade for the U.S. will be a period of instability and political reforms. The Cold War generation will lose significance. The 2016 election campaign has prompted a reevaluation of the place, role, and capabilities of the United States. The American people will need to decide whether to protect the entire global system the U.S. has created, as the idealist and bureaucrat Hillary Clinton advocated, or preserve only the part that is directly integrated with the United States – roughly speaking, the Anglo-Saxon world – as the realist and businessman President-elect Donald Trump tends to favor.

While the U.S. is deciding on its long-term political course, the leadership vacuum will be filled by a series of temporary office holders and demagogic populists – the only type of individuals who can come to power during such a time. They will respond to the mounting domestic problems with a standard mix of superpower slogans and pragmatic isolationism. Their foreign policy is very likely to take a confrontational approach to Washington's emerging geopolitical rivals. It is very possible they will embark on reckless escapades, using conflicts with “the rest of the world” and heavy investments in high-tech military industries to overcome

the domestic crisis – as leaders have done repeatedly in the past.

The Bernie Sanders phenomenon indicates that domestic policy is again under pressure from issues related to inequality. To maintain social stability, the country must return to a more balanced distribution of wealth and a stronger role for government. However, the redistribution of cash flows has always resulted from internal or external crises that weakened the ruling elite.

It is impossible to understand the recent U.S. presidential election campaign without understanding the balance of power among – or more precisely, the crisis within – the U.S. elite. The function of the elite is to formulate a consensus on where the country should go and how. However, the elite now lack agreement on what to do with the country itself, or with the rest of the world. The absence of any clear results from Obama's two presidential terms is the result of the growing contradiction between the country's domestic and foreign realities and the policies pursued by elite who have remained in power since almost the 1980s.

The U.S. elite consist of several groups: the financial, industrial, administrative, military, scientific, and media elite. The financial and industrial elite take opposite stances with regard to building relations with the outside world. The financial elite have consistently viewed the entire world as a market and were the driving force behind globalization – although industrial corporations took part in that expansion with equal enthusiasm through the end of the 20th century.

However, as James Kurth wrote in his article "The foreign policy of plutocracies" published by the American Interest magazine,<sup>5</sup> Wall Street banks preferred in the 2000s to invest in real estate or in promoting proven technologies overseas. They did not want to wait until more risk-laden technologies of the next industrial cycle bore fruit. At the same time, the industrial elite, weakened by the erosion of the industrial base, requested assistance from the government in their struggle against

"unfair" competition. While the financial elite boasted of the results of peace and globalization, industrialists grew nostalgic for the era of war and confrontation.

Kurth makes an interesting argument. Analyzing the relationship of the U.S. with the world since the 1890s when U.S. expansion effectively began, he writes, "It is not plutocracy as such that determines long-term, structural outcomes, but rather the particular sectors of the economy that provide the basis for the plutocracy's wealth and power. As it turns out, it makes a big difference if that wealth is based upon industrial sectors, or upon a financial one."

"We have already seen," writes Kurth, "that a financial plutocracy is ill-suited for effective leadership in the global competition between great powers. Its neglect or even disdain for a healthy domestic industrial structure is one factor. Its attachment to a global reserve currency, despite the vulnerability and consequent sensitivity to government deficits this brings, is another. Its preference for small wars or imperial policing rather than for preparing the nation and its military for deterring great powers and large wars is a third."

The financial elite believe that China can integrate into the world economy without a direct confrontation with the U.S. and that they can control the rest of the world by directing competitors against each other. Those competitors are not "fed" directly by the U.S., but by the entire global system that is based on the primacy of the dollar.

The military elite, themselves supported by the industrial elite, increasingly believe that competition is inevitable with China as an emerging superpower – a reality that the U.S. middle class is also coming to accept. Not surprisingly, the military elite overwhelmingly voted for Trump. They saw him as the candidate best equipped to revitalize the U.S. and to accept the challenge of the country's main political rival.

The start of a new economic cycle and the rebirth of U.S. industrial might based on new technologies again shifts the balance of power toward the industrial elite. However,

<sup>5</sup> Kurth J. *The Foreign Policy of Plutocracies // The American Interest*. Volume 7. Number 2. September 2011. URL: <http://www.the-american-interest.com/2011/09/27/the-foreign-policy-of-plutocracies>.

whereas the industrial elite are heterogeneous and disconnected, the financial elite are a closely-knit community concentrated in three or four cities and have close ties to political power. That community exerts an indisputable impact on government decision-makers – and the relations between the members of the two groups began back in their college days in the top universities of New England, continued during careers at Goldman Sachs or Baker & McKenzie, and solidified with their membership in prestigious charities.

Most U.S. citizens clearly do not side with Wall Street, but the middle class – that is ready to support the agenda of the industrial elite – until recently had no opportunity to express its opinion and to challenge the financiers who had thrown in their lot with Clinton as the guarantor of their continued dominance. Trump finally gave them that chance. This explains the unprecedented surge of more than 2 million small donations to his election fund. In the three or four months until the end of the race – from the moment voters began to believe that a new type of leader could come to power – approximately the same number of Republicans voted with their money through the Internet as the well-oiled Democratic electoral machine had managed to mobilize over the previous several years.

During their time in power, the current ruling elite have seen victory in the Cold War, globalization, and an unprecedented growth of financial capital fed by cheap money. An ideological consensus also formed during those “cycle of freedom” years, a set of postulates that no one can question without the risk of becoming a “political outcast” in Washington, New York, and Los Angeles – or in the vernacular, a person with whom nobody will “do lunch.” One such postulate holds that Russia is an enemy.

After so many years of success, the U.S. financial and political elite cannot even imagine that they could be mistaken in some way. Stratfor founder George Friedman is not very optimistic about their ability to adapt to the new paradigm. In his opinion, those elite do not understand the political

pressures that the elite of other countries are under, are completely unaware of the degree of public alienation and imagine that all problems can be worked out among the elite. We have a crisis of the elite.

According to a Harvard Business School study on U.S. competitiveness and the condition of top U.S. business circles that was published in September 2016 and led by Michael Porter, “Our political system is now the major obstacle to progress on the economy...” In this atmosphere of distrust toward political leaders and the inability of both parties to reach compromises, the number of voters who consider themselves “independents” now totals 42% – more than the Democratic or Republican electorates.

The elite of both parties did not take Trump seriously until only recently. His meteoric rise caused the entire political establishment to panic and close ranks once its members realized that they could end up on the sidelines. The elite are unprepared to talk about the real issues. They are unaccustomed to answering vital questions. That is why Clinton, a Democratic ideologue, insisted that everything is just fine with the U.S. and that her cough and “light form of pneumonia” would pass by themselves if she just rested and took the prescribed pills.

Trump, however, as a realist and businessperson – and along with him, half the country that increasingly supports the representatives of business – demanded that Clinton divulge her “medical file” out of a feeling that real recovery would require intensive care, if not “elective surgery” on the organs that had ceased to function.

The transition to a new political cycle and a new consensus of the elite will take time. Donald Trump, and whoever comes to power in 2020, will have to cope with an unstable and highly divided world. It is a very different world than the one Ronald Reagan or even Barack Obama faced.

The United States of that day will more closely resemble the country at the time of Franklin Roosevelt – with enormous internal stratification, a former majority of whites that suddenly finds itself a minority, aging infrastructure, and a powerful rival that can usurp Washington’s global leadership. As

was the case in the 1930s, the U.S. can only solve its global problems – that is, the problem of establishing balanced and therefore just relations with the rest of the world – by working to achieve balance and justice in U.S. domestic relations. That would mark the start of a new “cycle of justice.”

Donald Trump does not represent the forces driving this new cycle. He offers no ideas on which the elite could build a new consensus for the years ahead. Trump does not even represent a conscious movement for change in the way that Bernie Sanders does. But for “middle class America,” Trump is a signal that change can begin. Obama promised change but ultimately disappointed his supporters. Trump, by contrast, seems more ready to fight for results.

Hillary Clinton was a “last chance” candidate, both in terms of her personal career and the ability of the incumbent elite to remain in power. She had no future. In Clinton, the U.S. could have expected a “laborious” one-term presidency, tired slogans, and the same old faces. Both she and Obama symbolize the end of a political cycle, the end of the Cold War political culture.

Trump’s historical function is to shatter the United States’ old, inaccurate, and “politically correct” picture of itself and the world that is preventing it from changing. Only an outsider can accomplish this. Realistic proposals for change will come later – in four or maybe eight years, and most likely not from the right, but from the left, possibly as a rejection of Trump and his policies.



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