

President Trump's first months in office The course of transatlantic relations

SUMMARY

On 25 May 2017, President Trump attends the NATO Summit in Brussels, as well as meeting with top EU officials, including the Presidents of the European Commission, Jean-Claude Juncker, European Council, Donald Tusk, and European Parliament, Antonio Tajani. A review of Trump's term thus far (using the 100-day benchmark) sheds light on current issues in transatlantic affairs in the context of this visit.

While an address to Congress on 3 May by the Secretary of State, Rex Tillerson, has helped to clarify the administration's approach, the implications of Trump's 'America First' policy for EU-US cooperation are still far from clear. Unpredictability has marked President Trump's time in office to date, and many analysts are yet to discern a firm strategic direction in his foreign policies. His proposed budget cuts for FY2018 have raised concerns on both sides of the Atlantic over a potential US retreat from its leadership on human rights and development. He has rolled back emissions regulations in the USA, but has not yet pulled out of the Paris Agreement, as promised during his campaign. Relations with Russia have fluctuated significantly. Trump has also notably altered his stance on certain issues; for example, he has acknowledged the importance of NATO, and sought to maintain good ties with China. Thus far his policy towards the Middle East has not constituted a radical departure from that of the previous administration, though as with his interactions with other world leaders, he has brought a personal touch to his exchanges with leaders from the region.

Since the EU and US share common interests and cooperate in many areas, Trump's disjointed approach has caused uncertainty in Europe. President Trump has not publicly addressed relations with the EU in the first months of his presidency, beyond acknowledging the value of a strong Europe during an April meeting with the Italian Prime Minister. Thus, the outcome of this Brussels visit will be important in establishing how EU-US relations will develop under the new administration.



In this briefing:

- Foreign policy under President Trump: Still developing
- Issues for transatlantic relations
- European Parliament reactions to President Trump's executive orders
- Main references

Foreign policy under President Trump: Still developing

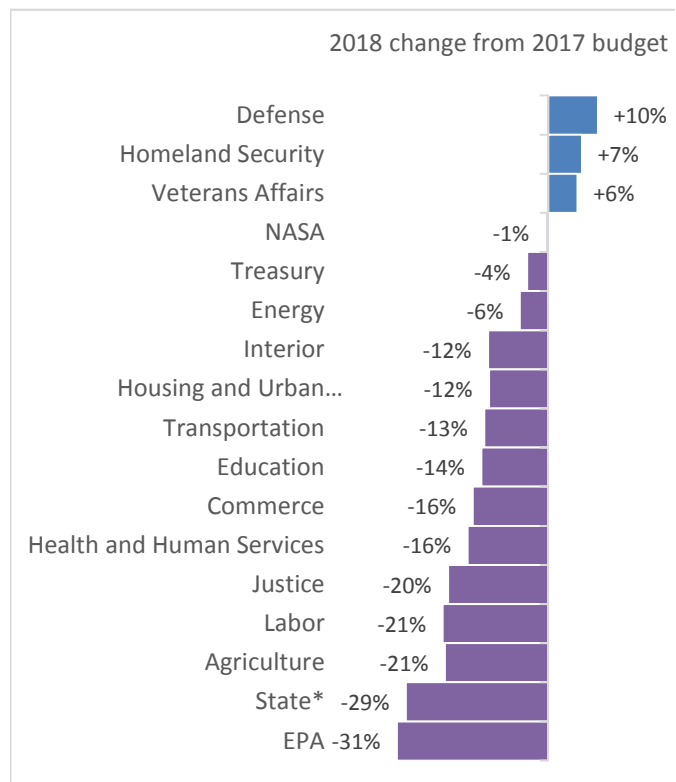
Donald Trump was [inaugurated](#) as President of the USA on 20 January 2017. Over four months into the Trump Presidency, several analysts [concur](#) that 'Europe is still struggling to make sense of Trump'. This is particularly the case as, for the most part, relations with Europe are a foreign policy issue, and the 'America First' foreign policy remains largely undefined. In fact, it was only on 3 May 2017 that Secretary of State Rex Tillerson [addressed](#) the State Department to give a [comprehensive articulation](#) of the Trump foreign policy approach. Europe was only mentioned twice in the speech – as a partner in dealing with Russia, and in relation to Venezuela. The issue of NATO and of its members meeting their obligations was highlighted as part of a wider strategy to 'bring back balance' to traditional partnerships and alliances. And, notably, NATO was mentioned again in a section dedicated more generally to the nature of existing multilateral institutions and the need for them to adapt to the new realities, as they 'were created during a different era'. More than one [expert](#) still asks, 'What does America First mean for Europe and the transatlantic relationship?'

President Trump's foreign policy thus far has received [mixed reviews](#). Experts agree that on many issues (such as Russia and China), the President has moved away from his campaign rhetoric. Others remain surrounded by uncertainty (e.g. the North American Free Trade Agreement (NAFTA), [nuclear non-proliferation](#)), while a third category seems to be moving in a more predictable direction (e.g. India). [Perceptions](#) of the President's ability to handle international crises vary, mostly on the basis of partisan affiliation.

Budget

The America First [Budget Blueprint](#) for 2018 presented by the President to Congress provided for a significant increase in defence spending (US\$54 billion), through targeting reductions in other areas, including several foreign-policy-related ones. The budget requests US\$25.6 billion in base funding for the Department of State and the US Agency for International Development (USAID), marking a 28 % reduction from the 2017 level; it also requested US\$1.5 billion for Treasury International Programs, a 35 % reduction from the 2017 level.¹ The reductions targeted specific actions, including on climate and participation in international organisations. More specifically, the budget eliminates the Global Climate Change Initiative, ceasing payments to the United Nations (UN) climate change programmes and eliminates US funding related to Climate Funds. It also reduces funding to the UN and affiliated agencies, including UN peacekeeping and other international organisations. It eliminates the Emergency Refugee and Migration Assistance account, considered a

Figure 1 – Change in spending for federal departments and agencies (budget proposed by President Trump)



Data source: [Office of Management and Budget](#) & [NYT](#), 2017.

source of duplication, and reduces funding for multilateral development banks, including the World Bank.

Some experts [argue](#) that the assumption that the US military alone can somehow meet America's foreign policy needs is erroneous, and that the budget itself is considerably vague. Up to now, US expenditure for international affairs (including foreign aid) have only comprised one per cent of the federal budget, while the defence budget amounts to approximately [15 times](#) that. Others, like the Heritage Foundation, [welcomed](#) the cuts in State Department funding as an indication of a focus on true statecraft, and considered the increase in the defence budget insufficient.

Issues for transatlantic relations

The full range of implications of the 'America First' foreign policy, for transatlantic relations and for the EU itself is difficult to assess, given the early stage of formulation of the new administration's foreign policy and the uncertainties that remain. However, the President's budget proposal [demonstrates](#) his desire to scale back on the reach of the federal government. There has been significant [concern](#) about the message the cuts send regarding US foreign policy priorities. A second set of uncertainties surrounds the delay and reluctance of the administration to fill several key roles in the State Department. The State Department still has [over 100](#) vacancies, including Assistant Secretary for European and Eurasian Affairs, several other under-secretary positions, and ambassadorships. These vacancies have caused [concern](#) among State Department officials, who say that a lack of high-level interlocutors interferes with the effectiveness of the 'department's mission. Tillerson has not pushed to fill these jobs because, according to [Bloomberg](#), he supports the proposed budget cuts and seeks to cut around 2 300 jobs from the State Department.

Analysts have [criticised](#) an additional [proposal](#) to merge USAID and the State Department, arguing that while the two institutions collaborate well, they have fundamentally different roles and pursue their goals in different ways. A relative retreat of the USA in diplomacy and development policy would be a game-changing factor in international relations. In particular, a reduction in development aid from the USA could have a destabilising impact, as EU High Representative, Federica Mogherini, [argued](#). The EU is already the [largest](#) contributor of development aid in the world; however, the USA is also a critical player in foreign assistance. The USA [disperses](#) aid to more than 100 countries, with a focus on long-term development and military/security assistance.

The following pages look at how the new administration has handled specific foreign policy issues with possible implications for the EU.

Trade

At the historic 100-day benchmark, Trump's trade team remained incomplete. At the end of February, the Senate [confirmed](#) Wilbur Ross as Secretary of Commerce. Trump also [appointed](#) economist Peter Navarro to lead his new National Trade Council, with no Senate approval necessary. Robert Lighthizer was [confirmed](#) as US Trade Representative (USTR) only on 11 May, after the hundred-day milestone. The three share an approach [focused](#) on the dangers of trade deficits to the American economy.

On 1 March, President Trump [released](#) his [trade agenda](#), which is based on protecting American manufacturing, renegotiating NAFTA, and pursuing bilateral agreements. During the first 100 days he also signed several executive orders pertaining to trade:

- On 23 January, an [executive order](#) withdrawing the USA from the Trans-Pacific Partnership (TPP).
- On 31 March, an order that requires the Secretary of Commerce and US Trade Representative (USTR) to [prepare a report on trade deficits](#), and a second that calls for a [more effective reinforcement of antidumping duties](#).
- On 29 April, an [executive order](#) asking a team headed by the Secretary of Commerce and USTR to review trade agreements for abuses and violations hurting American workers. Another [executive order](#) established the Office of Trade and Manufacturing Policy, intended to defend the interests of American manufacturing.

President Trump aims to renegotiate NAFTA, [seeking](#) more equal tax treatment, changes in the rules of origin for products sold in the NAFTA zone, and eliminating joint US-Canadian reviews of antidumping cases. The administration has taken preliminary steps to initiate this process, and at the end of March, Wilbur Ross [met](#) with members of the House of Representatives to outline a strategy. On 26 April, the President [spoke](#) with Prime Minister Justin Trudeau of Canada and President Enrique Peña Nieto of Mexico. Although the President wants a quick process, renegotiations will not [start](#) until at least 16 August, 90 days after Congress received [official notice](#) from the USTR.

It is debatable whether or not these executive orders move in a protectionist direction. Some [argue](#) that Trump is in fact pursuing a more nuanced trade policy, others [support](#) a revision of trade laws, arguing that an economically flourishing USA needs to make itself more competitive in [international trade](#). Others [argue](#) that, while investigating trade deals and the trade deficit is a good idea, high tariffs as suggested by the President would not provide an effective solution. Some experts [suggest](#) that Trump's rhetoric should be viewed more as an opening bid in negotiations than as an indication for concrete action.

Renegotiating NAFTA may not have the desired [effects](#) on job creation and business relocation. In any [scenario](#), it is likely that bilateral trade between Canada and the USA would continue, whereas Mexico's status is more uncertain. The EU has, in the meantime, demonstrated a commitment to establishing free trade with Canada and Mexico. Coming at the end of a seven-year negotiation process, the ratification of the comprehensive economic and trade agreement (CETA) by the European Parliament in February 2017 was [hailed](#) as a free-trade victory. Also in [February](#), the EU agreed to accelerate negotiations with Mexico for a reformed free trade agreement. If Mexico loses out during NAFTA renegotiations, it may pursue deeper trade relations with the EU further.

President Trump has moved on from early remarks dismissing the EU, showing signs that he in fact may reach out to Europe for a trade deal in the future. In a 17 March meeting with German Chancellor, Angela Merkel, he [pressed](#) for a trade deal with Germany but finally accepted that the USA would have to negotiate with the EU as a whole. Analysts have [interpreted](#) this as a sign that the Transatlantic Trade and Investment Partnership (TTIP) may be back on the negotiating table (though the difficulties that hindered negotiations in the first place remain). Secretary Ross has named Europe, along with China and Japan, as one of the main areas of focus for a trade deal under Trump. Ross [acknowledged](#) that despite withdrawing quickly from the TPP, the administration chose not to drop TTIP negotiations. Following his meeting with Cecilia Malmström, the EU trade commissioner, on 24 April, Malmström delivered a [statement](#) regarding the resumption of trade talks with the USA, cautioning that both parties need to take more time to assess the state of play. The US Congress has also held a [hearing](#) on the impacts of a future US-United Kingdom trade agreement, with one expert suggesting that this

agreement should top the administration's priorities. Others consider that it is desirable for the USA to [simultaneously](#) pursue trade agreements with the EU and the UK.

Overall, the vacuum created by the [US withdrawal from TPP](#), the possible deterioration of trade relations with Mexico and the turn toward protectionism could be an opportunity for the EU to [increase](#) its attraction, reach and impact as a trading power.

Taxes

In their [A Better Way](#) tax plan, Republicans proposed a border-adjustment tax (BAT) of 20 % on imports. The Hudson Institute [argues](#) that this tax would enhance job growth by keeping industries in the USA, and make the USA more competitive with its trading partners that impose a value-added tax (VAT). A Peterson Institute working paper [predicted](#) that the plan would result in a 25 % tax rate on net cash flow. Thus, this proposed BAT would most likely see either a 25 % appreciation in the dollar, a 25 % increase in wages and consumer prices, or a combination of both. It is unclear whether President Trump supports a border-adjustment tax; in his one-page tax plan released on 26 April, Trump [focused](#) on tax cuts to businesses and individuals, and abolishing the estate tax. [Analysts](#) have identified several flaws in this plan, especially regarding its impact on businesses. Supporters of the plan [contend](#) that the proposed decrease in business taxes from 35 % to 15 % could stimulate hiring, but others [argue](#) that it would increase the deficit and create a tax shelter for business owners.

A BAT would impact on European companies exporting to the USA. The issue lies in how the EU chooses to respond should the US implement such a tax. A Bruegel paper [suggests](#) that implementing a reciprocal tax on the USA could prove beneficial for the EU. However, there could be a more negative response; Germany's economy minister [stated](#) that imposition of the border tax, or any other high tariffs, could provide grounds for filing a suit against the USA at the WTO. The USA has taken steps to cooperate with the EU on [tax evasion](#), including signing tax treaties with all Member States except Croatia, and adopting mechanisms for information-sharing. However, American states such as Delaware, Nevada, and Wyoming still provide tax havens for wealthy non-residents; a delegation of the European Parliament's PANA committee [travelled](#) to Washington DC and Delaware in March 2017 to investigate this issue. Under Trump's tax plan, it is unclear whether US-EU cooperation on tax evasion would advance from the current position.

Immigration

On 27 January, President Trump signed an [executive order](#) suspending the entry of all refugees for 120 days and barring refugees from Syria indefinitely. The executive order also imposed a 90-day ban on citizens from Iraq, Syria, Iran, Sudan, Libya, Somalia and Yemen, irrespective of the type of visa they have. On 3 February, a judge in Seattle temporarily suspended the executive order nationwide, issuing a restraining order. The decision was challenged by the Department of Justice but the Court of Appeals of the Ninth district unanimously refused to reinstate the Executive Order.

In early March, President Trump signed a [revised](#) order that exempted Iraq, barred all refugees from entering for 120 days, but did not apply to existing visa holders. US District Judges from Hawaii and Maryland have both put [a temporary halt](#) on the order. Three states – Hawaii, Maryland, and Washington – have [filed cases](#) against the ban.

While the revised executive order on immigration does not affect EU citizens, the anti-refugee message it sends could further increase the burden on the EU. While the USA and EU do not have any institutionalised cooperation on managing refugee flows, the USA has

led in terms of [resettlement](#). The [strain](#) put on the refugee-admission process in the USA by Trump's executive order will make the USA a less attractive destination. The EU already faces a backlog in [asylum applications](#) and [resettlement cases](#). Even after the 120-day ban on refugees expires, President Trump's [rhetoric](#) disparaging the refugee situation in Europe and portraying undocumented migrants as a security threat could hinder the chances of finding common ground on this issue. However, analysts have [argued](#) that, based on 2017 [data](#) from Chatham House, more Europeans too may actually [support](#) a tougher stance on immigration in Europe.

Middle East

Visits to Saudi Arabia and Israel precede President Trump's arrival in Brussels, underscoring the critical issues of this region. With a large number of senior diplomatic posts still [vacant](#), and power dynamics within the Trump team still [evolving](#), discerning the elements of the new administration's strategy in the Middle East and southern Asia remains challenging. Ideologically 'loaded' campaign pledges, conflicting opinions between members of the administration as well as the [management approach](#) of the new President allow for limited policy predictions. Some have [argued](#) that the current administration is in the process of weighing the feasibility of campaign promises against diplomatic realities; the latter are shaping and moderating campaign pledges at an unprecedented speed.

Iran

President Trump has [condemned](#) the [JCPOA agreement](#) with Iran (Joint Comprehensive Plan of Action) as one of the worst deals he has ever seen. Senior members of the Trump administration have expressed similar views. CIA Director Mike Pompeo [argued](#) that the JCPOA P5+1 (involving the five permanent UN Security Council members plus Germany and the EU) agreement was a mistake for US national security, while Defense Secretary James Mattis [defended](#) the 'imperfect' JCPOA only on the principle that the USA has committed to a formal agreement from which it would be damaging to withdraw. The Secretary of State, Rex Tillerson, also [stated](#) that the JCPOA agreement fails to ensure a non-nuclear Iran, and the Trump administration is currently reviewing US Iran policy. However, during the quarterly meeting of the JCPOA signatories on 25 April, all participants, including the USA, stated their [continued adherence](#) to the agreement. Notwithstanding continued support for the JCPOA, the new administration appears to be [increasing](#) the geopolitical pressure on Iran. Current signals indicate that US policy will aim for a balance between keeping the agreement in place whilst treating Iran as a geopolitical spoiler in the Middle East.

Having spearheaded the negotiations for the JCPOA, the EU's credibility as a multilateral broker may suffer should the USA renege on its commitment to the JCPOA, directly or indirectly. With EU-Iranian trade growing following the agreement, and with diplomatic relations between Member States and Iran [developed and/or improving](#), a breakdown of the JCPOA might damage prospects of further political and economic engagement. The European Parliament's [resolution](#) of 25 October 2016 supports political dialogue with the Iranian government that goes hand in hand with full implementation of the [JCPOA](#).

Syria

The Trump administration has [yet to formulate](#) a concrete strategy towards [Syria](#). Campaign pledges revolved around working alongside Russia to defeat ISIL/Da'esh in Syria. Messages from within the administration are [mixed](#); some view the appointment of Nikki Haley as Ambassador to the UN as a prelude to a more [aggressive stance](#) within

the Security Council, while others argue that US policy remains unchanged. US initiatives to end the Syrian conflict were however [absent](#) during the Geneva IV talks in February 2017. Following a [sarin gas attack](#) attributed to the Syrian regime on 4 April in Khan Sheikhoun, Idlib province, two US Navy destroyers launched a [barrage](#) of Tomahawk cruise missiles against Shayrat airbase in Homs. The strike signalled that the Trump administration will not tolerate the use of chemical weapons while it now [opposes](#) a post-conflict, transition role for President Bashar al-Assad in an eventual agreement.² So far, the administration appears favourably disposed to using hard power measures to address developments in the Syrian conflict, as indicated by the strikes and an [increase](#) in ground troops.

So far initiatives have taken a [bilateral approach](#) whereby cooperation between Russia and the USA is seen as the basis of any deal on Syria, side-lining multilateral organisations with experience in deal-making and providing relief for reconstruction efforts. Even in the aftermath of the US missile strike, Tillerson visited Moscow, keeping the channel of communication on Syria [open](#) between the two countries. The [EU's strategic objectives in Syria](#) focus on six key areas, including an end to the war through a genuine political transition and addressing humanitarian needs, reaffirming the primacy of the UN-led Geneva process. Through its [resolution](#) of 6 October 2016, the European Parliament has urged the International Syria Support Group (ISSG) to resume negotiations to facilitate the establishment of a stable truce and a lasting political settlement in Syria. The ISSG has not convened since 2016. The EU hosted its own [conference](#) on Syria's reconstruction on 4 April, at which Russia and Turkey were represented at ambassadorial level.

Turkey

President Trump [congratulated](#) President Erdogan in the aftermath of Turkey's referendum, the result of which will significantly increase the powers of the office of the Turkish President. The aim of the referendum as well as the process under which it took place, have been criticised by the [OSCE](#) and the [Council of Europe](#). US support for Syrian Kurds has been a main point of contention between the USA and Turkey. In the meantime, EU relations with Turkey (also a NATO member) have been facing a number of challenges in recent months. Some EU Member States (Germany and the Netherlands) have seen their relations with the Turkish administration [worsen](#) over the latter's attempt to campaign on their soil in favour of the plan proposed in the Turkish referendum. While an [EU-Turkey refugee deal](#) that came into force in March 2016 has curbed the flow of irregular migration into the EU, Turkey has repeatedly [threatened](#) the EU that it will renege on the [deal](#) and again allow an uncontrolled flow of migrants and refugees to cross the Aegean. The European Parliament [resolution](#) of 24 November 2016 on [EU-Turkey relations](#) strongly condemned the repressive measures taken by Turkey in the aftermath of the failed July coup and called for the suspension of Turkey's accession process to the EU.

Middle East Peace Process

President Trump's election has been [very well received](#) by conservative circles in Tel Aviv in anticipation of a re-kindling of relations. President Trump [may have hinted](#) at a departure from the US stance of supporting a two-state solution that was [firmly in place](#) for decades. David Friedman's nomination to become US Ambassador to Israel has been confirmed; he has in the past expressed [opinions](#) against a two-state solution, and in favour of moving the US Embassy to Jerusalem and the construction of Israeli settlements in the West Bank. So far, the Trump administration has refrained from moving its embassy to Jerusalem, while it has advised caution and restraint on new settlement-building plans. As with other regional diplomatic policies, it remains unclear whether campaign

statements by President Trump will lead to a shift in US policy. Defeating the 'Islamic State' (a key Trump pledge) will require the cooperation of Arab states with the USA; which will be complicated should the Trump administration be seen as too permissive over Israeli policy. The EU [supports](#) a two-state solution on the basis of the 1967 borders, with agreed land swaps and Jerusalem as the capital of both states.

NATO

While prior to his election, President Trump had argued that NATO was [obsolete](#) following the end of the Cold War and the rise of terrorism as a major threat, he revoked this statement in a joint [press conference](#) with NATO Secretary-General, Jens Stoltenberg, in April. A senior US official offered similar reassurances at the [Munich Security Conference](#) earlier in the year, including US commitments under Article 5.

A key point made by all members of the US administration in Munich and during President Trump's meeting with Chancellor Angela Merkel, was to reaffirm their demands that all NATO members spend at least 2 % of their GDP on defence. This position constitutes a long-term demand of the USA, in continuity with the previous administration and in accordance with what the allies committed to at the 2014 NATO summit in Wales. The US plans to increase its military presence in Europe are proceeding as scheduled, both in the context of NATO's [Enhanced Forward Presence](#), and the Department of Defense's [Operation Atlantic Resolve](#). President Trump has vowed to increase the US defence budget and rebuild the country's military, but the proposed US\$54 billion [increase](#) may not be [enough](#), particularly as American units which will be deployed in eastern Europe are facing personnel and equipment [shortfalls](#).

European leaders have been [resistant](#) to the US urges for radical defence spending increases, making the [argument](#) that the EU's approach to security is multi-faceted, in that it includes significant resources for aid and development. Continued commitment to NATO on behalf of the USA has been well received by EU Member States, given that no equivalent defence cooperation exists within the EU. The ability and time required for the EU's three largest economies and most populous countries to field a full armoured brigade, such as those deployed under NATO's Enhanced Forward Presence remains [limited](#). At the same time, uncertainty over the new administration's intentions have injected new vigour in the discussions about deeper EU defence cooperation. In July 2016 the EU and NATO signed a [Joint Declaration](#) which aims to strengthen cooperation in a number of critical areas. The European Parliament has [called](#) for more spending (2 % of GDP) and a more fair and transparent defence industry, and has highlighted compatibility and [cooperation with NATO](#), particularly in the east and the south, to counter hybrid and cyber threats, improve maritime security and develop defence capabilities.

Asia

During his first months as President, Donald Trump has sought to continue good relations with China and Japan. He [met](#) with Japanese Prime Minister, Shinzo Abe, at the beginning of February, and [with](#) Chinese President, Xi Jinping, on 6-7 April. While, as a candidate, he threatened to label China as a currency manipulator, he has since [altered](#) that stance. He also changed position on [Taiwan](#), prioritising good ties with China. During his meeting with Trump at Mar-a-Lago, Florida, Xi Jinping sought to [reinforce](#) a stable US-China relationship. The lack of US Naval patrols in the South China Sea for the first 100 days of the Trump Presidency has [indicated](#) that Trump is willing to acquiesce to Chinese policy to maintain their support, although some experts [argue](#) that he should push more for American access. His nominee for Ambassador to China has [stated](#) that China should not

be allowed to assert itself in the South China Sea, and the US Navy has [supported](#) more frequent patrols, so the hands-off policy may be temporary.

The President has [recognised](#) the need to cooperate with China on North Korea, which he has termed his [top](#) foreign policy priority. The US, South Korean, and Japanese militaries have [flown](#) training drills over the Korean peninsula, though Trump has stated he is also open to handling the conflict through diplomacy. He has also [said](#) he would be honoured to meet with Kim Jong-un under appropriate circumstances, a statement that departed from decades of US policy. His remarks, as well as his initial insistence that South Korea pay for the THAAD (terminal high altitude area defence) missile system that the USA is installing on its territory, have puzzled [South Korea](#). He has since [confirmed](#) that the USA will pay for the system.

Trade has also driven President Trump's agenda in the region. A bilateral trade deal with Japan appears to be high on the agenda. The TPP will move forward without the USA, and that will [complicate](#) any USA-Japan agreement because its benefits would have to outdo those presented by TPP. The EU is [working](#) on a free trade agreement with [Japan](#), which experts [support](#) in the wake of American withdrawal from the TPP and the presence of an assertive China. At the same time, it is clear that Japan is also [committed](#) to signing a trade agreement with the USA due to the strategic implications.

In short, President Trump's policy towards Asia has not yet taken firm shape. While he has taken a more nuanced approach than what he had stated in his campaign, analysts have been unable to [discern](#) a strategic direction. This could present opportunities for Europe. The unpredictability of the US President's foreign policy thus far has [positioned](#) China as a potential reliable ally in the global order, and the uncertainty about US policy may [lead](#) to a closer EU-China trade relationship. While the EU and China have developed strategic cooperation in other areas (including climate change and security and defence), trade and economics [remain](#) the foundation of the relationship. China's [Belt and Road Initiative](#) (which several large European companies have already shown interest in) could further [strengthen](#) trade links between the two actors. President Trump's policies could also provide a chance for the EU and China to [address](#) lingering issues in this relationship, as EU officials have expressed concern over uneven investment standards. The G20 summit in Hangzhou in September 2016 [highlighted](#) this issue, as China complained about Western protectionism while European officials pointed out that [many policies in China](#) make it difficult for foreign investors to do business there.

Russia

Trump administration ties

President Trump's policy towards Russia has undergone a marked shift, heavily influenced by the ongoing investigation of his campaign's ties to Russia. At the beginning of his presidency, the President took a [friendly](#) stance towards Putin. When the US intelligence community published a [report](#) in January 2017 confirming the influence of Russian disinformation and hacking in the presidential elections, the ties of members of the Trump administration to Russia came under closer scrutiny. In February, Michael Flynn [resigned](#) from his position as National Security Advisor after admitting he had not revealed pre-election conversations he had had with the Russian Ambassador. In March, the House Foreign Affairs Committee held its first [hearing](#) on the influence of Russian disinformation in the election and in transatlantic affairs. The FBI Director, James Comey, who opened a [probe](#) into ties between the Trump campaign and Russia, was dismissed by the President in May. The issue of Russian interference in the 2016 presidential

election has proven divisive between and within the parties. According to a January 2017 [Pew Research Center report](#), most Democrats believe Russia was behind the campaign e-mail hacks, while Republicans remain almost equally split on the issue.

US-Russian relations

The Russian media [changed](#) from a positive portrayal of Trump to detailing the chaos and division surrounding his administration. Ties between Trump and Putin cooled, and discord marked Secretary Tillerson's [visit](#) to his counterpart, Sergei Lavrov, in Moscow on 11 April. The two ambassadors disagreed on the source of chemical attacks in Syria, as well as the role of Russian influence in the US elections (which Vladimir Putin has denied). Syria has proven a sticking point for President Trump when it comes to Russia. After he ordered the launch of missiles at a Syrian government-controlled base, Russia condemned the action. The two Presidents have since [discussed](#) the situation in Syria, however, agreeing to work together to end the conflict.

The Trump 'Administration's fluctuating relationship with Russia has created anxiety in Europe, particularly when accompanied by President Trump's early rhetoric dismissing NATO (which he has since changed). The EU has the conflict in eastern Ukraine in its backyard, and countries such as [Estonia](#) and [Germany](#) claim that they have experienced Russian-directed cyber-attacks. Members of the administration (for example, [Vice-President Mike Pence](#)) have reassured Europe of US commitment as an ally. While Trump's lack of predictability on foreign policy has proven [problematic](#) for transatlantic ties, it is unlikely the administration will fully embrace Russia at the expense of its European allies. The domestic political debate around the alleged ties of the Trump campaign to Russia tends to discourage closer ties with Russia; additionally, the [recognition](#) that Vladimir Putin now seeks to undermine the Western liberal order limits possible areas for US-Russia cooperation to select issues (Syria, Ukraine, the Arctic, nuclear non-proliferation). Furthermore, President Trump has not moved to lift sanctions on Russia; in fact, he [refused](#) a request from ExxonMobil to waive the sanctions so the company could drill for oil in the Black Sea. It is possible, at this point, that [relations will level off in a 'war avoidance' strategy](#). Other analysts have [argued](#) that there is still potential for US-Russia relations to move in a more collaborative direction.

Climate change and the Paris Agreement

During his campaign, Trump opposed the Paris Agreement. However, as President he has not yet taken any action to withdraw the USA from it. His administration [remains divided](#) over the agreement. While some Republicans oppose it, others and several advisors close to the President (including Ivanka Trump, Jared Kushner, and Rex Tillerson) have advised keeping it. The Trump team has [postponed a meeting](#) that would have established his intentions vis-à-vis the Paris Agreement before the G7 summit on 26 May. He was originally set to announce his decision before then, because it is [expected](#) that the other members (all Paris signatories) will attempt to pin down an American stance on climate policy.

The President has taken a definitive stance against environmental regulations on businesses. He has sought to [revive](#) the use of domestic energy sources, especially coal. His nomination of Scott Pruitt as head of the Environmental Protection Agency (EPA) in February demonstrated this, as Pruitt [shares](#) Trump's anti-regulatory agenda. At the end of March, the President issued an [executive order](#) that annulled Obama-era regulations concerning methane and carbon emissions. The order also called for Pruitt to revise the [Clean Power Plan](#), including revoking rules limiting greenhouse gas emissions. This plan

would have [closed and replaced](#) coal-burning energy plants with ones driven by renewable energy. Nonetheless, multiple entities in the USA – including major businesses and [states](#) – have [continued](#) to develop and implement environmentally friendly policies regardless of the administration's stance.

The US position on the [Paris Agreement](#) remains the most significant issue facing US-EU cooperation on climate change. Trump faces a complex set of options should he decide to withdraw the USA from the agreement. Under Article 28 of the Paris Agreement, three years from the day it entered into effect, a signatory may notify the UN depository of its intent to withdraw (which would take effect one year later). The administration could also choose to withdraw from the Paris Agreement by pulling out of the UN Framework Convention on Climate Change (UNFCCC), which took effect in 1994 and is considered the legal foundation for the Paris Agreement. A notification of withdrawal from the UNFCCC would enter into force after only a year; however, since the Senate approved the UNFCCC, a withdrawal would raise long-running questions about the role of the legislative branch in withdrawing the USA from treaties.³ Former President Barack Obama [never sought](#) Senate approval for the Paris Agreement, making it a de facto 'executive agreement.' In this domestic political context, President Trump could thus choose to withdraw from the Paris Agreement directly without involving Congress. Furthermore, the language of the agreement itself implies that while signatories have an obligation to meet emissions targets, these targets are not binding. Thus the USA could choose not to meet these targets while not violating the agreement. While withdrawing from the agreement would have no legal consequences in the US domestic political sphere, it would be harmful from an international perspective. Experts have [warned](#) that withdrawal could damage American diplomatic credibility. Others have [argued](#) that the Paris Agreement will not accomplish much, so a US withdrawal is the best option. President Trump already [refused](#) to participate in a G7 joint statement on climate change in April, citing the ongoing review of his administration's policy on the issue. With his actions thus far rolling back environmental regulations, he has already [ensured](#) the USA will not meet its pollution-reduction targets under the agreement.

Regardless of whether he chooses to withdraw formally from the agreement, a possible retreat of the USA from its obligations has already caused [apprehension](#) among EU officials. Even simply choosing to ignore Paris obligations could [result](#) in 'green protectionism' (i.e. carbon taxes) from major trading partners such as the EU, as well as enhancing China's leadership in the climate policy arena (and thus giving it more geopolitical leverage). There are [concerns](#), however, that the EU has also shown signs of withdrawing from its leading role in climate change policy. In this context, when action is more necessary than ever, a faltering of American leadership would be dangerous.

European Parliament reactions to President Trump's executive orders

In its 5 April 2017 resolution on [Addressing refugee and migrant movements: the role of EU external action](#), the Parliament expressed 'strong concern about the recent decision by the US administration to temporarily ban citizens of seven Muslim-majority countries from entering the US and to temporarily suspend the US refugee system', based on the belief that this kind of decision fuels anti-immigration and xenophobic discourses and may 'not be in accordance with the principal international law instruments' while undermining current global efforts towards a 'fair international sharing of responsibilities for refugees'. On 6 April 2017, it approved a resolution on the [adequacy of the protection afforded by the EU-US Privacy Shield](#) which called on the Commission to assess the impact

of an executive order on '[Enhancing Public Safety in the Interior of the United States](#)' of 25 January 2017, and in particular of its section on the exclusion of foreign citizens from the protections of the Privacy Act regarding personally identifiable information, which could affect 'the right to judicial redress for Europeans in the US'.

The Bureau of the European Parliament's Delegation for relations with the USA (D-US) met with their counterparts on a mission to Washington, DC and Miami on 21-24 February 2017. In the [press statement](#) following the visit, MEPs emphasised the transitional phase that the US administration was still in, as well as the importance of the European Parliament and the values it represents for transatlantic relations. The next European Parliament/US Congress [Interparliamentary Meeting](#) is to take place in Malta on 2 and 3 June 2017 and will focus on migration and security, and on the humanitarian dimension of foreign policy.

Main references

[An assessment of Trump's first 100 days of foreign policy, from Brookings experts](#), Brookings Institution, April 2017.

Brattberg, E., [Lessons for Europe From One Hundred Days of Trump](#), Carnegie Endowment for International Peace, April 2017.

Endnotes

¹ Adapted for annualised Continuing Resolution (CR) level. The current (FY2018) CR levels are [slightly lower](#) than the FY2016 enacted levels

² President Obama had indicated in 2012 that the use of chemical weapons by the Syrian regime would constitute [a red line](#); the 2013 gas attack in [Ghouta](#), Syria was not however met with force.

³ Mulligan, Stephen P, 'CRS Report: Withdrawal from International Agreements: Legal Framework, the Paris Agreement, and the Iran Nuclear Agreement', 9 February 2017.

Disclaimer and Copyright

The content of this document is the sole responsibility of the author and any opinions expressed therein do not necessarily represent the official position of the European Parliament. It is addressed to the Members and staff of the EP for their parliamentary work. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2017.

Photo credits: © hafakot / Fotolia.

eprs@ep.europa.eu

<http://www.eprs.ep.parl.union.eu> (intranet)

<http://www.europarl.europa.eu/thinktank> (internet)

<http://epthinktank.eu> (blog)

