Politics & Economics Bulletin 10.02.2017



Turkish Defense Minister urges dialogue with Greece amid escalating tensions

Hurriyet Daily News, 05.02.2017



Turkish Defense Minister Fikri I ık on Feb. 5 called on Greece to solve the problems between the two neighbors through dialogue amid escalating tensions between the two NATO allies.

I ik said the neighboring countries should work together to solve their problems, while adding that "provocative statements" of his Greek counterpart, Panos Kammenos, must end. "Of course there are problems that haven't been solved until today. But the solution to these problems are not to challenge, but to continue exploratory talks regarding the problems," said I ik during a meeting.

"This is not in favor of Greece," said I ik, referring to Kammenos' "provocative statements." "In recent days, we have sadly been watching the Greek Defense Minister who made extremely unfounded and irresponsible statements. His statements and actions are irresponsible and provocative, therefore, I condemn him," he said.

"Turkey and Greece need to solve their regional problems by sitting down and talking. As Turkey, this is our attitude. Therefore we do not accept anyone making irresponsible and provocative statements," he added.

Tensions between the two countries have been on the rise since a Greek court late January blocked the extradition of eight Turkish soldiers that Ankara accuses of involvement in the failed coup attempt of July 15, 2016. Turkey said relations with Greece would be reviewed.

Hours after flying over the air space of the Kardak islets, located about one nautical mile from Turkey's touristic resort district of Bodrum, to leave a wreath in the Aegean Sea in memory of three Greek soldiers who died in a helicopter accident during the 1996 crisis between the two countries over the sovereignty of the islets, which brought the two neighbors to the brink of war, Kammenos said Turkish aircrafts had made incursions inside the Greek airspace, which he referred to as "cowboy antics."

On Jan. 29, Turkish Chief of Staff Gen. Hulusi Akar and his top brass paid a visit to the Kardak islets. On Jan. 31, two Greek Coast Guard vessels passed the islets and entered Turkish territorial waters, after which Turkish Coast Guard vessels intervened and forced the Greek vessels to leave Turkish waters. Turkish Foreign Minister Mevlüt Çavu o lu also released a statement, over Kammenos' Turkey remarks. "We condemn his baseless, inappropriate as well as unethical expressions against our country and our President and return them to the owner," he said.



"We call on the Greek authorities once more to duly act with responsibility and refrain from the statements that would undermine the atmosphere of cooperation that we are trying to achieve between the two countries," the ministry's statement read.

On Feb. 2, some Greek media outlets reported that Greek paratroopers landed on the Kos Island, which the Turkish Foreign Ministry said on Feb. 3 it violated the Paris Peace Treaties of 1947 that banned all such training on the islands.

President Erdoğan launches new 'employment mobilization' campaign



Hurriyet Daily News, 06.02.2017

President Recep Tayyip Erdo an has called on businesspeople to step up in an "employment mobilization" campaign to create new jobs to enliven Turkey's stuttering economy, urging city governors to supervise the campaign.

We are launching a new employment campaign with all members of [the Union of Chambers and Commodity Exchanges of Turkey] TOBB. I hope to get results that will leave behind the growth records of 2011 or 2010," Erdo an said addressing the economic council of the TOBB. "I am calling on our governors, giving instructions.

All of our cities will participate in this employment campaign," he added. "I would especially like to say it is very important for our municipalities to take part in this employment campaign. Coordination will also be done by our government through our governors," Erdo an said. He also personally asked the honorary president of SANKO Holding Abdulkadir Konuko Iu to hire employees, to which Konuko Iu shouted an affirmation in reply.

"When my Abdulkadir Konuko lu brother opens this door, I guess the Sabanci and Kale business groups will also follow. Of course, the Koç Group will not be idle here either," Erdo an said, referring to some of the biggest conglomerates in Turkey.

In another speech in mid-2016, Erdo an had called on Turkey's business leaders to hire one extra employee in order to dramatically cut unemployment. If each member here hires one more person, we can create 1.5 million new jobs for unemployed people," he said at the time.

"Will you go bankrupt if you hire one more person? No. Actually you will have a bumper business when you do this. Money stays in the world behind us when we die. People should use their money to open employment opportunities for others," he added. Speaking at the TOBB, Erdo an also reiterated his advocacy for low interest rates, again claiming that low interest rates would not lead to high inflation.



"The most prominent cause of inflation is interest. Inflation is directly proportional to interest, not inversely proportional," he said, adding that the business world needs low interest rates in order to be able to invest more.

Trump reiterates US support for Turkey in call with Erdoğan

Reuters, 06.02.2017



U.S. President Donald Trump reiterated support for Turkey "as a strategic partner and NATO ally" during a phone call with President Recep Tayyip Erdo an, the offices of both leaders said.

Trump also spoke about the two countries' "shared commitment to combating terrorism in all its forms" and welcomed Turkey's contributions to the fight against the Islamic State of Iraq and the Levant (ISIL), the White House said in a statement. The two leaders emphasized that Turkey and the United States were friends and allies, a statement from the Turkish Presidency said.

Turkey, a NATO member, is a powerful player in the region but Erdo an's relations with former U.S. President Barack Obama, as well as with western Europe, have at times strained. Ankara has been frustrated by Washington's reluctance to hand over the U.S.-based Islamic preacher Fethullah Gülen, who is accused of masterminding the July 2016 coup attempt.

The two NATO allies are also at odds over U.S. support for the Syrian Kurdish People's Protection Units (YPG), which Ankara regards as a terrorist organization. There was no specific mention of the key sticking points in both readouts.



Turkish military: Russian warplane accidentally kills three Turkish soldiers in Syria's al-Bab

Hurriyet Daily News, 09.02.2017



A Russian warplane accidentally hit a building housing Turkish Armed Forces units during air operations against the Islamic State of Iraq and the Levant (ISIL) targets in Syria's al-Bab, killing three soldiers and wounding another 11, the Turkish Armed Forces has announced.

The military said the incident occurred at around 8:40 a.m. in the region where the Euphrates Shield Operation has been continuing. The wounded soldiers were immediately taken to hospitals, the military said. It also stated that Russian officials called the incident an accident, as they expressed their sadness and condolences.

The military also said an investigation into the incident had been begun by both sides. According to the military, the Russian president also called President Recep Tayyip Erdo an after the incident and extended his condolences.

Russian Chief of General Staff Valeriy Gerasimov also called his Turkish counterpart, Gen. Hulusi Akar, regarding the incident to extend his condolences. Before the phone talk between the two leaders, Turkish Foreign Minister Melvüt Çavu o lu talked with Sergei Lavrov, his Russian counterpart.

The downing of a Russian fighter jet on Nov. 24, 2015, near the Syrian border sparked an unprecedented diplomatic crisis between Ankara and Moscow, which came to an end in June 2016 when the two countries agreed to restore ties.

Turkey and Russia broke the ice after Erdo an sent a letter to his Russian counterpart in late June 2016 to express his deep sorrow over the downing of the jet and his wishes to normalize bilateral relations.

With the normalization of ties, Moscow removed some sanctions on trade and restrictions on Russian tourists, though it will continue to impose a visa regime on Turkish nationals. On Feb. 9, Turkish army said 44 ISIL members were killed in aerial and artillery strikes and clashes in al-Bab.

Five more Turkish soldiers were also killed and 10 others were wounded in clashes, Do an News Agency reported, bringing the total number of Turkish dead to 13 in two days of fierce battle. The confirmation on the hitting of Turkish soldiers came hours after the military announced that its troops and Free Syrian Army have intensified their effort to finally dislodge ISIL from the Syrian city of al-Bab.



Anti-ISIL coalition forces also hit jihadist targets in al-Bab, the Turkish Armed Forces military. The Turkish army and Syrian regime forces have been growing ever-nearer, raising fears of a clash between the two.

As fighters of the FSA, backed by Turkish special forces, advanced in their siege of the city to the west of the ISIL stronghold, the distance between the Turkish and Syrian armies has been reduced to just two kilometers, Turkish sources, who spoke on condition of anonymity, told the Hürriyet Daily News.

More than 60 Turkish soldiers have been killed since the beginning of the Euphrates Shield Operation in northern Syria, most of whom have been killed in the al-Bab offensive due to ISIL's strong resistance.

A rebel commander in the Euphrates Shield forces told Reuters on Feb. 9 that fighters of the FSA, working with Turkish commanders, were moving forward from territory near the western gates of the city they had stormed on Feb. 8.

"The battles began a short while ago to complete what had been achieved yesterday," the commander of a leading FSA group fighting in al-Bab. Northeast of al-Bab, they added, they also regained control of two key villages they had repeatedly been pushed out of in recent fighting due to a succession of suicide attacks.

Syrian government, rebels swap more than 100 prisoners in Hama

Hurriyet Daily News, 08.02.2017



The Syrian government and rebel groups swapped dozens of women prisoners and hostages, some of them with their children, in Hama province on the evening of Feb. 7, a monitor and a rebel official said, according to Reuters.

The Syrian Observatory for Human Rights, a British-based war monitor, said government representatives and rebels exchanged 112 people, including 24 children, in the rebelheld Qalaat al-Madiq town in rural Hama. Many had been detained for years. About half the women were released from government prisons and then taken to opposition-held areas, the Observatory said.

In return, the others, along with three unidentified men, were set free by various rebel groups and shuttled to government-controlled areas along the coast. Mohamad Rasheed, a spokesman for the Jaysh al-Nasr rebel group based in Hama, said a civilian committee that negotiates such exchanges with the government oversaw the swap on Feb. 7. The prisoners on both sides included children, he said, and "some of the women had given birth while detained."



Most of the hostages released by rebels were from the coastal Latakia province, the heartland of Assad's minority Alawite sect, and had been held since 2013, Rasheed said. Meanwhile, Syria's opposition on Feb. 7 demanded international observers be allowed access to regime-run detention centers, after an Amnesty International investigation into mass hangings at a notorious government prison. The damning report details the gruesome weekly ritual of group executions at Saydnaya prison that have left up to 13,000 people dead over five years.

In a statement on Feb. 7, the opposition National Coalition called for "immediately allowing international observers unobstructed access to detention centers and the immediate, unconditional release of all detainees. Syrian Justice Ministry on Feb. 8 dismissed as "completely false" the Amnesty International report.

The ministry said the Amnesty report was "completely untrue and intended to harm Syria's reputation in international forums," the official SANA news agency reported. The death toll in air strikes against al-Qaeda's former affiliate in Syria in the northwest of the country has risen to 46, including 24 civilians, the Observatory said on Feb. 8.

The dead included 10 children and 11 women, the Observatory said, adding that the toll could rise further because of the number of wounded with serious injuries. The raids hit the headquarters of former al-Qaeda affiliate Fateh al-Sham in Idlib and several adjacent neighborhoods of the city at dawn on Feb. 7.

Trump reveals America's 'real face', says Iran's Khamenei

Hurriyet Daily News, 07.02.2017



Iran's supreme leader Ayatollah Ali Khamenei said on Feb. 7 that he was grateful to U.S. President Donald Trump for revealing "the real face of America."

"We are thankful to this gentleman... he showed the real face of America," Khamenei said in a speech to military officers in Tehran. "What we have said for more than 30 years - that there is political, economic, moral and social corruption in the ruling system of the U.S. - this gentleman came and brought it out into the open in the election and after the election."

He referred to the case of a young Iranian boy who was pictured in handcuffs at a U.S. airport following Trump's ban on visas for seven Muslim-majority countries, including Iran."By what he does - handcuffing a five-year-old child - he shows the true meaning of American human rights," Khamenei said. The U.S. government on Feb. 6 defended Trump's travel ban as a "lawful exercise" of his authority, and urged an appeals court to reinstate the suspended measure in the interests of national security.



Khamenei also responded to Trump's tweet of Feb. 3, when the U.S. president said: "Iran is playing with fire - they don't appreciate how 'kind' [former U.S.] President Obama was to them." Khamenei ridiculed the idea of being grateful to Obama, saying he was the one who placed "paralyzing sanctions" on Iran and helped create the Islamic State of Iraq and the Levant (ISIL) through his destabilizing actions in Iraq and Syria.

Earlier, Iranian Foreign Minister Mohammad Javad Zarif said that with Trump in the White House, Tehran faced "difficult days ahead" regarding its nuclear deal with Washington and other major powers.

"I believe Trump may try to renegotiate" the deal, but "clearly, neither Iran, nor the Europeans or the international community will accept new negotiations," Zarif told Ettelaat newspaper in an interview published on Feb. 7.

On Feb. 6, Trump pledged that America and its allies would defeat the "forces of death" and keep radical jihadists from gaining a foothold on U.S. soil. "Today we deliver a message in one very unified voice to these forces of death and destruction - America and its allies will defeat you," Trump said as he visited U.S. Central Command (CENTCOM), which plays a key role in the U.S.-led mission to fight ISIL in Iraq and Syria.

"We will defeat radical Islamic terrorism. And we will not allow it to take root in our country," he said. As a response to Trump's remarks, Syrian President Bashar al-Assad said Trump's prioritization was promising although it was too early to expect any practical steps, state news agency SANA reported on Feb. 7.

Trump has indicated he might cut U.S. support for Syrian rebels and might help Syria in the fight against ISIL. He has made defeating ISIL a core goal of his presidency and signed an executive order asking the Pentagon, the joint chiefs of staff and other agencies to submit a preliminary plan on how to proceed within 30 days.

Assad was quoted by SANA as telling a group of Belgian reporters: "I believe this is promising but we have to wait and it's too early to expect anything practical." In a tweet on Feb. 6, Trump said: "The threat from radical Islamic terrorism is very real, just look at what is happening in Europe and the Middle-East. Courts must act fast!"



Brexit: Independent Scotland would have to 'join back of the queue' for EU membership

Independent, 10.02.2017



An independent Scotland would join a queue of would-be EU members, a senior European official has said. Jacqueline Minor, said if Scotland became independent and wanted to join the EU it would be added to the list of candidate countries including Serbia, and Bosnia and Herzegovina.

Speaking at a Scottish Parliamentary Journalists' Association event in Edinburgh, she said: "Were Scotland to become independent, they would join that list." She added it might be easier for Scotland to meet membership criteria such as democracy, rule of law, anti-corruption and protection of minorities than other candidates.

Ms Minor also poured cold water on Scotland's ability to secure a special deal in Brexit negotiations. The Scottish Government argues the country, which had a majority of remain voters in the EU referendum unlike the UK, should be in line for a differentiated deal after the UK Government's move for special deals for the car industry.

Ms Minor said: "The negotiations will be with the United Kingdom and that means essentially the Westminster Government. "The first question is will the Westminster Government argue in favour of a differentiated arrangement, and it seems to me that at present they are not suggesting that they will.

"Should they do so, should they change their mind, then the other members states would have to look at that. I have to say that there is no precedent whereby a free trade agreement has distinguished between significant regions of the partner country."

Labour and the Conservatives have said the SNP should be "honest" with voters about an independent Scotland's membership of the EU. Scottish Conservative constitution spokesman Adam Tomkins said: "This is a senior figure telling the SNP what it needs to hear.

"For all its moaning about Brexit, it knows fine well an independent Scotland would not simply step into the European Union. "Not only would it join the back of the queue, but we now learn it may have to adopt the euro and tackle an eye-watering deficit.

"It's time for the Nationalists to be honest about Brexit and stop using it as a tool to agitate for separation." Scottish Labour's Europe spokesman Lewis Macdonald said: "This is a hugely significant intervention from an experienced and respected official.



"As the SNP was repeatedly told during the (2014 independence) referendum campaign, an independent Scotland would have to apply to join the EU like any other country. "Alex Salmond tried to dismiss this, despite all the evidence to the contrary. Now it's time for the SNP to be honest with voters - an independent Scotland would have to join the queue."

The Scottish Greens' external affairs spokesman Ross Greer said: "There are five million EU citizens living in Scotland, it's unthinkable that they will be told to join the back of a mythical queue. "It shows just how little Labour and Conservative MSPs know about Europe that they think countries queue to join.

"What was made clear by this high ranking European Commission official was that Scotland already meets much of the requirements needed to continue EU membership as an independent nation. "Rather than trying to undermine efforts to keep Scotland in the EU, unionist politicians must begin to recognise the democratic wishes of the people of Scotland who voted overwhelmingly against being dragged along with the angry, isolated Britain planned by Theresa May. They at least deserve a choice between these two futures."

Scottish Parliament votes against UK pulling Brexit trigger

Bloomberg, 06.02.2017



The Scottish Parliament overwhelmingly backed a motion opposing the start of the process for the U.K. to leave the European Union in a gesture against PM May's Brexit plans.

Lawmakers in the semi-autonomous legislature in Edinburgh voted by 90 to 34 that Article 50 of the Lisbon Treaty, which would start Britain's divorce talks with the EU, should not be triggered. The needs of Scotland, Wales and Northern Ireland have not been properly considered, there are no guarantees for EU nationals living in Britain and there is not enough detail of the implications of policies including leaving the EU's single market, according to the motion.

"This is the Scottish Parliament, the people who voted for us are Scottish people, they expect us to stand up for Scotland," Scotland's chief Brexit negotiator, Michael Russell, a member of First Minister Nicola Sturgeon's Scottish National Party, told lawmakers. He accused May's Conservative Party of "becoming apologists for a hard, isolated Brexit and a hard, isolated Britain, just what UKIP wanted."

While the motion is not binding on May and is largely symbolic, it is a reminder from the Edinburgh Parliament that 62 percent of Scots voted to stay in the EU in last year's referendum. While May has pledged to consult with the Scottish, Welsh and Northern Irish authorities, she needs to do more to satisfy them they are being heard, lawmakers said.



Jackson Carlaw, the deputy leader of the Scottish branch of the Conservative Party, accused the SNP of pursuing a nationalist agenda rather than the interests of Scotland. Sturgeon has kept open the possibility of another vote on Scotland breaking away from the U.K. if it's pulled out of the single market. Sturgeon's party is "chasing a grievance to justify another independence referendum," Carlaw said. "It doesn't matter what anyone says, the SNP is unhappy."

Donald Trump's 1950s self-help foreign policy

Foreign Policy, *10.02.2017*



When President Donald Trump was born on June 14, 1946, the power of the United States was unprecedented. It had come out of World War II as the wealthiest and strongest nation in the world.

It was the only major state to emerge from the war vastly richer rather than much poorer, and its standard of living was higher than that of any other country. Its per capita gross domestic product exceeded that of any other nation. Its manufacturing production accounted for more than half of the global total, and it was responsible for a third of the world's production of goods.

On top of this, the United States possessed an exceptional military arsenal. Its navy was unrivaled, its air power was unsurpassed, and, at the time, it alone possessed the atomic bomb — a weapon whose awesome power had just devastated Hiroshima and Nagasaki. The world had never seen economic and strategic power on this scale.

In Trump's formative years, however, Americans were forced to come to terms with the fact that America's power, though considerable, had its limits. Many Americans look back on the 1950s as a golden time in U.S. history, an era when the nation was secure, self-confident, and supreme in its global hegemony.

Yet as Harry S. Truman prepared to leave the White House in 1952, the United States was mired in the Korean War and Americans were angry at their government, alarmed by their nation's military performance and anxious about the country's position in the world. Despite possessing unparalleled power and prosperity, the United States was struggling to secure victory on the Korean peninsula and the Truman administration was being accused of having "lost" China, after Mao Zedong established a Communist regime in 1949.

Writing in the lead-up to the 1952 presidential election, the British historian D.W. Brogan summed up the prevailing American attitude. Across the United States, Brogan observed widespread disbelief that there were areas of the world where America's power did not extend.



For Brogan, this "illusion of omnipotence" was encapsulated by a common American attitude to the Chinese Revolution. Rather than recognizing this as an event of immense historical importance that the United States could not control — occurring as it did 6,000 miles away in a country containing a fifth of the global population — American setbacks in Asia were simply blamed on the incompetence of its elected and non-elected officials.

As Brogan noted, many Americans held to "the illusion that any situation which distresses or endangers the United States only exists because some Americans have been fools or knaves." Trump was a child of the 1950s and, just as his domestic agenda is a nod to that era's vision of the American Dream, his worldview reflects the mentality that Brogan identified. This attitude maintains that if the world is moving in ways that are disagreeable and dangerous to the United States, then this can only be explained by the incompetence of American officials.

For Trump, almost every international problem that has beset the United States is explained by the idiocy of its leaders. For Trump, almost every international problem that has beset the United States is explained by the idiocy of its leaders. For decades, he has claimed that America's politicians are being duped by the rest of the world.

In his 1987 open letter to the American people, when Trump bullishly inserted himself into national politics for the first time, Trump declared that "the world is laughing at America's politicians." The same day that letter appeared, he told Larry King in a CNN interview that other countries "laugh at us behind our backs, they laugh at us because of our stupidity and [that of our] leaders." He has been repeating that refrain ever since.

Convinced that the United States is losing out in international trade, Trump declares: "Free trade can be wonderful if you have smart people, but we have people that are stupid. We have people that aren't smart." In its alliances, Trump says, the United States is "defending wealthy nations for nothing, nations that would be wiped off the face of the earth in about 15 minutes if it weren't for us," while they "laugh at our stupidity."

In America's immigration policy, Mexico is "laughing at us, at our stupidity." On the environment, while "China and other countries, they just burn whatever the hell is available," the United States adhered to international regulations because "our leaders are stupid, they are stupid people."

When oil prices rose in the 1980s and 1990s, Trump suggested that "the cartel kept the price up, because, again, they were smarter than our leaders." And the fact that the United States did not "reimburse" itself and its allies by taking Iraq's oil before its withdrawal in 2011 is because "our politicians are so stupid that they've never even thought of it." For decades, under Republican and Democratic administrations, Trump has blamed virtually every international development that has negatively affected the United States on the foolishness of America's leaders.

Trump's litany of charges constitutes a decisive challenge to the bipartisan consensus that has underpinned U.S. foreign policy since the early years of the Cold War. Central to Trump's indictment is his antipathy to America's alliance commitments in Europe and East Asia, which he argues do little to aid American security and prosperity, while allowing its so-called friends to take advantage of it on trade and exploit its strategic protection. Many of these security commitments were made in the decade after World War II.



And some of the most vociferous Republican critics of Truman's policies in China and Korea in the early 1950's, such as Sen. Robert Taft, were also suspicious of the alliance arrangements that the United States was then embarking on in Europe and Asia.

No figure in the debates of the early 1950s is directly analogous to Trump. That was a very different era. Trump does not share the fears of Truman's opponents, who were attempting to balance Cold War concerns about Soviet Russia and the spread of Communism against their anxiety about growing state power at home and expensive overseas commitments.

Nor, as the Brookings Institution scholar Thomas Wright has pointed out, did the most prominent figures, like Taft, share Trump's mercantilist economic policies or his affinity for authoritarian leaders.

Like Truman's critics, however, Trump scorns America's alliances and favors a more unilateral, nationalist approach to foreign policy. And like those Americans who displayed, in Brogan's words, "a curious absence of historical awe" about the Chinese Revolution, Trump has shown a remarkable lack of curiosity about the myriad conflicts that have engulfed the Middle East, which taken together constitute a civil war within the world's second-largest religion, but which he sees merely through the prism of U.S. foreign and domestic policy.

Above all, like the many Americans who were frustrated in the 1950s that no clear triumph had occurred in Korea, Trump has consistently complained that "we don't win anymore." Trump has consistently complained that "we don't win anymore." One example among many was Trump's declaration when announcing his campaign for presidency in 2015 that "we don't have victories anymore.

We used to have victories, but [now] we don't have them." Trump's reason for this is similar to that espoused by Truman's critics — the ineptitude of America's leaders. Trump's message resonated with voters because, ever since the Korean War, many Americans have shared his bewilderment and outrage that America's overwhelming military and economic power has not translated into decisive victories.

The clearest example was the war in Vietnam where, despite a half million American ground troops, technological superiority, and success in conventional battles, the United States was forced into an ignominious withdrawal. Even when the United States has crushed an adversary, such as in the first Gulf War, a decisive victory has proved elusive. Indeed, large numbers of U.S. troops have been stationed in the Middle East ever since.

And since 9/11, the United States has been engaged in a "war on terror" that has involved seemingly interminable military engagement overseas. For Trump, who told Rona Barrett in a 1980 NBC interview that he looks at life as "combat," endless struggle with no clear victory is intolerable. In Trump's view, for the United States to become a "winner" again and reassert its "greatness," all that is required is effective leadership. As he remarked to Barrett more than 30 years ago, "I feel that this country with the proper leadership can go on to become what it once was, and I hope, and certainly hope, that it does go on to be what it should be." In 1987 Trump took out a full advertisement in three major newspapers to present these views.



As the headline accompanying it proclaimed: "There's nothing wrong with America's Foreign Defense Policy that a little backbone can't cure." The international situation and the global balance of power is not the same as it was in the years immediately after World War II. While the United States remains the strongest and most prosperous country in the world, its relative power has declined. America is now responsible for less than a fifth of global industrial production, and China has surpassed it as the world's largest trading nation.

Trump is acutely aware of this shift. Since the 1980s, he has constantly claimed that the United States has become a "second-rate economic power." Nor does Trump believe that America's liberal and democratic values can or necessarily should be promoted around the world. Yet Trump has persisted in his belief that America's power should be decisive whenever and wherever it decides to apply it. And if the imposition of American power is resisted or overcome then this can only be explained because of stupidity on the part of American leaders.

Trump is a believer in the power of human agency to bring about fundamental change, particularly when that agent is Trump himself. As he put it in a 1990 interview with Playboy: "People need ego, whole nations need ego.

I think our country needs more ego, because it is being ripped off so badly by our so-called allies." And, after many years of flirting with the presidency, in 2015 Trump declared: "Our country needs a truly great leader, and we need a truly great leader now. We need a leader that wrote The Art of the Deal." He had clearly decided, as he put it at the 2016 Republican National Convention when accepting the party's nomination for president, "I alone can fix it."

Trump certainly portrays himself as a showman. But during the past three decades, he has also been laying out in interviews, articles, books, and tweets what amounts to a foreign-policy philosophy. For most of that period, he has been roundly mocked by pundits and politicians, and his ideas widely dismissed. His critics have failed to engage seriously with his worldview, to their own detriment.

Trump represents a nationalist critique of American liberal internationalism that might have been dormant in policy circles since the 1950s but which has never really gone away. Trump represents a nationalist critique of American liberal internationalism that might have been dormant in policy circles since the 1950s but which has never really gone away.

It has always retained considerable purchase on the public mind. The irony is that while some leftist critics have claimed that U.S. foreign policy is too focused on advancing American economic interests, others on the right have complained that it does not put those interests first and that America's overseas interventions have not done enough to materially benefit the United States.

In fact, as the historian John Thompson has recently shown, there is some truth to the critique that the multilateral trading system and liberal political order established by the United States in the 1940s has not been geared primarily toward advancing America's economic interests, narrowly defined, or to a limited conception of national security. But that's because what has undergirded America's global role since World War II is the belief that the nation's unprecedented power brought with it the responsibility and opportunity to fashion an international order that advanced a broader conception of America's national interest, security, and prosperity.



That order, based on the rule of law and economic openness, was designed to ensure that international trade flourishes and that the United States was not embroiled in a large-scale regional interstate conflict, such as what occurred in World War I and World War II.

International political stability depends on American leadership; it is underpinned by Washington's alliances with more than 60 countries across the globe and American military bases in 65 countries, helping to deter would-be aggressors. It is an order that certainly aids America's allies, but it is one that also benefits the United States immeasurably by ensuring that the world is more stable, orderly, and prosperous.

For the United States to continue playing that global role, however, American internationalists, like their predecessors in the 1950s, will have to convince the public that it's retreating from international commitments, not maintaining them, that would be foolish. In the meantime, after decades of lambasting America's leaders as the real fools, Trump will be trying to prove that he can do a better job.



Announcements & Reports

The EU Must Stand Ready to Confront US Leadership

Source	1	Bruegel
Weblink	:	http://bruegel.org/2017/02/the-eu-must-stand-ready-to-confront-us-leadership/

Political polarization and the 2016 congressional primaries

Source	:	Brookings
Weblink	1	https://www.brookings.edu/research/political-polarization-and-the-2016-congressional-primaries/

Seven Ways to Make International Development Count

Source	: CSIS
Weblink	https://www.csis.org/analysis/seven-ways-make-international-development-count

Upcoming Events

Competitive Gains in the Economic and Monetary Union

Date	: 10 February 2017
Place	: Brussels - Belgium
Website	http://www.bruegel.org/nc/events/event-detail/event/534-competitive-gains-in-the-economic-and-monetary-union/

The Future of Capitalist Democracy: UK-Japan Perspectives

Date	: 11 February 2017
Place	: London - UK
Website	http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspective

13th Asia Europe Economic Forum (AEEF)

Date	: 12 February 2017
Place	: Beijing - China
Website	http://bruegel.org/events/13th-asia-europe-economic-forum/

Emerging Markets and Europe: Time for Different Relationships?

Date	: 13 February 2017
Place	: Brussels - Belgium
Website	http://www.bruegel.org/nc/events/event-detail/event/524-emerging-markets-and-europe-time-for-different-relationships/



What future for Europe's Social Models?

Date: 14 February 2017Place: Brussels - BelgiumWebsite: http://www.bruegel.org/nc/events/event-dete

bsite http://www.bruegel.org/nc/events/event-detail/event/526-what-future-for-europes-social-models/

Challenges for Growth in Europe

 Date
 : 15 February 2017

 Place
 : Brussels - Belgium

 Website
 : http://www.bruegel.org/nc/events/event/521-challenges-for-growth-in-europe/

Global Governance of Public Goods: Asian and European Perspectives

Date: 16 February 2017Place: Paris - France

Website : http://www.bruegel.org/nc/events/event-detail/event/529-global-governance-of-public-goods-asian-and-european-perspectives/

The Future of the Welfare State

 Date
 : 17 February 2017

 Place
 : Berlin - Germany

 Website
 : http://www.bruegel.org/nc/events/event/541-the-future-of-the-welfare-state/

Vision Europe Summit 2016

Date	18 February 2017	
Place	Lisbon - Portugal	
Website	http://bruegel.org/events/vision-europe-summit-201	6/