

After The US Election, What Next For Global Politics?

Tribute to Michael Ancram – one of the nicest and most gentlemanly people in British politics.

End of an Era?

So, what of Donald Trump's election? There is no disputing the result. He won the popular vote, all seven swing states, the Senate, the House. But what does it portend?

Henry Kissinger observed in 2018: *“Donald Trump may be one of those figures in history, who appear from time to time, to mark the end of an era and to force it to give up its old pretences.”*

Remainers like me used to console American friends in 2016 that while Brexit is forever, Trump was only for four years! Seems like Trump is more enduring. While Britain is having buyers' remorse after our populist moment eight years ago, Americans have doubled down on theirs.

We won't know for some time if this is the end of an old era and the start of a new one. In the last two *Zeitenwende*, 1945 and 1989, it was apparent very quickly. But even then, instant historians – like Frank Fukuyama – got it wrong.

Anne Applebaum in her excellent book *Autocracy Inc* wrote that, in the 1990s, *“everyone assumed that in a more open , interconnected World, democracy and liberal ideas would gradually spread to the autocratic states. Nobody imagined that autocracy and illiberalism would instead spread to the democratic world.”*

She hits the nail on the head. This assault on our world view has taken us by surprise. Our liberal democracy, underpinned by a market economy and the rule of law, which we fought to defend through WWII and the Cold War is now under a more insidious threat.

Trump's re-election is a dark warning – illiberal democracy isn't confined to countries like Turkey, Hungary and India.

We shall soon see if extremist groups in Germany do well enough to force themselves into national government in the way they have in the Netherlands. Will a share of power moderate the policies of far right parties, as we see in Italy?

What surprise does the 2027 presidential election in France hold? Is the rise of the extreme left even more disturbing than that of the far right? Who and what will succeed Trump in 2028?

There are so many worrying questions. The answers will determine whether we are seeing a Gramsci-style end of era, with all the morbid symptoms that go with it, or if it is more of a painful correction against excessive liberalism, after which the old order returns.

Donald Trump's Second Term

But let's get back to America and Donald Trump.

How much of Donald Trump's agenda will be implemented in practice?

I think Trump's view of the World is driven by four strongly-held opinions:

- He believes other countries have taken advantage of the United States to secure their defence and prosperity without paying their way.

- He does not believe that America should be the World's policeman. He doesn't like wars and will do what he can to keep America out of them.
- He does not believe in free trade, indeed he thinks (with good reason) that free trade has led to industry leaving America, harming American workers. He will instead pursue a policy designed to bring industry back.
- He believes (this time with little evidence) that tariffs are the best weapon in America's armoury to force other countries to do what America wants.

The markets have been buoyed by Trump's election, seeing in his promise of tax cuts and deregulation a bonanza for American business. I wonder if that is premature. Trump's commitment to cut taxes, impose tariffs on imports, and deport low-cost migrant labour will all add to inflation.

He will not bring all his policies in at once, some of them are designed to get foreign powers to the negotiating table and extract concessions to appease American power. But there are unresolved contradictions in his economic policy.

James Carville famously said back in the Clinton era that if he was to return to this world in another guise he would want to come back as the bond market: nothing is more powerful! The Trump Administration may learn that lesson in the coming years as US debt rises still further and interest rates remain high. An American debt crisis is a real possibility during Trump's second term and a confrontation with the Federal Reserve over interest rates is a near certainty.

I'm not a historian and I'm not an economist. I am, or was, a practitioner in international affairs. What should we expect from the Trump Administration in the World of conflicts we now live in?

Ukraine

Ukraine will be the first issue. I doubt Trump will decide on his peace initiative until his Administration is in place – and he is making some unorthodox nominations! JD Vance and Marco Rubio have different views on how much to concede to Moscow.

Trump won't want his first foreign policy decision to be seen as an act of weakness that colours his Administration's record in the way that Biden's scuttle-and-run from Afghanistan did for his.

Whatever Trump comes up with, Putin will have to be persuaded if the war is to end. He will demand that Ukraine is excluded from NATO, and that there be some sanctions relief for Russia. And there is no doubt that Trump will look to Europe to fund Ukraine's reconstruction.

All that said, I think President Zelensky is right to be making the most of the disruption Trump's election will bring. Ukraine is not doing well in the war. It is not going to regain its territory by military means, even with the latest US move to allow use of tactical missiles against targets in Russia.

I doubt there will be a formal peace treaty between Ukraine and Russia, but who knows. I do think there is a chance to end the conflict in 2025 and Trump's election improves those prospects.

Chancellor Scholz's reaching out to Putin is largely for German political reasons, but it is a sign of a wider desire for the war to end.

All of us here are familiar with Finland's history. The brave war fought against Stalin's invading forces, the imposed peace conceding 11% of their territory, the awkward compromise of 'Finlandisation' to keep the Soviet Union at bay after WWII.

Such a deal would be a bitter pill for the Ukrainians to swallow. And Putin will be strongly opposed – Ukraine is closer to his heart than Finland was to Stalin’s, and he wants it under his control. But if Ukraine can manage its future relations with Moscow as well as Finland has done over the last 80 years, that might be the best available outcome.

China

On China, Trump will talk tough and introduce high tariffs on at least some Chinese exports to the US. President Xi will retaliate, and in parallel will increase the pressure on Taiwan.

Trump doesn’t like wars, and Taiwan is not, in his view, a vital US national interest. So I can’t see Trump deploying US forces to defend Taiwan if it came to a fight.

Xi Jinping may have the same assessment which might encourage him to take risks, especially if his many problems at home worsen, challenging the Communist Party’s control.

China has welcomed the increased stability they have found with the Biden Administration. But I think the chances of a Taiwan crisis in the next four years have gone up with Trump’s election. Xi will feel his way forward, knowing that a successful blockade of Taiwan will take time and provoke Western sanctions which the Chinese economy can ill-afford. Trump’s tone on China will be important.

Middle East

In the Middle East, Trump will want Netanyahu to do as much damage as he can to Hamas and Hizbollah in the next ten weeks and then bring the fighting to an end.

Hamas triggered the crisis of the last year but Israeli forces have turned the tables on their enemies and Gaza is now a wasteland.

I have deep concerns about Israeli intentions towards the West Bank and Gaza. We are likely to see further annexations and more Palestinians forced to leave. I don't expect the Trump Administration to care much.

The bigger challenge in the region is **Iran**. I have no idea what Elon Musk might have said to Iran's Ambassador to the UN when they met recently. Judging from what Trump's nominees have said, there will be support across the new Administration for an Iran policy of 'total pressure'.

Trump's grievance against Iran will have been deepened by FBI evidence that the Iranians plotted to kill Trump during the campaign, presumably a response to his decision to assassinate Qasem Suleimani in 2020. This is personal.

The first move will be to reinforce sanctions, including on Iranian oil exports which the Biden Administration have unwisely allowed to grow.

But Netanyahu has his eye on the opportunity to destroy Iran's nuclear facilities. For that, he needs direct US military involvement: only the Americans have the ordnance and the reach to destroy facilities deep under rock and concrete.

The Trump-Netanyahu relationship has had its difficult moments. Bibi's pulling out of the Suleimani assassination at the last minute and his quick endorsement of Biden's election later that year both angered Trump.

But the idea of doing permanent damage to Iran's nuclear weapons programme, at a time when the Iranian regime is weak and vulnerable, will be tempting for the US President.

Climate, Trade and The United Nations

As well as concerns over democratic values and conflict, there are three other issues I would highlight as problems that a Trump Administration will make more intractable.

First climate change. I don't see any figure in the Trump circle who is concerned at our rapidly changing climate. Trump himself isn't a climate denier but he doesn't accept that the United States has a role in limiting the extent of climate change or helping developing countries adapt to it.

The World has already passed the 1.5 degrees target limit set at the Paris COP and we are marching towards three degrees by the end of the century. Are we going to see no action from the United States for the next four years?

Second trade. Tariffs are Trump's weapon of choice. The WTO was neutered in his first term when he blocked the disputes recognition procedure. Biden did nothing to reverse that. We don't know yet how aggressively the new Administration will move on trade tariffs but there is no longer even an aspiration for free trade - arguably the biggest driver of global growth in the last forty years. Less trade means poorer people.

Third the United Nations. The Political UN - the Security Council, the General Assembly and so on - has been undermined by the great power rivalry that is the main feature of today's world. The very design of the Political UN is it can only act when the Great Powers agree it should act. Don't blame the UN system for when the Great Powers cannot agree.

And let's not forget the Operational UN - all the UN agencies that do invaluable work, some high profile like its humanitarian aid in war zones, others unsung like the World Health Organisation from which the Trump Administration is threatening to withdraw; and the International Telecommunications Union

which sets the technical standards and regulatory framework for the global internet. Trashing the UN as a whole will damage the work of these valuable agencies.

Conclusion

Trump is unpredictable. That not only reflects his character, he also, like Nixon, sees it as a strategic strength, keeping both friends and foes guessing what he will do next. We should expect the unexpected.

Trump's re-election brings profound implications for Europe, including Britain. The comfortable position Europe has had since 1989, free-riding on America's defence guarantee, is coming to a rapid end.

America's attention is now focused on Asia, not Europe. Europeans have to stand up for themselves. And looked at objectively, who can criticise America for that?

The Starmer government will face some important choices.

Defence spending needs to rise sharply and we shall have to refocus our armed forces on our national defence. But it isn't clear where the money will come from or if indeed the Starmer Government is able to follow through on the logic of our strategic situation.

The politics of moving closer to the EU will be eased by Trump's re-election, but doing so will also mean that the space to strengthen the UK's relationship with the United States will narrow.

Part of our nature as Brits is we are at home on both sides of the Atlantic. We are European by geography, history and trade, we are part of the Anglo-sphere by culture, law and our approach to national security. Our future, like our past, will be a mixture of both.

Peter Mandelson – always ambitious for a new role, or two – has talked of us having our cake and eating it with the US and Europe. I was surprised, last month, to hear an official from the first Trump White House suggesting that the renewal in 2026 of the US Mexico Canada Free Trade Agreement might allow for its expansion to include the UK and Australia.

Unlikely, I know. In this unpredictable time, let's not rule things out. But in general, it is time for us to tighten our seatbelts and prepare for a rough ride.

Thank you very much.

Sir John Sawers GCMG
19th November 2024