Center for Strategic and International Studies

CSIS-TCU Schieffer Series

“Foreign Policy Issues Facing the Next Congress”

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H. ANDREW SCHWARTZ: Good evening, everyone. Good evening. Welcome to the Center for Strategic and International Studies. I’m Andrew Schwartz, our chief communications officer. I would say that winter is coming, but that’s become a political statement, so I won’t say that. (Laughter.) We have the greatest all-time CSIS all-star panel ever assembled. So I can see why everybody braved the cold and came out for this. I’d like to thank our amazing sponsor, the Stavros Niarchos Foundation, that makes this possible and has made this possible for almost a decade now, this amazing series. I’d like to thank our partners at, of course, TCU, the Schieffer College of Communication, for their amazing support over the years as well.

And with that, I’d like to give it to the ultimate horned frog, TCU’s own Bob Schieffer. (Cheers, applause.) And CSIS’s own Bob Schieffer.

BOB SCHIEFFER: You know, the great thing about doing a panel, this is not like on TV sometimes. These panels really are experts. Everybody – (laughter) – everybody is an expert in their own field. And we just thought it would be great to just kind of get this group together, some of CSIS’s best in their field, and get them to tell us what we think the election meant.

You know, there was talk of this blue wave, a Democratic sweep before the election, but by the end of election night the waters may have been a little bluer, Democrats took the House, but Republicans kept the Senate, but the waters were still fairly calm. But hat’s over a week ago. And as we know these days, things can change quickly. A week after this election, as the results continue to come in, it may not have been a tsunami, but obviously the surf was up. If trends continue, Democrats may flip more House seats than in any midterm election since 1974. And you will remember that was the midterm after Richard Nixon had just resigned.

Republicans toppled three Democratic senators, but Democrats won two Senate seats previously held by Republicans, on in Arizona of all places, and two are still yet to be decided. A hundred and thirteen million voters, the most in a half-century, turned out compared to 83 million in the last midterm election. Women ran and a record number, 100, are going to be to going to Washington. This is going to be a House with an entirely different face than we’ve seen before. And we talk about the women who are coming, it’s not just women. Look at some of the backgrounds of these women. Fighter pilots, military people, people who have made a success in business.

These are not going to be new members who are going to find their, quote, “place,” and sit there quietly. They’re going to be a presence. And they’re going – it’s going to be much different, and it’s going to be, I think, much better. Are there areas where progress is possible? I think there’s one thing we have to face up to on the face of it. You have to assume there’s going to be gridlock on many different issues. But there may be areas where there are places where progress can be made. And we’re going to try to explore that tonight.

This is an all-star panel. Heather Conley is our senior vice president for Europe, Eurasia, and the Arctic. She’s the author of the “Kremlin Playbook,” which I think explains Russia and what they’re up to better than any single publication I’ve read. She’s a veteran of the Bush State Department. She’s had various jobs in national security and so forth over the years. And you were – I didn’t know this until the other day, and I should know – you were once executive director of the American Red Cross.
HEATHER A. CONLEY: I worked for the National American Red Cross for the chairman’s board.

MR. SCHIEFFER: Yeah, you sure did.

Jon Alterman, CSIS senior vice president and director of our Middle East program. Is also a member – was – of the Bush State Department. Former professor at Harvard, where he received his Ph.D. Was later on the staff of the late Senator Daniel P. Moynihan. Sue Mi Terry joined CSIS last year as senior fellow for Korea after a distinguished career in intelligence, policymaking and academia. She also teaches now at Georgetown and is an analyst on NBC, which is an English language network here in the United States. (Laughter.)

Bill Reinsch is a former legislative aide to the late Senator John Heinz and Senator John B. Rockefeller. Was undersecretary of commerce for export in the Clinton administration. He is an expert on trade issues, of course.

And, finally, Louis Lauter, CSIS vice president for congressional and government affairs. Previously served in the Office of the Secretary of Defense, and the reason we’ve asked him here tonight is that he's part of the CSIS team with Kathleen Hicks and Colin McElhinny who put together a massive study on where they thought – and this is a study that's been going on for about a year, I think – where they thought this new Congress would be going. I mean, the question they were trying to answer is are we going to be a more isolationist country or are we going to be an internationalist country.

So, Louis, I want to just start with you and tell us a little bit about this study and also tell us what we all want to know: What did you conclude?

LOUIS LAUTER: Sure. Absolutely, Bob. Thank you, and things are happening here today. So about a year ago, the Smith Richardson Foundation funded a study to look – they asked us to look at the internationalism of Congress. This was after the 2016 election. There was a concern that or a thought that there was rising isolationism in the institution.

So what we endeavored to do was to look at the current Congress, look at the last 10 or so years in policy making in the institution, analyze the motivations of members in foreign policy, what drives members. Look, we came up with some recommendations on how to improve the institution. The centerpiece, though, was to develop a series of archetypes built around the current Congress. We looked at 50 members of Congress – bipartisan, bicameral.

We tried to make it as representative as possible, looking not only at foreign policy-focused members but members who were sitting on various committees in both the House and Senate. We looked at their statements. We looked at their speeches. We looked at their social media work. We asked questions on – about their positions on trade, on use of force, on foreign assistance, on security assistance, on alliances, on multilateralism. We gathered the data. We looked at where they clustered.

Then we went to as many of the offices we could. We talked to their staff, and we got these groups together and what we found were all three groups were bipartisan and two of the three groups were fairly internationalist.
So the first group, which is the largest group, we call order driven and order-driven members, which we – they were an emblem – we had emblematic members for each group. We had John McCain from Arizona – the late John McCain – and Steny Hoyer, who is the likely next House majority leader, as emblematic members there. They support American-led international liberal world order. They have a proclivity to support America – a use of force, strong supporters of the U.S. military, strong supporters of alliances.

The second group we call values-driven, emblematic by Senator Chris Murphy from Connecticut and Congresswoman Ann Wagner from Missouri. These values-driven members, their foreign policy perspectives were driven by an affiliation – association with values. It could be different kinds of values – human rights, religious values, or democracy promotion, for example. They were less supportive of use of force, strong supporters of multilateralism.

And the third group we call limits driven, which was the smallest group, and those were represented by Senator Manchin from West Virginia and Mo Brooks from Alabama. I wouldn't call them an isolationist group. That would be the common perception. There were a range of views. There are actually some pretty pro-trade members in that class or group. But they were concerned that we were overextended in terms of the use of our military and in foreign assistance.

You can look at the report and get more into the methodology. But the bottom line is we looked at this – the current Congress. We found the majority – actually, 45 out of the 50 are in those first two groups – fairly internationalist, though with different perspectives. They also are all bipartisan, split between Democrats and Republicans in each – in each group.

So what that tells us is that the institution is interested in engaging in the world and that foreign policy is inherently not a partisan issue. While there were partisan debates, it's not inherently a partisan issue. So, going forward, even in a divided environment, there's opportunity for Democrats and Republicans to work together.

MR. SCHIEFFER: All right. So what I want to ask all of you now is kind of in your universe or outside it, if you need to do that, tell us what you think are – is the greatest challenge facing American foreign policy today.

Heather, I’ll just start with you.

MS. CONLEY: Well, in my universe, sort of it’s different sides of the same coin. So absolutely, in my universe, Russia is the challenge. And we need a unified approach with our allies to manage that challenge because it’s a challenge that is designed to work internally to our countries as well as threaten our security – the INF Treaty, unclear whether we’re embarking on an arms race with Russia, their policies in Syria, what they’re doing, whether that’s, you know, using Novichok poisoning on a – on a NATO member, so that Russia challenge.

But I think what has become so clear to us over the last several days with President Trump’s visit to Paris, we are proactively trying to distance ourselves from our closest allies, whether that’s by imposing tariffs or getting into a war of words with them. And the more we distance ourselves from our allies, that is where our adversaries, that’s what they want. They want to isolate the U.S. We’re self-isolating. And for Mr. Putin, if he can separate us from Europe and then if he can start helping Europe, which is already in a very tumultuous period of tearing itself apart, he has to – Mr. Putin has to do very little, we’re doing this to ourselves.
So the last several days have been devastating for allied cohesiveness as we head into President Trump’s meeting with President Putin on the margins at the G-20 meeting and after the events in the Helsinki summit, we saw where Congress went into action with a lot of legislation that continued to sanction Russia very much based on the president’s meeting with President Putin in Helsinki as well as his performance at the NATO summit. So I would say both of those working together.

MR. SCHIEFFER: Jon?

JON B. ALTERMAN: I do think that the issue of how difficult it is to be an ally of the United States now is at the core. A lot of what we’re trying to do in the Middle East and trying to deter Iran or isolate Iran or everything else involves working with allies and our allies frankly have no idea where we’re going, they have no idea how to anticipate our actions and, therefore, how to help us if they want to be helpful. And this comes up when I talk to people in the Middle East, it comes up when I talk to Europeans about the Middle East where they have interests, when I talk to Asians about the Middle East. Our adversaries are certainly off balance, because I was in Moscow and China a week-and-a-half ago and they’re certainly off balance.

But what I find disconcerting is, when I was upstairs earlier today meeting some colleagues from Japan, they were perhaps even more confused than the Russians the Chinese. And I think when your closest allies are more confused than what your National Defense Strategy identifies as your most likely adversaries, it’s time to rethink the strategy.

MR. SCHIEFFER: I want to make sure, I want to understand I heard exactly what you said. You said our main challenge is that it is becoming more and more difficult to be an ally of the United States.

MR. ALTERMAN: And to me –

MR. SCHIEFFER: I mean, that’s a headline.

MR. ALTERMAN: To me, it’s manifested in our bilateral relationship with Canada, which is this spectacularly intimate, broad and deep relationship that involves people spanning the border and trade spanning the border, investment spanning the border and intelligence cooperation, law enforcement cooperating, all these things, and we’re having fights with Canada. And I don’t understand it. I just don’t.

I mean, every country in the world wishes it had a relationship like normal U.S.-Canadian relationship. And I can’t think of a single country that has as good a relationship as that relationship normally is.

MR. SCHIEFFER: Sue Mi?

SUE MI TERRY: Well, obviously, my world is North Korea and North Korea continues to pose a challenge for us. I don’t know if you’ve been following the news, but CSIS just released a report on Monday where we identified 13 out of 20 missile operating bases in North Korea that are undisclosed. And we went in deep on one side using commercial satellite analysis. And The New York Times ran a front-page story on this, calling it a great deception. And the president himself
tweeted about this yesterday saying we don’t actually have a problem with North Korea, I would tell you all about it if we do, I would be the first person to tell you. So we have –

MR. SCHIEFFER: This is kind of a version of are you going to believe me or your lying eyes, right? (Laughter.)

MS. TERRY: Right, and he called it fake news New York Times piece, or fake news.

But the issue is this is a problem when we – in the aftermath of the Singapore Declaration because what that produced was a very vague aspirational statement that – there was no agreement of any kind with North Korea. So we still have the same challenges and same constraints that we’ve had with North Korea. We still don’t have an agreement on the definition of denuclearization. We don’t have an agreement on sequencing. The North Koreans are saying, look, in the Singapore Declaration we said, number one, we were trying to end a hostile relationship. Number two, we’re trying to normalize relations. Number three, only if then we’ll work towards denuclearization of the Korean Peninsula.

So North Koreans are saying, look at the sequence. You need to give us a peace declaration, you need to give us relaxation of sanctions to show us that you don’t want hostile relationship, we’re normalizing relationship before we can move towards denuclearization.

What we are saying is, no, you have to show us concrete denuclearization steps like declaration of their nuclear missile inventory and their facilities. So we’re stopped; we’re at an impasse. We are supposed to have a second summit with – between President Trump and Kim. We’re not sure if we can, how are we going to overcome this, and part of our effort on disclosing these missile sites is we’re saying, hey, North Korea, you all keep saying that declaration – giving us, United States, a declaration is such a big deal for you because North Koreans are saying we are basically giving our target list if you give a declaration. What we are saying is, look, just using commercial satellite alone, we are able to identify all these missile bases and look, you know, with this really excellent analysis, and intelligence community knows a lot more. So if we’re going to get to the next step of getting declaration from North Korea, they better step up and give us a decent declaration. No one actually thinks they are going to give us a complete declaration, but let’s start with a decent declaration of their stuff.

MR. SCHIEFFER: And Bill – I’m going to skip over you, Louis, but Bill, you’re our trade guy, so what do you see here?

WILLIAM ALAN REINSCH: Well, in the trade world clearly the biggest challenge is China, and I think there is a widespread view, which has bipartisan support in the Congress, that the president’s diagnosis of the problem is correct. Forced technology transfer, subsidies, intellectual property theft, discrimination against foreign companies operating in China – there’s a feeling that that’s a correct diagnosis; that it’s – the problems are serious, and they are harmful to our national security and also to our economic competitiveness.

The debate is over the prescription. There is a good number of people that feel that the president’s prescription, which is tariffs, it will – is both ineffective and produces a lot of collateral damage. Between the tariffs themselves and the Chinese retaliation there’s a lot of people, particularly in the Midwest and the farmers that are being hard hit by this. So there’s this debate over the prescription.
One of the things that is missing so far relates to exactly something that Jon said. People that have watched China for a long time think that the most effective way to deal with a challenge like this is collectively.

MR. SCHIEFFER: Is what?

MR. REINSCH: Collectively. If you can get a coalition, if you can build a coalition and get everybody saying the same thing at the same time at senior levels, you can have an impact. The Obama administration did that several times and had some success. Nothing is perfect, but they were able to get the Chinese to back down in a number of areas, and that gets back to the question of allies and coalition building. And this is an area, anyway, where we’ve not seen much of an effort to build coalitions and where I think our allies are actually open to it because they perceive the same problem in the same way – particularly Europe – but they see no real effort to try to bring them in and create a united front.

MR. SCHIEFFER: Well, let me just follow up on that. The Trans-Pacific Partnership – everybody was a part of that, and then we pull out. Do you think we have helped our security by doing that?

MR. REINSCH: No, it was – I think it will go down in history as one of the biggest mistakes that the administration made. It was a – it was never just about trade; it was about the U.S. presence in the Pacific. It was about reaffirming our intention to stay there and effectively be a counterweight to China in the region, which is what the smaller countries there would like to have happen. And not only did we pull out, but we replaced it with nothing, so we don’t really have an alternative strategy.

But the other piece, which relates also to the negotiation with Europe, which is – we haven’t pulled out of it, but it’s sort of on life support right now – is what that was also about was building a rules-based trading organization that ultimately China would want to be able to access because it would be a large market in TPP, an even larger market with Europe. The largest middle-class consumer market in the world would be us and Europe. If we could build those with rules and standards to which the Chinese would need to adhere if they want to access the market, then we can solve the problems that we’re talking about. And so we really passed up multiple opportunities by pulling out of TPP.

MR. SCHIEFFER: On the other side of the world, Heather, we pulled out of the Iran deal. I never thought it was all that great, but I always thought it was better than the alternative, and that would be nothing – doing nothing. Where are we now on that? And has our security been enhanced by pulling out of – what do you think the impact of that was, and what do you think is going to happen on that front in the future?

MS. CONLEY: Well, I’m going to share this – I’m going to share this answer with Jon. I’m going to – from the European perspective, again, it’s exactly the same theme we’ve just all talked about. It’s alliance unity to get major U.S. national security objectives accomplished. So what – when President Macron was here in April, during the state visit, when the relationship was, I think, still very powerful, President Macron basically said: Look, Mr. Trump, if you stay within the Iran nuclear agreement, I think I can help build broader consensus that we will then work and build a consensus and an international coalition against Iran’s ballistic missiles and against their malign regional behavior. But let’s keep the core of the verification and the nuclear agreement, and then let’s work together to build out.
But that deal was on offer only if we stayed in. When the president made the determination to withdraw, then we lost what we could gain out of the agreement, but we also lost our allies – the United Kingdom, France and Germany – who were a part of the P5+1 talks. They said very clearly: We’re going to continue to go forward with this. We’re going to try to convince the Iranians to stay in their part of the agreement. We now have a place where the U.S. has re-imposed sanctions. They have made exceptions to three European countries – Turkey, Italy and Greece – but not the EU. And then European companies had to make a decision whether they were going to go towards the U.S. market, which is so much larger than the Iran market. And now the Europeans are creating different vehicles to help avoid U.S. sanctions.

So, again, we have – we have just not followed our objectives – to maintain maximum pressure on Iran, to get them back into a better place of behavior, international norms. Our allies are not with us. We don’t have stronger tools to bring the Iranians back into compliance. So, again, it’s to Bill’s point of you can knock the blocks down, but you have to rebuild them. You have to then – what’s your plan? And we don’t seem to have what’s next.

And then I’ll turn the Iran part over to Jon. (Laughs.)

MR. ALTERMAN: I mean, first we didn’t withdraw from the deal. We ceased to abide by the deal. The deal didn’t have any provision to withdraw. We just stopped upholding our obligations. My read of our Middle Eastern allies is they wanted constraints on Iran and they wanted to be able to whine about it. But they were happier with an Iran that was constrained than an Iran that’s unconstrained. Arguably, what they have now is combination of greater U.S. pressure on Iran, and the Europeans and the Chinese and the Russians upholding the deal. So in some ways right now they have the best of both worlds.

The most important thing, from their perspective, is they have the United States focused on increasing pressure on Iran. For now, it’s working as the administration would hope. The Iranian economy is under strain. European companies and Russian companies, for that matter, are very reluctant to invest in Iran under the current circumstances. Where this goes is unclear. The damage that’s done over a longer term to people that said, I thought we were partners. I thought we were working together. Not so much in the Middle East, where the most important thing is feeling the U.S. really has your back. And putting pressure on the Iranians makes the Emirates and the Saudis, and the Israelis feel the U.S. really has their back. But other allies in Asia and elsewhere don’t really feel that.

And to me, the question is partly Iran, but it’s also how do you deal with issues of Chinese behavior when your allies aren’t on board with you? How do you deal with issues of Russian behavior? There’s so much of this gray zone kind of behavior that’s not exactly a casus belli, but is clearly aggressive, clearly undermines U.S. interests. And you do need to not only win the confrontation, you need to win the contestation that’s going on. TPP was part of that. And it feels to me like we’re walking away from that part of the game, the 10-year or 20-year part of the game.

And what really surprises me and I think would surprise you, I feel the Chinese are fairly optimistic about what the future will bring. The Chinese feel China will rise. I think the Russians are actually pessimistic, China disrupts things, but I think they generally have a sense they’re on a downward trajectory.
I think for the United States to go from a traditional optimistic view to a pessimistic view is a departure from our national character.

MR. SCHIEFFER: I think – and I think that is a difference. I mean, I think we – Sue Mi, are our traditional allies in the Pacific, are they as nervous as Heather says our European allies are about the United States? Do they take literally that the treaty obligations that we have, that an attack on them is an attack on us, do we really – do they really think that we’ll follow through on that?

MS. TERRY: I think – I think they’re nervous. And the reason why, for example, the Japanese are pushing against President Trump even agreeing to a peace declaration with North Korea or giving into a peace treaty with North Korea, it’s not only because of North Korea, but because of President Trump himself. Because before he was even elected, he continually questioned alliance commitments. He always talked about U.S. forces in Korea, U.S. forces in Japan, why are they so costly, so expensive?

When President Trump cancelled a U.S.-South Korea joint military exercise – this was right after the Singapore summit – without telling the South Koreans about it, unilaterally cancelled it, he called those exercises expensive, costly, provocative, all the words that North Koreans use. So I think there is anxiety there that the commitment is not the same or that he could agree to it, particularly with North Korea. And this is why the North Koreans have been pushing to have the second summit with Trump because they believe that they can get the best deal out of the president.

And there is a concern that he could either make a deal on just the intercontinental ballistic missile that does not protect Japan and South Korea or agree to something like a peace treaty that would unravel the alliance commitments.

MR. SCHIEFFER: Louis, you’ve been spending a lot of time now thinking about the Congress and what it’s going to do. Do you – where do you see or do you see any areas where there might be some sort of bipartisan cooperation here?

MR. LAUTER: Well, sure, and I think – I think there are many areas. So just to sort of build off of this idea of American identity and American leadership, you know, the study we did, which looks at the current Congress, the largest group was this order-driven group that has a belief in this foundational idea of American-led institutions.

If you look at this incoming class and the last two incoming classes, there’s a cohort of members with significant national security experience. We’re tracking 25 or so in this class, for both parties, military experience, as you mentioned, working senior national security, international trade positions. Over the last couple of cycles, there have also been a few of these, members like Michael Gallagher or Todd Young, Joaquin Castro, Seth Moulton. Those members are pragmatic, you know, their experience allows them to work across the aisle because they are confident, experienced professionals. They also have been trained in American history and have that deep understanding of our – of what the liberal or national world order looks like. So that’s why I believe there are these other forces out there, but there is still that foundational base; larger political pressures affect it. There’s that component.

The other component is the threat perceptions, they’re pretty bipartisan. If you look at China, you look at Russia, you look at North Korea, you look at Iran, the threat perceptions are pretty bipartisan. The solution set, not always so. I mean, there’s obviously a partisan divide over Iran
because of the JCPOA, on the solution set on China, you have some debate on North Korea, you have an evolving polarization, but there’s still that foundational understanding and that means there’s an opportunity to work together on some of those issues.

I think the issue where there’s going to be the most bipartisan work, including cooperation with the executive branch, will be on China, the challenges that are facing the country in terms of competition with China, because it cuts across so many spheres and it’s becoming a larger domestic political issue.

MR. SCHIEFFER: And, Bill, on trade, talk a little bit about North-South trade and –

MR. REINSCH: About what?

MR. SCHIEFFER: About North-South trade, what we used to call NAFTA, which the president has given a different name. Is this a different arrangement that he’s lined out here or is it simply we’ve changed, put a new name on an old –

MR. REINSCH: Well, it’s more than a name change. But it’s got a lot of similarities. I think that, in a way, in a long-term respect, the most important thing that happened was there was a lot of upgrades.

MR. SCHIEFFER: A lot of what?

MR. REINSCH: Upgrades. This is an agreement that was 24 years old. There was no chapter on digital trade for example. The intellectual property chapter was outdated. They didn’t have much on state-owned enterprises, which is a big issue with China. And building disciplines and rules in for these new things is a very smart thing that they did. That was largely below the radar because it wasn’t controversial, all three countries wanted to do it, all three business communities wanted to get it done and it all happened.

The controversy was associated with some demands by the U.S. administration that the other countries couldn’t accept. Most of those went away. Some of them were compromised in a way that, you know, left everybody in a state of sullen acquiescence, which is probably the best you can hope for on a trade agreement.

The part that we will – that got most of the time and most of the attention is what they did about autos. And here, it was very revealing about what the administration’s policy was, because the administration’s policy is to bring production back onshore. And the message to American companies was alter your supply chains to have more American production, more American manufacturing, more American jobs. The message to American companies was don’t invest there, invest here. And they’ve tried to develop new rules that will – that will force that development.

You’re going to see that in future agreements as well and that’s going to be controversial because what you’re telling companies is drop the efficient supply chains that you’ve developed and develop new ones that are probably going to be less efficient and is going to – and costly. Because you’ve got to change everything, you’ve also got all these contracts in existence now. So it’s – there’s a transition problem that’s expensive. And then you end up with a less-optimal outcome.
And, you know, five or 10 years from now, I think people in the auto industry will tell you we will be a less globally competitive industry than we are now, that moving production back here, it may create some jobs in this country, but what it ends up doing is producing a U.S. auto industry that is not in as good a position to compete in the world as the Japanese and the Europeans.

MR. SCHIEFFER: Now, will the new Congress – what do you think their attitude is going to be on these things?

MR. REINSCH: Ah, a lot of debate about that. I’m a bit of an optimist about that, but I think this is how it will play out. The Democrats, of course, will be critical because that’s what they do. And they’ll say not good enough. And within the terms of the agreement, they’ll focus on labor standards because the AFL-CIO is an important part of their constituency, and they’ll say to Ambassador Lighthizer go back to Mexico and do better on labor, which I think can be done. There’s more to be gotten and there will be a new Mexican president that may be more willing to do that. So I think that’s possible.

If that were the only issue and Ambassador Lighthizer comes back with an improved version, then the Democrats can say, hey, we made you fix it, it wasn’t any good before, now it’s better so a lot of us can vote for it. The Republicans will vote for it. The pro-trade Republicans will vote for it because it’s an agreement. The antitrade Republicans will vote for it because Trump says it’s OK to vote for it, you know, he gives them cover. Nobody is going to be more protectionist than Donald Trump.

The wild card – and there are several – but the main wild card is that – and it doesn’t have anything to do with trade – when you’re in this political situation – and the others can comment on this – when your party does not control the White House, but it does control part of the Congress, the temptation to hold issues for ransom is enormous. A must bill comes up, a presidential priority comes up – this is one of them – and the Democrats are having to think, what can we get for this, what can we make him pay in order to pass it? And it won’t be just about labor provisions in the agreement, it’ll be about some other policy priority yet to be determined.

And then we will have a lot of drama and a lot of arguing because there’s a tendency for any party in opposition to overplay its hand, ask for too much, and then there's a president who may very well call their bluff. And the one problem here is, you know, the worst-case scenario in this whole thing is that we end up with nothing – that the president decides to withdraw from current NAFTA and then the Congress defeats the new NAFTA and then we have zero. That's a situation that nobody wants to have and neither party wants to take the blame for it, which is why I think in the end I'm optimistic they can work their way through all of this but there's going to be a lot of drama along the way. It'll be fun to watch.

MR. SCHIEFFER: So what is not fun to watch is what's happening down along the border. I think all of us have – want that to work out. We all know we can't have just open borders. But somebody tell me what needs to happen down there. How do we need to work our way out of this situation where we are now? Volunteers? (Laughter.)

MR. REINSCH: Well, what we have failed to do consistently is to develop a national immigration policy and there is deep division between the parties and I think within the Republican Party on the subject and certainly a lot of division between the president and many members of Congress over that. There was a genuine effort. President George W. Bush took an important step in
that direction but he couldn't get it through his own party. There have been bipartisan groups, particularly in the Senate, who have attempted to do that and, you know, they've gotten close but not across the finish line.

I think until we do that – until we can do that and create a policy and build kind of a consensus behind it, it's hard to see a resolution from what we've got now.

MS. CONLEY: I have to say, from watching Europe struggle with migration, and we issued a report that looked at how Europe had changed its own decisions about development assistance and border security and things like that, what is clear is that countries must confidently manage their borders. It's not an open or a closed issue.

We have to know and seek the skilled labor that we need but we have to manage them effectively, and what's been coming clear is that the political – the politics of migration are so much more powerful than the reality of the migration and what I've seen over the last several years – and this is very much I think what's happening here in the U.S. – it's using the politics of this to drive fear, to make people – again, when you look at the numbers, again, in Europe for those that are using these fear tactics, they don't have migration coming into it but they have been – their political leaders have been making their fellow citizens believe that the hordes are coming – that their way of life will come to an end.

So the demagoguery of this issue, the politics of this issue, overwhelms the actual facts on the ground in that reality and it's very hard once you open that Pandora's Box, and now we're seeing this express itself not only in anti-Muslim sentiment, anti-Semitic sentiment, that it's the fear of the other. So this so-called new nationalism that we're seeing is just a legitimization of a lot of the old fears – fears of others – and it's now being used by charismatic leaders to completely change institutions and public opinion.

So my caution here is this is dangerous. It could be very, very dangerous to societies and it's very hard to contain once you legitimize it that violence once it comes forward and I think that's what we've seen very much within Europe and in the U.S. today.

MR. SCHIEFFER: Louis, you wanted to – then Jon.

MR. LAUTER: Yeah. I just wanted to add I agree, and that the polarization of this issue is going to deepen, you know, over the next year. And certainly no matter what happens in this midterm with the border wall funding – sorry, in the lame duck with the border wall funding, et cetera, issues are going to fall into the new Congress.

One to keep an eye on is the deployment of our forces to the border. You now have Democrats running the Armed Services Committee. I'm sure a focus will be to look at what that means in terms of the way the military is used and politicization of our armed forces. So this is, obviously, a large issue but it's getting more complicated and even deeper in complexity and challenge.

MR. SCHIEFFER: And, you know, that – one thing – we have to keep our eye on the lame duck Congress. Lame duck Congresses are notorious for committing mischief and what do we need to be on the lookout for over the next – before the end of the year?
MR. LAUTER: Well, I think the central issue is the budget and getting the appropriations process through. And it’s a little uncertain around, you know, the administration’s primary focus is the building of that border wall. And so that is going to be where the rubber meets the road. You know, you have a combination of members who want to make mischief and members who want to get out of town. (Laughter.) So it is – you know, it is a fairly unpredictable piece. But as long as – as quickly as they get the appropriations process through or get an omnibus through, they’re probably going to – going to get out as quickly as they can.

The new issue that I saw today, which is not related to our space, is judicial appointments. Jeff Flake, you know, there’s debate over the Mueller investigation and whether or not the Senate or the Congress should pass legislation to, you know, secure his place. And Senator Flake, as a lame duck member, said he would oppose judicial nominees unless the legislation that he had co-sponsored with Chris Coons came through. So you’re already seeing some of that independent behavior from members on their way out.

MR. ALTERMAN: I mean, the other piece to keep in mind, the president feels that one of his chief assets is an ability to keep everybody else off balance, and to change the subject, and to introduce new things. And, you know, when you talk about what Congress can do, when you talk about an actual policy toward immigration, the president is much more opportunistic. He’s much more of a counterpuncher. I think it becomes a challenge to come up with traditional – to build traditional solutions, which require sustained attention when the president is looking for angles. I mean, maybe it’s like an investor to see a way to make a gain here, to make a gain there.

And I’m not sure that Congress has figure out, and I don’t think Congress will figure out, how to either work with the president or work against the president. It feels like the president is the one who isn’t so much calling the shots but retains this immense power to change the conversation at will, and to the confoundment of many Americans, does so often several times a day.

MR. SCHIEFFER: Well, Glenn Thrush, who was with The New York Times, still is, said to me one time, we talk about the 24/7 news cycle. But he said, you know, in Donald Trump’s mind, it’s a one-hour news cycle. What he says in the first 15 minutes may have no – you cannot predict what he will say in the second 15 minutes, and it may have had nothing to do with even what he said in the previous 15 minutes. And it’s a metaphor, but I think there’s something to that.

MR. ALTERMAN: Which isn’t at all to say that the administration doesn’t have serious things that it’s doing and serious accomplishments. And I think – you know, I think we’re in danger of overlooking the things that have gone right. And I think –

MR. SCHIEFFER: What would you say – what would list as?

MR. ALTERMAN: I think one thing is just people not taking the U.S. position for granted, people thinking about what they want. I think in many ways the world would be more receptive to playing a more active role in the future because they don’t take the United States for granted anymore. We have put the Chinese on notice on some of the trade issues in a way that certainly creates opportunities for gains in trade. I think that there are – and we haven’t harvested all the bad things that people predicted might happen. The JCPOA hasn’t fallen apart. The Iranians haven’t kicked up a lot of terrorism and they haven’t done a lot of things people thought – and people thought Iran would walk away from the deal, and it hasn’t.
So the problem is when you’re trying to do something constructive and build, and build a consensus, and do something in a bipartisan way, and the president ends up being an obstacle to that. But it seems to me that there are also people in the administration who under the cover of that are moving forward on judicial issues, on—I think there are people pushing forward on Iran issues, irrespective of the discrete decisions the president makes. They said, I have air cover to push this, and they’re pushing it along.

MR. SCHIEFFER: Do you think it was a good idea to move the—recognize Jerusalem as the capital of Israel?

MR. ALTERMAN: I don’t know what we got for it. I think if we do something like that, we should get something for it. And certainly the blowback wasn’t what people anticipated. It wasn’t what I anticipated. But I don’t know where that leaves us going forward, because we’ve given up an important card. We’ve taken the consulate general, which had been an independent diplomatic post reporting directly to the State Department. It now goes through the embassy now in Jerusalem, with an ambassador whose biases—whose favoritism towards not only one side in this dispute but a partisan side in this dispute is very well known. And I’m not at all confident that in the long term that serves a lot of U.S. national interests.

MR. SCHIEFFER: All right. We want to go to some questions from those of you out in the audience. But while you’re thinking of your questions, Heather, talk a little bit about Russia. We haven’t talked about that very much and that’s something you really know a lot about.

MS. CONLEY: (Laughs.) Well, as I said, I think we’ve really been in this extraordinary holding pattern. After the Helsinki summit, we don’t know where we are. I mean, it’s very similar to what Sue Mi was saying. You have these incredibly high-profile meetings, but then, what? What happens? What goes on? What’s the policy? In fact, you know, members of Congress feel as if they didn’t even find out from the administration what the president exchanged with President Putin in Helsinki, and now we’re going to go back into that cycle again.

For me, I think the big for Congress will be the question of sort of the future of arms control. If the U.S. decides to formally withdraw from the INF Treaty, the question will be on where the status of the New START treaty is. It needs to be extended, if we wish to extend it, by 2021. We’ve had material violations by Russia of that treaty for many years, dating back to the Obama administration onward. So this is an incredible complex set of issues. We need a policy. We need to have a whole of government policy. And we simply don’t have that.

But what we are doing is ratcheting up tensions. NATO just completed on Sunday the largest military exercise it has done since 1991. Russia was—you know, shut down basically GPS for northern Norway and northern Finland. That puts civilians at risk for air traffic control and things like that. We are ratcheting this up. And we don’t have a path forward. Clearly the Mueller investigation will be a very important window in to the transparency of this.

MR. SCHIEFFER: I’m glad you brought that up.

MS. CONLEY: And as I said, we’re waiting to see. There’s big pieces of legislation to punish Russia more severely following the Helsinki summit. It’s unclear what that legislation would do. But I never thought in my professional experience that members of Congress would feel the need to legislate to prevent the president from withdrawing the United States from NATO. But that is in legislative text,
to try to prevent that eventuality from happening. So, you know, where we go from here I think we will all watch on the margins of the Buenos Aires bilateral meeting, both with President Xi, which I’m sure our Asian-watchers are going to be following very closely, and with President Putin.

But we simply don’t know what the president will say, won’t say, will promise. And then it feels like the rest of the Cabinet has to come underneath that and, OK, what happened? What is the process? What was said? We’ve just never had not that sense of transparency about what the president said. In fact, I was struck over the weekend finding out that the president talked to Theresa May over the weekend. The White House simply didn’t report that. So it’s hard to know how leaders are exchanging and what they are saying. The lack of transparency is quite extraordinary. But if Mr. Mueller’s investigation proceeds, I have a feeling we will find a lot more about the level of interference in the 2016 election. And then hopefully that is – that will prepare us for preparing the 2020 election.

MR. SCHIEFFER: And we – and the other thing we do not know is whether the president will try to stop the Mueller investigation.

MS. CONLEY: Exactly. Exactly.

MR. SCHIEFFER: And I’m going to guess, off the top – well, I’m not going to guess. (Laughter.) I don’t think anybody –

MS. CONLEY: You never win it. (Laughs.)

MR. SCHIEFFER: Yeah. I don’t think anybody really knows.

OK. Well, let’s go –

MR. ALTERMAN: And it’s remarkable that two years into the administration we still have debates about whether the president’s tweets represent policy or not. We still don’t know.


Q: Augusta Salzona (ph), globalistic nationalist.

I’m going to ask the first question here. First heard it here, the – let’s use in terms of foreign policy, the new N-word, and that is “nationalism.” I’d like to hear from any of you up there who feels you’re qualified or at least have a strong enough opinion or a passionate opinion regarding the effect of nationalism, whether it be globally speaking or here in the U.S., the effect on the 2020 elections and possible future foreign policy initiatives coming out of the current administration.

MR. SCHIEFFER: I think it’s an excellent question. Who’d like to – who’d like to address that – nationalism?

MR. ALTERMAN: Look, I think every government has a responsibility to its citizens. To my mind, one of the great innovations of the U.S. government in the 20th century was finding ways to get the world and certainly other governments to accept U.S. primacy because we didn’t take everything we could have gotten and we were able to give other people a share in our prosperity, that we would create, in a sense, genuinely, that this created a win-win world, not just for governments, but for billions of people around the world.
To my mind, those kinds of international institutions are not abdication of American strength, they are not an abdication of American power. I think they enhance American power. And I think to treat the world as if we were China, everything is a bilateral negotiation with a weaker government, to my mind, doesn’t serve the citizens of the United States. So I think you can both be a firm nationalist and patriot and support U.S. not only adherence to, but broad support of international organizations, not only because they keep us out of war, not only because they help develop prosperous trade relationships, but because they create an acquiescence to American power, which enhances the lives of 330 (million) Americans.

MR. SCHIEFFER: Heather, do you think that’s how the president interprets the word “nationalism” when he uses it?

MS. CONLEY: Well, I think he’s still stinging a little bit from President Macron’s lecture about the difference between patriotism and nationalism. And I think to your point, there is a positive nationalism. It is – it is a hopeful nationalism, it gets back to Jon’s point of being a hopeful country, that we stand for something better and greater than ourselves, that by working together this is the positive vision of America, the good guy.

And so it is very difficult because that is both our sense of self and what others – some – perceive of us, that we now have a vision from our leader that that nationalism is very self-centered, it’s very self-focused: We take first and others are just trying to drain us or rip us off or reduce us. It’s a different perspective.

My concern about the rise of nationalism as I particularly watch it in Europe, this nationalism is based on fear of and hatred of the other, and that “other” category group is very wide and very broad. And that’s not what our American experience stands for.

My other concern is politicians can play with this nationalism and then you can lose control of it. And that’s what I’m also witnessing in Central Europe. You can use it for getting everyone geared up and get out there and vote, and then you cannot control it once it is used. So this is what – leadership is the most – you know, we have to take these responsibilities so dearly.

And so there’s a positive nationalism. We have to return to that positive nationalism, and it certainly doesn’t mean we hate another.


Q: Yes. My name is – (off mic) –

MS. CONLEY: Oh, we’re getting one.

Q: – and I come here from – (comes on mic) – I’m a contractual language instructor at the Foreign Service Institute. I know that you had a longstanding affiliation with the Department of State.

I have a twofold question. The first part stems from an esteemed colleague whose name I don’t know –

MR. SCHIEFFER: Hold the mic up close.
Q: – regarding nationalism. We are looking at Russia and Eastern Europe. There is something that is relatively consistent and quite predictable. Putin has been solidifying the base by finding, by identifying an external enemy, the bogeyman, and at times it’s the Chechens, and at times it’s the mysteriously exploding apartment buildings all over Russia, all of a sudden. And then at another time it would be the Georgians, and then at another time, it’s the Ukrainians, and by the way, I came with my good friend who is Ukrainian, and we work in the same office at FSI.

So my question is should we with certainty predict that the next target is going to be in Central Asia?

MS. CONLEY: Oh, thank you. It’s very difficult to predict where or if and when Russia will take further steps. I tend to believe it will most likely be in the Western Balkans, simply because whether that’s – whether Macedonia is able to change its constitution and the Greek parliament approves it, the Republic of North Macedonia will be the next NATO member, that I think President Putin needs to just halt any further movement of European nations towards the West, so I tend to think that’s a timeline that we see where Russia would try to prevent that from happening.

In Central Asia, I just don’t believe it would provide him with the necessary – with internal dynamic or external response that he potentially would seek. So I tend to think this is going to be more either in the Western Balkans, perhaps more friction in the Middle East, in Syria, Libya, potentially, and then more friction with NATO. I think this arms control issue, which brings Russia very much in parallel with the U.S. – it brings back those good old days when it just was the two of our nations, and we could make these decisions – I think to use that to elevate Russia a bit more. So we don’t know – that’s my guess. I wouldn’t think Central Asia right off the bat, but we have no idea.

MR. SCHIEFFER: I’m sorry, we have time for one more question. Here’s a fellow over here. We’ll get to this side of the –

Q: Thank you.

MR. SCHIEFFER: Tell us who you are.

Q: Thanks. I’m surrounded by some TCU students, by the way.

MS. CONLEY: Oh, there you go, TCU. (Laughter.)

MR. SCHIEFFER: Oh, TCU. All right.

Q: My name is Mahmoud Terifa (ph). I’m a poor freelance writer.

Some mentioned Israel earlier, and I’m just looking at the Israeli media, and they are mentioning the new congresswoman, Ilhan Omar, who is apparently the first pro-BDS congressperson. So I’m wondering, in light of that – also in light of the sort of emboldened far right in this country, especially with the anti-Semitic violence for the past couple of weeks – how do you see the new Congress with sort of strong opinions on, I suppose, both sides – at least both extremes on the sides – on both sides – how this new Congress is going to deal with the Israeli relationship and sort of the Middle East generally?
MS. CONLEY: You may have to repeat the question.

MR. ALTERMAN: I don’t think the BDS movement has much resonance in Congress – this is boycott, divestment and sanctions of Israel. I think any fair judgment would say that, however you judge Israel’s offenses, compared to a lot of other countries in the world it’s hard to argue that Israel is at the absolute top of the list of offending countries. I mean, we have hundreds of thousands of Uighurs in concentration camps, and it goes on and on. You know, we can talk about Russia, we can talk about a lot of countries. I don’t think that – I think Congress is going to maintain its general support for Israel for quite some time to come.

Where I think Congress is – and I don’t think Congress is going to defend Iran and the Iran nuclear deal. I think Congress was always a little bit skeptical of the JCPOA, and there’s no constituency for Iran in the United States.

Where I think the Congress is likely to depart a little bit is, I think, the attitude toward Saudi Arabia is likely to turn sharper. There are any number of reasons why Americans in different areas and different groups feel hostility to Saudi Arabia, whether it’s people who still believe the Saudi government was behind 9/11, to people who are nauseated by the suffering that’s happening in Yemen, to people who are appalled by the absence of religious freedom in Saudi Arabia, to people who are hostile to the treatment of women in Saudi Arabia – on and on and on, right? I mean, you have lots of different interest groups.

I think the murder of Jamal Khashoggi and the initial refusal to acknowledge what had happened I think has catalyzed a certain amount of opinion in Congress which I think you will see both in the lame duck and early in the next year. And it’s going to be a way for Democrats to criticize the administration in general, to criticize the relationship of Mohammed bin Salman, the crown prince of Saudi Arabia, with Jared Kushner. It’s embarrassing for the White House. I think the president’s comment that, well, we’re going to do this to maintain a 110 billion (dollar) arms deal – which isn’t really a 110 (billion) dollar arms deal – 110-billion-dollar arms deal – I think, to my mind, this is going to be a theme, at least through the summer, that Congress is going to say, well, here’s something in the Middle East that really we can all come together at; it’s a common-denominator issue. And to my mind that’s going to be the likely Middle East place that will get attention in the spring.

MR. SCHIEFFER: Well, thank you all very much. On behalf of CSIS and TCU, we really appreciate you coming. There is one thing I know how to do; I know how to get off on time. (Laughter.) So thanks for being here. (Applause.)

(END)