The New US National Security Strategy

Yigit Engin, Alvaro Ortiz

21 December 2017

The White House revealed this week the new *National Security Strategy (NSS)* document, which traditionally highlights national security hot spots and the aim of Washington, DC in the geopolitical arena. The latest NSS document was publish in 2015 during the Obama administration. The new NSS is longer than the previous one (68 pages versus 35 pages). There are also noteworthy differences between Trump's strategy and the Obama administration's vision. Besides, President Trump's speech while presenting the NSS document differs from the document on some points. Hence, uncertanites regarding how the White House would implement the US foreign policy remain alive.

Trump's Administration Different View on National Security Strategy

There are six takeaways from the new NSS document also well differentiated from the Obama's Administration:

- The Trump administration ruled out "Climate Change" as a threat to US. In the Obama era, the climate change had been defined as an urgent threat to US national security, the new NSS underlines the anti-growth old energy agenda. Although it indicates that there should be a balance between energy security and environmental protection it rules out burdensome regulations. Indeed, Trump announced his intention to withdraw from Paris Agreement aiming to curb CO₂ emissions.
- The end of Free Trade as we knew it. President Trump's new strategy paper remarks the complaints about unfair international trade that distorts US economic interests. Here the priority is enhance the opportunities for the US companies or a pure "business diplomacy". While the former administration highlighted that "All countries will benefit when we open markets further" the new one remarks the limits to expand free trade and remaiisn conservative in "free trade" issues. In addition, the US promises to pursue enforcement actions against countries that acquire unfair advantage in trade.
- Democracy promotion no longer prevails. Thus, the traditional "Soft Power" of the USA will be limited and extending business influence goes to the forefront. "We are not going to impose our values on others", the new NSS points. The NSS demands a modernization of finance tools "so that U.S. companies have incentives to capitalize on opportunities in developing countries". Thus, "the U.S. will not left behind as other states use investment and project finance to extend their influence." This contrasts with the Obama's NSS where promoting democracies and liberty was highlighted. "We will continue to push reforms in authoritarian countries not currently undergoing wholesale transitions", 2015 document mentioned.
- Sovereignty gains relevance rather than a transparent international order. While the 2015 document depicted that the National Security Strategy should "affirms American leadership role within a rules-based international order ... empowered citizens, responsible states, and effective regional and international organizations", the Trump NSS document remarks "A world of strong, sovereign, and independent nations, each with its own culture and dreams, thriving side-by-side in prosperity, freedom and peace throughout the upcoming year". A more Realpolitik and pragmatic approach.
- The Jihadist terror organizations, Iran and North Korea are listed as the key sources of insecurity in the new strategy. Russia is defined as a country distorting European solidarity and using subversive measures to weaken the credibility of American commitment to Europe, while China uses "unfair trade practices" to gain strategic posture in Europe. Both Russia and China are conseidered "rival powers" rather than "opportunities for cooperation" as in the previous strategy.
- The US remains committed to Article V of NATO (an attack to an ally shall be considered as an attack to all members), which is the cornerstone of the Alliance) but at a cost: "countries that are immensely wealthy should reimburse the U.S. for the cost of defending them". Althouh already considered by the Obama Administration, President Trump reamarked as "A major departure from the past, but a fair and necessary one".

In sum, a well diferenced strategy. A more assertive one, focusing on rivalry and defence rather than opportunites. Remarking the "American First" but limiting the US soft power notably.

DISCLAIMER

This document has been prepared by BBVA Research Department, it is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance.

This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

In regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions in the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. It is forbidden its reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process, except in cases where it is legally permitted or expressly authorized by BBVA.