

## The card table turned upside down: the first 6.8% of the Donald Trump Presidency

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### Theme

The first 100 days of the Trump Presidency have come to an end.

### Summary

Donald Trump's first 100 days as President have been full of high drama and controversy. While the President has attempted to push a number of his campaign proposals onto the domestic agenda, so far there has been no major legislation passed. His most high-profile executive orders are currently blocked in the courts. His Administration's tone on trade policy has dramatically moderated, and while the rhetoric on foreign policy bounces back and forth between 'Jacksonian' and 'neorealist', actual diplomacy has played the good cop, bringing the US posture back to something very close to the pre-Trump status quo. But North Korea is threatening war and President Trump might have to celebrate his first 100 days on Saturday after his government shuts down on Friday... unless the President, or his men, broker a deal.

### Analysis

#### Introduction

The outline of the first 100 days of the Trump Administration –or the first 6.8% of the Trump Presidency– is now at least vaguely clear to all who have been observing it.

To some conservative and libertarian commentators, Trump's first months have been characterised by bold yet rational politics, by a coherent logic in conception and by a competent flexibility and a dogged insistence in execution. Most of these colleagues have also apologised for a number of **Trumpisms** –which previously in the post-Wall period would likely have been considered outrageous enough for disqualification or simply legally unacceptable– by an easy and reasonable appeal to the 'learning curve'.

Such apologists for Trump, his policies and actions thus far, and the performance of his Administration, clearly live within –or yearn for– the famed 'heartland' bubble. This is not to deny that nearly everyone else on the planet –some 7 billion souls or so– also live within their own respective bubble(s). But these others, including over half of all Americans, should be forgiven for perceiving that Donald Trump is simply riding the whirlwind –just as Lawrence of Arabia once did–. But because Trump appears to act more like a Peter Sellers than a Peter O'Toole, everyone should keep in mind that we are all riding the whirlwind with him.

### The policy and political terrain

After an unconventional Inaugural Address –clearly the most gnarly, for lack of a better word, in the annals of US history, even considering Andrew Jackson– Trump proceeded to invoke his ‘travel ban’ on those attempting to enter the US from six Muslim countries. The executive order landed immediately in the courts, where his second attempt is now also bogged down as unconstitutional.

The new ‘American Health Care Act’ then died in the Republican-held congress where the party centre no longer seems to hold against the centrifugal forces exerted by its respective diverging wings: the conservative and libertarian Freedom House caucus, on the one side, and a budding moderate centrist grouping, on the other. In any event, the ill-fated, first attempt of House Speaker Paul Ryan to replace the ACA (also known as ‘Obamacare’) with a new Republican plan would have amounted to little more than a transfer of income *to* the relatively-wealthy *from* the middle and lower classes.

The new version, which is still being cobbled together, is basically the same as the original, say some of its new-found conservative backers, but it does allow states to opt out of requiring insurance companies to share in ‘cost reductions’ –the Obamacare subsidies and other regulatory protections that the Freedom Caucus wants reduced, if not eliminated altogether, and that the moderate wing is very reluctant to see go–. Although there is talk of rearticulating another bill to quickly replace the clearly misunderstood Obamacare, it is unlikely that anything of significance will happen on this front anytime soon.

However, the Senate did manage to eliminate the filibuster on Supreme Court nominees, so Trump’s pick to fill the late Judge Scalia’s vacant seat, Neil Gorsuch, has finally been confirmed by the Senate. The dominant line argues that this secures a conservative majority on the court, and that this new equilibrium of forces might free up some of Trump’s legally-challenged **executive orders** (like those concerning travel and immigration, and perhaps others to come) from the restraint of the judicial branch, as well as help secure the boundaries of a more conservative political space, in general, within the country.

Yet the major campaign issues on the domestic front –immigration, health care and trade protectionism– have essentially stalled, and been sent back to the end of the long line of campaign promises. For such issues to get another chance to bat would inevitably require a long uphill series of political compromises, a ‘dance of legislation’ that would eventually hammer any such bills into an at least recognisably ‘Republican’ shape. In any event, nothing really new can come out of the Congress with its current geopolitical configuration. On the other hand, the Justice Department, under Jeff Sessions, can and is pursuing more aggressive deportation. But that, too, can be stopped and bogged down by the courts.

Even Trump’s protectionist trade policy –his tariff threats to China and Mexico, and other smoke signals of economic warfare, with their dual domestic and international dimensions– has now been pushed farther back in the line of the Administration’s concerns. Very possibly, at Mar-a-Lago, Trump agreed to drop the economic hostility towards China, if China would bring North Korea back from the nuclear brink. Perhaps

Xi Jinping even agreed to let Trump take credit for it, so that the latter might be able to distract away, by such sleight-of-hand, any resulting disappointment or bafflement among his staff and advisors and among his electoral base (many of whom have been enthusiastically expecting a new rapprochement with Russia in a combined military fight against ISIS and possibly even a collaborative containment of China and an end to the 'global liberal-democratic order'). In addition, Trump just conceded to Mexico that **NAFTA** would not be scrapped but merely renegotiated (as it probably would have been, at some stage, with or without Trump).

**Energy policy** is the one realm where Trump started out as 'standard Republican' – striving for energy independence and favouring domestic fossil fuels–. So far, he has not wavered from such a position and so far he can claim a Pyrrhic victory. Trump's energy independence executive order began the long haul of overturning most of Obama's energy and climate policies. But the 'standard Republican' energy policy is both rickety and redundant. Such supply side measures –ie, easier fiscal and access conditions for domestic fossil fuel producers, along with significant reduction in energy regulation in general– will offer some business opportunities to those in the right place at the right time within the US fossil heartlands. But the biggest effect of Trump's new energy policies will be to boost natural gas production, a development that will doom coal as surely as the chainsaw doomed Paul Bunyan.

Indeed, the totality of Trump's energy policy will ultimately mean very little for domestic oil production, which now more than ever ebbs and flows with world price –which in turn (n)OPEC can influence sometimes, but only in the short run, and at the margin, even when the principal fossil fuel producers of the Great Crescent effectively cooperate to restrict supply–.

We are also told that clarification of Trump's position on the Paris accord will arrive soon; but in the end, *this too will matter little*. The battle for dominance of the global political economy between fossil fuels and renewable energies and low-carbon technologies will be played out on the ground-level of local policy landscapes and on the field of straight-up economic competition. It is a battle between the learning curves of the Trump Administration and the traditional energy sector and the learning curves of the low carbon transition and sustainable agriculture and land-use communities.

Trump's tax plan continues to swing, like a rhetorical pendulum, between a potentially-middle-class-empowering approach and one which will reward basically, only the rich. Of course, there might be an annual income tax cut of couple of thousand dollars, on average, per family (and no more), which might be scattered like crumbs to the bottom 90%. Vast sums, in comparison, would go to the already rich. The same cloud of mystery – will this policy be conceived of for the large corporations and investors, or for the people? – hangs over the proposed 'infrastructure plan,' still languishing in the long line of Trump campaign promises for the first '100 days.'

The Administration's budget outline suggests standard small-government, even Scrooge-like Republicanism, along with standard Cold War-style patriotism: the major cuts are targeted at the EPA (a 31% cut) to the greater benefit of the Pentagon (a 10% increase, of US\$54 billion). Trump seems particularly bent on starving off the State

Department. It is not just that the State Department would suffer a 24% budget cut under Trump's current budget outlines; it is also the department where most of the President's executive appointments remain vacant.

Perhaps all the President needs is Rex Tillerson. And perhaps Tillerson only needs his personal staff. Perhaps certain kinds of patriotism have now been deemed to be, truly, the last refuge of a scoundrel –like the 'patriotism' of those who assume that the benign hegemon of the world (or the closest thing to it) requires an active and engaged professional diplomacy–.

But then, behold: ExxonMobil has just applied for an exemption from US sanctions on Russia which bar the way to an exploratory drilling project in the Black Sea with Rosneft. Sanctions have reportedly cost Exxon hundreds of millions of dollars on this project, negotiated and signed back in 2011. Exxon claims to be motivated by the fact that ENI, the Italian oil company whose government has already granted it an exemption to certain Russian sanctions, could soon take their place in the 33% stake in the reserve, estimated to be as large as 7 billion barrels.

The Treasury Department has the lead role in considering Exxon's application, and Rex Tillerson has recused himself at State (which also plays a secondary role in the approval process) from any decisions affecting the interests of the company from which he has just stepped down after a decade as its CEO. Would Trump allow for such an exemption? If he thinks it could be used as a bargaining chip in his deal making with Putin, then probably, yes.

To top it all off, now another government shutdown looms. April 29<sup>th</sup> corresponds not only with the end of the first 100 days as President for Donald Trump; the government will also shut down on that date –as current government appropriations expire then– unless an extension can pass the Republican majority-held House and Senate. Trumps wants enough Democrats to vote for the funds for his 'border wall' (enough, that is, to overcome the filibuster requirement in the Senate, plus any recalcitrant Republicans, meaning at least eight). But the Democrats en masse cannot avoid pointing to Trump's proposed spending cuts at the EPA, the Department of State, etc (see above), and they are standing firm, at least for the moment.

In any event, it is not at all clear that the Republicans themselves can or will unify, even on this issue, even if that means that a Republican-held Congress and White House might actually shut themselves down, along with the other branches of federal government.

Can such a 'hegemon' remain 'benign'? Can such a 'benign' nation remain a 'hegemon'?

Meanwhile, in the **foreign policy** realm, the executives and the generals have restored relative calm along the frontiers of US global reach, claiming now essentially the opposite of what Trump had been saying about US global policy since the beginning of his campaign. Tillerson, Mattis and Pence have all made the rounds in Europe and Asia to reassure the allies that not much has really changed and that **NATO** is not obsolete. Commitments to allies in the Middle East, Asia and Europe are, for the moment, secure.

General Flynn was also replaced with Lieutenant-General Herbert McMaster at the head of the NSC. Syria has been lashed for using chemical weapons, Russia has been confronted again for allowing it, and China has been, at least for the moment, embraced. Meanwhile, Trump launches thinly-veiled threats of war at one of the smaller countries of the world. But then, he has also just petitioned the UN Security to place sanctions on North Korea.

How should the Allies interpret all of this? If Trump has been fast and furious on the domestic front, he has essentially inverted all of his initial (if admittedly thin) initial positions on foreign policy, even if in only an unreliably superficial or temporary way. Are these just deal-making feints? Maybe. Such appearances could shift again, as Trump continually searches for his deals, and fitfully chases the ratings.

For now, the would-be new strongman ally, Vladimir Putin, may not be feeling Trump's love, but he hasn't batted an eyelid any differently than he normally would have. After all, he still controls the keys to the coveted Eurasian heartland. And while Russia cannot single-handedly undermine the low carbon transition, it has more to gain from climate change, in the first order of things, than any of the other 'great powers'. However, with enough US collusion, Russia could ensure climate-induced and geopolitically-abetted global instability for as long as the current horizon holds. This alone tells us that Russia must be dealt with –and, yes, engaged, somehow–.

### Trump's approval ratings

Perhaps the sensation of being led by the President from one carnival fun ride to another, only to come full circle, obeys no rhyme or reason except that of following the path of least resistance. Perhaps one of the keys to code-breaking Trump's likely future directions can be found in his net approval ratings.

From the end of January through February, all through the travel ban and immigration controversies, Trump's performance ratings steadily deteriorated. On 27 January the net approval rating of the President's job performance –admittedly only a week into the job– was plus 0.1% (according to the average of polls tabulated by RealClearPolitics, which sums positive and negative appraisals). However, by 1 March, five weeks later, it was a **negative 6.8%**.

Trump's ratings moderately improved and steadied during the first half of March (rising to a negative 4%) but they began to plummet again by mid-month and continued to deteriorate until 9 April (as the health care bill failed, and as the controversy over Trump's links to Russia flared), when his ratings fell to a trough of 13.5% net disapproval.

Just two days before, Trump ordered the surprise strike against the Syrian airbase while meeting with Chinese President Xi in Florida. In the ensuing period to the present, the Trump Administration has confronted Putin, bombed Afghanistan and has met North Korean sabre-rattling with its own version of sabre-rattling: a somewhat amusing failure of North Korea's ballistic missile test launch was matched by a somewhat perplexing deployment of US naval power (which took one of the longer routes available) and a

counter-series of threats from Trump officials, which suggested the US is willing to wage military conflict with North Korea.

And suddenly Trump's approval ratings improved: from 13.5% net disapproval to only 8% on 17 April.

A week later, however, by 23 April –after the development of a budget showdown between the President and Congressional Democrats over the funding of the 'border wall' (which could easily shut the government down), along with a number of mixed messages sent by the Justice Department and the White House concerning whether the so-called 'Dreamers' had reason to fear deportation– Trump's net approval rating had dropped back down to 9.5%.

This was also a week of marches in support of science and of protests demanding the President reveal his tax returns. It also became public that billionaires, corporations and NFL owners contributed to Trump's inaugural ceremonies in such abundance that twice as much was ultimately spent as on Obama's inaugurations (previously the record high). Finally, it was also revealed that Trump's entourage has been spending more than any previous White House and by a fair margin.

It is possible that the President and his 'men' will simply improvise and experiment in their chase for the ratings. So far, domestic policy forays tend to hurt Trump in the polls; however, his big early-to-mid April bump seems to have been driven primarily by displays of Jacksonian power from the White House and feints of 'neo-realism' from the Pentagon and the NSC. Perhaps this explains the recent focusing of Trump's 'Jacksonian' energies in the direction of North Korea. But it might just all be a 'two-step' dance between domestic policy forays (little Gallipolis) which eat into his ratings, on the one hand, and displays of strength and resolve abroad, on the other hand, which in turn tend to salvage them.

Trump's tax plan was released on Wednesday 26 April. A brief outline short on details, it looks a lot like barbecued steaks for the rich and corporate world, and mere droppings to the masses. So far, he is asking for a reduction in the corporate tax from 35% to 15% (without specifying the elimination of any corporate loopholes), a massive break for companies. For individuals, however, the only concrete break specified would be a doubling of the standard individual deduction; but one of the most important current individual deductions –that for state and local taxes paid– would likely be eliminated, effectively neutralising the cut.

One potentially important middle-class benefit could come from a different treatment of small businesses, many proprietors of which must treat their profits as individual income. Trump's plan would treat such 'pass through' companies as corporations, thereby effectively reducing their top marginal income tax rate from 39.5% to the proposed corporate rate of 15%. However, the vague and incomplete plan, when combined with Trump's spending proposals, so far revenue neutral, would produce a federal deficit of US\$1 to US\$2 trillion, depending how much of a boost to growth it would actually generate. All of this must be horse traded and approved by the Congress, and only then will one know where Trump is really heading. The fate of the Exxon petition for its Black

Sea exemption from Russian sanctions will be another bell weather of the actual direction in which Trump's fleets are sailing.

Furthermore, the second try at the American Health Care Act has also recently been announced for this week. All of this comes at the same time the showdown in the Congress over the extension of expiring government appropriations –ie, the immediate funding of the federal state apparatus– is expected to reach a dramatic climax over the remaining days of the week. It could easily be the case that the finale of Trump's first 100 days –the first fifteenth, more or less, of his 'first' term– could end with nothing more tangibly accomplished than... a **self-inflicted government shutdown**.

## Conclusion

### A murky foreground to the horizon

Regardless of the battle –or the shell game– over who Trump really is, or what his trade or foreign policy might eventually become, the only agendas that seem to be moving forward are those of (aspiring) **authoritarian states** and the globally-reaching **corporate world**. Every wish of Trump's that he has moved forward on –as well as every wish on which he has not– has turned the tables, or kept them stable, to the convenience of the corporate world, the investor class, and the growing club of nationalist authoritarians –at least so far–.

The increasing confusion and ginned-up enmity within the public square have served to pull a convenient screen in front of the yearnings and ambitions of both the strong men and those with (nearly) all the money. These are the men, it seems, with whom Trump would like to play poker. And he seems to be talking up a new set of informal rules which would allow them –and only them– to seat themselves at his table, to play some hands of G-Trump.

By the end of the game things might not look so pretty anymore. But we will have come full circle. The corporate world stands poised at the brink, yet again, waiting to see the outcome between the 'great power' players they have staked before pouncing in the direction of the next spoils. But although we may be stepping back into the same old river, we know the waters are different. Now Donald Trump is President and the North Koreans seem to believe they can launch a nuclear strike on the US.

For those already playing Trump's new form of 'dealer's choice' poker, they should watch again James Caan in the original 'Rollerball'. However, those still playing the antiquated game of chess should have another look at *Doctor Strangelove*. Everyone else should check out the sublime Charlton Heston in *The Omega Man*.

For the Allies? Patience and determination, unity and cunning, of course. But as a Roman might have put it upon Alaric's approach, *auribus teneo lupum* –that is, they must try 'to hold the wolf by the ears'–. And, as an allied Celt might have reminded him, *dulcius ex asperis* –all is 'sweeter after difficulties'–. In other words, the Allies will need to play chess and poker at the same time. But there will be time to learn, as the games are just beginning.