



REPORT*

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I. INTRODUCTION

- 1. The programme of the 18th annual parliamentary Transatlantic Forum set forth an ambitious agenda for the largest gathering of NATO member state legislators in Washington, D.C., in 2018. On 10-12 December the delegation discussed the following topics:
 - The broader Middle East and Southwest Asia
 - Meeting the challenges in Afghanistan and South Asia
 - New and old challenges in the Middle East
 - Iran and transatlantic relations
 - Transatlantic trade relations
 - Asia Pacific
 - US cyber security policies and innovation
 - US approach toward Russia
 - The impact of midterm elections on US domestic and foreign policy
 - Transatlantic relations and burden sharing
- 2. The National Defense University and the Atlantic Council of the United States hosted the forum and the meetings were conducted under the Chatham House Rule. As such, the following report will review the key themes discussed without attributing any positions or viewpoints to attendees.

II. THE BROADER MIDDLE EAST AND SOUTHWEST ASIA

Meeting the Challenges in Afghanistan and South Asia

- 3. In 2017 the Trump administration outlined a plan to reengage, realign, and broaden US forces' efforts in Afghanistan. This policy translated to an increase in US forces dedicated to both NATO's Resolute Support Mission (RSM) and the United States' independent counterterrorism mission in the country. The United States pushed its NATO Allies in parallel to renew and increase their commitment to the mission in Afghanistan tying the issue to the burden sharing issue among Allies. Throughout 2018 both the United States and its NATO Allies steadily increased their forces operating in Afghanistan to train, advise, and assist the Afghan Nation. By the end of the year, Allied forces totaled just over 16,000. In addition to reinvesting in Afghanistan, President Trump also loosened the rules of engagement for US forces in the theatre of operations. The goal of the reengagement strategy is to create a secure and stable Afghan state as the government in Kabul and the Taliban move toward a negotiated settlement of the ongoing conflict.
- 4. As briefers told the delegation, creating an environment ripe for a lasting peace settlement in Afghanistan remains a significant challenge. Peace negotiations will be driven by: a desire to see the challenge of transnational terrorist groups addressed; the ability to reflect the efforts and investments of NATO Allies, without it seeming as though the international community is imposing peace terms; as well as a negotiated political settlement between the government in Kabul and the Taliban, who must be convinced they will not be able to achieve their long-term goals by continuing their war efforts such a range of conditions, complicated by domestic, regional, and international variables is a tall task. The United States' chief negotiator is engaged in a busy schedule of shuttle diplomacy to convince the Taliban and President Ghani to find a lasting peaceful solution to the longest war in US history.

- 5. The discussion surrounding the variables involved in a lasting peace in Afghanistan focused on the necessity of Pakistani cooperation, a defeat of ISIL-Khorasan, the impact of less-than-successful parliamentary elections, an economy persistently dependent upon foreign aid, and the general lack of institutional capacity by the government to build durable, transparent government institutions.
- 6. Still, the broad contours of a negotiated settlement between the Taliban and the government are coming into focus. The Taliban have said they seek a US and NATO withdrawal announcement with a notional end date to their presence; the Taliban have also signalled support of various ideas of a transitional government, which would be governed by a fundamentally constitutional system (rather than the return of the emirate). Unfortunately, there is likely an executive political crisis over the horizon in 2019 in the run-up to the presidential elections that will jeopardise the peace process.

III. NEW AND OLD CHALLENGES IN THE MIDDLE EAST

US-Saudi Relations

- 7. The US Congress has begun to assert its views on several challenges in the Middle East and this has fostered a degree of uncertainty about American policy in the region. The Khashoggi murder has roiled US-Saudi relations and the mood in Congress is to reject Saudi claims that the highest echelons of the state were not involved. This has led to a rift, both between the Senate and the Trump administration and between the Senate and the Saudi government. In Washington one increasingly hears the US relationship with Saudi Arabia described as a partnership and not as an alliance, but there is palpable anger on Capitol Hill over the murder.
- 8. The relationship between the countries has served both countries in ways that transcend regional politics. The United States has relied on Saudi Arabia's interstate networks and its largesse in promoting particular projects of mutual interest. American support for the Saudi war in Yemen was part of this broader relationship; yet that war is increasingly seen as running contrary to American interests for stability in that dangerous part of the world.
- 9. American foreign policy elites have been particularly alarmed by Saudi Arabia's growing propensity to use violence to advance its interests. Its military adventurism in Yemen is the most obvious case in point, but it is also funding militia groups elsewhere, and it deployed troops into Bahrain when demonstrations were taking place there. The United States did not openly criticise that deployment, nor was it very vocal when the prime minister of Lebanon was effectively held against his will in Saudi Arabia and pressured to resign. These policies along with recent threats to cut aid and oil sales to Jordan and Egypt have alarmed many in Washington.
- 10. Increasingly members of the US Congress claim that the United States need not rely on Saudi Arabia as it previously did simply because the United States no longer depends on Saudi Arabian energy. The problem with this argument is that oil is a fungible commodity and Saudi Arabia remains the world's most important swing producer. Its decisions will shape world prices, including the price that Americans pay. Whether the United States imports energy from Saudi Arabia or not, it is affected by its energy decisions.
- 11. The United States also has to deal with the sharp divergence between its fundamentally democratic social and political values and Saudi Arabia's authoritarian political culture. The Saudi kingdom is not likely to embrace the rule of law and respect for fundamental human rights, and this invariably foments tensions between the two societies. In an important sense, the tensions over the Khashoggi murder and Yemen are about American domestic politics, a

growing conflict of values in that society and the constitutional role of Congress as a co-equal partner in American government. In an important way, Congress has begun to assert itself as a result of this consequential disagreement with the Trump administration's Saudi policy.

- 12. Still, the two countries have a range of shared interests. Containing Iran is perhaps the most important of these. But the reasons driving these concerns fundamentally differ. Saudi Arabia and several of its Gulf partners primarily fear Iran because they have large and politically repressed Shia communities living in their societies and they worry about Iran's capacity to use these communities as leverage. In Saudi Arabia's case, many of these Shia live in the east where the oil fields are situated. Because these communities have no political voice in their own societies, there is a risk that they will look to Iran to give voice to their aspirations. There is a Saudi expectation that the United States will provide support in the oppression of these communities, and this is not something with which many Americans can sympathise.
- 13. There is also mounting anxiety in the United States about the Saudi accession. Although many have assumed that Crown Prince Mohammad Bin Salman will succeed his father, there are some signs of resistance to this idea within Saudi society. If he does accede to the throne, he could hold the position for several decades and this reality obviously shapes American calculations. As long as the current king is alive, the crown prince will be protected, but a fight for succession cannot be ruled out. The crown Prince has based his rule on fear and the mass arrests of a number of high-ranking Saudis including members of the royal family. But this could backfire, and his own legitimacy may come under fire within Saudi society.
- 14. The Trump administration has taken a transactional approach to Saudi Arabia, and its overall approach to the Gulf region is under reconsideration. While it sees the deployment of military assets to the region as costly, building up the capacity of regional actors is potentially profitable. Indeed, increasing arms sales and exercising greater leverage on global energy prices seem to be President Trump's primary ambitions. The crown prince's plans to develop the Red Sea region could also be profitable for the United States and this too seems to be of interest to President Trump. This logic has driven continued administration support for the crown prince even in the face of strong congressional disapproval. The US Congress is threatening trade and armaments sanctions on Saudi Arabia as a result of the Khashoggi murder. If it moves in this direction, Europe will have to decide if will support this initiative or move to replace US producers, although the latter course could have consequences for transatlantic relations.

The Challenge Posed by ISIS

- 15. Members also discussed the ever shifting nature of the challenged posed by ISIS and the risks of complacency in the face of that serious and ongoing threat. It is certainly very premature to claim that that terrorist organisation has been defeated, as it has planted the seeds for its own regeneration. The problem is that while the anti-ISIS coalition has achieved important battlefield victories, the ideology is still vibrant. A number of analysts suggest that the loosely constructed organisation now has 35,000 fighters. At the same time, al-Qaeda has quietly regrouped and is working behind the scenes with a force of some 30,000 members.
- 16. Abu Bakr al baghdadi, the leader of ISIS, began to tell followers not to come to the so-called Caliphate but to head to other centers of activity in North Africa, South Asia and South east Asia. This helped ensure the longevity of the group, and it meant that new attacks in the West, such as the Manchester concert bombing, were planned in these regions and not in Iraq and Syria. This suggests that the organisation has decentralised and thereby developed a new form of resilience. The group has thus developed a forward-looking strategy to compensate for the loss of territory in Syria and Iraq. Now there are roughly 35-40,000 foreign fighters from 120 different countries. Roughly 15,000 have fled Syria and Iraq and moved to hotspots like

Sudan or repatriated to their home countries, including many who have returned to Europe. A series of attempted attacks on civil airlines, some of which have been successful, illustrate the degree to which the group remains active and exceedingly dangerous.

17. In the same way, al-Qaeda has sought to make itself impervious to decapitation, and it too has decentralised its operations and planning centers. It has adapted in other ways as well and has begun to refrain from and criticise terrorist attacks targeting Muslims - a policy that in comparison to that of ISIS some might characterise as moderate extremism. This is clearly a play to win back support from political extremists who are nonetheless alienated by the tactics of ISIS.

Iran

- 18. The great virtue of the the Joint Comprehensive Plan of Action (JCPOA) or "the Iran nuclear deal", as it is widely known, is that it represents a direct response to the problem of Iran's immediate nuclear capability. Negotiators never claimed that it would solve the longer-term challenge. In other words, it bought 10 to 15 years of additional time for the international community as it blocked all potential paths to Iran's acquisition of a nuclear weapon over that period. The deal was not designed to deal with other issues like Iran's regional policy.
- 19. By pulling out of the deal, according to many analysts, the United States has isolated itself and seems to have ceded the moral high ground to Iran. This has hurt the United States' reputation and weakened its own credibility at the negotiating table. If Iran abandons its obligations under the agreement, it could be positioned to acquire a nuclear weapon within a year and this could trigger a proliferation dynamic in the region while precipitating very serious tensions with both Israel and Saudi Arabia. The Trump administration's decision has also put President Rouhani in a very difficult position, and he now may have to make more concessions to hardliners. For all these reasons, the EU has sought to reinforce its commitment to the JCPOA and has created a special-purpose vehicle that will allow it to continue economic interaction with Iran without violating US sanctions. This may be more symbolically important than it is practical. Many European companies will be reluctant to put their business at risk for the sake of selling in the Iranian market.
- 20. The accord never intended to deal with a range of problematic Iranian policies, and there are limits on how much influence Europe can exercise over Iran on these matters. Iran has systematically harassed BBC reporters, was probably involved in an attempted assassination in Denmark, and apparently planned to bomb an anti-regime demonstration. Iranian officials claim that the state was not involved in these activities and have labeled them false-flag operations. More likely, they are the work of factions within the Iranian state apparatus working against President Rouhani and those relatively moderate elements that support him.
- 21. The JCPOA only deals with the nuclear issue, and so using Iranian policies in other areas to denounce the deal is potentially problematic. US Secretary of State Mike Pompeo has made 12 demands with which Iran would have to comply before the United States would consider returning to the agreement. But these demands are very wide-ranging and include matters like Iran's support for Hezbollah and the Houthis as well as its missile programme. Secretary Pompeo has recently added human rights issues as a 13th area in which Iran must change course to undo its isolation. All of these are serious issues, but, according to some analysts, these were not the focus of the agreement. Moreover, Iran's human rights record might even be better than Saudi Arabia's, so the human rights issue could be a red herring reflecting a desire to kill JCPOA rather than a serious effort to cope with the nuclear problem. It could also be that the demands reflect the Trump administration's aspiration for regime change or at least for bringing it to the state of collapse. But this is not likely to work. The JCPOA combined sticks and carrots, and that was the reason for its success.

- 22. It is worth noting that the Iranians have a strong record of sanctions busting and border nine countries with which to collaborate on such endeavors. Many Russian, Chinese and Kazakh firms will trade with Iran, which also has a demonstrated capacity for belt tightening. Making so many demands on Iran is akin to making none and it raises questions about US goals and intentions. Here it is worth noting that if Rouhani is forced out, his likely successor would be the head of the Iranian Revolutionary Guards and that kind of leadership would pose many more problems for the international community.
- 23. Beyond the JCPOA and its limited but important goals, the international community should be focused on restricting Iran's enrichment and plutonium-processing capacity and this has been an important focus of international diplomacy. Iran currently depends on Russia for these services. Preventing Iran from developing long-range missiles should also be a priority for the diplomatic community. Iran has claimed that it is only seeking to build missiles with a range of 2,000km which could reach southeastern Europe. Preventing the extension of Iran's missile-range capability would be useful. Iran should also be persuaded to stop sending ever more accurate missiles to Hezbollah. These pose a serious threat to Israel and could spark the next war in the region.

IV. TRANSATLANTIC TRADE RELATIONS

- 24. The United States, the European Union and Canada have a shared stake in the international trading system and have been global leaders in building an open trading order as embodied in the rules-based World Trade Organisation (WTO). They have also constructed particularly liberal trading arrangements among themselves which have created enormous prosperity and political comity. But the politics of free trade have shifted, and the trading order constructed over the past 60 years confronts a range of serious challenges.
- 25. The EU continues to see global trade as a fundamental economic freedom and recognises that millions have been lifted out of poverty as result of international trade. Of course, the benefits of trade are not equally shared and some groups in some societies lose as a result of trade. The EU also acknowledges that government regulation can ameliorate conditions for these groups and sees this as a legitimate role for the state. EU leaders today are worried that the system is under threat at a moment when it confronts new challenges like the paradigmatic shifts brought on by the digital economy and the rising importance of services in international trade. The WTO is under assault, and its dispute settlement mechanism is particularly threatened. The EU has put forth a substantive agenda to modernise the WTO, and it is working with trading partners like Canada and Japan to advance critically needed reform.
- 26. Because of Brexit, the EU is losing an important player in global trading markets, but EU member states hope to preserve a strong trading relationship with the United Kingdom after Brexit. The EU has closed a new trading deal with Canada which will bring advantages to both sides. Thousands of EU jobs can be attributed to trade with Canada, and this reflects a new generation of trading relations premised on environmental sustainability and protecting human and worker rights. The EU has also recently concluded agreements with Japan, Singapore and Vietnam as well as with Mexico, Mercosur, New Zealand and Australia.
- 27. The EU is the largest free-trade area in the world, and the US-EU trading relationship constitutes the world's most important trade corridor. The EU trades far more with the United States than with any other trade partner. The two account for 46% of the world's GDP, half of the world's Foreign Direct Investment and a third of the world's trade flows. Despite the obvious benefits, the relationship has grown difficult and uncertain. In broad terms, trade between the EU and the United States is balanced, open and a critical foundation for shared prosperity. EU

tariff rates are roughly the same as those of the United States although the tariff structure is somewhat different. Protectionist sentiments, however, are now threatening this relationship, and efforts are underway to ensure that this vital trading relationship remains open. This effort follows on from an agreement between EU Commission President Jean-Claude Juncker and US President Donald Trump. The goal is not simply to avoid a major trade dispute between the partners, but also to agree upon rules for trade in several key sectors, while creating common standards for a range of industries. LNG trade constitutes another area of discussion while agriculture and public procurement are not included in the discussions.

- 28. The EU has rejected the national security argument the Trump administration has invoked to justify tariffs on steel and aluminium. It argues that this has harmed trade, cost jobs and weakened the bond between the United States and its European allies. It has also distracted attention from genuine security threats.
- 29. The primary preoccupation of US trade officials is China, which has premised its economy on an opaque form of state capitalism that has proven highly disruptive to global markets. This poses a set of very specific challenges to the United States in areas like steel and aluminium, as China's overcapacity in these sectors can be attributed to unfair state investment practices. China now intends to follow similar strategies in telecommunications, information technology, robotics, artificial intelligence and electric vehicles. Moreover, China is routinely engaged in forced technology transfer. American negotiators believe that problems of this type and scale were not anticipated by those who established the WTO, and this is why reform is now needed. China poses a profound challenge to both traditional US and European approaches to trade. The EU, Canada and the United States have long played the role of standard setters, and there is much that can be done on this front to parry the Chinese challenge which is premised on a state-interventionist rather than a liberal-market model.
- 30. But moving forward requires progress on some of the obstacles to an open transatlantic trading system. The executive working group established after the meeting between Commission President Juncker and US President Trump endeavours both to address regulatory barriers to trade and to identify common principles to fight in a collective fashion against problems like forced technology transfers. The United States Trade Representative has informed Congress that it intends to negotiate new trading arrangements with the European Union and is collecting public comments that will help define the ambitions for these talks. The United States also stands prepared to negotiate a free-trade area with the United Kingdom once such talks are possible.
- 31. Canada brings yet another set of perspectives to the table as it is vested in close trading relations with both the United States and the EU. The Canadian economy is very trade dependent and has been the key to Canada's prosperity. The North America Free Trade Agreement (NAFTA) has been a cornerstone of Canadian trade and, since its signing, has triggered a threefold increase in trade with the United States and Mexico. Trade with the United States is by far the largest driver of the Canadian economy, while Canada is the largest trading partner of the United States. At the same time, there are those who feel that trade has not lived up to expectations and has generated hardship. But there are many other factors driving change including innovation, technological advance and demographics—and this suggests that protectionism is hardly a solution to the broader adjustment challenge. Tariffs undermine competitiveness and hurt more people than are helped. Trade liberalisation promotes growth, and this is precisely why Canada is so wedded to the goal of reducing impediments to trade.
- 32. The Canada-UE trade agreement came into force a year ago. Statistics for the first nine months reveal that two-way trade has since increased by 6%. From the Canadian perspective, this has been a very positive experience and has helped reinforce its own stakes in the transatlantic relationship. Canada sees this trading relationship as aligned with its

security posture in Europe, which is currently captured by the significant deployment of Canadian forces in Latvia—now the largest Canadian military presence in Europe in over a decade. Canada and the European Union also have a shared outlook on the value of multilateralism, and it is not surprising that the two have played a leadership role in the WTO and support reform of that institution—a process in which the Trump Administration has not engaged. Indeed, the Trump administration has attacked the WTO's appellate bodies to the great chagrin of its closest trade partners and many members of Congress. The United States has argued that the problem is that China has exploited WTO rules and has not genuinely embraced free and open markets. China, the US trade authorities argue, has managed to exploit WTO rules because these were not written with the China case in mind. Yet both Canada and Europe have also suffered from US tariffs on steel and aluminium, a policy to which both have responded with retaliatory measures. Like the EU, Canada takes great umbrage at the notion that it constitutes a security threat to the United States as Washington charged when it levied these tariffs.

33. Canadian officials worry that the Trump administration continues to characterise trade in zero-sum terms when there is a great deal of evidence that trade is mutually beneficial and creates a win-win dynamic. A more open and honest discussion with the public on the virtues of trade is needed, and proactive policies would better position societies to adjust to the inevitable disruption that trade and technological change engender. Focused education policies would be far more successful than tariffs in girding societies for a global economy.

V. ASIA PACIFIC

- 34. The United States has accepted the reality of growing global strategic competition with China. China's lack of adoption of established international norms (legal and behavioral) in the post-WWII has resulted in its drive in recent years to be a rule maker, rather than a rule taker. To achieve this, China has particularly been taking advantage of the post-2008 financial crisis distraction among Western governments in the transatlantic space. China is pushing an alternative to the US-led liberal international order via aggressive financial, diplomatic, and even military maneuvers. The most obvious example of the Chinese push to build an alternate global system of alliances, economic exchange, and partnerships is via the almost trillion-dollar ambitious One Belt One Road (OBOR) initiative to build a network of infrastructure and investments to create a Chinese-centric trading and political network alternative to a US-led international system.
- 35. US-China strategic competition is currently most visible in the ongoing trade disputes between the two nations, but other domains, such as the military and political, are also seeing a slow ratcheting up of conflicting perspectives and diverging interests. Discussions noted that the United States is seeking to reengage in Asia as a means of shoring up a transparent, rules-based economic model with its allies and partners to present a counterweight to Chinese efforts. The United States would ultimately like to guarantee an open system for trade and even the soft promotion of democracy to counterbalance the apparent sphere-of-influence efforts of the Chinese. While some noted the space for a new form of US-Chinese modus operandi exists, the window for creating a new cooperative framework is closing quickly.
- 36. Some lamented the growing evidence that China is rejecting the US model, as the post-WWII order created by the United States created the means by which China could grow its own wealth and prosperity. Today, it was noted, China clearly chooses its own narrow national interests over the norms dictated by international law. Ultimately, it was concluded, many medium to small powers will seek to take advantage of the US-Chinese global competition to benefit from both sides, much in the same way many non-aligned powers chose to act during the Cold War.

37. When the challenge of the apparent growing cooperation between China and Russia was discussed, several participants noted that the partnership should not be overestimated. While each country clearly shares a distaste for US unilateralism, China and Russia are naturally suspicious of each other's true intentions with their budding global outreach initiatives. The delegation was reminded that China and Russia are still not real allies and have not gone so far as to create a mutual defence agreement, and that they are likely far from taking the steps necessary to do so.

VI. US CYBER SECURITY POLICIES AND INNOVATION

- 38. Russia has decided that Western culture has the potential to overwhelm its own cultural and political traditions and has decided that it can counter Western power through asymmetrical cyber and propaganda attacks. These have been designed to sow political and social alienation and undermine faith in Western institutions. Western countries were unprepared for these attacks, and the response has been insufficient and poorly coordinated. Russian attacks have thus managed to exacerbate fissures in Western societies.
- 39. The White House has issued a new cyber strategy premised on several pillars. It is very focused on building resilience and preserving core network systems in the face of possible attacks. It also seeks to protect the digital economy, which has been rapidly transforming economies and societies. President Trump has launched a Cyber Defense Initiative, which places a premium on deterring cyberattacks. The strategy also recognises the importance of a global internet and the need to exercise a degree of influence through it. The US 2018 National Defense Strategy acknowledges the entire spectrum of conflict, and the Department of Defense has accordingly created a new cyber command. The DOD cyber strategy embraces a forward-leaning strategy that alters the balance between defensive and offensive cyber operations. Decisions to conduct offensive operations can now be taken lower down the chain of command.
- 40. More broadly the United States recognises that it needs a broad array of instruments of statecraft, as well as diplomacy, information, military and economic tools, and law enforcement to cope with these new threats. The United States has used diplomacy to develop a normative framework for what ought to be considered the proper behaviour of state and sub-state actors in the cyber realm, and unsealed legal indictments to shed light on past attacks. It has, for example, indicted Russian agents charged with election interference in 2016. Those agents hacked computers and engaged in a disinformation campaign. There are also growing concerns that Chinese firms are embedding their technology with tiny chips designed to spy on Western governments, companies and citizens.
- 41. China's apparent willingness to bug critical digital infrastructure it is selling internationally raises important questions about its reliability as a digital-equipment supplier. Ultimately, it makes sense to source this kind of equipment from trusted allies rather than from rivals. Both Europe and the United States are exploring this and reevaluating approaches to technology transfer and export-control policies. But disentangling from an economy as large and important as China's will not be easy. At the same time, Western governments need to worry about sub-state actors, including terrorists, who are increasingly employing cyberwar and information strategies to carry out their operations. Here, tracking the movement of finance, for example through operations coordinated through the Financial Action Task Force (FATF), can be critical to exposing these dangerous networks.

VII. US APPROACH TO RUSSIA

- 42. Discussions about Russia covered a broad range of issues and challenges driving divergence between the United States and Russia specifically and between Russia and NATO Allies more broadly. As many noted, it is clear today that Russia is using any and all means at its disposal to splinter NATO consensus and undermine the Euro-Atlantic community's efforts.
- 43. The Alliance was slow to recognise the depth of Russia's attempts to undo the Euro-Atlantic order in 2008 when Russia invaded Georgia. Today all Allies recognise and condemn Russia's actions. Russian brinkmanship and illegal and lawless behaviour are apparent in many ways: its continued interference in the Ukrainian conflict; its escalating brinkmanship with NATO member states and their near neighbourhood; and the new challenge to the maintenance of viable arms control regimes. Many examples of Russian reckless behaviour were cited: Russia's military invaded and occupied Georgia, annexed Crimea, invaded eastern Ukraine, and seized Ukrainian ships in the Kerch Strait. The Russian government has interfered in numerous democratic elections particularly seeking to undermine the democratic systems of those powers it deems strong and capable of challenging Russia (e.g. the United States, the United Kingdom, and France). Moscow has also conducted attacks on US energy power systems; helped rebels shoot down aircraft in Europe; used chemical weapons in the United Kingdom; bombed innocent civilians in Syria, etc.
- 44. Discussions also highlighted Russia's insidious attempts to expand its influence in the Balkans by attempting to reignite regional ethnic tensions from interfering with the name campaign in the Former Yugoslav Republic of Macedonia to the tense domestic political situation in Bosnia and Herzegovina between the Federation government and the *Republika Srpska*. As experts noted, the Balkan people believe their future lies in the rules-based order of the Euro-Atlantic community, and the Alliance should redouble its efforts to assist the region to realise these goals.
- 45. Russia's broader attempt to undermine Western democratic institutions was also a key focus of debate during the seminar. A new variable is a campaign to undermine perceptions and confidence in the judiciary and the justice system. Disinformation campaigns to target and undermine confidence in the judiciary in both Germany and the United States were discussed as salient examples. A key takeaway from the discussion was that the United States needs to improve its counter-grey-zone strategy—what are the ways, ends, and means needed to counter Russian disinformation. Experts promoted a whole-of-nation campaign to counter foreign efforts to destabilise democratic institutions. In the United States, a key problem was identified as residing in the fact that the United States has a president unwilling to engage with a broader counter-Russia strategy, as he views it as something that would undermine the legitimacy of his presidency.
- 46. Discussions also broached the issue of Russia and the Intermediate-Range Nuclear Forces (INF) Treaty. There is a clear consensus that Russia is in material breach of the treaty with new missile systems, which poses a significant risk to European security. It is up to Russia to prove it is coming back into compliance. Efforts to bring Russia back into compliance with the treaty span both the Obama and Trump administrations. The events leading up to the recent Trump administration withdrawing from the treaty were discussed at length.
- 47. On October 20, 2018, President Trump announced his intention to withdraw the United States from the landmark 1987 INF Treaty, which eliminated all nuclear and conventional missiles with ranges from 500-5500km the treaty does not cover sea-launched missiles. Challenges related to the INF Treaty go back as far as 2004, when Russia asked the United States if there could be a mutual withdrawal from the treaty. Disagreements over the maintenance of the treaty continued. The United States first observed Russian flight tests of

missiles in contravention of the treaty in 2008. The United States believes Russia has not been officially compliant with the treaty since 2014.

- 48. Specifically, the United States is concerned over Russia's SSC-8, RS-26, and 9M729 missile programmes the 9M729 is said to have been the straw that broke the back of the INF Treaty. Since the Obama administration, the United States has made very active and exhaustive diplomatic efforts to compel Russia back into compliance with the INF Treaty. Despite diplomatic efforts, economic sanctions, and military messaging (via announced R&D initiatives), Russia has refused to comply and has relied on spurious arguments about non-compliance by the United States.
- 49. Russia has long been critical of the purported unfairness of the treaty, as it states the United States's positioning of the Aegis Ashore ballistic-missile defence systems in both Romania and Poland are a violation of the INF Treaty its main argument being that the defensive missile system's interceptors (SM-3 missiles) can be used for offensive purposes. Russia has a ballooning arsenal of non-strategic nuclear weapons. President Putin seeks the ability to destabilise perceptions of European security as a result Russia's violations have made the status quo untenable.
- 50. Washington's planned exit from the treaty calls into question the possibility of a renewal of New START (Strategic Arms Reduction Treaty), which is set to expire in 2021. Apparently, Russia is still actively pursuing the United States to continue with these agreements.
- 51. In general, briefers advocated being clear, firm, and consistent with Russia, telling delegates to hold it accountable at all levels to get it to modify their behaviour despite the Russians' refusal to listen and the repetitive nature of the task, this is the only way to remain clear on what position the United States and Allies take. Briefers also stressed the necessity of maintaining the possibility for dialogue—to communicate not only how dangerous all of Russia's increasingly escalatory actions are, but also to demonstrate the desire to remain transparent about US and Allied interests and the steps to take to defend those interests. There was a broad consensus, however, that any future dialogue with Russia must come from a position of strength.

VIII. THE IMPACT OF MIDTERM ELECTIONS ON US DOMESTIC AND FOREIGN POLICY

- 52. The recent US congressional elections represented a true blue wave, or shift toward the Democratic Party, clearly visible in the House of Representatives. The geography of the US electoral districts made a shift in the Senate more difficult, but this does not reflect the levels of dissatisfaction among the US electorate. As such, the House of Representatives is a better reflection of broad US sentiment, which shows the United States is quite divided politically. President Trump consistently maintains approximately 45-46% support in polls and in voting outcome, and his electoral stronghold remains in rural America, particularly among white, noncollege-educated men. Across the board, liberal, urban voters, non-whites, and younger American voters heavily favoured Democratic Party candidates—a key constituency being suburban, college-educated white women.
- 53. As US political commentator James Carville used to say: "It's the economy, stupid". However, today's economy in the United States is performing extremely well–from employment to market to GDP. So, if this aphorism was true, President Trump should have stronger support. To counter this narrative, one expert noted: "When the economy is bad, the elections are always about the White House; but, when the economy is good, voters can think about other issues." This meant there was a focus on broader social issues, and voter resentment led to a 40-seat change of power in the House of Representatives.

- 54. Usually, it was noted, Presidents behave very differently after voters hand them a defeat. President Trump simply called the elections result a victory, unable to acknowledge defeat. When pushed about the reality of the results, he blamed others' inability to stay on message as the reason for poor results. President Trump's instincts are to fight back when he is criticised.
- 55. Experts noted that Allies must expect a United States that will not offer the international leadership it once did, principally due to the fact that the United States has a president who is far more concerned about things that will affect him personally, rather than about the broader interests of the country. Experts also discussed the evolution over time of the role of the executive branch of government in foreign policy and the relative decline of congressional powers in the domain, despite the role originally outlined for the branch of government in the US Constitution. Today, the US president is very unconstrained in foreign policy, and there is a relative decline of foreign policy expertise among members of congress. Part of the reason for this is the fact that members of congress are not rewarded domestically for working on international issues.
- 56. It was acknowledged that true, strong bipartisan support for NATO continues to exist. This strong level of support extends into the public sphere as well. President Trump's rhetoric challenging NATO and its relevance today *vis-à-vis* the current international security environment and US interests, however, is eroding support among Republicans (both legislators and civilians). Experts warned that support for NATO entering the increasingly partisan fray of domestic politics could be bad for long-term US support for the Alliance.

IX. TRANSATLANTIC RELATIONS AND BURDEN SHARING

- 57. The broad sweep of challenges to Allied security in today's current security environment underlines the vital nature of a strong and united transatlantic Alliance. Growing brinkmanship in the east *vis-à-vis* a resurgent, revisionist, and capable Russia as well as a host of security challenges from the south are pushing NATO to rethink its collective defence and deterrence posture. While the east is seeing increased NATO presence in the form of forces, prepositioned weapons stocks, and exercising, southern challenges are requiring renewed focus on Intelligence, surveillance and reconnaissance (ISR) capabilities, partner resilience, information sharing, and a coherent counterterrorism action plan. In addition, there are efforts to enhance Alliance domestic resilience to counter hybrid challenges, such as the disinformation campaigns described above, as well as to shore up cyber networks.
- 58. To meet these challenges, NATO must prioritise defence investments, without which the Alliance will not have the means to deter and defend against the challenges it faces today. To get there, there is a drive to get Allies to prioritise defence spending—the United States is already increasing its efforts in Europe significantly. Defence spending must be done wisely to augment existing capabilities and acquire new ones fit for purpose in today's security environment. The 2% GDP (of which 20% should be dedicated to new equipment purchases) benchmark is designed to hold all Allies accountable and to guarantee an Alliance capable of meeting the demands of the required adaptation and new initiatives. To get the Alliance to the necessary levels of investment, credible defence-spending plans should be in place and presented to the Alliance by 2024.
- 59. The United States supports EU defence initiatives such as the Permanent Structured Cooperation (PESCO) and the European Defence Agency (EDA) that contribute to, but do not duplicate, the efforts by NATO. European army proposals are an unhelpful addition to the current debate about collective efforts to secure the Euro-Atlantic community. A whole-of-government effort from each Ally and a whole-of-Alliance effort to guarantee security is required. NATO is a central pillar of US transatlantic policy, and peace and security in Europe

and North America demand steady resolve from all Allies. The NATO PA serves as an essential institution to create and maintain common understanding of the policies and challenges we all face—by creating a link to national parliaments and publics, the organisation serves as a vital clearinghouse that can inform both parliaments and their nations' publics on important NATO issues.

60. US Congressional support for NATO continues to be strong. NATO remains one of the rare issues wherein there is clear bipartisan support for a strong and focused US effort. US Congressional support of NATO, however, comes with the caveat of a reciprocated high level of engagement and investment by Allies. The US Congress continues to fund increased US presence in Europe to handle the evolving security challenges on the continent. This is evident in increased levels of US forces, material support, and exercising with Allies in Europe. The additional USD 10+ billion in US investment in European security (on top of substantial existing investment through NATO and bilaterally) is proof of the US commitment—a paralleled investment from NATO Europe and Canada is expected to complement and augment these US initiatives to guarantee peace and security for the whole of NATO territories and populations.
