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## **Romney and Obama's Foreign Policies.**

### **EXECUTIVE SUMMARY**

Governor Romney is the confirmed winner of a long Republican Primary season. Attention has now shifted to the upcoming Party conventions. The Republicans will hold their convention at the end of August in Tampa, Florida, and the Democrats will gather in early September in Charlotte, North Carolina. Debates over the economy have dominated the political landscape in the United States far more than in Europe. President Obama has even expressed his concern that the crisis in the Eurozone could eventually have a negative effect on the slow American economic recovery. The latest polls show Obama and Romney neck in neck, with Obama leading by about a two percent margin. As is typically the case in presidential elections, the candidates are more similar than different in the substance of their foreign policies. Each candidate wants to be seen as being strong on military matters. Each wants to show that they can solve the problems the United States confronts in the global economy. Even the slogans chosen by the respective campaigns sound indistinguishable. The President talks of "Reclaiming American Values", while the Republican challenger presents the almost identical "Reclaiming America". The battle over winning the hearts and minds of the American voter remains crucial, not who will win the extremists of either side. The battle is over seven percent undecided in about ten States that are too close to call.

Now more than ever, anyone who wishes to analyze the foreign and strategic policies of the United States must first understand the current state of the Nation and the contemporary and historical processes that led to this situation. Empirical evidence has consistently shown that Presidents make foreign policy decisions based largely on the prevailing environment and not on election promises. For this reason, we must understand that campaign proclamations may not be the best predictor of the next President's foreign policy. Events trump statements. For example, Bush was anti-interventionist until 9/11. Still, it is useful to consider the presidential campaign rhetoric and to compare Romney's policy stances with those of the Obama Administration. From this we can evaluate whether a Romney Presidency would produce

significant differences in U.S. foreign policy than we observe from Obama's Administration. We should also expect to see Obama take some last minute actions on international issues to assure that his legacy portrays him as a man of action. Currently, there are two main factors influencing Obama's foreign policy. The first factor is his hope for an election victory. The second is the hope for a stable Democratic majority in Congress.

Most of the presidential debate has been and is likely to remain focused on domestic issues. Yet, some domestic issues have international consequences. This is particularly true when it comes to economic policy that impacts foreign states. It is here that we see some of the greatest differences between Obama and Romney. Still, we should not expect either candidate to depart significantly from the general path of support for free trade and multinational corporations. Both candidates will turn to large corporations to help solve domestic economic problems. In doing so, the policies they adopt will affect other areas of foreign policy. Thus, domestic policies impact foreign policy, particularly when it comes to corporate taxes and immigration.

Like most U.S. Presidents, Obama has supported free trade and has signed a number of free trade agreements. Obama has yet to alter the course of American economic freedom. Nevertheless Obama believes one solution to U.S. economic problems is keeping U.S. firms home. He wants to offer tax incentives to companies that return to the United States, offsetting their moving expenses. He also wants to aid small businesses and prevent companies from moving overseas. Obama seems willing to offer economic inducements for firms to remain and return to the United States, even so he has shown no willingness to punish those who opt not to return. Historically, there has been little difference by party in presidential support for free trade, but. The Clinton Administration was among the kindest to corporations, in terms of support for free trade and a low tax incidence for corporations.

Both candidates want to support the middle class. However, they differ on the ways to support the wealthiest Americans. Obama wants big business to contribute more to America, arguing that their success was built on the assistance given by an extensive network of American services, including roads, education, and other infrastructure. For Obama, big business should, therefore, give more back to the system responsible for their success. Romney believes American entrepreneurship and individual initiative built the American dream and must not be curtailed with economic disincentives in the form of taxes. He rejects any effort to curtail individual economic freedoms. Most liberal economists would reject Obama's attempts to relocate firms, from more efficient overseas locations to the United States. Obama's economic inducements are likely to be seen as neo-protectionist policies and to invite retaliation from states affected by the relocations. Romney rejects what most would consider protectionist economic policies.

To date Obama's plans are only talk and the talk has only included rewards to businesses relocating. And the talk does not include any mention of punishing firms who remain overseas or choose to leave the United States. Still, interference with free market forces is likely to be met with consternation by liberal economists and big business. U.S. firms are usually willing to tolerate trade restrictions when enacted for security reasons. However, even there, corporations tend to lobby for greater freedoms to move where they want to move and to trade with whom they wish to trade.

Both candidates share a desire to help small business. Obama has threatened to let Bush Era tax cuts for anyone making more than a quarter of a million dollars a year expire at the end of the year. Romney has repeated the Republican mantra of cutting taxes as a means to stimulate growth. This includes keeping taxes low for the wealthiest citizens. Romney's platform has emphasized his support for business. He famously claimed that firms are people too. Freedom from government intervention and tax cuts for the wealthiest are likely to remain central points of debate.

Another difference is that Obama speaks of fair trade with China and wants changes in trade relations with China. Romney speaks only of more trade and remains silent on off-shoring and outsourcing. He holds bank accounts in the Cayman Islands to take advantage of tax havens that permit him to avoid U.S. taxes. He has dodged accusations that he outsourced jobs to China,

particularly in his role as head of Bain Capital. Ironically, while priding himself on his business leadership skills, Romney has devoted considerable energy to distancing himself from his leadership role in Bain Capital. That role has been controversial, because Romney denied playing a role in decisions at a time when he was listed as the CEO of Bain Capital on papers filed with the Federal Communications Commission. He has described the discrepancy in his account of his leadership position as a retroactive retirement.

### **Obama's Foreign Policy**

Given the extraordinarily high expectations that accompanied the advent of the Obama Era, it would be hard for any president to live up to the expectations. For this reason, it is hard to evaluate the overall success of Obama's foreign policy. We know that the President has not fulfilled all his original campaign promises. Most notably, he has failed to fulfill campaign promises to close Guantanamo. He has, on the other hand, put an end to the use of enhanced interrogation. It is unlikely that Romney would take a different stance on any particular foreign policy. Obama has withdrawn troops from Iraq and introduced a timetable for withdrawing troops from Afghanistan. His term is also noteworthy for the surge in Afghanistan.

Obama's speeches given at Prague, Cairo and Oslo explained the objectives of the new Administration to the world. The rather premature bestowal of the Nobel Peace Prize showed the United States just how positively predisposed the world was towards the new President. However, almost four years later, the situation in Afghanistan remains "fragile" and "reversible", the Middle East is more complex than ever, and Iran continues to attract international attention. North Korea has now become only a minor problem when compared to the concerns over a collection of other States which stretch from Morocco to Pakistan. The relationship with the Russian Federation continues to be a target of the same old opponents, while China and India have shown that they are only minimally interested in supporting the Obama Administration's list of priorities. To top it all off, radical Islam remains strong and widespread, despite the dramatic killing of Osama bin Laden. America has tried to rely upon the United Nation for actions against Syria and other pariah states, but has been frustrated by impediments created by Russian and Chinese inaction.

Undoubtedly, the Obama Administration was responsible for the newly-won international confidence in an American leadership, a leadership which has been seriously compromised for the whole of the previous decade. However, even before the mid-term elections, the highly polarized U.S. political system impeded the path of the Obama Presidency. It is difficult to imagine that any other president would have been able to break through the Washington gridlock. As a consequence, Obama's attempts to repair foreign affairs achieved uneven results. The immense popularity the President enjoys in Europe and Africa is not found in India and Israel, and the lowest approval levels are seen just where the efforts to create consensus have been the greatest: in the Muslim world.

The intervention in Libya and the caution shown in the face of revolts in Tunisia, Egypt, Yemen, Bahrain, and Syria demonstrate how difficult it is to balance ideals, alliances, interests, and limited resources, particularly limited military resources. America has angered its important ally Israel, who feels Obama has been naive in dealing with the Muslim Brotherhood. They saw the United States' failure to support Mubarak, the U.S.'s longtime ally, as a mistake of historic proportions. The United States has, nevertheless, largely supported Israeli policies, rejecting a bid for Palestinian statehood and withdrawing support for the United Nations Educational, Scientific and Cultural Organization, after they recognized a Palestinian state. Obama is often criticized for not doing more to bring about a Middle East peace. On his part, he has been frustrated by the key actors' failure to do more to solve their own problems and Netanyahu's failure to do more to prevent illegal outposts and to halt the expansion of settlements.

The Obama Administration's foreign policy record seems, in any case, ironic. Despite its constant efforts to remind the American people that terrorism is only one of many problems the United States must confront on a daily basis, it is precisely in fighting terrorism that the Obama Administration has had its most astounding successes.

## **Two major criticisms**

At the base of the Obama Administration's foreign policy is a vision of Globalization, with all its flaws and merits. For the incumbent presidency, Globalization is a force shaping international politics in a manner that both empowers and weakens U.S. aspirations on the security and economic fronts. Overseeing events in distant places is, therefore, almost impossible, because they would affect people's lives and their opportunities. In this framework, a reinforcement of alliances and international institutions in order to better confront a combination of global challenges ranging from terrorism to climate change, from nuclear proliferation to the spread of old and new epidemics, is the best way to go, because it is in the common interest of the United States and all the other globalized countries.

With the passing of time, the criticisms aimed at the White House have coagulated into two clearly defined directions. The first judges the attempts to "normalize" the position of the United States within the international community to be naive, particularly because the United States is not, and has never been a "normal" State. The second pronounces as absolutely counterproductive the demise of the aggressively militaristic approach typical of the previous Administration, because damaging the credibility of American strategies in international opinion.

In the eyes of his opponents, Obama is prone to see himself as playing the Bismarck-like role of honest broker in international disputes, preferring to maintain equidistance in his relationships with adversaries and allies, rather than taking on a decisive and strong defense of traditional American ideals. According to this analysis, Obama is guilty of placing himself, and the United States, in a position which goes beyond strictly national interests.

Romney argues that Obama has placed the security of the United States at risk. Romney believes military cuts must be reversed and military spending increased. He wants the United States to maintain both economic and military supremacy. He does not want to follow the European path, which means reducing the military, in both dimension and capacity, to cover social welfare costs. He calls for an increase in naval power and wants to increase shipbuilding rate from nine per year to approximately fifteen per year. He also plans to modernize and replace the aging inventories of the U.S Air Force, U.S. Army, and U.S. Marines Corps, and to selectively strengthen the entire force structure. He pledged to conduct a full review of the U.S. transition in Afghanistan, and create an interagency cyber-security initiative. Romney would also enact a defense spending floor of four percent of the Gross Domestic Product. Nevertheless, he has not yet well explained how he intends to pay for this supremacy during an epoch marked by extremely restricted financial resources. Most likely, he thinks revenue will come from tax cuts, in his supply side economics.

Romney has offered only a vague statement about his foreign policy vision, and so far it looks strikingly similar to the current administration. Romney and Obama both see America as exceptional. Romney thinks Obama does not see it as exceptional enough. He wants this century to be the American Century and asserts that the world is safer when America is strong. Romney supports the use of both hard and soft power. He thinks the United States should promote universal rights and freedoms around the globe. Romney speaks of America's need to support its core values. Some voters are weary of having a Mormon president, not knowing whether Mormon core values are the same as other Christians.

However, it seems that Romney's criticism of Obama is often misplaced. As witnessed by Egypt and Libya, Obama has been proactive in trying to advance liberal democracies in the Middle East and the rest of the world. Nobody knows whether Romney will continue such a policy or he will reverse to the quite damp Bush administration's push for democratization in the Arab world. It is unclear whether Romney would have taken a different position in these cases and in the Syrian case. It is unclear that he would do anything differently in any area of the world, other than when it comes to providing American firms incentives to move home.

There is another reason why it is difficult to evaluate Obama's foreign policy. Some foreign and strategic policies now more than ever before takes place in secret. The United States has

increased its reliance on Intelligence agencies and Special Forces. The Bush Administrative may have started this trend, but the Obama has continued and expanded it. It is said that during one of the first meetings of the National Security Council, President Obama clearly expressed his intention to give the Central Intelligence Agency (CIA) every resource that it may need. In fact, the CIA seems lately to have gained new strength and importance. The Secretary of Defense Panetta openly considers the Agency's ghost fleet of drones to be the instrument best suited, and perhaps the only one, to destroy al-Qaeda's leadership. It is therefore not a coincidence that, of the two hundred and thirty attacks launched by the CIA's drones during the last eight years, over one hundred and ninety have been executed during the Obama Administration.

Compared to the re-discovered fortunes of the Directorate of Operations, the home of the Clandestine Service, the long-established authority of the National Intelligence Council, the upper-most level of the entire intelligence community, destined to provide the President of the United States with an independent analytical decisional support, seem to be notably reduced. The situation reveals the ever increasingly erosion of the boundaries that should separate the CIA from the Department of Defense, as witnessed by the almost total lack of objections when an entire series of high officials from the Armed Forces were nominated as leaders of the Intelligence Community hierarchy. Given the enormous difference in the sizes of these two branches of the Federal Government, there is a strong possibility that the Department of Defense, in absorbing the intelligence community within its system, will end up gradually reducing the community's margin of independence. In addition, there has not been a lack of occasions in the past, minor or significant, where these two organizations have demonstrated that they are not on the same wavelength.

The United States has also continued to rely upon the privatization of security in both military and Intelligence. Given Romney's aversion to big government, it is likely that he will support this trend. By shifting the resource spent on private military firms to the U.S. Armed Forces, Romney or Obama could effectively increase the personnel and services provided by the U.S. Armed Forces, without any increase in budget spending. Neither candidate has talked about reducing the reliance on private security firms nor is it unlikely that either will see this as a way to save funds. Typically, private firms are seen as a way to save on personnel costs in the long term. On the other hand, members of private firms can collect a military pension while also collecting their private firm paycheck. It is unclear the candidates have thought through the consequences of the full spectrum of military and Intelligence spending.

### **Searching for the "real" Romney**

The campaign is about the economy and Romney has to attack Obama. It is his democratic responsibility if elections are to produce accountability. As a result, during this entire electoral season, Romney has run a negative campaign, challenging the incumbent over everything, from classified information leaks to his handling of the war, but always preferring to underline the President's inadequacies rather than outline his own agenda.

Despite his publication of a white paper, the naming of an extensive team of advisors and his underwriting of an entire series of articles and editorials, Romney's candidacy is characterized by an almost complete lack of information useful for understanding how his policies would differ from Obama's. This is particularly true when it comes to specific policies. Romney remains silent on many of the President's decisions. This includes Romney's relative silence on the President's recent decision to grant temporary amnesty to children of illegal immigrants who were brought to the country as children and choose to remain to study or serve the military. Immigration policy straddles foreign and domestic policy and has been a way to favor some states and punish others. Like others, it is an area where we are unlikely to see many differences between Obama and Romney. Romney is less forthcoming on the issue of Syria, a case that some would cite as the most recent foreign policy crisis. It is unlikely that Romney would do more on Iran. Most observers agree that the United States played at least a partial role in the Flame and Stuxnet viruses, both intended to halt Iran's nuclear ambitions.

There are several reasons for this strategy. One is an attempt to take advantage of the skepticism of the electorate regarding the performance capacity of the Democrats in military matters. Another reason is that Romney may need to distract from his own intrinsic weakness in foreign policy. Four years ago, a lack of knowledge of international affairs was one of the reasons Romney lost against the other Republican contender for the Presidential candidacy, Senator McCain. So far, such a strategy seems to be bringing mixed results, given the strong support accorded to Romney only by those who have served in the military. At the eve of the two Party conventions, Americans seems to favor the president over Romney on foreign policy by a fifty-two to forty percent margin.

Romney presents an image of himself as someone who is better at domestic than foreign politics, and above all, that of a business man, a successful manager capable of solving the problems of the United States just as he would those of a large company in crisis. In addition, the campaign has been about the economy and Romney has continued to attack Obama on his economic policies. His use of negative ads is expected to continue, since voters have become accustomed to them. In fact, negative campaigns provide voters with information that is a critical part of the democratic process.

Indeed, Romney paints the portrait of a more dangerous world than Obama does, but does not say much about what he would do differently to address all the related threats, barring from an increasing use of military power for which the United States simply does not seem to have the money or public support to use. There are numerous clues for this conclusion. Not even Afghanistan seems to divide Romney and Obama. Both agree that the United States needs to withdraw its combat units, following a strict timetable. Romney says he will make a decision about Afghanistan based on Commanders in theatre and will not allow politics to determine the decision on what to do in Afghanistan. It might be troubling for those to take his statements at face value to realize that Romney does not see military action as a political decision.

Romney has on several occasions attacked Obama for appeasing the Russians. Romney wants to reset the Obama "reset" in relations with the Russian Federation. In the long run, Romney's rhetoric and identification of the Russian Federation as a major threat are likely to harm relations with that State even more than his policy proposals. He wants to reverse the cuts in the national missile defense and to make the deployment of a multilayered national ballistic missile defense system a priority, but at the same time he places a great deal of faith in deterrence and thinks a militarily strong United States will deter old and new threats. Although reconstructing the American economy is his main concern, in a speech at the Citadel in South Carolina, he identified five other major challenges facing the United States: Islamic radicalism; Struggle between democratic and antidemocratic forces in the greater Middle East; Failed and failing states; Anti-American regimes in Iran, North Korea, Venezuela, and Cuba; Rising nations with hidden and emerging aspirations, like China and the Russian Federation.

#### **Four short term international issues**

Independently of any election outcomes, four huge international problems will unavoidably impact the United States in the near future, calling for a skilled foreign policy leadership. The first issue is Iran. The Obama Administration appears to have substituted the initial policy of an out-stretched hand with a strategy of strict segregation, sparing no efforts to obtain a regime of economic sanctions and other diplomatic initiatives to isolate Iran. The next President could once more find himself having to make a decision regarding an attack on Iran with the potential to lead a new large-scale military involvement, or to find a way to manage Iran's growing regional assertiveness and efforts to become a nuclear power. Romney is convinced that Obama waited too long to change his policy strategy, but at the same time Romney seems unwilling to go beyond using further sanctions.

China follows. The next occupant of the White House will have to address the architecture of the relationship with what has become America's third largest commercial partner after Canada and Mexico. The Obama Administration initially saw China as a "responsible" actor, so much so that the Administration considered re-examining its own relationship with India in order to

meet China's preoccupations halfway. The indefatigable determination of the Chinese authorities to manipulate their own currency and expand and transform their military, convinced the White House to send quite a different message, refocusing U.S. military strategy and resources in the Pacific. Again, the difference between the two candidates is more a question of tone, rather than substance. Romney has never effectively explained what he would do beyond what the current Administration is already doing to defend intellectual property and to ensure that the market is allowed to determine the exchange rate of the Chinese currency.

The Middle East follows closely behind China on the list, defined by the Palestinian participation in the United Nations. The next President must decide how much pressure to put on various sides in the Israeli-Palestinian conflict in order to push negotiations forward. In any case, the public opinion polls indicate that less than half of the United States would be willing to become involved in a defense of Israel. The topic which has been historically a strong catalyst of bipartisan consensus appears to have turned into yet another factor of polarized politics. Today, only some Republicans favor unconditional support of Israel.

Finally, the difficulty of sustaining the present military system over time forces a return to that revolution in military thinking which was reluctantly shelved in order to conduct a, now ready for the archives, Global War on Terror. This all implies a difficult dialectic between the White House, Congress, and the Pentagon. Given that Romney believes that the U.S. military suffered a dangerous decline under the Clinton Administration and has faced serious strains under the Bush Administration, he is against the reductions in the Pentagon budget of over one trillion dollars already planned for the next decade and beyond. He would like to increase the manpower numbers of the U.S. Army and the U.S. Marine Corps, rather than reduce them by one hundred thousand. He also seeks to guarantee that defense spending never falls below four per cent of gross domestic product. That spending could slide well below that level based on current spending cuts under consideration. In addition, both candidates will be constrained in terms of what they as President can do. Any President inherits a huge and extremely powerful military structure with which it must work. No other country in the world has the force structure or the defense budget of the United States. This both enables and constrains the President.

### **Looking forward**

From a Trans-Atlantic relations point of view, the European Union and the United States are two realities which find themselves more than ever in evolution. Two distinct political schools of thought co-exist within the European Union. The first, following the lead of Germany, firmly believes in energy security, financial rigor and a political integration to be attained through a progressive series of institutional reforms. The second, made up of the new Member States, continues to see the vicinity of Russia as the specter of past and future dangers, instead of an asset. These Members prefer to count on the protection of the United States, rather than contribute to the foundation of a new continental community. At least up until mid 2012, the first of these two directions seems to have prevailed.

To sum up, the last few years have witnessed a notable mutation of the direction of foreign affairs in the United States. The refusal to consider the European views on a vast range of foreign policy and strategic issues, which was almost categorical during the period of the previous Administration, seems to have the wind taken out of its sails. The impression is that the United States, while conceptually rejecting any multi-polar approach, in its practical operations seems to be slowly accepting it. Of course, this tendency is supported by the fact that the members of the present Administration are Democrats. However, there is no evidence that the Republicans will not follow a similar path, a path made imposed by an obstinate economic crisis and by the changes which this crisis has brought about in the strategic and political weight of the various global powers.

Independent of the results of the upcoming Presidential election, there is enough evidence to assume that the White House will not return to the neo-conservative unilateralism that was so pressing in the early years of the second millennium. Rather, the United States will probably continue to be involved in attempts to convince as many Heads of State and Governments as

possible of the inevitable advantages that come from defense burden sharing in strategic engagements, which many foreign states perceive as neither necessary nor desirable. The limits inherent in this approach lie in a conduct of international policies rich in incentives and relatively poor on sanctions. This has the “disadvantage” in American eyes of fostering the perception of a relatively weak United States power, and this, paradoxically, feeds an American tendency to resort to military solutions to international issues.