



Select Committee on International Relations

Corrected oral evidence: UK foreign policy in changed world conditions

Wednesday 28 February 2018

2.05 pm

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Members present: Lord Howell of Guildford (The Chairman); Lord Balfe; Lord Grocott; Lord Hannay of Chiswick; Baroness Hilton of Eggardon; Lord Purvis of Tweed; Baroness Smith of Newnham.

Evidence Session No. 6

Heard in Public

Questions 50 – 55

Witnesses

I: Dr Richard Haass, President, Council on Foreign Relations.

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Examination of witness

Dr Richard Haass.

Q50 The Chairman: Welcome back to the Committee, Dr Haass. You were a marvellous and helpful witness to us in an earlier inquiry on the Middle East and the chaos there. We are now on a broader track in trying to analyse in this “world in disarray”, as you call it, how the UK should reorganise and equip itself in terms of foreign policy and diplomacy in totally new conditions which are still very unfamiliar to all of us. Thank you very much for being with us. This session is on the record and there will be a transcript available if you would like to change anything.

We shall begin by building on your thoughts and focusing on your writings on the world situation. Is the concept of world leadership still the one that America should aspire to? Is it your feeling that there is a vacuum in world leadership, which I think you and others have written about, that could be repaired by different kinds of American policies? Also, how far do you think this is all being driven by the technological revolution, through the rise of what Clyde Prestowitz has called the “three billion new capitalists in China”, the aggression of Russia, the chaos in the Middle East and the doubts in Europe about which way it is going? Let us start with this general question so that you can tell us where you think it is all heading.

Dr Richard Haass: Again, thank you for asking me back. You have begun with a big question. Technology is a part of all this, but I would not exaggerate its significance. This is a particularly dynamic moment in history that is being caused by any number of reasons. The institutions that shaped much of the post-World War Two world are by definition now 70 years old and they have not adapted. There are new issues for which we simply do not have the arrangements, ranging from cyber to climate change. The arrangements to deal with them are not adequate. We are seeing shifts in absolute and relative power including any number of actors, both state and non-state alike. For these and other reasons, the world has been moving in the direction of what might be called greater disarray, to use the word I seem to like, while the centrifugal forces are robust.

What is somewhat different is not simply all of this—we can talk about it in greater detail—but that, under the current President, the United States is not prepared to carry out its traditional role, by which I mean a role that was largely embraced by every American President from Harry Truman through to Barack Obama. There are obvious differences among them. Nor am I going to sit here and say that at certain times the United States did not make what I would judge to be significant errors in what it either chose to do or chose not to do—acts of commission and omission alike.

However, this is the first President in the post-World War Two world who has fundamental issues or differences with the idea of the United States playing the leading or the foundational role in many areas of international

relations, in supporting what is widely described as the liberal world order. The United States has pulled back from that role. It has not substituted something else for it. What we are seeing is that the world does not organise itself by itself and there is no other country, set of countries or set of actors who are both able and willing to fully substitute for the United States. The sum total of these structural changes in American policy and the reactions or lack of reaction to them by the rest of the world would, if we were to measure them, represent a moment in which—whatever unit of account you might use to measure world order—we would say that it has gone down.

The Chairman: Would it be your view that all of this can be put together again and that America could reassume its leadership after this interregnum, as it were, or is it that something fundamental has changed permanently so that the whole concept of leadership in the 21st century is rather different? It is not merely a question of two superpowers instead of one but of a giant network where everyone is in the game and the old idea of world leadership by America belongs to a previous century. Which of those two views is the one you are inclined towards?

Dr Richard Haass: That is the right question and many of us are asking: to what extent is what we are seeing now a temporary aberration or is it enduring and likely to continue? The answer is somewhere in between. I do not mean to avoid your question and I shall answer it directly, but it depends on a few things. For example, first, will Mr Trump be President for eight years, four years or something else? Secondly, is there any evolution in his thinking about America's relationship with the world? That is one set of questions. A further question is how others react to that. There are all sorts of possibilities ranging from taking matters into their own hands to falling in line with powerful states which they may see as taking the place of the United States, at least in part.

One of the questions I ask here is the extent to which President Trump is a reflection rather than a cause of some of what we are seeing, which is another way of saying that what we are seeing is "Trump-ism." Some elements of his foreign policy are likely to continue. To some extent he is a reflection of the mood of intervention fatigue after Iraq and Afghanistan. The consensus on free trade had started eroding before Donald Trump. Indeed, it was the only issue on which all three candidates, Donald Trump, Hillary Clinton and Bernie Sanders, agreed during the 2016 election. All three of them opposed the Trans-Pacific Partnership.

All of this says that the answer to your question depends, but I will leave you with two specific thoughts. There is no going back to anything like there was during the four decades of the Cold War or during the initial decade or decade and a half after the Berlin Wall came down and after the Gulf War. That is for two reasons.

First, the world has fundamentally changed. There is far more capacity in many more hands, however you want to measure capacity. The gap between global challenges and global arrangements has grown. There

have been shifts in the absolute and relative balances of power. So even if the United States were to somehow return to a more traditional role, I believe that its ability to play its role with similar effects that we saw in earlier periods of history is no longer the case. Secondly, I do not believe that even if someone quite traditional were to succeed Mr Trump, he or she would be leading a country that was prepared to play its traditional role in quite the same way. So if I add up what I believe are enduring trends in the world and likely developments in the United States, I still think there is a place for American leadership, but it will have to be qualitatively different from what worked in the previous periods of history.

The Chairman: That is a very interesting and helpful answer. So we are talking about a new kind of leadership—leadership, yes; a framework for a world in disarray, but a new framework. Lord Hannay, would you like to follow that up?

Q51 **Lord Hannay of Chiswick:** There are a couple of aspects of President Trump's policy which have been promulgated in recent weeks, in fact—the *National Security Strategy* and the *Nuclear Posture Review*—which could be and have been described by quite a few commentators as pretty classical Republican foreign policy stuff. Would you agree with that characterisation of those two documents, which contain some quite important aspects, of course, such as the switch from counterterrorism to treating China and Russia as competitors and the talk about more short-range nuclear missiles? If so, do you think it reflects a gradual move by President Trump towards a more classical Republican foreign policy or just a discordance between some bits of his foreign policy and others?

Dr Richard Haass: Lord Hannay—David—the nuclear posture statement had a narrower focus and questions were raised about the possibility of first use of nuclear weapons in various contexts, and about lower-yield nuclear weapons. That seemed to me to be a set of specific questions. That aside, I do not think they were first-order questions about American foreign policy. On the national security strategy, first, it was not clear to me as a reader to what extent it represented the national security strategy of the Administration in reality.

Secondly, although its content reflected the Administration's policy, what struck me was the degree of criticism of both China and Russia. I do not have the document in front of me but the thrust of the argument was that for years or longer the United States and others had tried to integrate Russia and China into something akin to a liberal world order, and that this attempt had failed and we now needed to face this new reality and come up with a new foreign policy, however we were going to describe it, for dealing with Russia and China. I was quite struck by the starkness of the assessment both of the past and of where we stood.

I do not know whether or not you want to call this traditional foreign policy. It is clearly different from the kind of foreign policy towards Russia and China carried out by Richard Nixon, Gerald Ford, George Bush 41 or even George Bush 43. Indeed, I do not even know what the phrase

"traditional Republican foreign policy" means any more, given the fault lines within the Republican Party. You have traditionalists; you have "neocons", who are more interested in promoting democratic transformation and more sceptical of institutions; you have Mr Trump and the people surrounding him, who have a very different—I think much narrower—conception of America's role in the world. Again, I am not sure what standing to give this document, but I do not find the phrase "traditional Republican foreign policy" to be meaningful any more, simply because we have come a long way from the era that ran from Nixon through Ford, Reagan, Bush and Bush again. I think that the question of what Republicans stand for in foreign policy is up for grabs. I would say the same thing, by the way, about the Democrats.

Lord Hannay of Chiswick: Do you think that treating China in particular in a fairly adversarial way is the best way to proceed? Do you think that the traditional policy of trying to co-opt China into being a positive, constructive player on a whole range of issues is the right one? Do you think it is a trend of US foreign policy, which would seem to validate the Thucydides trap theory?

Dr Richard Haass: I may be something of an outlier here, but I believe it is premature to write off the possibility of large areas of co-operation with China. It is a mistake to say that because certain things have happened, the attempt to integrate China was a failure. For me, that would be the wrong lesson to learn. I would argue that there were things we could have done differently, particularly in the trade domain. We could have held China to higher standards on its entry into the WTO. I would not argue that the effort to work with China has been a failure that should be rejected going forward. I certainly would not embrace the idea that a US-China cold war is somehow inevitable. To me, that is the challenge of statecraft.

The challenge of statecraft vis-à-vis China should be to see if we can continue to expand areas of co-operation, to limit areas where we are working at cross-purposes or worse, and to limit the fallout or spillover in the areas in which we disagree, so that we do not preclude co-operation on issues such as North Korea or climate change. We need to have a multidimensional policy with China where, again, we hedge against certain contingencies. But it would be a mistake to assume the worst and say that it is inevitable that we are moving towards a new cold war or, even worse, a conflictual relationship. The consequences if that were to be the case would be a very different 21st century. If the United States and China had that type of adversarial relationship, that would be a real failure of American and Chinese statecraft and diplomacy, and both countries—and, indeed, the world at large—would pay an enormous price if that came to pass.

The Chairman: The puzzle for us is that you will be right and you will be wrong. On the one hand, the financial revolution binds China and the United States together—the Chinese are holding all your treasury bonds. In trade terms, we are all bound up together. China is building physical

links with Europe as never before—a new Eurasia has come into being and we will have to work and live with that. On the other hand, China is involving itself in undermining stability in many countries. It is right in the middle of a cyberwar in a very hostile way. It is not taking a strong line against jihadism and so on in the Middle East. It is playing games in the South China Sea of a very assertive kind. It is not being all that helpful over North Korea. Here we are in the United Kingdom and we have to ask you: which way do we go on this? Both trends appear to be realities that are ahead of us.

Dr Richard Haass: I agree, and we have to assume that both trends coexist, so it becomes a multidimensional or multi-personality relationship rather than a one-dimensional or one-personality relationship. This puts a much higher premium on statecraft, because it means that it has to be more nuanced and flexible, and the goal ought to be again to expand the areas of co-operation, to limit areas where we are at loggerheads, and to avoid spillover.

I add one more thing. I would not assume with Chinese behaviour going forward that the cake is baked or that the cement has hardened. It is a variable. One of our goals ought to be to shape Chinese behaviour, particularly beyond its borders; we have less capacity to shape its internal behaviour. But I do believe that we continue to have the potential to shape its external behaviour. It is one reason why I so disagree with the American decision not to participate in TPP, and it is one of the reasons I am still a strong believer in the American alliance system in Europe and in Asia. We retain the potential to influence Chinese choices.

The Chairman: Just one more question on this, unless my colleagues want to come in. On TPP, America withdrawing appears to put the ball straight into China's court in a rather puzzling way. Is the talk now about an Indo-Pacific new Asian policy for America, looking to support from India, Australia, Japan, New Zealand and so on, and maybe the UK? Is that some kind of alternative idea to replace the vacuum created by pulling out of TPP? Do you see it that way?

Dr Richard Haass: I would say two things. First, I do not see it an alternative. It is not quite clear to me what the substance of it is. I do not want you to get me wrong; I am not against developing additional frameworks for co-operation, but I do not see them as substituting for TPP.

On TPP itself, I am rarely called an optimist, so let me step out of character today. I have not given up the hope that at some point the United States may find its way back into if not this TPP then a TPP 2.0 or some future version. Again, the Administration decided to leave the TPP in the first week of the presidency, before it had had a systematic look of any sort at the economic and strategic consequences of its decision.

As we have discussed here, China has been the principal beneficiary of that. It dismayed, to say the least, the 11 other signatories of TPP, which

is obviously now going to go ahead. The President, at least publicly, has talked about and put on the table the possibility, under some conditions, of this issue being revisited. I can imagine various scenarios in which it would be revisited, either by the executive branch or possibly by the executive branch working with Congress, or we could have certain understandings between the two branches in ways that would permit American entry into TPP. So this is somewhat back in play in ways that are perhaps not 100% obvious yet.

Q52 Lord Grocott: My question flows from that to a degree, because it is about the Administration's view of international organisations more generally.

I think you said in answer to an earlier question that the post-Cold War world institutions have not adapted as much as they might have done. I do not know whether that is a generous link in to President Trump's apparent scepticism about these international organisations or at least his building a distance between him and some of them. I am thinking of NATO, the United Nations, and maybe the European Union, although that is in a slightly different category. Do you see him, as a general principle, being sceptical about international organisations of this sort, and see this perhaps as a permanent shift towards bilateral relationships?

Dr Richard Haass: I believe that this President is, as you put it, sceptical of international organisations. He seems to prefer bilateralism, certainly in trade, and to prefer the freedom of action and manoeuvre that would come with the United States being apart from certain institutions. It is hard for me as an observer to square "America first" with institutional commitments. It is often remarked upon by observers that he tends to prefer a more transactional approach to international relations.

Alliances and institutions are qualitatively different from this. One does not measure what we give and what we get on a regular basis; rather, one is prepared to be more flexible in assessments of what we give and what we get, because we believe in the long-term value of the relationship or the institution. It does not seem to be President Trump's default option. On the question of how this will play out, your guess is as good as mine.

Lord Grocott: Do you not think that a scepticism on the part of the President towards the operation of some of these organisations might lead, in your terms, to them updating themselves a little from the immediate post-war world and being a catalyst, or is that just a ridiculously optimistic view of things?

Dr Richard Haass: I do not think it is ridiculously optimistic. It is optimistic, but we will have some test cases in the coming months. One will be on the JCPOA, the Iran nuclear agreement, which is a more recent agreement. This Administration finds it deeply flawed. I find it flawed in some ways. The *New York Times* had a story this week on the Europeans suggesting some type of extension of the various ceilings on centrifuges

and enriched uranium stockpiles. That is a very good idea and is what I advocated in the book that Lord Howell referred to at the beginning.

We will have a test case. Is the Administration prepared to work with Europe on some type of follow-on agreement or extension of the supplements rather than destroying this agreement? That is one test case. Another will be NAFTA.

The NAFTA negotiations are now in their seventh round, if my memory is correct. NAFTA needed updating and would have needed updating even if Donald Trump had never been elected. Issues such as digital commerce were simply not part of the original negotiations and agreement 25 years ago. At least in principle, if the President wanted to, we could have a NAFTA 2.0. It is optimistic, given our laws and Mexican laws and politics, to assume that anything will happen soon.

I see no signs of possibility on the Paris climate agreement. We have already discussed the TPP. I do not know whether that is ridiculously optimistic, but it is certainly optimistic to think that we could find our way to rejoining. Again, I think it reflects a real scepticism on the part of this President and his Administration about the value of these instruments and, more broadly, about the costs and benefits of a traditional American role in the world. All things being equal, we have to take the Administration at face value and assume a certain anti-institutional bias in its behaviour.

The Chairman: Will this apply to NAFTA and the World Trade Organization, which some people here in Britain are looking to replace our current relations with the rest of the European Union? Will the President unpick these things, or is this all media talk and in fact he will find that in reality he has to stay with these organisations?

Dr Richard Haass: We have to separate these organisations. NAFTA is an area that, both during the campaign and as President, he has been extraordinarily critical of. However, reportedly, a lot of American agricultural and manufacturing firms have made known to the White House and other parts of the executive branch the benefits the United States derives from NAFTA and the cost that it would incur if it were to break the agreement.

So my prediction, at least for the foreseeable future and if I had to bet, is that nothing much will happen. These talks will drag on and we will not have a successor agreement, but we will not have the destruction of the existing agreement either.

In the case of the WTO, what I think we are beginning to see in the trade realm is the greater use by America of various trade "remedies" that are available unilaterally. There are various sanctions or actions that the United States can take to limit access to our market. We can introduce tariffs and so forth. That is our initial response, which in many cases I think will be counterproductive, but so be it. What is not clear to me is how this will play out when others react either in the WTO or elsewhere

and how the Administration will respond. That is to be determined, but I cannot sit here and rule out a major American distancing from the WTO. It is quite possible.

Lord Hannay of Chiswick: Do you think that the best response of countries such as Britain, France, Germany and others to this Trump Administration onslaught on things which those countries have held as being absolutely central to their foreign policy for many years is to circle the wagons around the organisations and try to keep them alive and sustained until something better comes along in the White House, or is it to try to address some of the problems within these organisations and reform them in the hope that that will make them more palatable to the US Administration? Which of those two choices do you think is the right one for countries like Britain, France, Germany and Japan?

Dr Richard Haass: I would put your second option slightly differently. At a minimum you want to preserve the institutions, which is the first option, but virtually every one of those institutions or arrangements needs improvement. The reason for improving them is not per se to make them more palatable—I think that was your word—to this Administration, but that the agreements need improving full stop. I always thought that the duration limits in the JCPOA, the Iran nuclear agreement, were a terrible idea.

The limits on Iran's nuclear behaviour ought to be open-ended, and that is something that I would say should be done. We need a TPP agreement or trade agreements that deal better with the protection of intellectual property and thus rule out the pressure to transfer property against one's will. We need to deal with massive state subsidies. The Paris climate agreement targets, even if the agreement worked, have not been met and they still would not deal with important aspects of the challenge. Again, one should try to improve it.

There is virtually nothing meaningful in the way of global regulation or a regime, to use the academic phrase, for what goes on in the cyber domain. If I were sitting in Europe, in addition to dealing with some of the challenges to the EU institutions—I think Mr Macron has taken the lead and hopefully will find himself with a German partner sooner rather than later to actually advance some of these issues—I would say that all of the institutions and arrangements need modernisation. That would be my agenda.

Lord Purvis of Tweed: In many regards, the response of the US Administration is not to seek to use their position in these organisations and structures to reform or change them, but to withdraw from them. In trade, the US withdrew from the WTO summit in Buenos Aires to prevent a communiqué from even being agreed. I cite also the Paris accord. Indeed, there is a whole raft of areas from which the US is now withdrawing and there does not seem to be an obvious country or group of countries that would be willing to fill the gap. That is because China and Russia have their own imperatives. Who would you see as the reformers if the US is not willing to take the lead?

Dr Richard Haass: One puts together a coalition of the willing. It might be made up of many of the countries of the EU in Europe; Canada; selected countries in Latin America including Argentina, Chile and Colombia; selected countries in Asia like Australia, potentially Japan and South Korea. One finds partners where one can, and it may be that for this era of international relations, given some of the internal changes going on in certain countries and some of the debates within my own country, that is the most that one can hope for. We may have more flexible arrangements and coalitions. Whether they organise themselves and try to bring about change within existing organisations, or failing in that because of the United States, Russia or China blocking them, they should try to bring about desirable arrangements in a less formal way outside the standing institutions.

Lord Purvis of Tweed: Maybe it is a stretch, but could it be argued that the withdrawal of the Trump Administration, particularly from utilising the strength of the US, is providing an opportunity for emerging powers to build coalitions with other countries such as Germany and Canada? It may be an opportunity for them to emerge.

Dr Richard Haass: There is that opportunity but they did not have to wait for the United States to pull back to take it up. The United States was not holding the Europeans back from playing a larger role. I am not fighting your point, Lord Purvis. If the Europeans want to play a larger role in many of these cases, people such as myself would welcome that. The danger is that others with very different agendas are likely to play a larger role as well. We are obviously seeing that in Russia and Iran in the Middle East or China and others in parts of Asia. Given what North Korea is up to, the danger is obviously that the forces that are not interested in anything that looks remotely like a regional or global order are going to come to the fore. That is the risk of the United States doing less at this moment in history.

The Chairman: This is fascinating. You have just described to us a fluid version of the United Nations, a world of new networks all finding their way through things like the Shanghai Cooperation Organisation, ASEAN, bodies in Africa and so on. In this networked age, is it unrealistic to look for a new permanent pattern or should we simply recognise that there will be a constant shifting of alliances and a constant need to adjust to a completely different world from the one we were operating in before?

Dr Richard Haass: The short answer is that I think you are on to something. You can still have global arrangements because there are certain issues that we have to try to deal with globally. The participation need not be universal, but whether it be fighting terrorism, dealing with cyberspace, tackling infectious disease or climate change, they are truly global challenges. I still think that there is a powerful argument for trying to create global arrangements, mechanisms, norms and institutions for dealing with them. It does not have to be through the United Nations, and in many cases you may not want it to be. The Paris arrangement was quite ingenious in some ways because it allowed countries to join it and

to set some of their own goals. It was totally consistent with sovereign rights and choices, and indeed it is for that reason that I thought the American decision to pull out was totally unnecessary. Let us put aside the fact that it was unjustified on the merits of the arrangement, it was unnecessary.

That is one trend that we will have: new sets of global arrangements. More broadly, though, particularly in the strategic area, is the idea that you might have networks, alliances and clusters of countries that are not necessarily allies in the formal sense but are strategically associated.

That is very much the case. We talked about the Indo-Pacific. I can see the United States, India and other countries needing the establishment of some kind of strategic alignment or association but not being formal “allies”. I do not think this will be a great era for formal multilateralism, particularly UN-centric multilateralism. I still think that the structure of the Security Council—who is there and who is not, and the role of the veto—is going to dramatically limit the UN’s role. Indeed, I would actually argue that the most important priority for the UN in the coming years might be to strengthen some of its capabilities; for example, professionalised peacekeeping and improving the World Health Organization.

The UN can probably make a larger contribution there. But we are not going to move towards a Security Council-dominated world. I can see no circumstances in the 21st century in which the UN or the UN Security Council plays the kind of role that we saw the great powers playing in the Concert of Europe. It will not be a UN Security Council concert, or any other kind of concert. It will be a much more dynamic, fluid set of interactions among major powers, medium powers and even, in some cases, non-state actors. Again, this is going to be an incredibly complicated, dynamic era of international relations, which was not created by this American decision or pattern of pulling back but has clearly been accelerated and in some ways exacerbated by it.

Q53 Baroness Hilton of Eggardon: You have answered most of my question, which is about the loss of status and leadership by the United States. Particularly in relation to Turkey and our NATO allies, do you think that America abdicating its leadership role is the reason perhaps for Turkey turning to Russia instead, which again is a confusion of traditional relationships and alliances? Do you see that as dangerous and as a temporary or permanent situation, because America and Turkey have been very close allies for a very long time?

Dr Richard Haass: I am critical of the Trump Administration in several areas, but when it comes to the alienation between the United States and Turkey, I put almost all of the blame on Turkey. The estrangement of Turkey from the United States and Europe—what we used to call the West—is largely Mr Erdoğan’s doing. He is committed to a path of illiberalism at home. He has dismantled many aspects of what used to be Turkish diplomacy and what used to be a robust civil society.

Turkey is now an ally in name only. It is not an ally or a partner in any meaningful sense. I am quite worried. You do not need a vivid imagination to foresee the possibility of US and Turkish troops coming into conflict with one another in Syria. They are dangerously close and they have very different strategic agendas there. Turkey is distancing itself from the United States, NATO and Europe.

Quite honestly, I believe that the United States and the Europeans should talk and should make themselves less dependent on Turkey and its bases. I do not think that Turkey is a reliable partner. So long as Mr Erdoğan leads Turkey—and as best as I can tell, he is going to lead it for some time to come; he is part of this larger pattern of authoritarians who do not respect term limits—we have to accept this as the new normal in Turkish behaviour and we have to adjust to this new reality.

The Chairman: Going back to the conversation we had a moment ago about whether America is in an interregnum and might assume a new role—although you said it would be a different role from the past superpower role—is there a new way of developing America’s soft power and reputation in the world in line with the new conditions where the narrative is everything, the story is everything, everyone is empowered and popular views dominate the entire planet? How will America move into this new world? Do you have some ideas on that?

Dr Richard Haass: I will answer that in a moment but I think we need to retire the term “superpower”. If my analysis is right, no one can be a superpower any more, simply because of the way that power is distributed in the world. That degree of consolidated or concentrated power, that degree of primacy, is simply no longer available to the United States or anybody else. Again, arguably Mr Trump has accelerated that, or exacerbated it or reinforced it, by certain decisions, but we have to accept that this was the trend even before he became President and whenever he departs the scene and no matter who he is succeeded by, I just do not believe that this notion of a “superpower” is available any more, whether it is one or two countries having a degree of control or influence over international relations to the degree that the US and the Soviet Union did during the four decades of the Cold War, or the United States had for the first 10 or 15 years of the post-Cold War period. Too much has changed structurally in the world for that to be re-established.

The most important form of soft power for the United States is the soft power of our example, which reflects everything from the robustness of our economy to the performance of our institutions and the success and quality of our society. I imagine that the United States will do fairly well economically, at least in the short term. Our ability to manage inflationary expectations will be a challenge.

We have other issues with inequality. Even though unemployment is low, labour participation rates are not as high as they used to be. All our societies face the very demanding challenge of the disappearance of many existing jobs and the emergence of new jobs, but then there is the mismatch in the skillset of the labour force with the jobs and how we are

going to deal with that. The United States has moved away from some of its traditional positions on immigration. I can go on and on: it is a long list.

But our soft power in the world will depend to a large extent on how we are perceived, how successful our politics are in dealing with these challenges—I have not mentioned other issues, from guns to infrastructure to education—how well we deal with rights issues in our society, and how well we deal with technology issues. What will determine American soft power more than anything else will be the quality of America's economy, society and politics.

Other aspects of soft power will come from what we do in the world and I think there are issues there about the extent to which we promote certain types of values. Do we stand for human rights? Do we use our diplomatic tools and not just our military tools? There is that set of issues as well. I actually think that the most important aspect is reputational. We will have to see how that evolves, but there is real reason for concern, given what we have seen in the past year in American society.

The Chairman: Thank you for that. We are going to spend the last few minutes of your time, which we are stealing from you, thinking about ourselves here in the UK and how we react to all this. Lord Purvis will start us off.

Q54 **Lord Purvis of Tweed:** In many respects, my question follows on immediately from your previous answer: if there is no one superpower, it is a case of how to build alliances and how to develop the relationships that already exist. I want to ask you about how America's allies have been adjusting to the relationship with the new Administration. There seem to be different styles—from inviting the President to a large military parade in Paris to having the Saudi royal family act as if it is the court of Trump, with very high levels of flattery to the family. How do you think the UK has been developing its relationship with the Administration? What is the perception from where you are sitting—are we doing it well or are we not really visible in this new relationship with the Administration?

Dr Richard Haass: Let me put it this way: let us put aside the kinds of issues that you have talked about—how certain Governments are employing certain approaches or tactics to earn good will with the Administration—because I do not think that in the long run those are all that meaningful or enduring. There are a few issues for the UK. The US-UK relationship is nothing like as close as it used to be, in no small part because the UK is as distracted as it is. I still read your newspapers—a hangover from the fact that I lived in your country for six years and twice I have been heavily involved in Northern Ireland—and Brexit is taking a lot of the oxygen out of the room in British public and political debate. It also raises certain questions about the future, to say the least. That in part accounts for the fact that this relationship is not as meaningful, substantive or significant as it used to be.

There are questions about British capability, given the many calls on your resources and where your military is and will be. The vote that you took when Mr Cameron was Prime Minister and President Obama was in charge here, when Parliament voted against getting involved in Syria, was not a capability issue, it was an issue about a political consensus or will—or lack of it—and it raised questions about Britain’s reliability and its consensus to play a large role. We should also acknowledge that a lot of history will play out in parts of the world, including Asia, where Britain has not been all that involved and does not have relevant capabilities.

You have opened up a far more serious issue than military parades or the gifts that are given to a visiting American President. It is really a British conversation, more than anything. The way for this bilateral relationship to be special is not how many people utter a phrase or slogan, it is what Britain is willing and able to bring to the relationship and the extent to which it is willing and able to be a strategic partner. It does not have to be just military. It could be, for example, fashioning approaches to how cyberspace is going to be regulated or dealing with climate issues or co-operating on questions about how we are going to prepare our societies for the disappearance of much of what has been traditional work. This is really a conversation for you all to have among yourselves, and it gets into the question of your identity, your role in Europe, and your role beyond that.

Q55 Lord Purvis of Tweed: We are attempting to do that in our Committee, I think. Similar to the question that was asked before about whether this Administration in the US is a blip or an indicator of the long term, do you think that the perception you have just outlined about the UK-US relationship could be temporary or is it starting to become quite hard-wired in Washington—that we will no longer be as strategically important, given the changing world and what you perceive the UK’s strengths to be within that?

Dr Richard Haass: My sense is that there is still good will. When polls ask which countries Americans feel good about, the UK tends to do relatively well, although a lot of that is not particularly informed in terms of what we are actually doing together. My sense is that among the foreign policy elites—or the foreign policy establishment—who follow things more closely, the British role is seen as having been downsized and likely to continue that way, and that Brexit reinforces that. That is my informal reading of my colleagues, in the loosest sense of the word.

The Chairman: We must bring this to an end in a moment, but I think you can assume, Dr Haass, that we will continue to be pretty nice to you because you are our biggest export market as a single country. So we need you and indeed there is talk here about how we might improve our trade with you even further as we readjust in Europe, where things may not be going quite so well. So there is a strength. But on the security side, there is a bigger picture that is worrying us: are your security concerns and ours as similar as they were in the Second World War and the Cold War or are we diverging? If so, does that mean that our intelligence links and all those sorts of things may become less important

than our economic links—because you are the richest and most powerful economy in the world, by far—getting stronger? Could there be a shift in that direction?

Dr Richard Haass: I expect that the economic links will remain significant for both countries. I am pretty confident the intelligence relationship and the intimacy there will remain. Let me put it this way: I worked in the White House for four years, for the 41st President, and whenever there was a crisis, he, more than many Presidents, was prone to getting on the phone and would talk to various world leaders, either to get their insights or to talk about what we might do together.

The British Prime Minister was always towards or at the top of that list and you have to ask yourself whether that is the case today, and I think the answer is no. It goes beyond military parades and the like. It goes beyond even the chemistry—or lack thereof—between this President and this Prime Minister. There is a sense that—given where Britain is in its own historical evolution, with Brexit; given the fact that many world crises are half a world away, whether it is Venezuela or the Korean Peninsula; and given whether other countries might be more willing and able to participate in a certain undertaking—the US-UK strategic relationship has become less significant than it was.

That is not to say that other elements of the relationship will not remain significant and there will not be moments when we do find ways to co-operate in the strategic realm. All things being equal, I actually think that this is part of the larger phenomenon that the Atlantic relationship is not as strategically significant globally as it was, even though Mr Putin might have given it a new lease on life, given his own aggressive behaviour in various places in Europe.

Part of this is an adjustment to, or a recognition of, the fact that we are three-quarters of a century past World War II, and the habits of co-operation that developed after World War II have diluted, given generational change, strategic developments and, again, decisions you all have made about what kinds of capabilities you are going to have and what kind of role you are going to play. As you have historically reduced your role, with the various east-of-Suez decisions over the decades, the reality of US-UK co-operation has become somewhat more modest. My sense is that that is a trend we are living with.

The Chairman: That is a very fair summary. Thank you very much for that. I suppose it leaves the final question hanging in the air: who does the President ring up if he does not ring up London—is it Brussels, the head of the Commonwealth, Beijing, the African Union, Berlin? It is quite a choice and I am not sure that we have an answer at the moment. But we will certainly want to go on ringing you up. You have been an invaluable witness, in past sessions and in this one. We love talking to you and it is tremendously valuable to us. Thank you very much indeed for your time.

Dr Richard Haass: Thank you, Lord Howell. If, at any point in the future, I could be of help at all, just ask. I am more than happy to do this. David Hannay and I did not bring peace to Cyprus but it is always a pleasure to interact with my old colleague.

Lord Hannay of Chiswick: We are on the same page on the JCPOA.

The Chairman: Yes, we are. Thank you so much, Dr Haass, it was a great pleasure and very useful. Cheerio.

Dr Richard Haass: Thank you.