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Trump address shows limits to his vision of 'greatness'

Expansive promises, lack of planning risk eroding American power

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U.S. President Donald Trump declared Tuesday that a "new chapter of American greatness is now beginning," built on renewed economic and military strength. Yet this approach is fraught with problems, both inherent and of Trump's own making.

The Hall of the House of Representatives contained a microcosm of a divided America on Tuesday night. As Trump addressed a joint session of Congress, lawmakers from Trump's Republican Party stood numerous times to applaud while stone-faced Democrats remained in their seats. The rifts that elevated an outsider to the highest office in this global superpower are unlikely to heal readily.

Trump seemed keenly aware of his difficult position. He steered clear of inflammatory remarks, calling instead for public unity and bipartisan cooperation. Yet the president remained as committed as ever to fulfilling his pledges, boasting about his administration's achievements so far.

The heart of Trump's message is a promise to revive U.S. economic and military might: bolstering the economy through fiscal stimulus and deregulation while expanding military spending to promote peace through strength.

Trump's plan to "restart the engine of the American economy" rests on the first major tax reform in three decades as well as \$1 trillion in infrastructure investment. Both measures should be good for the U.S., which has leaned heavily on drastic monetary easing while doing little to reinforce the foundations of growth.

The problem is the lack of specifics. If the U.S. not only cuts corporate taxes, but also implements a proposed border adjustment tax scheme, the damage will be severe. Plans for a tax cut for individuals and the infrastructure program are still more vague, and the fanfare itself can do only so much to keep up expectations.

Trump's promises are not a magic spell that will cure America's ills overnight, said Stephen Roach, a senior fellow at Yale University. Some fear that implementing massive tax cuts and

infrastructure spending now, when the country is close to full employment, would explode the deficit and send inflation, interest rates and the dollar soaring.

The impact of protectionist and anti-immigration policies will be worse yet. Trump made no secret Tuesday of his continued insistence on "fair trade" and a wall along the Mexican border to deter illegal immigration. It is not for nothing that General Electric CEO Jeff Immelt expressed concern about the receding tide of globalization in a letter to shareholders, observing "deep skepticism toward the ideas that powered economic expansion for a generation."

Trump's foreign policy is problematic as well. Whether the U.S. will be able to maintain its superiority on the global stage by relying on the hard power of military force while giving short shrift to soft power -- American influence as a guardian of free markets and democracy -- remains an open question.

To think that international relationships are determined solely by military strength is short-sighted, argued Christopher Preble, vice president for defense and foreign policy studies at the Cato Institute.

Former President Lyndon Johnson, a Democrat, pursued a "guns and butter" policy in office, implementing far-reaching domestic reforms such as public assistance with medical care and education as well as expanding the Vietnam War. This approach hurt the nation's finances and fueled faster inflation. Republican Ronald Reagan fell into the same trap when he sought as president to slash taxes while building up the military.

Chasing after "American greatness" without a concrete plan in mind may needlessly diminish the nation's strength instead. Such fears are hard to put to rest, and that is where Trump's major problem lies.