



GLOBAL PANDEMIC: CORONAVIRUS AND GLOBAL DISORDER

# The Pandemic Is Making Transatlantic Relations More Toxic

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European trust in the United States has declined sharply since U.S. President Donald Trump took office. According to the Pew Research Center, three in four citizens from several European countries (including France and Germany) lack confidence in his administration's leadership. U.S. diplomatic relationships with key allies like Germany are in shambles, and many European diplomats cannot name a time in recent history when the transatlantic relationship was in worse shape.

Washington and European capitals have clashed over several policy issues including tariffs, defense spending, and foreign policy. But on top of these policy disagreements, this latest bout of transatlantic discord is different, marked by a lack of European trust in Washington's intentions, unpredictable U.S. foreign policy decisionmaking, a dearth of U.S. diplomatic decorum, and a sense of ideological drift across the Atlantic. So far, the novel coronavirus pandemic has done little to change this outlook.

### GROWING TRANSATLANTIC DISCORD AND MISTRUST

Rather than lobbying for transatlantic unity, Trump spent much of his March 11 Oval Office address on the coronavirus blaming Europeans for its spread in the United States. His sudden announcement of a U.S. travel ban on European visitors came without any prior consultation with European diplomats. Although many European governments haphazardly rushed to shut their own borders early on in the crisis, the undiplomatic tone of Trump's address prompted EU leaders to issue an unusually sharp rebuke. When asked about it later, Trump simply explained away the lack of consultation as retaliation for European leaders' failure to consult him on tax issues. Given that Trump is a staunch supporter of Brexit, his decision to exempt the UK from the initial list of affected countries also suggested possible political motivations (although the UK was later added to the list).

It is true that U.S. officials have since sought to clarify U.S. policies and coordinate more with European countries. For example, Trump has hosted several video meetings with various European leaders including German Chancellor Angela Merkel, French President Emmanuel Macron, British Prime Minister Boris Johnson, and Polish President Andrzej Duda. U.S. Secretary of State Mike Pompeo has spoken with European diplomats such as EU High Representative Josep Borrell and French Foreign Minister Jean-Yves Le Drian, both times expressing a desire to strengthen transatlantic cooperation. Additionally, U.S. State Department officials are holding regular coordination calls with European officials. Yet the lack of consistency between the White House and workinglevel professionals in the Trump administration remains puzzling to many European diplomats.1

Despite these diplomatic attempts to mend fences, apparent bidding wars between allies for access to vital medical supplies and equipment have added more fuel to the fire. For instance, though details are spotty, in March 2020, news reports surfaced that the Trump administration was eyeing a takeover of a German vaccine manufacturer for its research into developing a coronavirus vaccine (though no purchase has materialized and the company has denied that any such plan is in the works). News stories circulating in France and Germany have also accused the United States of trying to rush in to procure masks earmarked for delivery from China to European countries.

In fairness, U.S. officials have denied these stories, and individual EU member states seem to have engaged in similar examples of competition among themselves. The scramble for access to such supplies early in the pandemic was hardly surprising, but there is room for improved coordination between the transatlantic allies. Regardless, negative stories about U.S. unilateralism risk further fueling European distrust in the Trump

administration, giving Russia and China additional ammunition to wage disinformation campaigns aimed at undermining transatlantic unity.

Finally, although the European responses to the coronavirus outbreak have hardly been much more effective than that of the United States (at least when measured in terms of the pandemic's attributed deaths per capita), Trump's seemingly unsteady leadership coupled with a chaotic domestic response to the pandemic—including tensions between individual U.S. states and the federal government—is harming the United States' reputation overseas. For example, German Foreign Minister Heiko Maas has remarked that the United States' decision to initially "play down" the virus means it is not a suitable "model" for Europe to follow. As a result, unlike during many past crises, few if any European governments are turning to Washington for leadership and inspiration this time.

## LACK OF U.S. ENGAGEMENT IN EUROPE

Citing his America First slogan, Trump has doubled down on U.S. retrenchment from its traditional leadership role in the world. This includes its role in Europe, where it has been evident for a while that Trump is unenthusiastic about or even hostile toward European integration. Not even the coronavirus pandemic—the biggest challenge the EU has ever faced, according to Merkel—is likely to increase the Trump administration's engagement in Europe or change its basic euroskeptical outlook.

The macroeconomic impact of the pandemic is a threat not only to Europe itself but also to U.S. interests there. The International Monetary Fund predicts a 7.5 percent drop in GDP in the eurozone in 2020. This economic hardship could deepen the rift between hard-hit

countries like Italy and Spain and more wealthy northern member states like Germany and the Netherlands. The lack of interest from Washington in encouraging a more ambitious common European economic response to the crisis—such as the idea of mutualizing European debt through commonly issued coronabonds—contrasts sharply with the active engagement of president Barack Obama and his administration on the EU's response to the eurozone fallout of the 2007-2008 financial crisis. Likewise, the lack of a forceful joint U.S.-EU rejoinder to Hungarian Prime Minister Viktor Orban's efforts to seize more power amid the coronavirus upheaval is telling. The official EU reaction has been feeble enough, but the response from the Trump administration has been almost outright silence. This behavior is fully consistent with Trump's track record of downplaying Hungary's democratic backsliding and even praising Orban's leadership.

In other words, even as the coronavirus tears at the fabric of the modern European project, the Trump administration has remained unsettlingly hands off in its engagement with Europe. There are some notable exceptions—such as the technical assistance and support the United States has extended to Italy to help the pandemic-stricken country cope. The Pentagon and NATO are also actively stepping up to help deliver aid to allies and partner countries. Yet such assistance hardly makes up for the Europeans' general perception that the United States is missing in action, while other countries such as China and Russia are seeking to leverage the crisis to bolster their own images in Europe and undermine U.S. credibility.

The pandemic is making policymakers on both sides of the Atlantic more inward-looking and preoccupied with managing the domestic public health and socioeconomic consequences. The economic toll of the crisis has been staggering, and it will almost certainly have an effect on European defense budgets—a longtime source of transatlantic friction. By comparison, after the 2007–2008 financial crisis, combined European defense spending fell by about 24 billion euros over the next six years. If this pattern is repeated, it will likely further worsen transatlantic tensions over burden sharing—a topic Trump has repeatedly used to slam European leaders.

Attention to other, less pressing foreign policy issues could also suffer if Europe struggles to mobilize support for a more active role in addressing security threats in the Middle East and North Africa, areas from which the United States has already begun retreating. The vacuum that this retrenchment could prompt is unlikely to be filled by Washington, as the U.S. defense budget will also face added pressure as the country's national debt climbs and spending demands mount to bolster healthcare and social safety nets.

Having less of a spotlight on U.S.-EU relations may not be an entirely bad thing. One European diplomat anonymously acknowledged that the United States and Europe will likely be less focused on each other in the months ahead. But the diplomat also added that less attention on transatlantic relations right now could be a good thing if this keeps Trump from scapegoating Europe for the virus's spread in the United States.<sup>2</sup>

## A WORSENING CLASH OVER MULTILATERALISM

The Trump administration's well-known disdain for multilateralism may be getting even more stark during the pandemic. In particular, as Trump sharpens his criticism of the World Health Organization (WHO) and seeks to slash U.S. funding to the public health organization, European donors may feel obliged to pick up the slack. In fact, several European countries—including Finland, Ireland, Latvia, and the UK—

have already announced plans to increase funding to the WHO, and Germany reportedly may follow suit. Trump's decision to suspend funding has triggered swift European condemnation. Borrell expressed his "deeply [held] regret" over the decision, while Maas likened it to "throwing the pilot out [of] the plane" and warned that authoritarian states could step in to fill the void. U.S. retrenchment could leave legitimate questions about China's role in the WHO unanswered and undermine assistance that lower-income countries need to be prepared for future waves of the pandemic.

Trump's strong preference for bilateral relations has made him reluctant to use international forums such as the G7 and G20 to address the coronavirus outbreak. While the United States holds the G7 chairmanship for this upcoming summer, Trump only reluctantly agreed on a call with the other six members' leaders on March 16 after being nudged by Macron. He reportedly resisted adding the pandemic to the agenda and did not come to the meeting with any clear list of priorities, according to one European diplomat.3 Even worse, on a separate March 25 call, the G7 foreign ministers failed to release a joint communiqué because Pompeo tried to insist that the statement include the term "Wuhan virus." Since then, the G7 process appears to have improved somewhat, with the United States now leading efforts to forge a more coordinated approach. Yet, during another leaders' call on April 16, Trump once again found himself isolated as the group's other six leaders all expressed support for the WHO.

Other joint calls to action have similarly fallen short of expectations or sought leadership from elsewhere. The G20 leaders' video conference convened in late March, chaired by Saudi Arabia, was mainly made possible thanks to French and Chinese efforts. A separate call in February between the G20 finance ministers failed to produce a strong joint statement about the coronavirus after U.S. Treasury Secretary Steven Mnuchin reportedly sought to dilute it. Similarly, the G20 health ministers on April 20 only managed to agree on a brief statement because of U.S. opposition to mentioning the WHO.

To its credit, the United States has played a more active role in G7 and G20 discussions about coordinated financial support and debt suspensions for low-income countries in Africa.

Because of the difficulties with achieving effective cooperation through the G20, a group of several countries—including France, Germany, and the UK—and philanthropist Bill Gates have taken the initiative to organize a Coronavirus Global Response Summit on May 4 to promote cooperation around the development of a vaccine. The United States has announced it is not planning to participate in this endeavor.

U.S. leadership is also missing at the UN, and China has been the main beneficiary of this absence. Macron (with German support) has tried to build support for a virtual convening of the permanent five members of the UN Security Council to coordinate efforts to cooperate on the response to the pandemic and call for a "global ceasefire" to ongoing conflicts. The French-led initiative has stalled due to Russian opposition (the United States has allegedly been more supportive than China of a UN resolution, though Washington disagrees with including a reference to the WHO in the resolution). 4 Meanwhile, outside of the UN, a group of thirteen countries including France, Germany, and the UK—have signed a joint declaration calling for a coordinated global response as part of the Ministerial Coordination Group on COVID-19, the disease caused by the coronavirus. Another grouping, the Alliance for Multilateralism, in which Germany and France are leading players, have also issued a similar joint statement.

In short, U.S. support for multilateralism, already in short supply under the Trump administration, is taking a further beating as the U.S. president doubles down on his America First instincts and blames the WHO and the UN for mishandling the pandemic (though not necessarily without good reason). European efforts to shore up these institutions will likely prove futile in the face of unilateral U.S. disengagement. This does not mean, however, that Washington is completely

abandoning its international obligations. Even under Trump, the State Department claims that the United States continues to "lead" global efforts to provide humanitarian aid and healthcare assistance to other countries during the pandemic. Nevertheless, some of the rhetoric emanating from the White House runs counter to these efforts.

### A BOOST FOR PROTECTIONISM AND CALLS TO DECOUPLE FROM CHINA

The coronavirus crisis may further aggravate transatlantic trade tensions. As the pandemic's massive economic fallout hits both sides of the Atlantic, trade in goods will drop. The crisis has already disrupted ongoing U.S.-EU trade negotiations, although these talks were already looking uncertain even before the outbreak. The prospect of a transatlantic trade deal is limited, even though it could help stimulate struggling economies and bolster investor confidence. One positive side effect of the pandemic-triggered downturn is that the United States may now be less likely to levy more tariffs against the EU in the short term for fear of worsening the economic crisis (although Trump has already rejected calls to hold off on additional tariffs on the European aircraft manufacturer Airbus). Meanwhile, the looming threat of U.S. national security-based tariffs on European automakers, which was probably unlikely to materialize in a presidential election year, could easily resurface if Trump is reelected.

Trump's criticism of the WHO is also spilling over onto the World Trade Organization (WTO). The U.S. president, who has mockingly called the two organizations the "Bobbsey Twins," recently reiterated his long-standing threat that the United States might pull out of the trade-focused organization completely. Already a sore spot for U.S.-EU relations since Trump decided to stall the appointment of new judges to the WTO's appellate court, the EU recently joined a group of countries, including China, on setting up a temporary fix without the United States.

Moreover, while the United States and the EU both are moving to reduce their respective dependence on China-centric medical supply chains, Washington and European capitals have not yet aligned their approaches. As U.S.-China competition intensifies, anti-China hawks in the White House like trade adviser Peter Navarro are seizing the opportunity to pursue hard decoupling from China and seek to bring manufacturing jobs back to the United States. The EU sees the evolving U.S. approach toward China as going too far.

The EU is also contemplating ways to reduce its dependence on China for key supplies. For instance, European Commission Vice President Věra Jourová has said that the coronavirus crisis has revealed Europe's "morbid dependency on China" for medical supplies, suggesting that this is making Europe "vulnerable" and called for a "radical change." But European officials recognize that this does not mean trying to bring all trade back to Europe and that "self-sufficiency" is the wrong objective (though Macron has issued calls for more European "sovereignty" over the production of medical supplies and equipment.) While these developments could bring the EU closer to the United States on trade with China, there is a considerable risk that the two partners' approaches to addressing supply chain issues will be out of sync rather than synchronized.

# A MISSED OPPORTUNITY FOR TRANSATLANTIC ACTION

So far, the coronavirus crisis has done more to worsen than improve the fragile transatlantic relationship. Leaders on both sides of the Atlantic are preoccupied with managing the outbreak at home, and Trump is sticking to his America First instincts. This is unfortunate because the global pandemic illustrates the importance of international collaboration and provides a much-needed rationale for resuscitating battered U.S.-European ties. Although it is still too early to assess the impact of the coronavirus on the U.S. presidential campaign, a second Trump term would most likely

sustain or even accelerate these trends. If so, European disaffection with U.S. leadership would only increase, and transatlantic ties would further diminish. There is a considerable risk that more and more European leaders will conclude that Washington is a fundamentally unreliable partner and that Europe should instead seek to carve out a middle role between the United States and China in a multipolar world order.

To reverse this negative trajectory, the Trump administration should take a hard look at how to reform the WHO, deepen economic engagement with the EU, address smoldering trade tensions with European partners, and foster greater transatlantic collaboration on global public health.

although an all-out U.S. reembrace of multilateralism under Trump can be ruled out, Washington should at least rally like-minded countries to push for reforms that would make the WHO more effective, transparent, and accountable while addressing legitimate concerns about improper Chinese influence. A recent Australian initiative to launch an independent probe on the WHO's handling of the coronavirus outbreak could be a good starting point. Simply walking away from such institutions will only create a vacuum that Beijing is eager to exploit and make the world less prepared to deal with the next public health crisis. Meanwhile, the United States should engage more with other global public health forums such as the Global Health Security Agenda and leverage its G7 chairmanship to strengthen coordination with Europe and Japan.

Second, the U.S. government should deepen its economic engagement with Europe, especially by coordinating the two sides' respective economic recovery packages. Although its credibility and ability to influence EU debates are limited, it is in the United States' interest to encourage Europeans to offer more ambitious economic support to the countries hit the hardest by the crisis such as Italy and Spain. If nothing else, such assistance could conceivably help prevent China from buying up

critical infrastructure and other strategic assets in these countries. This danger is precisely what happened after the eurozone crisis when China acquired key assets such as the Greek port of Piraeus, a development that NATO now views as a potential security challenge.

Third, the United States should seek to defuse trade tensions with the EU and coordinate their approaches to diversifying global supply chains away from China. Rolling back the tariffs Trump has already imposed and taking additional automobile tariffs off the table could help ease discussions with Brussels on completing a limited transatlantic trade agreement. Such a deal should encompass regulatory cooperation on pharmaceuticals and medical devices. Moreover, as both sides seek to reduce their dependence on China for essential medical supplies and equipment, they should simultaneously liberalize transatlantic restrictions on medical supplies and reinforce integrated supply chains across the Atlantic. Additionally, rather than further undermining the WTO, the United States should continue working with the EU (and Japan) to reform the organization and leverage its standing to hold China more accountable for its trade violations.

Fourth, the Trump administration should dial back its euroskepticism and refocus instead on U.S.-EU collaboration on global public health. By comparison, it is worth recalling how the two sides were able to develop fruitful cooperation on counterterrorism and homeland security after the September 11, 2001, terrorist attacks with initiatives such as the Passenger Name Record Agreement and the Terrorist Finance Tracking Program.

The transatlantic partners also already have a track record of cooperation during previous outbreaks of diseases like severe acute respiratory syndrome (SARS) in 2003, the H1N1 influenza strain in 2009, and Ebola from 2014 to 2016. Deconflicting the two sides' respective travel restrictions could provide a quick and easy win. Going forward, the United States and the EU could strengthen scientific exchanges and joint research funding on healthcare, boost cooperation

on technological innovation and the use of artificial intelligence for public health purposes, and coordinate assistance to low-income countries that might be affected in later waves of the pandemic.

By taking such modest but crucial steps, Europe and the United States can keep their relationship from deteriorating further while leveraging the coronavirus pandemic to recalibrate transatlantic cooperation for the future.

#### **ABOUT THE AUTHOR**

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#### **NOTES**

- 1 Author interview with an EU diplomat, April 21, 2020
- 2 Author interview with an EU diplomat, April 14, 2020.
- 3 Author interview with an EU diplomat, April 8, 2020.
- 4 Author interview with an EU diplomat, April 24, 2020.

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