Spain and the US, from Trump to Biden

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Theme
What is the bilateral relationship between Spain and the US with the new Administration in the White House?

Summary
The positive reception given to the victory of Joe Biden, who will face internal obstacles to implementing his international agenda, should not mask the challenges, both old and new, to furthering a bilateral relationship that is changing and in transition, in which the economy, politics, defence and support for the international system will continue to be the core strands.

Analysis
The outcome of the election in the US on 3 November, with victory for Joe Biden and Kamala Harris as President and Vice-President respectively, was well received in Spain. The most recent polls conducted by the Pew Research Service suggest significant trust in the new US Administration in Europe, and considerable optimism about an improvement in relations. A large majority in Germany (79%), France (72%) and the UK (65%) trust that Biden will do the right thing in world affairs, this being a substantial change after the low approval ratings for Donald Trump. There is also optimism in these three countries about an improvement in transatlantic and bilateral relations with Washington.1 In the absence of hard data for Spain, and bearing in mind that Spain’s assessment of the US over the course of the present century has been similar to that of the key European countries, it is reasonable to assume that the percentages are comparable.2

It should be noted, however, that bilateral relations have undergone a difficult period, with backward steps on both sides, especially in 2020. It is also true that Donald Trump’s entry to the White House in January 2017 was not at first a major change in bilateral relations, with the US Administration’s endorsement of the Rajoy government amid events in Catalonia, a degree of harmony on some international issues, such as the


crises in Venezuela and North Korea, and with Spanish investments in the US on the rise.

But it did not take long for fears concerning Washington’s protectionist stance to emerge, and the replacement of Spain’s conservative government with a socialist one in June 2018 started to have a certain impact on relations. Contributing to this was the US President’s opposition to a considerable number of the principles and values that define Spanish foreign policy, such as the defence of multilateralism and European integration. Opposition to the Paris climate agreement, explicit support for advocates of Brexit and withdrawal from the nuclear agreement signed with Iran and the Intermediate-Range Nuclear Forces Treaty, among others, were thus met with consternation.

The lack of political affinity became even more apparent with Spain’s new coalition government in December 2019. With a decidedly transactional Trump Administration in the international relations arena and a multilateral and internationalist Spanish government, the ideological gap between Madrid and Washington widened. While the US Administration voiced its doubts about the coalition government due to its stance on issues such as Venezuela and Bolivia, the Spanish government expressed its concern about the economic consequences of the tariffs imposed by the US and the application of the Helms-Burton Act affecting Spanish interests in Cuba.

But perhaps the most interesting change arose in relation to military bases. Up until then the Spanish authorities had managed to ‘cordon off’ the bases issue, thereby separating it from other aspects of bilateral relations in order to ensure that it should not be affected by any political vicissitudes, and even in the hope that use of the bases would be sufficient to guarantee good bilateral relations in the future. At the start of 2020 there was a change of position, largely prompted by the Trump Administration’s aggressive policy on tariffs. The Spanish government’s message to its US counterpart was that bilateral relations constituted a whole, such that steps taken against Spanish economic interests could have consequences in other areas of the relationship, in particular in defence. Despite the transactional approach of the White House this change of tactics went down extremely badly in Washington, prompting an inverse warning to the effect that Madrid should no longer take for granted that an agreement on the use of the bases would be sufficient to ensure good bilateral relations in the future. An authentic lack of trust between the parties developed.

It was then that the COVID-19 pandemic appeared and spread around the world, a situation that aggravated and intensified some of the trends already seen in the US Administration. The conduct of the US during the crisis was marked by a complete lack of interest in leading the international response to the pandemic, once again revealing its indifference—not to say hostility—towards multilateral institutions such as the World Health Organisation and the G20.

Washington also used the pandemic to stir the political and economic rivalry and confrontation with China, which reacted in turn with unexpected vehemence. Although the ‘mask diplomacy’ deployed by China had minimal impact in Spain, it should be recalled that Spain did not receive any substantial help from the US during the crisis either. If anything, this aggravated the deterioration in transatlantic relations, particularly
after the ban on European citizens from the Schengen area entering the US, a decision that caused consternation in Brussels owing to the lack of prior consultation.

Washington’s response to the pandemic, coming in addition to the wave of indignation unleashed by the death of the Afro-American George Floyd in June 2020, Donald Trump’s refusal to accept the election results and the events that took place at the Capitol building on 6 January 2021 all undermined and deepened the poor impression in Spain of the Trump Administration’s conduct throughout his term.

A new Administration

The election of Joe Biden and Kamala Harris has been, as was to be expected, warmly welcomed in Spain and the wider world. A collective sigh of relief greeted an Administration that is hoped will be more amiable, a closer ally and a more predictable bilateral partner. We are now dealing with an Administration that is less transactional and more multilateral, that seeks more cooperation and less confrontation with its partners and allies. Diplomacy for Washington will now have more room for manoeuvre, the EU will no longer be an enemy and NATO will not be obsolete. All this plays out in Spain’s favour.

But as the new Secretary of State Tony Blinken points out, the US is returning to a world that is not what it was, with growing nationalism, democracy on the back foot and increasing rivalry with China, and where the threats to an open system are proliferating. The world is not the same and the leadership of the US is not going to be the same either.

First, this is because Joe Biden’s top priority during 2021 will be domestic challenges, more so in the wake of the assault on the Capitol on 6 January: politically and socially the US is more divided than ever, with a pandemic that continues to spread and with increasing economic inequalities and racial tension. This situation may place a limit, in terms of both resources and time, on his international agenda, but it is also true that his main priorities – COVID-19, the recession and climate change – cannot be completely addressed without his partners, predominantly European.

Secondly, there will be tensions between his domestic and international priorities. Joe Biden’s statements during his election campaign with his ‘build back better’ slogan and his initial legislative programme make it clear that his number-one priority is to rebuild the economy at home before embarking upon new international commitments. Moreover, some of the promises stemming from his buy US policy, with large federal purchases and spending on US goods and services, could run counter to efforts to mend ties with

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5 Joe Biden (2021), ‘Remarks by President Biden at signing of Executive Order on strengthening American
his allies, which will be looking, for example, for an equitable share in new infrastructure and innovation investments in the US, in accordance with the plans of the new Administration.

The Biden team has also coined the concept of a ‘foreign policy for the middle class’, whereby it wishes to emphasise that the Administration’s new international commitments will be at the service of domestic reconstruction and with the specific goal of improving the lives of US workers and businesses. This ‘organising principle’ suggests, for example, that the US is not necessarily going to resume its traditional leadership position of unequivocally defending free trade practices, but rather protecting in the first instance its consumers, businesses and farmers. Particularly important in this context are the tariffs imposed on various European countries following the WTO decision to declare European aid to the Airbus consortium as illegal, which have affected imports of Spanish agricultural produce since October 2019. There is optimism surrounding the renegotiation of these tariffs, mainly because of the value Biden places on his allies, but it will also be a sensitive issue because he will have to balance it with domestic interests and it will not therefore be a rapid process.

Lastly, the new US Administration is back on the international stage but more than ever hopes that other countries too will take a step forward: making more effort on defence, working together on China and resolving trade issues, as well as tackling the major global challenges such as the pandemic and climate change. This depends therefore not only on Washington’s attitude and will; it will also ‘require’ an effort from its partners and allies in accordance with the needs of all.

The challenges for Spain

The unconstructive attitude of the Trump Administration towards multilateral channels and its exclusive commitment to bilateral relations might at least have had the virtue of forcing Spain to appreciate all the potential of the bilateral relationship. But it did not do so. This was due first to the decision to protect itself from the Trump Administration by increasingly steering relations towards multilateral channels (tariffs, Helms-Burton, 2%). Subsequently, it was due to the lack of political affinity, which led the Spanish government to simply wait for the election to play itself out.

Spain should have started looking years ago for the appropriate channels for more intense bilateral relations to unlock their inherent potential, even in light of the structural asymmetry in the relations that any country has with a power such as the US. The idea of strengthening bilateral relations to gain in the European and global arenas is the main element that needs to be addressed. Conducting relations with the US exclusively through the transatlantic channels of the Brussels-Washington connection, which seems to be the forthcoming strategy of Spanish foreign policy, could deprive Spain of its potential and relegate issues that are important for Spanish society but may be not so urgent in Brussels.

Secondly, and closely linked to the preceding point, Spain should change its approach to the US, being more proactive and ceasing to turn in below-par performances, something that at times has been viewed with incredulity in Washington. Now more than ever, Spain should take the initiative to make its interests more apparent and work on a more strategic view of bilateral relations. This will not be easy, since Spain remains neither a priority nor a problem for the US, hence its visibility being relatively limited. This situation could become more difficult unless it is able to forge solid relations with the Biden government and its main advisors – particularly those comprising the European team – to ensure an audience for Spanish interests in the White House. The tariffs imposed on Spanish farmers ought to be the first challenge in terms of the new Administration, with the goal of reversing the policy; for this to be achieved, the bilateral channel – in addition to the Brussels connection – is more important than ever.

It will not be plain sailing because everything points to a diplomatic scramble between various countries in Washington that, after four years of the Trump Administration, will be trying to get close to Biden’s team in hopes of establishing a ‘special relationship’ with the new Administration. Germany is already the focus of attention for Biden’s European team, Italy is vying for prominence on the basis of chairing the G20, while the UK does not want to see any harm come to its relationship with the US, and is pushing hard for the G7, which it chairs, and the Climate Summit to be held in Glasgow. Spain needs to look for a way of making its mark, clearly and firmly.

Also pending is the issue that has caused most tension in the military relationship, a key element in bilateral relations, namely Washington’s criticism of Spanish expenditure on defence, which it deems insufficient. The 2% target that was agreed at the NATO summit in 2014 and the suggestion that European countries do not pay enough towards their own defence is an entrenched idea in US political circles, both among Republicans and Democrats. The fact that Spain is the only member of the alliance to have taken part in all the command structures for the rotating response forces, and that it has exceeded the 20% target established in terms of spending on military equipment, does not in US eyes exempt it from this commitment. This may be why, at the opening of the 2021 ambassadors’ conference, Pedro Sánchez underscored the efforts Spain is making in defence and its adherence to the commitments under the NATO framework, in a possible nod in the direction of the US, which he referred to as a principal and strategic ally, and as a friendly country with which he sought closer relations.

As far as the military bases are concerned, the 1988 Defence Agreement has been automatically extended another year until May 2022, and it is expected that soon the process of replacing the AEGIS destroyers based at Rota with more modern models will resume, after the replacement of the USS Carney by the USS Roosevelt in 2020. This comes in addition to the US Navy’s desire to increase the size of its forces, rising from four to six destroyers in Rota, although there are still no official plans in the Pentagon or an official request lodged with the Spanish government. Moreover, the debates in

Washington about the withdrawal, restriction and limitation of commitments abroad\textsuperscript{7} suggest that Washington is more interested in Spain increasing its efforts in defence than in broadening its military presence.

The bases will continue being a central element in bilateral relations and the presence of US troops will continue in the medium term. This has not prevented news stories emerging about the possibility of Morocco having offered the US its naval base at Alcazarseguir as a replacement for Rota. Here again it is worth mentioning the disquiet caused in Washington by Madrid’s change of stance on the bases, referred to above. Meanwhile, Morocco is a longstanding and important ally and partner of the US, with which it has succeeded in achieving considerable interoperability. It is therefore not a zero-sum game and Rota continues being a key element for the Pentagon for getting to critical regions and for its system of logistics, as well as being home to the four AEGIS destroyers that make up part of NATO’s anti-missile system. In this context, the news that Navantia has extended its contract to maintain the destroyers and the Rota facilities until 2028 takes on added importance. At the same time, it would be worth identifying and clarifying goals of cooperation with Washington in this area, a task that has still not been conducted and needs to be carried out to give greater strategic direction to the bilateral relationship, as well as a roadmap of the future.

With this backdrop it is worth being alert to the new factors that are appearing in bilateral relations in the defence and security fields, such as artificial intelligence, cybersecurity and the defence of outer space, which are taking on increased importance. Not surprisingly, Washington is well ahead in these areas, but it ought to have an interest in avoiding a situation in which Spain falls so far behind that bilateral relations cease to be viable. This will depend in no small part on the future development of the Spanish defence industry, and its ability to access the US market, without forgetting the possible headway to be made in the area of European ‘strategic autonomy’. Unless there is cooperation in these technological areas, it will become more and more difficult to achieve interoperability on the ground, to the detriment of bilateral relations.

It is the technological field, and the digital field more broadly, that is permeating each of the sectors of current bilateral relations, although particularly perhaps in the future the health, educational and financial sectors. In these areas Spain competes with France, Italy and other European countries to attract new investments enabling these challenges to be successfully addressed. On this point, the ambition of European technological sovereignty, the Chinese technological model and the scope for cooperation between Brussels and Washington on differences regarding privacy, data regulation and the taxes levied on giant tech companies are going to be key. With regard to the latter, the new Treasury Secretary Janet Yellen has given her support to restarting negotiations with the OECD and other countries to secure a global tax on big tech. It is worth remembering that Spain is one of the countries that has already started to collect a new tax on digital services, and that the previous American administration labelled it as ‘discriminatory’.

Another possible challenge could come in the form of Morocco, which is a factor to be borne in mind in Spain’s cooperation with the US, and not only due to the rumours surrounding the base at Alcazarseguir. The bombshell announcement made by Donald Trump shortly before the end of the year recognising Moroccan sovereignty over the Western Sahara places pressure on Spain; Madrid needs to ponder and scrutinise its position in this triangle of territory where, whether it likes it or not, it is involved. On this issue, the new US Administration’s emphasis on a foreign policy where human rights and democracy take on a new importance ought to work in Spain’s favour, given that human rights form a strand of its foreign policy too.

Latin America, always an important part of the bilateral agenda, will again be a challenge for the relationship, in particular in terms of Venezuela and Cuba, on which Trump imposed new sanctions shortly before leaving office. There have always been consultations between Spain and the US, given that both have major strategic, political and economic interests. But in general terms Madrid has managed to avoid taking a stance on US initiatives. It is clear that Spain cannot depend on Washington when it comes to deploying its presence in Latin America, but at the same time it ought to take into account US interests in the region –it should not be forgotten that Latin America is much further away from Europe than it is from the US–. Hence the need to continue looking for arenas suitable for coordination that benefit all concerned. Again, Venezuela and Cuba will be prominent on the agenda, but everything suggests that Spain’s membership of the EU will cause it to advocate policies towards these two countries with different parameters, policies determined in Brussels. Spain should, however, take the initiative by, for instance, building on the very positive welcome given in the US to King Felipe’s speech in Havana in November 2019, in a visit to the island that was initially treated with a great deal of scepticism by the State Department.

Lastly, one issue remains unresolved that while apparently minor is of considerable symbolic importance, namely the clean-up of the Palomares district promised by the Obama Administration in 2015, but that the Trump Administration sidestepped on the grounds that it was not bound by the commitments inherited from the previous regime. It is an issue that the Spanish government should bring up again.

The opportunities

Donald Trump’s complete lack of interest in the multilateral system and his decision to favour bilateral relations in accordance with selected national interests led to a bilateral relationship focused on very specific issues that was ultimately rather shallow. The advent of the Biden Administration offers the chance to go back to a broader relationship, one that encompasses more areas and sectors, as well as the chance of having a more fluid dialogue with a more diverse and inclusive State Department.

Added to a relationship that could be broader and somewhat deeper is the fact that the new Administration wants Congress to recover its traditional role in US foreign policy, to a large extent as a consequence of the ‘foreign policy for the middle class’, as mentioned above. Spain could make the most of this opportunity to strengthen the negligible ties
that exist with the two houses of the US Congress, something that has been excluded from the Spanish agenda for too long.

In this new bilateral relationship, it is useful to add up the points both governments share, something that strengthens relations and consolidates affinity. As well as multilateralism and the backing given to global governance—reflected for instance in the US intention to sign up to the COVAX alliance and support the ACT Accelerator— they share the goals of climate and digital transition, which are two of the four strands comprising the Spanish government’s foreign policy. Thus, Washington is committed to reducing carbon emissions, to increasing investment in clean energy and a return to the Paris Climate Agreement while simultaneously implementing plans involving digital infrastructure, security and privacy.

For its part Spain should make the most of a dynamic US market trying to make up lost ground after the setback of the pandemic, keeping one eye on the infrastructure plan long pursued by various Administrations and that the new Secretary of the Department of Transport, Pete Buttigieg, will seek to implement. If he succeeds, it could represent a major opportunity for Spanish businesses and multinationals in the industry, although details are still scarce.

There is also a major opportunity for the wider transatlantic relationship, which ought to consolidate itself as a relationship that goes well beyond security and defence, and as a relationship that transcends the transatlantic region. It is important that Spain includes itself in all the initiatives emerging in the context of the resetting of transatlantic relations, which already occupies a significant place in Washington’s new foreign policy. It is not a return to the past, nor is there a suggestion that the interests on both sides are identical. But there are potential areas of dialogue for improvement and advancement, such as the establishment of trade rules and environmental standards; the devising of common strategies to face China, digital taxation and 5G; as well as initiatives to regulate big tech. For those wary of the next US steps, with a new Administration in office, there is no risk in stating that the Biden Administration is going to take major steps in the technology sector in 2020 and 2021\(^8\)–relying on the support, moreover, of various Republicans—owing to the number of controversies arising in terms of privacy loss, cyber-attacks, anti-trust issues and extremism on social media.

Spain has also welcomed the ‘Summit for Democracy’,\(^9\) which Joe Biden has been committed to for some time. There was at first a certain degree of scepticism on the question of which countries should be invited to attend, and because in essence it is a clear attempt to counteract the growing worldwide influence of China. The prospect of it being held seemed to diminish notably following the assault on the Capitol at the beginning of the year, with some people questioning whether the US could talk about democracy when it was at such stark contrast with its own domestic reality.


But it is a mistake to conclude that after the humiliation suffered by the US on 6 January\textsuperscript{10} it is disqualified from talking loud and clear about democracy and human rights worldwide, or that these ideals are somehow less pressing due to domestic problems. Quite the reverse. The US having to fix its democracy at home is not incompatible with supporting democracy in the world; rather, they are two elements that are mutually reinforcing. This is, first, because the vulnerability of democracy is not something exclusive to the US. And, secondly, because many of the factors that threaten democracy—such as disinformation, political interference, economic inequalities and fear of interdependence and globalisation—can only be addressed in a collective way and therefore relying on US involvement. Washington is not going to lose trust in its ability to protect democracy, because this would be to hand victory to Trump and Trumpism. Precisely because it is under great pressure at home it ought to support democracy abroad more than ever and overcome any scepticism that holding the summit might arouse.

The EU has already offered to take part in the Summit for Democracy,\textsuperscript{11} while Spain has reiterated its interest in ‘actively contributing to the success of the event, because defending the international order… is a major strategic priority’,\textsuperscript{12} and will seek to play an important role, something that could represent an opportunity for the bilateral relationship.

Lastly, Spain should support and commit to a restoration of the image of the US, which has been damaged over recent years. It is a major factor in constructing any bilateral relationship, which must rest on the support of public opinion on both sides. According to a recent report from the European Council on Foreign Relations, the attitude of Europeans towards the US has changed substantially. Inhabitants of the main European countries think that its political system has been damaged (67% of Spaniards think that it is wholly or partly broken); that China will be more powerful than the US within a decade (79% of Spaniards think that China will certainly or in all probability overtake the US); and that Europeans cannot rely on the US in defence matters (71% of Spaniards think that Europe should have its own defence capability). Therefore, European countries have their doubts about Washington’s ability to mould the world (only 31% of Spaniards trust the US) in an era in which transatlantic relations are no longer an existential question for either party. Happy as people in Europe are with Biden, there are still many doubts about whether there may not be another electoral reversal in four years and therefore the mistrust in the country remains high.\textsuperscript{13}


\textsuperscript{12} Pedro Sánchez at the inauguration of the 2021 Ambassadors’ Conference, 18/I/2021.

Conclusion

Relations between Spain and the US have been changing and evolving over the years, and everything points to more changes. The US is not what it was and the great transformations undergone in the last 20-30 years, in areas such as technology, demography, the financial world and even in the way wars are conducted have led to a series of structural changes. They are not therefore circumstantial changes, and for that reason will not disappear simply because the occupant of the White House happens to change.

But the arrival of a new US President is always an opportunity to give new impetus to the bilateral relationship. In the case of the Biden Administration, there are reasonable prospects of greater affinity, with more points in common and more predictability. Its approach to immigration, its desire to work with its allies and address global challenges jointly, the return to democracy and human rights as principles of its foreign policy—all these factors suggest a friendlier outlook—.

Washington is returning to international dialogue, placing a high value on its relations with its traditional allies. This is not insignificant, but nor will it be a revolution for an administration whose energies will be largely taken up with the country’s health emergency and its economic and social crisis. But everything points to new transatlantic relations that will always be positive for Spain. Furthermore, Spain should take advantage of this new impetus in order to influence the multilateral and European agenda—the pandemic, climate change, trade, technological progress and international rules—lending it the credibility needed to drive the bilateral relationship and at last make Spanish interests visible in Washington. It will be a test of maturity.