



Is Trump's Iran Strategy Working?

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The Trump administration's unilateral approach to trade and foreign adversaries like Iran is reminiscent of the Reagan administration's strategy against the Soviet Union. Both game theory and the historical record show that aggressive "non-cooperation" can be effective, but only if it is used carefully.

NEWPORT BEACH – US President Donald Trump's authorization of the targeted killing of Iranian Quds Force commander Qassem Suleimani is, in many ways, similar to his administration's approach to trade. In both cases, the administration has demonstrated a willingness to surprise by unilaterally leveraging US strength in the pursuit of long-term outcomes, despite considerable short-term risks and without wide consultations. As President Ronald Reagan showed in the 1980s with his strategy *vis-à-vis* the Soviet Union, such aggressive unilateralism can work. But it is best used selectively and sparingly.

In seeking to address long-term US (and European) grievances against certain Chinese trade practices, the Trump administration decided to abandon the traditional approach of seeking redress through existing multilateral institutions like the World Trade Organization. Instead, it opted for what game theorists call a non-cooperative approach, imposing harsh tariffs on Chinese imports, and then threatening even more should China retaliate. By weaponizing what is traditionally an economic-policy tool, the US has been able to pursue national-security objectives alongside economic and financial goals.

So far, at least, the underlying calculation has worked for Trump. Just like his unilateral push to overhaul the North American Free Trade Agreement, he has shown a willingness to tolerate some damage at home in the hope that the damage inflicted on the other parties would be far greater and force them to make concessions.

The Reagan administration perfected this approach when it embarked on an accelerated arms race with the Soviet Union (or what Reagan labeled the "evil empire"). In ratcheting up defense spending, Reagan leveraged America's economic and financial strength in the knowledge that the Soviets could not possibly keep up. In the end, he secured not just a narrow tactical victory, but a wider geopolitical triumph, eventually culminating in the Soviet Union's collapse.

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