



A business-like approach to politics

The links between business and politics are legion. If anything, they're getting more pronounced.

The path between the boardroom and public office is well-trodden. People look at the contents of their pockets before casting their vote and governments obsess over GDP. Good times are music to their ears. Hard times not so much.

Bill Clinton's 1992 campaign mantra summed it up – it's the economy, stupid!

Seen through a business prism, then, the archetypal American tycoon Donald Trump rising to become Commander-in-Chief should perhaps have raised fewer eyebrows. After all, what works in the commercial sphere – vision, acumen and deal-making – applies just as well in the political arena.

Or as Senator Norman 'Norm' Coleman, who joined Hogan Lovells as of counsel in 2011 after three decades as a public servant, puts it, "Trump is effectively now the CEO of USA Inc. – America is his business."

"I expect him to act with those interests in mind, even if it's a little bit different to what we're used to. He's an entrepreneur and has always talked about a business-like approach, so I think we need to apply new standards to his administration.

"On climate change, for example, he's clearly got a different perspective from President Barack Obama but it's worth noting his daughter Ivanka has vowed to fight global warming. By many indications, she's his single most important advisor, so we shouldn't necessarily frame him as being in complete climate denial.

"Trump's 'America First' discourse dictates that international agreements don't compromise U.S. economic security. He'll focus on the cost-benefit equation and be very demanding of developing nations like China and India. He won't want to put the U.S. at a disadvantage to its global competitors."

Trump: dogmatic or pragmatic?

Norm believes his Republican peer should not be assigned to a neat, ideological box.

"Trump's rhetoric wasn't right of center.

He wasn't talking about reining in entitlements or limiting government spending, more about raising infrastructure expenditure. Big banks aren't going to fare well, whereas community banks will do much better. And condemning the elites appealed to the Bernie Sanders contingent as much as it did to the Tea Party element.

"On the other hand, he talked about cutting back on overseas initiatives and appointing conservative judges to the Supreme Court. His appointee as head of the Environmental Protection Agency, Scott Pruitt, is one of the most ardent opponents of environmental regulation. But Trump's philosophy isn't purely small government, anti-state.

"It's a blend of conservatism and populism. He appealed to working class voters who feel left out by globalization. He saw something few people did and touched an emotional chord. And that's the key to success in politics."

The business of politics

It's no secret that much of the Republican Party failed to warm to Trump. For one, the traditional Republican belief that open markets deliver the greatest opportunity for economic growth is at odds with Trump's attitude towards the Trans-Pacific Partnership (TPP) and other trade issues.



Senator Norman 'Norm' Coleman
current Of Counsel
Minneapolis and
Washington, D.C.

“Trump saw something few people did and touched an emotional chord. That’s the key to success in politics.”

But, with eight years as Mayor of St. Paul and a further six as U.S. Senator for Minnesota under his belt, Coleman knows the importance of establishing common ground.

“There will be disagreements but, when called upon by the president, people tend to cooperate. Republicans don’t want him to fail. On immigration, for instance, regardless of the views of the Speaker of the House and others, and different opinions on what we should do with the 11 million undocumented folks in the U.S., agreement must be reached on border security.

“Obama didn’t make a serious effort to reach out to Congress. And that wasn’t only in regard to Republican outreach. In many cases, he didn’t fraternize with his own side of the aisle. Bill Clinton and George W. Bush both often invited Members of Congress, including the opposition party, in for drinks and meetings, trying to work with them. In comparison, Obama rarely did that, so it’ll be interesting to see Trump’s approach.

“He’s in a good position, but he only has a thin Senate majority of 52 when usually you need 60 votes. That’s where Vice President Mike Pence might prove useful, as he’s experienced and well respected across the aisle.

“I anticipate that we’ll quickly see action on a range of issues, including Obamacare, trade, immigration and the economy. Aggressive action to demonstrate early on to voters that he’s following through on the things he promised. But Trump will need some degree of bipartisan support.

“He doesn’t have the ability to push through his agenda unilaterally but it’s possible that some aspects of tax reform, the repatriation of corporate overseas earnings, and infrastructure investment can be done on a bipartisan basis.

“Quite frankly, Democrats want the revenue that repatriation brings with it and would undoubtedly support spending it on infrastructure.”

Geopolitics first

Although Trump is by no means a traditionalist, Norm sees trans-Atlantic relations reverting to type, with less emphasis on what many called the ‘pivot to Asia’ under Obama. Signs of that can clearly be seen in Prime Minister Theresa May being the first global leader to meet with Trump, and his first executive action being the withdrawal from the TPP trade agreement.

“It’s not unusual in U.S. politics that we move in one direction and then adjust course. Bush had an expansionist approach, trying to extend U.S. influence. Obama came in and stepped back.

“But Americans see U.S. sailors being held hostage by Iran and President Vladimir Putin’s actions in Ukraine, for instance, as being met with indifference by the White House. So, it’s natural they react and respond to Trump saying he’ll make America great again.

“Despite a relatively warm relationship between Putin and Trump, geopolitical realities come before personal relations. Even with the appointment of Rex Tillerson as Secretary of State, who has ties to Putin through his time at ExxonMobil, he’s representing the United States now and it’s ‘America First.’

“Trump’s Secretary of Defense, General James Mattis, understands Russian efforts to destabilize Ukraine are designed, in part, to breed division in the NATO alliance.

There’ll be a more business-like, transactional approach and there’ll be pressure on NATO states to pay their way a little more. But the alliance won’t be left in the ash-heap of history. American security interests are greatly served by strong partnerships with Europe.”

Global economy poses global challenges

Voter dissatisfaction with the status quo is not restricted to America. It’s playing out, on various stages and at different speeds, all over the world. The seeds of widespread change may already have been sown. And for Senator Norm Coleman, business leaders and politicians alike must meet the challenges ahead.

“I see Brexit as a prelude to Trump. Look at what’s happening in France, what’s happening in Italy and Germany, even the Colombian rejection of the peace treaty with FARC guerillas. They all reflect popular unease at the global economy failing to produce tangible results for people.

“It’s a rejection of the elites and a rejection of globalization. It’s lazy thinking to say globalization can’t be reversed and there are forces at work intent on doing just that. This is an uprising and it cannot be ignored.

“Trump’s populist approach could be the start of the response. Notwithstanding the fact that I didn’t support his candidacy, I hope and pray he succeeds. As president, his success is directly tied to America’s success.”
