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Trump's Foreign Policy in Asia

by Giuseppe Spatafora

ABSTRACT

On 11 April 2017, the Istituto Affari Internazionali (IAI) hosted a seminar to discuss President Trump's foreign policy in Asia. The event featured three keynote speakers: Lorenzo Mariani, junior researcher at IAI, Matteo Dian, research fellow at the University of Bologna, and Bridget Welsh, visiting professor at the John Cabot University in Rome. Each speaker focused on the new US administration approach to different sub-regions of the Asian region: Mariani discussed recent developments in the Korean Peninsula and the Trump administration's policy options towards North Korea's nuclear and ballistic missile threat. Dian analysed Japan-US relations, highlighting the sense of uncertainty among Japanese officials towards the new US presidency. Welsh shared her expertise on Southeast Asia, caught between a rising China and a withdrawing America, suggesting eight key points to understand future dynamics in the region in the age of Trump. Nicola Casarini, head of the Asia programme at IAI, chaired the panel, moderating the discussion and drawing conclusions from the presentations.

US foreign policy | East Asia | North Korea | Japan | China | Southeast Asia



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by Giuseppe Spatafora*

On 11 April 2017, the Istituto Affari Internazionali (IAI) hosted a seminar in its conference room in Palazzo Rondinini, in Rome. The discussion theme is a very timely issue: a new administration has just settled in the White House, and it brings with it the uncertainties of a new policy outlook, in domestic and, especially, in foreign affairs. The 2016 presidential elections' outcome was particularly problematic for Asia Pacific countries: the new President, Donald J. Trump, promised an overhaul of the precedent administration's policy in Asia, known as the "pivot" or the "rebalance" to Asia. Trump argued that the "pivot to Asia" had entangled the US into unnecessary and costly commitments, and promised to implement a completely new policy, based on the reaffirmation of US military strength in the region.¹ It is natural for both East Asian allies and opponents to be concerned about the promise of a completely new American foreign policy approach to the Asia Pacific. The Asia programme at IAI has been monitoring the unfolding of the new administration's posture towards Asia since January, producing articles and research papers.² This seminar was envisaged as a platform to understand how has American foreign policy towards Asia changed since the inauguration day, how Asian actors have reacted to the new presidency, and what are the future prospects for the region. To this aim, keynote speakers, both internal and external to IAI, have intervened.

Nicola Casarini, head of the Asia programme at IAI, opened the panel by stressing the implications of the new American foreign policy in Asia for the European Union. In aggregate economic terms, Casarini stressed, the EU is a larger player than the United States in Asia: the EU has signed trade agreements with South Korea and ASEAN, and is in the process of negotiating a new deal with Japan;

¹ Ankit Panda, "Straight from the US State Department: The 'Pivot' to Asia is Over", in *The Diplomat*, 14 March 2017, <http://thediplomat.com/?p=106668>.

² See, for example, Nicola Casarini and Giuseppe Spatafora, "Trump e Asia: promesse elettorali e cambiamenti", in *Affarinternazionali*, 2 March 2017, <http://www.affarinternazionali.it/articolo.asp?ID=3840>.

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· Report of the seminar on "Trump's Foreign Policy in Asia" organized in Rome on 11 April 2017 by the Istituto Affari Internazionali (IAI).

moreover, the China-led "One Belt One Road Initiative" (OBOR) is enhancing the connectivity between Europe and South-Southeast Asia through infrastructure and development programmes.³ But the European Union can not only enhance its role in the Asia Pacific region in economic terms: the EU is the standard-bearer of a different approach to security issues, which is based on trust-building and multilateral frameworks, sharply distinguished from the US approach under Trump, which seems to be based on hard power and bilateralism. Through channels of interaction – such as the Asia-Europe Meeting (ASEM), cooperation with ASEAN, and interaction with Asia-Pacific actors who are seeking a new approach to security and political issues – the EU has the opportunity to become a primary political actor. Casarini then introduced the three keynote speakers, each of whom focused on a specific sub-region of Asia.

Lorenzo Mariani, junior researcher at the Asia Programme, presented his research on a key issue that the Trump administration is currently facing: the recent developments of the North Korean nuclear question. He provided an assessment of the Pyongyang's achievements in the nuclear and missile programs and the implications of these achievements for Seoul and Washington, which he discusses more in detail in a recently published IAI Working Paper.⁴ North Korea's nuclear threat has evolved well beyond the first crisis in 1993, which triggered the first package of sanctions. 2016 was a truly pivotal year for the programme, not only in quantitative terms (24 missile launches and two nuclear tests) but also in qualitative terms: Pyongyang has demonstrated an ability to launch intercontinental ballistic missiles and to miniaturize nuclear weapons so as to mount them on a warhead. This success partly stems out of Kim Jong-un's strategy of "parallel development" (*Byungjin*) of the economy and of the nuclear programme.

While North Korea expands its arsenal and carries out new tests, other actors, especially the United States and South Korea seems unable to present an effective strategy to deal with the problem. The Obama administration's policy of "strategic patience", based on the false assumption that the regime was on the verge of collapse, and thus would be forced by sanctions to give up its nuclear ambitions or face disaster, only granted Pyongyang precious time to expand its nuclear programme.⁵ In Seoul, the Lee Myung-bak and Park Geun-hye conservative administrations marked the end of positive engagement with Pyongyang. Although Park proposed a *Trustpolitik* strategy to resume dialogue with the DPRK,⁶ the policy shipwrecked

³ Frans-Paul van der Putten et al. (eds.), *Europe and China's New Silk Roads. A Report by the European Think-tank Network on China (ETNC)*, December 2016, <https://www.clingendael.nl/publication/europe-and-chinas-new-silk-roads>.

⁴ Lorenzo Mariani, "Assessing North Korea's Nuclear and Missile Programmes: Implications for Seoul and Washington," in *IAI Working Papers*, No. 17|11 (March 2017), <http://www.iai.it/en/node/7430>.

⁵ Georgy Toloraya, "Byungjin vs. the Sanctions Regime: Which Works Better?," in *38 North*, 20 October 2016, <http://38north.org/2016/10/gtoloraya102016>.

⁶ See, among others, Antonio Fiori, "Whither the inter-Korean Dialogue? Assessing Seoul's *Trustpolitik* and Its Future Prospects," in *IAI Working Papers*, No. 17|13 (March 2017), <http://www.iai.it/en/node/7430>.

immediately because it was based on the prerequisite of denuclearization, which Pyongyang refused. This caused a return to a confrontationalist stance, which lasted until Park's removal from office in March 2017. After the May elections, the new South Korean government will need to reconsider its strategy towards the North.⁷

US Secretary of State Rex Tillerson recognised the failure of the "strategic patience" policy during his visit to Asia in March, and claimed that the new administration is seeking "a new approach" to North Korea.⁸ Mariani therefore discussed the strategy options that Trump might be considering. The option of launching a pre-emptive strike on North Korea, suggested by Tillerson, would be an unwise decision: a strike would hardly neutralize all North Korean launch facilities, as some are located in mobile or unknown positions; and a strike would expose Seoul and Tokyo to Pyongyang's retaliation, with potentially enormous costs in human lives. The United States, South Korea and other actors should instead consider a new strategy of engagement with North Korea, Mariani argued. Such engagement could be viable if it dropped the denuclearization of North Korea as a precondition: the DPRK will not give up its nuclear deterrent, which represents the only bargaining chip Pyongyang can use to strike a deal. Reconsidering the prerequisites of engagement is fundamental to increase the possibility of a political solution to the North Korean predicament. So is the inclusion of other important stakeholders like China – North Korea's main ally – and Japan in the process.

The next speaker in the panel, **Matteo Dian**, research fellow at the University of Bologna, discussed the reaction of a key historical American ally, Japan, to the new American position. Tokyo proved to be the most concerned actor in the Asia Pacific after the November elections: Trump was a prominently Japan-bashing candidate, arguing that the Japanese do not pay their fair share of budget for their own defence, relying instead on the American deterrent. After the November elections, Japanese President Abe Shinzo travelled immediately to the US, being the first leader to meet with the new US President. Abe afterward said their meeting at Trump Tower convinced him that Trump was a leader "whom I can have great confidence in."⁹ A second Trump-Abe summit after inauguration and the visits of Secretary of Defence James Mattis, Secretary of State Tillerson, and Vice-President Mike Pence to Japan were meant to reassure Japan that Washington would maintain its commitments to the alliance with Tokyo. In reality, uncertainty about the new presidency remains present among Japanese policy elites.¹⁰ Japan is still

iai.it/en/node/7451.

⁷ Lorenzo Mariani and Giuseppe Spatafora, "Scudi missilistici e crisi politica: Corea Sud dopo Park", in *Affarinternazionali*, 22 March 2017, <http://www.affarinternazionali.it/articolo.asp?ID=3868>.

⁸ Matt Rivers and Joshua Berlinger, "Tillerson Promises New Policy on North Korea After '20 Years of a Failed Approach'", in *CNN Politics*, 2 April 2017, <http://edition.cnn.com/2017/03/16/politics/tillerson-japan-north-korea>.

⁹ Felicia Schwartz, Farnaz Fassihi and Mitsuru Obe, "Japan's Shinzo Abe Discusses Security Alliance at Meeting with Donald Trump", in *The Wall Street Journal*, 18 November 2016.

¹⁰ Daniel Serwer, *Trump: Friend or Foe?*, Speaking notes for a talk at the Italian Institute of International Affairs (IAI), 22 March 2017, <http://wp.me/p1c8fI-7uN>.

uncertain about American commitment to Tokyo and to East Asia in general, but at the same time it fears that an impulsive American strategy – such as a pre-emptive strike on North Korea and its consequences – would drag Japan into an unwanted and disruptive confrontation. To put it in the language of alliance theories, the US is increasing both Japan's "fear of abandonment" and its "fear of entrapment."¹¹ This is due, Dian argued, to the feeling that the United States lacks a general grand strategy vis-à-vis East Asia, perhaps due to the administration's inexperience in foreign affairs or due to its impulsiveness, given the desire to show America's muscles.

A recent bi-partisan report claims that Trump represents the injection of the highest level of uncertainty since the Cold War.¹² This feature requires Tokyo to take the initiative and persuade Washington to uphold the global economic order and maintain security in East Asia. Dian argued that it is the first time that Japan takes the initiative vis-à-vis the United States, a move of "reverse pressure" that contrasts the traditional US pressure on Tokyo. On the security sphere, Japan suggests to enhance strategic defence triangles, mini-lateral cooperation initiatives which have proliferated in the Asia Pacific over the last decades, in the US-Japan-Australia strategic dialogue or the India-Japan-Australia trilateral dialogue. These mini-lateral dialogues are not incompatible with the US bilateral alliance framework, which the Trump administration seems to prefer, and can ensure cooperation in dealing with security issues such as the South China Sea disputes, anti-piracy and anti-terrorism operations.¹³

A second point discussed in the bilateral report is the economy, and specifically how to react to the US withdrawal from the Trans-Pacific Partnership (TPP). Japan was the main supporter of the deal, which would create the largest existing free trade area among twelve countries. For this reason, the option to continue with a TPP11 (i.e. the same deal excluding Washington) has been proposed at the TPP signatories' summit in Chile in March 2017.¹⁴ This proposal reflects the fact that many Asia-Pacific countries are not ready to give up economic multilateralism in the region; this may play to China's advantage, as Beijing is ready to offer alternative free trade deals with less restrictive standards and regulations than the current TPP. Tokyo has, however, a second option, which is a bilateral free trade deal with the United States, resembling the US-South Korea free trade agreement

¹¹ For a discussion on the concepts of "abandonment" and "entrapment", see Glenn H. Snyder, "The Security Dilemma in Alliance Politics", in *World Politics*, Vol. 36, No. 4 (July 1984), p. 461-495.

¹² Japan Center for Economic Research (JCER) and Japan Institute of International Affairs (JIJA), *Toward a Greater Alliance. A Policy Proposal of the Mt. Fuji Dialogue Special Task Force*, Tokyo, JCER, April 2017, p. 2, http://www.jcer.or.jp/eng/pdf/Mt.FUJI_DIALOGUE20170405report_e.pdf. See also Naotaka Fujita, "Japan Panel Cites Uncertainty Over Trump in Urging Closer Ties", in *The Asahi Shimbun*, 6 April 2017, <http://www.asahi.com/ajw/articles/AJ201704060037.html>.

¹³ Victor D. Cha, *Powerplay. The Origins of the American Alliance System in Asia*, Princeton and Oxford, Princeton University Press, 2016.

¹⁴ Ankit Panda, "TPP Signatories to Meet in Chile to Explore the Future of the Agreement", in *The Diplomat*, 13 March 2017, <http://thediplomat.com/?p=106575>.

of 2009. Although Japan might gain important access to the US market under this second option, the bargaining process might be long and painful, not just due to American protectionist tendencies: interest groups in Japan who supported TPP might refuse to endorse a bilateral free trade agreement under the same conditions.

Japan's objective in the Trump age seems to be twofold: on the one hand, it wants to prevent China from becoming the leader of the Asia Pacific in the face of US retrenchment; on the other, it aims to maintain tight contacts with the US both in political and economic terms. This is the rationale behind the condemnation of the American temptation to give up the liberal economic order, which would grant China an opportunity to impose its dominance: Japan is aware that, in the Asia Pacific, economic supremacy is prodromal to political supremacy. Japanese policymakers are also acting to prevent the US from closing Japanese access to their domestic market: Dian described how pressure groups are contacting each single US state governor and congressman to show them how important Japan is for their state/district's economy, and how detrimental an "America First" economic policy could be. The EU, Dian suggested, could learn from Japan's strategy vis-à-vis Trump, and do the same.

The final speaker, **Bridget Welsh**, visiting professor at John Cabot University in Rome, discussed the implications of the new administration for Southeast Asia. She agreed with Casarini that the European Union that the economic and political dynamics of the region present an opportunity for the EU, especially within the framework of the One Belt One Road Initiative. In the power vacuum left by the United States' withdrawal from multilateral fora, Southeast Asian countries are eager to form new partnership with actors like the EU and Japan, in order to diversify great power presence in the region and prevent an unrivalled Chinese dominance. In order to clarify the situation in Southeast Asia and future development, Welsh suggested to focus on the following areas.

First, the view that Southeast Asians have of Trump, which can be summed up in a few key terms:

- *absent*, as the new President shows little interest in Southeast Asia – which sharply contrasts with Obama's deep engagement in the region – and has named very few Southeast Asia experts in his cabinet;
- *transactional*, because of the business-style approach Trump seems to adopt in foreign policy making;
- *uncertain*, as Trump's policy towards the South China Sea has not been declared, ranging from an active confrontationist approach to China's island-building activities to a passive withdrawal from multilateral deals with ASEAN;
- *contested*, because there is a power struggle within Trump's cabinet between capitalists (Jared Kushner), conservatives (Generals H.R. McMaster and Mattis) and confrontationists (like Stephen Bannon); this in turn prevents the formulation of a clear strategy.¹⁵

¹⁵ Welsh's terminology (capitalists, conservatives, confrontationists).

The result is that Trump's intentions towards the sub-region are unclear, and Southeast Asians need to deduce such intentions from policies taken elsewhere (towards North Korea, for example).

Given the US withdrawal from multilateral deals, which the TPP epitomised, China seems to be the only standing power in Southeast Asia, at the moment. Many ASEAN countries see China as a ruthless and hostile actors, but unlike Washington Beijing is predictable, and has clearly exposed its goals towards the South China Sea – the “nine-dash” concept, which guarantees Chinese sovereignty over about 90 percent of the basin.¹⁶ The strategic balance in the South China Sea is now clearly tilted towards Beijing, which has the capability to project power over the entire sea and to hit each Southeast Asian capital. China has so far been able to implement its island-building strategy without facing any practical conference, showing a sense of determination. On the other hand, ASEAN has been unable to present any credible deterrent against China, and on its 50th anniversary it appears divided and leaderless. Consequently, several countries have bandwagoned to Beijing, attempting to solve territorial disputes and accommodating to China's requests; the Philippines under President Rodrigo Duterte is the clearest example of this rapprochement to China, but Vietnam and Singapore are also doubting their previously anti-Chinese stance.

Although strategic issues certainly play a primarily role in Southeast Asia, the economy is their main concern. As ASEAN countries face slowing growth, their leaders look for new capital to stimulate the economy. China appears to be the dominant player in this aspect too: penetrating the Chinese market represent a viable source of income and growth for most Southeast Asian countries, and attracting Chinese investment and tourism has become their main goal. OBOR, a gigantic infrastructure development platform in which China has channelled 1.3 trillion dollars, includes the Southeast Asian peninsula into its six focus areas: this provides Beijing with the opportunity to use capital as further leverage in bilateral negotiations with ASEAN countries. ASEAN is forced into bilateral negotiations with China also because of the US withdrawal from TPP, which had Vietnam and Singapore, together with Japan, as its most enthusiastic supporters. Southeast Asian nations are not ready to give up multilateralism, and they might welcome a new, smaller version of TPP, or the alternative, China-fostered Regional Comprehensive Economic Partnership (RCEP). The latter finds however Indonesia's opposition, which has stalled ASEAN talks on the issue: this manifests the division within the regional organization, in its weakest position from the perspective of cohesiveness in decades.

¹⁶ Ronald O'Rourke, “Maritime Territorial and Exclusive Economic Zone (EEZ) Disputes Involving China: Issues for Congress”, in *CRS Reports*, No. R42784 (31 May 2016), <https://fas.org/sgp/crs/row/R42784.pdf>.

The last two points Welsh touched upon regard the possible political consequences of the Trump administration's new foreign policy on Southeast Asia. Given Trump's denunciation of US democracy promotion strategy: the United States should only pursue its declared core foreign policy goals and reject engaging in vague humanitarian adventures that risk soldiers' lives, dissipate the country's budget and do not contribute to the achievement of US core interests. When the US remained over-engaged in theatres like the Middle East or attempted democracy promotion operations, the results were "a costly failure."¹⁷ The likely outcome in Southeast Asia – where democratic governance is either weak (like in Myanmar) or challenged (such as in Malaysia and Thailand) – will be a proliferation of authoritarian and dictatorial regimes. Trump does not seem interested in intervening in Southeast Asia to protect democratic rule. He might do so, however, if the terrorist threat in the region sensibly increases: and as a large number of foreign fighters in the Middle East come from Southeast Asia, and are bound to come back home at a certain moment, the area might eventually fall under Trump's radar for anti-terrorist campaigns.

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¹⁷ John J. Mearsheimer and Stephen M. Walt, "The Case for Offshore Balancing. A Superior U.S. Grand Strategy", in *Foreign Affairs*, Vol. 95, No. 4 (July/August 2016), p. 70-83.

Istituto Affari Internazionali (IAI)

Founded by Altiero Spinelli in 1965, does research in the fields of foreign policy, political economy and international security. A non-profit organisation, the IAI aims to further and disseminate knowledge through research studies, conferences and publications. To that end, it cooperates with other research institutes, universities and foundations in Italy and abroad and is a member of various international networks. More specifically, the main research sectors are: European institutions and policies; Italian foreign policy; trends in the global economy and internationalisation processes in Italy; the Mediterranean and the Middle East; defence economy and policy; and transatlantic relations. The IAI publishes an English-language quarterly (*The International Spectator*), an online webzine (*Affari Internazionali*), two series of research papers (*Quaderni IAI* and *IAI Research Papers*) and other papers' series related to IAI research projects.

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