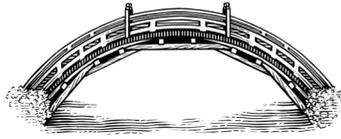


ROUNDTABLE

Assessing U.S.-Asia Relations in a Time of Transition



David Shambaugh

Sheila A. Smith

Sue Mi Terry

Richard C. Bush

Kimberly Marten

Ashley J. Tellis

Teresita C. Schaffer

Brian Harding

Michael Clarke

Introduction

As a new administration takes office in the United States in January 2017, it will need to formulate policies to address a wide range of challenges in Asia. China continues to rise in terms of both material and economic power, causing the Sino-U.S. relationship to become increasingly competitive even as the two countries cooperate on issues such as climate change. U.S. allies Japan and South Korea worry about the growing nuclear threat from North Korea and question Washington's continued commitment to the region, while relations between Taiwan and China have worsened since the election of Tsai Ing-wen in January 2016. In Southeast Asia, territorial disputes in the South China Sea are escalating as countries take increasingly aggressive actions to defend their claims. Australia, a long-time U.S. ally, is wary of U.S. retrenchment from the region and fears being forced to choose between the United States and China. In South Asia, Washington will need to balance its complex relationships with India and Pakistan, two bitter enemies that see any dealings with the United States by the other as detrimental to their own interests. Finally, Russia will continue to challenge the United States on a number of issues including cybersecurity and expansionism along its western border with NATO countries.

This *Asia Policy* roundtable contains nine essays analyzing key U.S. bilateral relationships in Asia and identifying the most salient current and over-the-horizon issues in each dyad. David Shambaugh posits that the United States must seek a responsible bilateral relationship with China that contains and manages the competitive issues between the two countries. Sheila A. Smith argues that the United States will need Japan's help in both maintaining regional stability and engaging rivals like Russia. On the Korean Peninsula, Sue Mi Terry maintains that the new administration will need to apply greater pressure on North Korea while demonstrating stronger reassurances of alliance commitments to South Korea as the South navigates its own complicated political transition. Richard C. Bush's analysis shows that Taiwan hopes U.S. commitments to Taipei will not erode under pressure from Beijing.

To the west, Kimberly Marten argues that the United States and Russia will continue to be at loggerheads on many issues, but because the new administration seems interested in another attempt at a reset, analyzing the future direction of this complex bilateral relationship produces more questions than answers. Turning to South Asia, Ashley J. Tellis assesses

the U.S. relationship with India in the context of regional dynamics and argues that Washington should be careful not to derail its current path of improved bilateral relations with New Delhi. Teresita C. Schaffer, on the other hand, analyzes Pakistan as an unsteady U.S. partner whose strategic objectives rarely align and are often at odds with Washington's regional goals. In Southeast Asia, Brian Harding observes that the Association of Southeast Asian Nations (ASEAN) is situated to become a focus of U.S. and Chinese competition for economic and strategic influence. Finally, Michael Clarke reflects on the U.S.-Australia alliance and sees a need for Canberra to facilitate more regional bilateral ties in the face of a potential shift in U.S. support.

As each of these authors observes, the United States' bilateral relationships in Asia present major challenges, as well as opportunities, for the incoming administration. Taken together, the issues raised—which will often come into conflict across the different dyads—mean that Asia must remain the focal point of U.S. foreign policy in the years ahead. The roadmaps offered by the experts assembled for this roundtable provide a useful starting point for navigating these critical relationships. 

Dealing with China: Tough Engagement and Managed Competition

David Shambaugh

Sino-American relations are the major overarching factor in Asian international relations (many would argue internationally). As the broad trajectory of the relationship in recent years has been toward increasing frictions and comprehensive competition, simply managing the competitive dynamic so that it does not bleed into a fully adversarial relationship should be a principal goal. The relationship could get worse—much worse—but that is not in the national interests of either country.

Building cooperation where possible is a twin objective but should not be an end in itself. For example, the two governments engage in nearly one hundred bilateral dialogues, but these exchanges are quite pro forma and yield limited tangible benefits for the United States. The new Trump administration should “scrub” them from top to bottom—beginning with the Strategic and Economic Dialogue (S&ED)—and radically reduce them so as to maximize tangible outcomes and minimize the expenditure of time, money, and bureaucratic resources. The Chinese government has managed to freeze and trap the U.S. government in a panoply of diplomatic processes, while Beijing assiduously maneuvers worldwide to expand its own presence and influence.

There is a deep reservoir of frustration and disillusion in the United States concerning China—some of which emerged during the presidential campaign—and a seeming consensus exists that Washington needs to get tougher with Beijing on a broad range of issues. Donald Trump tapped into this sentiment concerning business outsourcing, but it runs far deeper into a variety of issue areas. But despite Trump’s emphasis on the economic element of the relationship, the big change in U.S.-China relations is that security issues are now as or more important than economic issues, and as a result, the economic ballast is not as important as before. A big part of this reality is that

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American business has been experiencing a much more difficult environment in China.¹

The United States' growing frustrations with China lead to the temptation to "get tough" with Beijing. But this may prove difficult given the interdependencies between the two countries and China's own ability to retaliate against and inflict pain on U.S. interests. Moreover, the relationship is at something of a geostrategic inflection point—with China's power and influence growing regionally and globally, while the United States' power appears to be declining relatively. While tempting for Washington, getting tough at such a time can be provocatively dangerous. Power-transition theorists are quick to remind us that this is precisely the most unstable and vulnerable period in relations between established powers and rising powers—i.e., when one or the other misjudges its own relative position and takes preemptive actions against the other. The United States remains far stronger than China across a range of indicators,² but the Chinese leadership may overestimate both China's strengths and the United States' weaknesses. For its part, the Trump administration may underestimate China's sensitivities and capacity to retaliate against U.S. interests.

Under such conditions, mature management of a volatile relationship is mandatory—bounding the negative dynamics while working to expand the areas of positive cooperation is the principal challenge for both governments. With this broad maxim in mind, the balance of this essay assesses the state of the relationship that the Trump administration inherits and the deeper variables that will affect its evolution in the future.

Looking Back to Move Ahead

In anticipating how the Trump administration may move in its dealings with Beijing, it is first useful to take stock of the state of U.S.-China relations and the China policy that the administration will inherit. Of course, no new U.S. administration must continue the policy of its predecessor—although continuity is reassuring, particularly to markets. But Trump has already

¹ See, for example, American Chamber of Commerce in the People's Republic of China, "American Business in China," 2016  <http://www.amchamchina.org/policy-advocacy/white-paper>. The increasing difficulties for foreign businesses in China are hardly limited to U.S. companies. European companies have been experiencing similar—or worse—obstacles. See, for example, European Union Chamber of Commerce in China, "European Business in China—Position Paper 2016/2017," 2016  http://www.europeanchamber.com.cn/en/press-releases/2489/european_chamber_calls_for_reciprocity.

² See the China Power Project at the Center for Strategic and International Studies  <http://chinapower.csis.org>.

rattled the relationship prior to assuming office by breaking two core tenets of all eight previous U.S. administrations: speaking by telephone with Taiwan's president Tsai Ing-wen and questioning why the United States has to be "bound" by the one-China principle. During a December 11 television interview, he also stated, "I don't want China dictating to me."³

While Trump may break from the policies of his predecessors, the Obama administration's China policy has reflected strong continuity with that of the Bush administration. We have had sixteen consecutive years of "hedged engagement"—i.e., strategic and security hedging against China in Asia combined with engagement on a range of bilateral and global governance issues. Like his predecessor, President Barack Obama understood that the best China policy is a strong Asia policy.⁴ Obama's "pivot" or "rebalance" policy was in part intended to constrain China strategically in Asia. Trump would be wise to continue and intensify this effort. Given his liberal and multilateral predilections, Obama came into office also very much committed to a broad agenda for Sino-U.S. collaboration in global governance. This part of Obama's China policy was met with deep skepticism by Beijing at first, but since 2013 under Xi Jinping we have witnessed China greatly "up its game" in this arena. The UN Framework Convention on Climate Change is one key indication of this positive change in China's diplomatic posture; other examples include increased financial and personnel contributions to the UN operating budget and peacekeeping operations, antipiracy operations in the Gulf of Aden, multilateral economic governance, public health contributions to fight the Ebola and Zika virus outbreaks, and the Iranian nuclear deal. True, China is still not doing anything to cooperate on the war against the Islamic State of Iraq and Syria (ISIS) or in the Syrian crisis (taking no refugees and playing no diplomatic role to bring an end to the civil war and carnage), and its official development assistance program of approximately \$3.5 billion still lags substantially behind its financial capabilities. So there is still room for improvement for the world's no. 2 power, but overall we have witnessed positive developments in this aspect of U.S.-China relations and China's contributions to global governance.

In other areas, however, it must be said that the recent state of U.S.-China relations—and the relationship the Trump administration

³ Emily Rauhala, "Beijing Rebukes Trump for Remark on Taiwan," *Washington Post*, December 13, 2016.

⁴ See David Shambaugh, "President Obama's Asia Scorecard," *Wilson Quarterly*, Winter 2016 ~ <http://wilsonquarterly.com/quarterly/the-post-obama-world/president-obamas-asia-scorecard>.

will inherit—has been characterized by increasing frictions and across-the-board, rising competition: military and security competition, competition for influence in Asia, growing international geostrategic competition, ideological and political competition, and commercial competition. In all of these and other areas, the U.S.-China relationship exhibits considerable suspicion and tension. Recent public opinion surveys also indicate that distrust of the other power is pervasive and rising.⁵

While regrettable, all this negativity is to be expected and should be considered as the “new normal”—rather than some chimera of harmonious cooperation. Whether viewed through the power-transition prism (the Thucydides trap), the “security dilemma” paradigm, the ideological prism of the two contradictory political systems, or other perspectives, it is not abnormal that these two major powers are not getting along very well and are experiencing the competitive dynamic in their relationship. But the key task—indeed responsibility—for both governments is to manage comprehensive competition so that it does not bleed into becoming a fully adversarial relationship, which neither side seeks nor needs.

Buffering Competition

At the same time, we must not lose sight of the more positive dimensions of the complicated U.S.-China relationship:

- The two exchange \$659.4 billion in two-way trade.⁶ China is one of the United States’ fastest-growing export markets, and virtually all major U.S. corporations have a presence there.
- The United States has invested a cumulative \$75 billion in China, employing an estimated 1.6 million Chinese workers. Chinese FDI in the United States is a more recent phenomenon, but it is growing extremely rapidly—totaling \$15 billion and employing 100,000 U.S.

⁵ Richard Wike and Bruce Stokes, “Chinese Public Sees More Powerful Role in World, Names U.S. as Top Threat,” Pew Research Center, October 2016 [~](http://www.pewglobal.org/2016/10/05/chinese-public-sees-more-powerful-role-in-world-names-u-s-as-top-threat) <http://www.pewglobal.org/2016/10/05/chinese-public-sees-more-powerful-role-in-world-names-u-s-as-top-threat>; and Richard Wike, “Americans’ Concerns about China: Economics, Cyberattacks, Human Rights Top the List,” Pew Research Center, September 2015 [~](http://www.pewglobal.org/2015/09/09/americans-concerns-about-china-economics-cyberattacks-human-rights-top-the-list) <http://www.pewglobal.org/2015/09/09/americans-concerns-about-china-economics-cyberattacks-human-rights-top-the-list>.

⁶ Office of the United States Trade Representative, “The People’s Republic of China” [~](https://ustr.gov/countries-regions/china-mongolia-taiwan/peoples-republic-china) <https://ustr.gov/countries-regions/china-mongolia-taiwan/peoples-republic-china>.

workers in 2015, with Chinese companies registering a sevenfold increase in the first nine months of 2016.⁷

- In the 2015–16 academic year, a total of 328,547 Chinese students studied at U.S. universities and vocational schools, generating \$11.43 billion in revenue. Additionally, an estimated 50,000 Chinese students attended U.S. secondary schools during the same period.⁸
- In 2014, Chinese tourists spent an impressive \$24 billion in the United States. In 2015, 2.6 million Chinese tourists visited the United States, and this figure is expected to rise to 2.9 million in 2016, which was branded as “U.S.-China tourism year.”⁹
- Dozens of “sister city” and state-province relationships as well as a variety of nongovernmental cultural exchanges fortify societal ties.

These statistics and other indicators are all evidence of deep U.S.-China interactions and interdependence. This cooperative dimension serves to buffer the competitive dimension to a significant extent, and this reality is good news for overall relations. Both sides need to constantly work to expand and deepen this cooperative dimension, but it also should not be overestimated. At the end of the day, U.S.-China relations are a mixed cooperative/competitive relationship (“coopetition”).¹⁰

The Menu of Issues

So, where does all this leave the Sino-American relationship going forward? There are, of course, a host of issues on the bilateral, regional, and global agendas that confront the Trump administration and the two governments. On the U.S. side, these include:

⁷ “China Investment in U.S. Economy Set for Record, but Political Concerns Grow,” *Wall Street Journal*, April 12, 2016 ≈ <http://www.wsj.com/articles/china-investment-in-u-s-economy-set-for-record-but-political-concerns-grow-1460422802>; and Thilo Hanemann, Daniel H. Rosen, and Cassie Gao, “Two-Way Street: 25 Years of U.S.-China Direct Investment,” Rhodium Group and the National Committee on U.S.-China Relations, November 2016 ≈ <https://www.ncuscr.org/twowaystreet>.

⁸ Institute of International Education, “Open Doors Fact Sheet: China,” 2016 ≈ <http://www.iie.org/Research-and-Publications/Open-Doors/Data/Fact-Sheets-by-Country/2016>.

⁹ U.S. Department of Commerce statistics cited in Chen Weihua, “China Tourists a Boost to U.S.,” *China Daily*, March 17, 2016 ≈ http://usa.chinadaily.com.cn/us/2016-03/17/content_23902119.htm; and “U.S. and China to Launch 2016 U.S.-China Tourism Year,” U.S. Department of Commerce, Press Release, February 25, 2016 ≈ <https://www.commerce.gov/news/press-releases/2016/02/us-and-china-launch-2016-us-china-tourism-year>.

¹⁰ See David Shambaugh, “Tangled Titans: Conceptualizing U.S.-China Relations,” in *Tangled Titans: The United States and China*, ed. David Shambaugh (Lanham: Rowman and Littlefield, 2013), 3–24.

- the increasingly constricted commercial and investment environment for U.S. companies in China;
- rapidly rising Chinese investments in sensitive technological sectors in the United States that impinge on national security and commercial assets;
- cybersecurity and broader technological espionage in the United States;
- human rights and the repressive environment in China;
- Chinese restrictions on U.S. NGOs, academics, and journalists in China (including visa blacklists);
- North Korea (probably at the top of the list of immediate challenges);
- China's activities in the South and East China Seas;
- the strategic balance in the Asia-Pacific and broader Indo-Pacific region;
- the more constricted political environment in Hong Kong;
- new leadership in Taiwan and hence potential volatility in the China-Taiwan-U.S. triangle;
- nontraditional security issues in global governance (next steps on climate change, energy security, counterterrorism, antipiracy, human smuggling, and pandemics, among other issues).

This is the lengthy menu of issues on the agenda that the Trump administration inherits. Each issue is extremely complex, and in virtually every area the United States and China have significant differences of opinion and diverging national interests. This fuels the increasingly competitive relationship outlined above. But how to assert one's interests while managing a competitive relationship so that it does not become a fully adversarial one?¹¹ Neither Washington nor Beijing possesses the experience or a playbook for managing a relationship that is so deeply interdependent yet simultaneously filled with complex bilateral frictions and geostrategic rivalry.

The Deeper Context

While important, bureaucratically managing the issues on the bilateral, regional, and global agendas is not by itself a sufficient way to

¹¹ These issues, and potential policy approaches to them, are addressed in the Task Force on U.S. Policy toward China, "Engagement with Resolve: An Interests-Based Approach to China," Asia Society Center on U.S.-China Relations and University of California–San Diego 21st Century China Center (forthcoming).

understand how U.S.-China relations will likely evolve over the coming years. There are deeper forces at work in the relationship of which officials on both sides should be cognizant. These can be thought of as five variables that will do much to shape how each side approaches the other in the months and years ahead.

The first variable I would identify is the political insecurity of the Chinese Communist Party (CCP), which manifests itself in viewing “Western hostile forces” (a code word mainly referring to the United States) as subverting the regime’s grip on power. This is a regular narrative in China and deeply ingrained in the official psyche and propaganda. If the Trump administration initiates a period where the United States draws inward, it could actually relieve this perception in China and the CCP and hence remove one element of tension in relations. Trump said nothing during the campaign about China’s internal situation or human rights (he is a businessman—and businesspeople doing business overseas tend to view human rights policy as an unwelcome complication to advancing their business interests). Thus, this element of tension in the relationship might actually subside (which would be welcomed in Beijing), although the economic and strategic tensions would remain. Conversely, it is equally plausible that the hard-liners in the Trump administration may double down and increase criticism of and pressure on Beijing for its repression (which would have the opposite effect).

The second variable is Trump himself. He has already proved himself unpredictable and unknowledgeable about world affairs. He holds no apparent affection for China, regularly criticizing a variety of Chinese actions. Notably, he has already broken the Taiwan taboo by questioning the bedrock one-China policy and speaking with Taiwan’s president. The Chinese side is accustomed to U.S. presidents following the “engagement” framework, one-China policy, and other time-honored modalities. Thus, the unpredictability of Trump is a huge new variable, as is his penchant to publicly and sharply criticize others—Chinese political culture has very limited tolerance for public criticism.

Third, there is the variable of Chinese nationalism and the country’s need to be recognized as a leading global power. That will not change and likely will only increase. The Chinese believe their “time has come” and that the United States is in protracted decline. The reason this is a variable is that it could lead to China overreaching and challenging the United States—possibly provoking a conflict. For its part, the United States is filled with its own narrative about “making America great again,” its sensitivity

about its “leadership” role in the world, and quite likely would not back down from a test posed by China. This could occur over Taiwan, the East or South China Sea disputes, North Korea, or an inadvertent military incident. It is precisely against this type of Chinese psychological backdrop that an accidental incident could trigger irrational reactions and a real conflict.

A fourth variable—parallel to the third—depends on how the United States defines its national interests and strategic position in East Asia and the Asia-Pacific. If the United States adopts a “maximalist” position—one that allows for no “peer competitor” and denies China strategic space—then there will be increasing frictions and likely military confrontation sooner or later.¹² Conversely, if Trump pulls back from Asia—as his campaign rhetoric suggested—then this will relieve the strategic pressure on China and thus might improve U.S.-China relations. The historical analogy would be with Great Britain and the United States at the turn of twentieth century—when Britain ceded the western hemisphere to the United States as a sphere of influence, thus defusing the Thucydides trap of that era.

To some extent, the United States should be sensitive that the western Pacific is China’s “front yard” and Beijing is hypersensitive about the U.S. military presence along its coastline. The United States is unique in having two oceans that serve as strategic buffers, while China has no such luxury and has experienced roughly two hundred years of strategic pressure on its eastern maritime frontier. At the same time, China needs to accept that the United States has been a Pacific power since 1900, and particularly since 1945. Not only is the United States a long-standing Pacific power, but its strategic presence and alliances have done much to preserve peace and stability (critical to economic growth) in the region since 1975. All nations in the Asia-Pacific have benefitted from that presence (including China), and none wish the United States to withdraw—or be pushed out of the region. China will constantly and continually probe Washington’s alliances and relationships in the region, as well as working to build its own network of regional ties and client states.

An important fifth variable will be the behavior of regional countries. Here it is important to consider the broad Indo-Pacific region. Five countries are allied with the United States (Japan, South Korea, Thailand, Australia, and the Philippines), some are strategically aligned with the United States (Vietnam, Singapore, New Zealand, and India), and several

¹² See Michael Swaine, Wenyan Deng, and Aube Rey Lescure, *Creating a Stable Asia: An Agenda for a U.S.-China Balance of Power* (Washington, D.C.: Carnegie Endowment for International Peace, 2016).

are strategically “neutral” (Indonesia, Malaysia, Myanmar, Mongolia, Laos, Nepal, Sri Lanka, and Bangladesh), while two are aligned with China (Pakistan and Cambodia). How all these countries navigate the U.S.-China regional rivalry will be a crucial determinant. They all seek close relations with both sides, and none wish to be forced to choose between Beijing and Washington. Every single one of these countries walks this tightrope—seeking strong economic ties with both China and the United States—but most seek close security ties with the United States. So far, not a single state is looking to China for security protection (except perhaps Pakistan). Quite to the contrary, these states are all quite ambivalent about, and many very suspicious of, China and do not wish to live under a 21st-century version of the ancient tributary system.

Thus, at the time of a U.S. presidential transition, the Sino-American relationship is in a considerable state of flux. Since 1972 and across nine U.S. presidents and six Chinese leaders, the relationship has had elements of friction—but it has endured and continually grown. It is deeply interdependent and has proved to be resilient. Yet there is a fragility and unpredictability to the relationship today not witnessed since 1989. Domestic, regional, and global variables will all condition it—and these internal and external forces mean that the relationship is not entirely in the control of leaders on both sides, as exogenous factors will have a large impact.

At the end of the day, because the Sino-U.S. relationship is the most important relationship in world affairs, both sides must manage it with a deep sense of responsibility, exhibit sensitivity toward the other’s perspectives, make pragmatic compromises, and realize that the failure to contain the competitive elements could mean disaster for both countries, the broader Asian region, and the world beyond. This may not be the best marriage in the world, but it is a marriage where divorce is not an option. ♦

U.S.-Japan Relations in a Trump Administration

Sheila A. Smith

Donald Trump shocked many in Japan during his presidential campaign. Trump suggested in a *New York Times* interview that Japan and South Korea should develop their own nuclear weapons to contend with North Korea, stating that “if we’re attacked, they do not have to come to our defense, if they’re attacked, we have to come totally to their defense. And...that’s a real problem.”¹ On the campaign trail, he repeatedly returned to the topic of Japan to note the lack of reciprocity in the security relationship. At a rally in Iowa on August 6, Trump claimed he was told that Japan pays 50% of the costs of basing U.S. troops there, but he then asked, “Why don’t they pay 100%?”²

These assertions, however, may have little to do with how the Trump administration manages the U.S. relationship with Japan. What may be most important is how it envisions U.S. interests in Asia and how it approaches the United States’ relationship with Japan’s neighbor, China.

This essay will first discuss the likely changes in U.S. strategy toward Asia under Trump and the implications for U.S.-Japan relations. The next section will then offer several policy options for the Trump administration to consider, while the conclusion will assess the impact of Russia’s relations with both the United States and Japan on the alliance.

Changes in U.S. Strategy toward Asia and the Implications for Japan

The incoming Trump administration’s approach will differ from the Obama administration’s “rebalance” to Asia. Several broad areas of policy change seem likely. First, U.S. policy toward China will be more fraught, and the trade relationship is likely to be the first target of the new administration. Indeed, designating China as a currency manipulator was high on the list of what Trump stated he would do in the first hundred days of his presidency. But since the election, Trump has taken this idea of shaking

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¹ “Transcript: Donald Trump Expounds on His Foreign Policy Views,” *New York Times*, March 26, 2016.

² Jesse Johnson, “Trump Rips U.S. Defense of Japan as One-Sided, Too Expensive,” *Japan Times*, August 6, 2016.

up the relationship between the United States and the People's Republic of China (PRC) a step further by suggesting that he would be willing to abandon the one-China policy that has guided Washington's relationship with Beijing since normalization in the 1970s. Accepting a phone call from Taiwan's president Tsai Ing-wen on December 2 was the first departure, but his statements that followed were even more explicit about his intention to recalibrate the U.S. relationship with the PRC.

Second, the Trump administration seems interested in building up U.S. military capabilities, including in the Asia-Pacific. Trump's Asia advisers have used President Ronald Reagan's "peace through strength" concept to advocate for a demonstration of U.S. military power. At face value, this strategy may not be all that alarming for allies such as Japan, who prefer that the United States maintain a strong military presence in Asia. How the incoming president intends to use those forces, however, could be more worrisome in the context of a far more contentious U.S.-PRC relationship.

Finally, it seems unlikely that the incoming administration will prioritize the Asia-Pacific's annual multilateral gatherings to the same degree as its predecessor. Support for the Association of Southeast Asian Nations (ASEAN) and its related regional meetings, such as the East Asia Summit and the ASEAN Regional Forum, is likely to diminish. Prime Minister Shinzo Abe and President Barack Obama have been strong supporters of ASEAN's efforts to institutionalize a regional summit meeting, and their administrations have supported the ASEAN Regional Forum and the ASEAN Defence Ministers' Meeting-Plus that seek to find common ground between regional security and military leaders.

These broad changes in the U.S. approach to the Asia-Pacific will shape President Trump's relationship with Japan. First, Washington's relationship with Beijing will have a significant impact on bilateral ties between Tokyo and Beijing. Should tensions with Beijing rise, Tokyo will feel the impact. A trade war with China would of course be a disaster for most of the Asia-Pacific economies, and Japan's economy would be badly affected. Any protectionist impulse by the United States would affect China's exports not only to the United States but also to Japan. Moreover, attempts to levy tariffs on Chinese manufacturers would affect the global supply chain so necessary to Japanese companies operating in the United States. Any strain with the PRC that reduces confidence in U.S. Treasury bonds would shape Japanese exposure as Tokyo is now the largest investor in U.S. government bonds. In short, an economic clash between the United States and China would be harmful to Japan, as it would be to many around the globe.

Second, tensions with China over Taiwan could shake the foundations of Japanese security. The last time the United States and China disagreed over Taiwan, it led to a military showdown across the Taiwan Strait. Beijing's attempts to rattle its sabers at Taipei's new government unsettle Tokyo. In light of Japan's continued tensions with China over the Senkaku Islands and in light of China's vastly improved maritime capabilities, deliberately introducing this level of uncertainty will certainly increase the PRC's military pressures on Japan. Already Taiwan is being subjected to ever-greater military stress in its waters and airspace. Given the proximity of Japanese southern islands to Taiwan, Japan could easily find itself in the middle of a very uncomfortable military showdown, or Japan itself could become Beijing's target. On December 9, the People's Liberation Army Air Force flew six aircraft between Okinawa's main islands and Miyako Island and another four through the Bashi Strait south of Taiwan. When the aircraft were confronted with Japan Air Self-Defense Force fighters, Chinese officials claimed that the Japanese planes were overly aggressive. Japan denied this version of events. Tensions thus already rose in the East China Sea even before the Trump administration began.

Finally, while many in Tokyo may welcome a tougher U.S. posture toward Beijing, there is still considerable concern over how an incoming Trump administration might respond to North Korean provocations. Every new U.S. administration must early on confront Pyongyang's willingness to provoke Seoul and raise tensions on the peninsula. With the recent announcement of a new UN Security Council resolution, and with Beijing's acceptance of increasing the economic sanctions on Pyongyang, pressure on Kim Jong-un will rise. China, for example, reportedly reduced its coal imports from North Korea by \$700 million in 2016 to conform with the new sanctions.³ But there are additional troubling signs for the peninsula. The impeachment of President Park Geun-hye has weakened South Korea, and as the Constitutional Court considers Park's future, a new presidential election looms large, making it likely that a coordinated response to a potential North Korean provocation would be difficult.

Raising the temperature of these Northeast Asian relationships over the coming months could lead to a far riskier set of military interactions across the East China Sea. In the absence of military risk-reduction mechanisms between Japan and China, the United States would need to

³ See "China Puts Temporary Ban on North Korean Coal Imports," Reuters, December 11, 2016 ~ <http://www.reuters.com/article/us-northkorea-nuclear-un-china-idUSKBN14007R>.

play a critical role in trying to de-escalate tensions through deterrence and diplomacy. Regional instability would only increase should the presidential transition prove too chaotic or if Beijing or Pyongyang were to perceive that Washington's commitment to deter aggression against its allies in Tokyo or Seoul had weakened.

An Agile Alliance

Over the next four years, the U.S. president will need to double down on alliance cooperation with Japan. Abe's overtures to Trump may prove helpful in shaping the new U.S. administration's approach to its ally, and even in designing an overall approach to Asia. Tokyo's interests in the Trans-Pacific Partnership (TPP) are strong, and Abe has invested considerable political resources in bringing the agreement to a successful conclusion. There is still hope in Japan that the TPP will be reconsidered by Trump, but Abe has openly stated that "the TPP is meaningless without the participation of the United States."⁴ Should the new administration follow through on Trump's campaign promise to back away from the TPP, it will be a tremendous setback for Japan and for Abe.

Military cooperation between the United States and Japan is critical to both countries. In the wake of the Cold War, Tokyo and Washington have upgraded their thinking about how the Japan Self-Defense Forces and the U.S. forces in the Pacific can best assure deterrence and contribute to regional peace and stability. Tokyo's investment in ballistic missile defenses includes R&D with the United States and has been upgraded since Pyongyang's rapid development of its missile program. Maritime cooperation, long a mainstay of the alliance, now extends to regional cooperation with other maritime powers in Asia. Japan's navy, the Maritime Self-Defense Force, also contributes to antipiracy operations in the Gulf of Aden, protecting global commerce. Upgrades in Japan's military capabilities, including through the introduction of the F-35 and in intelligence, surveillance, and reconnaissance capabilities, will be a significant contribution to the regional balance of power as Chinese capabilities continue to grow. The incoming Trump administration must affirm its continued commitment to fine-tune strategic cooperation in the U.S.-Japan alliance.

⁴ "Press Conference by Prime Minister Shinzo Abe Following His Visit to Argentina and His Attendance at the APEC Economic Leaders' Meeting in Lima, Peru and Related Meetings," Prime Minister of Japan and His Cabinet, November 21, 2016.

A few positive signs exist for improving cooperation under the new administration. Trump can expect to have Abe as a partner for much of the next four years, as the conservative Liberal Democratic Party is expected to extend his term as leader of the party. Barring an electoral setback, this should keep him in the prime minister's office through 2020. Another reason for optimism is that Tokyo policymakers welcome a "strong America" platform, with its ambition for economic growth and military superiority, and will be eager to work at linking this to an equally strong foundation for economic and military cooperation in the alliance.

Yet the Trump administration will need to analyze carefully the equities in the U.S.-Japan alliance. The Trump campaign's emphasis on reciprocity in the alliance with Japan revived a dated language for burden sharing. Today, few in Japan see providing more money for U.S. forces as appropriate. Tokyo and Washington just concluded their five-year bilateral host-nation support agreement in 2015, and that provides \$1.6 billion per year in support of U.S. forward-deployed forces. What will be more important going forward will be the improvements in military coordination and planning and in the roles, missions, and capabilities needed by Japan and the United States to demonstrate the capacity to deter threats and ensure maritime security across Asia-Pacific sea lanes.

A second much-needed area of alliance attention is in crisis-management capabilities. There is plenty of opportunity for military strains to become serious conflicts during crises, and Northeast Asia has had its share of close calls. The 2010 sinking of the *Cheonan* and the shelling of Yeonpyong Island by North Korea were managed diplomatically by Seoul, but these events have raised the sensitivities of South Koreans to pressures from the North. Likewise, the clashes between Tokyo and Beijing over the East China Sea islands brought two Asian giants close to a military exchange and deepened fears in Japan of Chinese opportunism. To better prevent tensions from escalating to the level of military force, U.S. and Japanese security leaders announced a new alliance coordination mechanism in 2015, which will ensure full coordination of responses to crises and a commitment to de-escalate incidents that could result in armed conflict. The mechanism was an asset to U.S. and Japanese responses to North Korean missile and nuclear tests in 2016 and will be particularly useful should an incident between Japanese and Chinese forces occur. Tokyo and Beijing must be encouraged to conclude their own military risk reduction agreement.

Finally, the United States and Japan must accelerate their cooperation with other partners in the Asia-Pacific. This is critical first and foremost

to regional maritime cooperation but is also important to the economic development of the Asia-Pacific. Trilateral cooperation among the United States, Japan, and South Korea ensures military readiness in the face of an increasingly provocative and militarily capable North Korea. Seoul and Tokyo have just concluded an information-sharing agreement that had been derailed in 2012 during a rise in political tensions between the two U.S. allies. The United States and Japan also cooperate closely with Australia, ensuring that the western Pacific remains safe and secure.

New opportunities to involve Japanese strategic planners in regional cooperation should be supported. Growing strategic consultations with India are vital to the United States and Japan, and the trilateral Malabar exercise in 2015 demonstrated the shared interest in extending cooperation throughout the Indo-Pacific. Prime Minister Abe has also continued to discuss maritime cooperation with the Philippines, even as President Rodrigo Duterte has pulled back from military exercises between U.S. and Philippine armed forces. Finally, Tokyo and Washington have a long list of shared interests with the ASEAN nations, particularly with the coastal states concerned about maritime security.

A Final Word on the Putin Factor

The potential for positive change in relations between the United States and Russia offers opportunity and challenge to U.S.-Japan relations. The deterioration of U.S. relations with Russia during the Obama administration is well-known, and Trump has been clear that a top priority for his administration will be to develop a better working relationship with President Vladimir Putin. But U.S. military and intelligence leaders see critical conflicts of interest with Putin's Russia, and the cyberattacks during the U.S. presidential election remain a considerable hurdle to improving U.S.-Russian relations. Tensions within the incoming administration on the U.S.-Russia relationship are all but assured.

Prime Minister Abe also wants to see improvement in his country's relations with Moscow and has engaged in ongoing discussions with Putin on a path to finally signing a bilateral peace treaty. A comprehensive deal between Abe and Putin would include a resolution to the territorial dispute over what Japanese refer to as the Northern Territories and Russians term the Kuril Islands. Four islands are at stake, and Putin has indicated that he would be willing to go back to a proposal crafted in the 1950s of returning two of the islands to Japan. But there are likely to be conditions

attached, including a promise not to allow military access to either Japan or the United States. Japanese fishermen, however, would be grateful for the clarity that this agreement would bring. On his side, Putin wants a large injection of Japanese capital into the Russian Far East. Japanese corporations are already invested in the region's resources, including liquefied natural gas near Sakhalin Island, but are wary of overly exposing themselves while the U.S.-Russia relationship remains on hold. Putin's visit to Japan on December 15–16 brought some sense of movement on the economic front, but little yet in terms of resolving their sovereignty dispute over the Northern Territories. Overall there was disappointment in Japan that Putin was not willing to move further on an initiative that would bring the Japanese and Russians closer together on the islands, but Abe will be visiting Moscow in 2017 to continue to press for a cooperative outcome on the islands.

Geopolitics are also driving this relationship, however. The two powers will restart their strategic dialogue—the 2+2 meeting of foreign and defense ministers that Putin and Abe agreed on early in their diplomatic effort. Putin reminded his Japanese audience that it was the United States that was the primary impediment to improved bilateral relations.⁵ While it seems premature to expect that a peace treaty between Japan and Russia will emerge soon, the next U.S. administration must discuss with the Abe government their approaches to Russia. Even though Tokyo and Washington may not share similar perspectives on Putin's ambitions, the alliance must rest on an understanding of where the divergences in national interests may lie.

Conclusion

The 2016 presidential campaign was a tumultuous one for the U.S.-Japan relationship. Trump's comments on Japan alarmed and unsettled many on both sides of the Pacific. In the wake of the election, however, communications with the Trump transition team as well as between Trump and Abe have eased some of the anxiety about the future of the alliance under the new U.S. administration.

Yet the larger uncertainty about how the new president will shake up U.S. policy toward Asia continues to shape Japanese attitudes on the transition. Confrontation with China would put Japan in the crosshairs,

⁵ Sheila A. Smith, "Putin's Japan Visit," Council on Foreign Relations, *Asia Unbound*, December 19, 2016 ~ <http://blogs.cfr.org/asia/2016/12/19/putins-japan-visit>.

particularly if it involves military tensions. Also, a trade war between the United States and the PRC would have deleterious effects for the Japanese economy and could destabilize the global trading order. In a rapidly changing Asia, Japan's prime minister and the U.S. president will need to develop a strategy for the alliance that is more than reacting to the latest provocations. It is time for an alliance that can articulate a shared strategic vision and is far more agile in anticipating the complex moves afoot in the geopolitics of today's Asia. ◆

Hazards on the Road Ahead: The United States and the Korean Peninsula

Sue Mi Terry

In important ways, U.S. relations with the Korean Peninsula have been frozen in amber since the end of the George W. Bush administration. President Barack Obama did not try to revive the failed six-party talks. Instead, he cooperated with a friendly conservative government in Seoul—first under President Lee Myung-bak, then under President Park Geun-hye—both to strengthen sanctions on North Korea and to improve alliance and defense coordination among the United States, the Republic of Korea (ROK), and Japan. This resulted in Seoul's decision to deploy the Terminal High-Altitude Area Defense (THAAD) missile defense system and to share military intelligence with Tokyo. It did not, however, stop Kim Jong-un from pressing ahead with the regime's nuclear and ballistic missile programs. With North Korea now threatening to deploy nuclear-tipped intercontinental ballistic missiles capable of hitting the continental United States, the need for unity between Seoul and Washington on how to confront this threat is greater than ever. But this comity will be harder to achieve than before because of the tectonic shifts that are occurring in South Korea just as the new U.S. administration is taking office.

This essay examines the outlook for U.S. policy toward the Korean Peninsula, beginning with an examination of the political upheaval currently occurring in Seoul and the growing threat posed by the Kim regime. The essay then analyzes options for the United States and concludes with policy recommendations for the incoming administration.

South Korea: Political Upheaval Could Challenge U.S.-ROK Alliance

Donald Trump suggested during the campaign that he is likely to seek renegotiation with Seoul and Tokyo to convince the two allies to increase their share of the cost to subsidize the expense of stationing U.S. troops in Northeast Asia. He might actually have had a good chance of extracting a greater contribution out of South Korea if the conservative Park remained in office as president. But she is in the process of being ousted as a result

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of a scandal involving the undue influence exerted over her by long-time confidant Choi Soon-sil. Choi stands accused of abusing her privileged position to extort \$70 million or more from leading *chaebols* (South Korean business conglomerates), with some of the money allegedly siphoned off for her personal use. This scandal considerably decreases the odds of the conservative Saenuri Party staying in power and increases the likelihood of a more liberal candidate winning the presidency. If that were to happen, it could heighten uncertainty about the future of the U.S.-ROK alliance because the opposition parties in South Korea are more inclined than Washington to find common ground with Pyongyang.

South Korea's parliament impeached President Park in December 2016, and now the Constitutional Court must decide within six months whether to uphold the motion. If the impeachment motion is upheld, Park would have to leave office and a snap presidential election would occur within 60 days. Besides UN secretary general Ban Ki-moon, who has hinted strongly but not officially declared whether he will run when his term expires at the end of 2016, the leading candidate to replace Park is the liberal opposition leader, Moon Jae-in. Compared with President Park or Secretary General Ban, Moon is far less enamored of the United States and far more inclined to take a conciliatory line with North Korea. Moon is likely to revive his own version of the Sunshine Policy toward the North pursued by Presidents Kim Dae-jung and Roo Moo-hyun from 1998 to 2008. During this period, Seoul pumped approximately \$8 billion in economic assistance into North Korea in the hopes of improving bilateral relations, and there was a wide gap between Washington and Seoul over how to handle Pyongyang.¹ Moon has also repeatedly underscored a policy favoring Beijing, which will likely entail a greater diplomatic investment in relations with China than with the United States. All in all, having declared his intent to revive former president Roh's legacy, Moon is likely to modify the U.S.-ROK alliance to alleviate China's chronic security concerns, including by delaying or canceling the planned deployment of THAAD and moving away from closer ties with Japan.²

¹ Evan Ramstad, "North Korea: A Burden for the Future?" *Wall Street Journal*, November 7, 2010.

² "South Korean Leadership Contender Moon Jae-in Suggests THAAD Deployment Should Be Decided by the Next Government," *South China Morning Post*, December 15, 2016 ~ <http://www.scmp.com/news/asia/east-asia/article/2054913/south-korean-leadership-contender-moon-jae-suggests-thaad>; and "South Korean Presidential Frontrunner Pledges Dialogue with DPRK Leader, Reset with Japan," *Global Times*, December 16, 2016 ~ <http://www.globaltimes.cn/content/1024105.shtml>.

The same is true of another leading progressive candidate rapidly rising in polls, Lee Jae-myung, mayor of Seongnam, a city near Seoul. With populist movements gaining traction globally, Lee, whose nickname is “Korea’s Trump,” is tapping into anger in South Korea over corruption and the lack of jobs. Invoking Philippine president Rodrigo Duterte, Lee has promised to eliminate an “establishment cartel” and break up the chaebols. He has said that he will meet with Kim Jong-un unconditionally and that Japan should be dubbed a “security foe” of South Korea because it has not been repentant enough for its aggression in the early twentieth century.³

Before the Choi scandal, Ban was the leading candidate to replace Park, but in the aftermath of the scandal, the odds of a Moon or Lee administration have greatly increased. In the event that the Trump administration pushes too hard for a greater South Korean contribution to U.S. alliance expenses—and particularly if this demand is accompanied coincidentally by a scenario that spurs anti-American sentiment (like the one in 2003 surrounding the death of two girls in an accident involving a U.S. military vehicle or the protests in 2008 over U.S. beef imports)—either Moon or Lee, as the new president of South Korea, might refuse to comply with U.S. demands and allow U.S. troops to leave. This is a deeply unsettling prospect for both the alliance and the strategic stability of Northeast Asia.

North Korea: Calculated Provocations and Nuclear Weapons Development

Meanwhile, the Kim regime is sure to continue its dangerous provocations and attempt to drive a wedge between Washington and Seoul, one of its “go to” strategies in the past. North Korea already conducted its fifth nuclear test on September 9—the second such event in 2016—following the test of a submarine-launched ballistic missile in early August. Pyongyang is now only biding its time until it conducts yet another nuclear test, with the end goal of achieving the capability to attack the United States with nuclear weapons. At least in the beginning of the Trump administration, Kim may calculate that it is better to show some restraint to explore the potential for a pathway to talks with Washington; if the North does show restraint, this would be in stark contrast with how it greeted the incoming Obama administration—with a multistage rocket launch and

³ “I Jaemyeong, ibeon-en Ban Ki-mun bipan ‘chin-ildogjaebupae selyeog-ui kkogdugagsi” [This Time, Lee Jae-myung Criticizes Ban Ki-moon as “Corrupt Puppet of Pro-Japanese Forces”], *JoongAng Ilbo*, December 21, 2016 ~ <http://news.joins.com/article/21029269>.

a second nuclear test in May 2009. Although the Kim regime no longer desires negotiations with Washington to achieve denuclearization, it does seek negotiations to conclude a peace treaty that would shore up its internal and international standing.

Indeed, there are a number of Korea watchers who argue that President Obama's policy of "strategic patience" and strategy of sanctions have failed and that it is time to return to negotiations with Pyongyang, even without preconditions.⁴ Some of these critics also argue that it is time to negotiate with the North over capping or freezing its nuclear weapons development rather than seek denuclearization, which they believe is no longer a realistic goal. They advocate that the United States should conclude a peace treaty with North Korea because only then would the North feel secure enough to denuclearize.⁵

As well-intentioned as these arguments are, following such advice would be a mistake. Engaging with the Kim regime prematurely is not likely to lead to either denuclearization or, in the long run, peace and stability on the Korean Peninsula. All U.S. administrations dating back to the Bill Clinton presidency in the early 1990s have tried to address the North Korean threat through various means, including engagement and negotiations sweetened by economic aid to Pyongyang. The North Korean leadership has been happy to pocket the aid, but it has not delivered on promises of ending its nuclear program. The Obama administration even negotiated a freeze in 2012, dubbed the "Leap Day deal," in which North Korea agreed to a moratorium on nuclear and long-range missile tests. Almost immediately after the deal, Pyongyang violated it by launching a new satellite using ballistic missile technology banned by the United Nations. Moreover, the question remains, even if there is another deal to cap the North's nuclear weapons program, how would we know that the Kim regime will apply the freeze to all of its facilities? We even lack the knowledge of where all the North's nuclear facilities are.

A similar problem exists with the argument for a peace treaty. There is not a shred of evidence that a treaty would solve any of the problems created by North Korea's policies—from its nuclear program to human rights violations—and it would be difficult to monitor. The long history of dealing

⁴ See, for example, Jane Harman and James Person "The U.S. Needs to Negotiate with North Korea," *Washington Post*, September 30, 2016; and Joel S. Witt, "How the Next President Can Stop North Korea," *New York Times*, September 13, 2016.

⁵ See, for example, Leon V. Sigal, "Getting What We Need with North Korea," *Arms Control Today*, April 2016 ~ https://www.armscontrol.org/ACT/2016_04/Features/Getting-What-We-Need-With-North-Korea.

with the North is littered with broken promises and verification problems. The Kim regime's call for a peace treaty is not in any case intended to achieve an effective and lasting peace mechanism to replace the 1953 armistice but simply to facilitate a negotiation process that would lead to the pullout of U.S. troops from South Korea and an end to the U.S.-ROK alliance.

This is not to say that the United States should never resume negotiations with the North. But Washington should consider doing so only after decisively raising the cost for the Kim regime of its present path and only when North Korea is genuinely interested in denuclearization. At the present moment, the Kim regime has not indicated that it is ready to reconsider its policy choices. In fact, the regime has stressed in the past few years that it has no intention of ever giving up its nuclear arsenal, even revising the constitution to enshrine North Korea as a nuclear weapons state. The North continues to see possessing nuclear weapons as essential for its national identity, security, and power and prestige on the international stage.

If there is any chance at all that North Korea would ever entertain the idea of giving up its nuclear program, it would be only because the new administration has made it very clear that the Kim regime is facing a stark choice between keeping its nuclear arsenal and regime survival. Contrary to what many believe, Washington has not used every option available at its disposal to ratchet up pressure against the regime. Until February 2016, the United States did not maintain comprehensive sanctions against North Korea—U.S. sanctions were a mere shadow of those applied to Iran, Syria, or Burma and even narrower than those applicable to countries such as Belarus and Zimbabwe. As many experts have pointed out, the argument that sanctions on North Korea have maxed out is simply untrue.⁶

Today, we finally have stronger sanctions in place for North Korea following President Obama signing into law the North Korea Sanctions and Policy Enforcement Act in February 2016. The following month the UN Security Council unanimously passed Resolution 2270, imposing new sanctions on the Kim regime, including mining exports. In June, triggered by requirements of the sanctions act, the Obama administration finally designated North Korea as a primary money-laundering concern, and in July the Treasury Department designated Kim Jong-un, ten other senior North Korean individuals, and five organizations for human rights violations. In late November the UN Security Council imposed another

⁶ See, for example, Joshua Stanton, "North Korea: The Myth of Maxed-Out Sanctions," *Fletcher Security Review* 2, no. 1 (2015); and Bruce Klingner, "Six Myths about North Korea Sanctions," Center for Strategic and International Studies, Korea Chair Platform, December 19, 2014.

round of sanctions, adopting Resolution 2321, which further caps North Korea's coal exports, its chief source of hard currency.

The Korean Peninsula and Steps on the Road Ahead

For sanctions to work, they will need to be pursued and, even more importantly, enforced over the course of several years, as the United States did with Iran. Here, the chief problem has been that China is still reluctant to follow through in fully and aggressively implementing the UN sanctions. This is why secondary sanctions are necessary. The Obama administration has been slow to sanction Chinese firms or any of the dozens of third-country enablers of North Korean proliferation and money laundering because doing so risks further straining relations with Beijing.

The incoming Trump administration, however, has signaled a possibly more aggressive approach with China, given Trump's willingness to become, even before the inauguration, the first U.S. president to talk to a president of Taiwan since 1979. This action—likely seen by the Chinese leadership as being confrontational toward China—could spill over onto the Korean Peninsula and further hamper prospects of Chinese cooperation in implementing sanctions on North Korea. But even if it does not, in practice there have been hard limits to how far Beijing is willing to turn the screws on its clients in Pyongyang. Therefore, even if the United States must endure some ire from Beijing for enforcing secondary sanctions, this is exactly what the incoming administration should do.

History gives us a useful example of how secondary sanctions could work. In September 2005, the U.S. Treasury Department designated Macao-based Banco Delta Asia for laundering North Korea's counterfeit dollars, which led to the blocking of \$25 million in North Korean deposits—one of the key streams of hard currency for sustaining the Kim regime. A North Korean negotiator at the time told a U.S. official that the United States had finally found a way to hurt the Kim regime.⁷ The North eventually returned to the talks and agreed to give up its nuclear weapons program after the United States agreed to return the funds to the Kim regime. Unfortunately, after this important leverage was traded away, the talks fell apart over verification of the North's disarmament. But what the case showed is that third countries—in this case China—will comply with sanctions if their banks face real consequences for conducting illicit

⁷ Juan C. Zarate, "Conflict by Other Means: The Coming Financial Wars," *Parameters* 43, no. 4 (2013–14): 88 ~ http://strategicstudiesinstitute.army.mil/pubs/parameters/issues/Winter_2013/9_Zarate.pdf.

business with North Korea. This confirms the lesson of the Iran nuclear deal, which ultimately showed that sanctions can obtain results only if they are tough, enforced, and sustained over several years.

In addition to enforcing the existing sanctions, the next steps are to close loopholes and add more individuals and entities to the designated entity list to further confront North Korea with a clear choice between keeping its nuclear program and regime survival. For example, the United States could seek to ban North Korea's exports of labor for hard currency. The latest round of UN sanctions ignored the legions of North Korean laborers sent abroad, mostly to China and Russia, to work in the mining, logging, textile, and construction industries. All in all, the North Korean regime has sent more than 50,000 people to work in conditions that amount to forced labor to circumvent UN sanctions, earning up to \$2.3 billion annually in hard currency for the regime, according to a UN investigator.⁸

In addition to sanctions, there are other actions the incoming administration could pursue to ratchet up pressure on the regime, including on the human rights front. It is time to integrate the focus on security and the focus on human rights—normally two separate policy approaches—into a single, unified whole. North Korea continues to be the world's most repressive state. The threat has always emerged from the nature of the Kim family regime itself. Not only is focusing on the North's human rights record the right thing to do, it could also be a practical source of leverage as well.

The incoming administration should lead efforts in the United Nations and elsewhere to condemn North Korea's human rights violations. The United States should continue to challenge the legitimacy of Kim Jong-un and his regime based not only on its defiance of UN Security Council resolutions against its weapons program but also on its grotesque crimes against humanity. The incoming administration should also consider developing a comprehensive strategy to help the people of North Korea break the information blockade imposed by the state. Historically, the regime has been able to exercise tight control over the population by indoctrination and a monopoly on information. But unofficial information is already increasingly seeping into the North across the porous border with China, chipping away at regime myths and undermining the solidarity of the North Korean people behind the regime. The new administration may want to examine ways to increase support for radio broadcasts and other overt and covert means to transmit targeted information into North Korea.

⁸ "North Korea Putting Thousands into Forced Labour Abroad, UN Says," *Guardian*, October 29, 2015.

Above all, the United States must communicate to the North that it will suffer devastating and regime-ending consequences should it ever think of attacking the United States or its allies in the region. The Kim regime must come to believe that it will lose far more than it will gain by continuing its provocative course and nuclear weapons development.

The big concern is that even if Washington continues with a hard-line stance against North Korea, South Korea under a new progressive leadership may pursue an entirely different policy. The only real solution for Washington then is to continue efforts to work with Seoul—regardless of who becomes the president—to upgrade the alliance. This means continually working on issues beyond the peninsula, including joint peacekeeping missions, counterterrorism, counterproliferation, counternarcotics, cybersecurity, space, missile defense, nuclear safety, and humanitarian assistance and disaster relief. The more the U.S.-ROK alliance expands beyond its original threat-based rationale to an alliance based on common values such as democracy, human rights, and free markets, the more difficult it will be for Seoul to ignore Washington and pursue an independent course.

Last, the incoming U.S. administration should continue to state its commitment to extended nuclear deterrence over South Korea. The U.S. security arrangement with South Korea since 1953, which includes a nuclear guarantee by which the United States pledges to protect South Korea, has enabled the South to disavow the development and deployment of nuclear weapons. While campaigning, when Trump was asked whether he was worried that a withdrawal of U.S. troops might lead Japan and South Korea to go nuclear, he was nonchalant about this prospect. Perhaps this was a negotiating tactic to convince the two allies to pay more of the costs associated with their protection. Regardless, it will be important for the United States to continue its commitment to defend South Korea, including through nuclear deterrence. This will discourage dangerous provocations and an attack from the North and make it less likely that the South will pursue an independent policy—including the possible development of its own nuclear arsenal—that could imperil U.S. interests in the region. Despite the increased hazards ahead on the Korean Peninsula, opportunities exist for progress if amid difficult political transitions the United States and South Korea can stay closely aligned in facing the menace from North Korea. ♦

U.S.-Taiwan Relations in the Trump Administration: No Big Fixes Needed

Richard C. Bush

As the Obama administration officials hand off Asia policy to Donald Trump and his team, one success story is the relationship with Taiwan. Through concerted efforts and in spite of very occasional difficulties, Washington and Taipei have broadened and deepened their bilateral ties over the last eight years. The two governments are working, in the words of one U.S. official, “to build a comprehensive, durable, and mutually beneficial partnership.”¹ Going forward, continuity, not reinvention, is the most sensible path. A rift is not impossible, but if it occurs, it will be because a deterioration in Taiwan-China relations drives a wedge between Washington and Taipei. That has happened before, but it need not happen again this time around. Based on current circumstances, a cross-strait downturn is more likely to disrupt U.S.-China relations than U.S.-Taiwan relations. This essay examines the ways in which the U.S.-Taiwan relationship is both normal and unique, the changes brought by the January 2016 election of Tsai Ing-wen, and U.S. policy going forward.

A Unique Relationship

In some ways, the U.S. relationship with Taiwan seems perfectly normal. Its economy is complementary to that of the United States, and with a population of only 23 million people, it is still the United States’ ninth-largest overall trading partner and seventh-largest destination for agricultural exports. In 2015, U.S. two-way trade in goods with Taiwan exceeded \$66 billion, a 4.5% increase from 2013.² In the last year, the United States became Taiwan’s second-largest trading partner after mainland China. Most significantly, Taiwan companies are the vital center of global supply chains that run from the United States through Taiwan to China

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¹ Susan Thornton, testimony before the U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Asia and the Pacific, Washington, D.C., February 11, 2016 ~ <http://docs.house.gov/meetings/FA/FA05/20160211/104457/HHRG-114-FA05-Wstate-ThorntonS-20160211.pdf>.

² Ibid.

and to the world at large. Under a bilateral trade and investment framework agreement, the two governments are working to deepen economic ties and remove barriers.

At Taiwan's request, the United States has sought to find ways to expand Taiwan's contributions to the international community, despite China's persistent efforts to exclude it. Facilitating global training is a good example. In June 2015 the two sides signed a memorandum of understanding creating the Global Cooperation and Training Framework, whereby the United States and Taiwan agreed to conduct training programs for various Asian experts to assist their own countries in building capacities to tackle issues where Taiwan has proven experience and advantages. Counterterrorism is another example. In 2015, as a member of the coalition to counter the Islamic State of Iraq and Syria (ISIS), Taiwan worked together with the United States to deliver 350 prefabricated homes for displaced families in northern Iraq.³

Finally, as with many other places around the world, over several decades immigrants from Taiwan to the United States have created a human American stake in Taiwan's future. A significant number of people, probably over one million, in the United States have connections to Taiwan and contribute to American life in myriad ways. In 2015, Taiwan was the United States' seventh-largest source of international students, higher than the more populous Japan, United Kingdom, or Germany.⁴

It is when we move from economic, functional, and people-to-people areas to the diplomatic and security arenas that U.S.-Taiwan relations become "not so normal." The United States does not recognize or have diplomatic relations with the Republic of China (ROC) government in Taipei but instead recognizes the People's Republic of China (PRC) in Beijing. Washington has an embassy in Beijing and conducts its ties with Taiwan through a nominally private organization, the American Institute in Taiwan, which is staffed by U.S. government employees.

This unique character applies to security as well, with the political and military threat from China perceived by Taiwan closely binding the island to the United States. The ROC fears that through force, coercion, or intimidation, Beijing will compel the island to be incorporated into the PRC. That fear only deepens as China's military power and willingness to accept risk grow. Under the rubric of the 1979 Taiwan Relations Act, the

³ Thornton, testimony before the U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Asia and the Pacific.

⁴ *Ibid.*

United States has sustained a political commitment to defend Taiwan, and substantive military-to-military relations are broad and deep.⁵ Taiwan is thus a rare case where Washington has a security partnership with an entity with which it does not have diplomatic relations. Moreover, it has pledged to help defend this entity against a government with which the United States does have relations.

Beijing sees a threat of its own. It holds that the island is a part of the sovereign territory of China and has set “reunification” of the island as its goal since the PRC’s establishment in 1949. Since the early 1980s, Beijing has urged the island to accept the unification formula used for Hong Kong (“one country, two systems”), an approach Taiwan has consistently rejected.⁶ China fears that Taiwan might move toward *de jure* independence. To deter that possibility, it has acquired capabilities needed to mount a significant attack on the island and to complicate any U.S. intervention. In order to weaken the island’s defenses, China has objected to the U.S. security relationship with Taiwan, including arms sales.

Taiwan’s democratization, completed in the early 1990s, introduced a special complexity to the island’s relationship with both China and the United States because the process released previously repressed Taiwan-centered sentiments and even ignited calls for Taiwan independence. Whereas in a 1994 survey 26.2% of respondents said they were Chinese, 20.2% said they were Taiwanese, and 44.6% said they were both, in 2016 only 4.1% of those polled said they were Chinese, 59.3% said they were Taiwanese, and 33.6% said they were both.⁷

The public’s strong identification with Taiwan does not necessarily translate into a strong desire for independence, though. Indeed, over 85% of people surveyed want to preserve the status quo forever or for a long time.⁸ Most Taiwan people are pragmatic and understand that a move toward formal independence would lead to military action by China.⁹ Still, Beijing

⁵ Richard C. Bush, *At Cross Purposes: U.S.-Taiwan Relations, 1942–2000* (Armonk: M.E. Sharpe, 2004), 152–60. The United States concluded a defense treaty with Taiwan in 1954, but the Carter administration terminated it in 1979–80 as a condition for establishing relations with the PRC.

⁶ On Taiwan’s resistance to one country, two systems, see Richard C. Bush, *Untying the Knot: Making Peace in the Taiwan Strait* (Washington, D.C.: Brookings Institution Press, 2005).

⁷ “Taiwanese/Chinese Identification Trend Distribution in Taiwan (1992/06~2016/06),” Election Study Center, National Chengchi University, August 24, 2016 <http://esc.nccu.edu.tw/course/news.php?Sn=166#>.

⁸ “Taiwan Independence vs. Unification with the Mainland Trend Distribution in Taiwan (1992/06~2016/06),” Election Study Center, National Chengchi University, August 24, 2016 <http://esc.nccu.edu.tw/course/news.php?Sn=167>.

⁹ Yuan-kang Wang, “Taiwan Public Opinion on Cross-Strait Security Issues: Implications for U.S. Foreign Policy,” *Strategic Studies Quarterly* 7, no. 2 (2013): 93–113.

worries that the identity trend fosters a growing separatist danger and fears that a Taiwan leader will move toward independence through a series of incremental and covert actions. The mainland was particularly aggressive when Chen Shui-bian was president during 2000–2008. His Democratic Progressive Party (DPP) includes the creation of a Republic of Taiwan in its charter, and he proposed initiatives that Beijing believed had separatist intent.

The Taiwan-China-U.S. triangle was calm from 2008 to 2016, when Ma Ying-jeou, from the Kuomintang (KMT) party, was president. He sought to stabilize cross-strait relations by engaging China, particularly in the economic arena. But Ma was careful not to wade into political areas for both policy and political reasons.¹⁰ The United States supported these developments because they contributed to its interest in peace and security, while China believed that a gradual process toward unification had begun. But midway through Ma's second term, the public concluded that economic ties to China increasingly worked to Taiwan's disadvantage and that the ROC was on a slippery slope to political incorporation.

The Election of Tsai Ing-wen and China's Response

In the January 2016 presidential election, the DPP's Tsai Ing-wen rode this unhappiness with KMT policies to an easy victory. Equally significant, her party won control of the Legislative Yuan for the first time. Voters apparently believed that Tsai could better address the mainly domestic policy issues facing the island, and they took comfort in her pledge to maintain the cross-strait status quo—that is, she would not provoke China.

Beijing was not so confident. Doubting Tsai's stated intentions, it demanded that she explicitly accept certain principles (the 1992 Consensus and its "core connotation") to prove that she did not have an independence agenda.¹¹ Tsai addressed those issues only ambiguously, in part because some in her party were resolutely opposed to accommodating China at all. But ambiguity did not satisfy Beijing, and it intensified diplomatic and political pressure. The PRC reversed the policy it followed in the Ma period of allowing Taiwan's participation in selected international organizations.

¹⁰ Richard C. Bush, *Uncharted Strait: The Future of China-Taiwan Relations* (Washington, D.C.: Brookings Institution Press, 2013).

¹¹ The 1992 Consensus refers to an ambiguous understanding reached between the two sides in late 1992 that allowed interactions between semiofficial agencies of the two governments. The core of the understanding was the principle—left undefined—of one China. It was Ma's acceptance of the 1992 Consensus that facilitated the improvement in cross-strait ties for much of his presidency. The "core connotation" is that the geographic territories of the mainland and Taiwan both belong to one and the same China (that is, *de jure* independence for Taiwan was off the table).

It also gave economic incentives to local jurisdictions led by KMT politicians and denied them to ones led by the DPP.

The U.S. interest in all of this is the preservation of cross-strait peace and stability. Specifically, Washington has hoped that the differences between China and the new Tsai government would not produce another round of tensions between the two sides, as happened during the Chen Shui-bian administration. But unlike Beijing, Washington has not assumed Tsai will create trouble. Instead, it has called on both sides to demonstrate restraint, patience, flexibility, and creativity. By these measures, Taipei has met U.S. expectations more than Beijing has.

Confirming the U.S. judgment is President Tsai's policy emphasis since her May 2016 inauguration. Her agenda primarily focuses on the domestic issues that swept her and her party to victory: ending economic stagnation, reducing the reliance on nuclear power, meeting the needs of the aging population, decreasing inequality, and reforming the judicial system. While Tsai seeks to sustain good relations with the United States and Japan and improve ties with Southeast and South Asia, she understands that her success depends on continuity in cross-strait relations—hence, her effort to offer ambiguous reassurance to Beijing.

So why did Beijing demand Tsai's explicit reassurance when it should have known the domestic political obstacles in the way? It does not require special insight for Beijing to recognize that Tsai and her people have ample reasons to mistrust mainland intentions (just as the mainland mistrusts Tsai) and that Taiwan has its own need for reassurance. And yet China neither acknowledges that mistrust is mutual nor accepts that the desire for trust-building is also mutual. The most plausible explanation is that China does not want to find a basis for mutual accommodation and coexistence. Instead, it seems to wish to create obstacles to Tsai's success and raise the probability that the KMT will return to power sooner rather than later. (How soon the KMT could do so is an open question. The factors that produced its defeat in 2016 may well persist.)

Beijing's choice not to accommodate its position to the DPP victory and to the seven million voters who backed the party may reflect a judgment that it need not accommodate Tsai and can simply wait her out. The PRC's power is growing, and it can frustrate Tsai's policy goals and meddle in Taiwan politics. It may indeed help create circumstances that bring the KMT back to power. But such a cynical approach, combined with an unwillingness to adjust the formula of one country, two systems, despite its widespread unpopularity on the island, will only reduce any confidence that the Taiwan people may have

had in Beijing's good intentions. Beijing's heavy-handed response to political protests in Hong Kong has only deepened their mistrust.

Going Forward

Beijing often blames the United States for Taiwan's reluctance to negotiate on acceptable terms. U.S. arms sales are the main complaint, but there are others. And yet U.S. policy toward Taiwan is not the reason that China has failed to make more progress toward its goal of unification. Instead, Beijing's own "one country, two systems" policy, which Taiwan rejects, is the obstacle. The island's democratization and the stronger Taiwan identity that resulted certainly solidified that obstacle, but they did not cause it. Taiwan's leaders can certainly stir up localist nationalism and increase tensions between Beijing and Washington. But even a more China-friendly leader like Ma Ying-jeou was unwilling to move beyond economic engagement to political talks. Just because China seeks to deflect blame for a cross-strait stalemate and tension does not mean that Washington or Taipei should accept responsibility.

Let us assume that President Tsai continues her policy of patience, forbearance, and nonconfrontation and that Beijing, through its own actions, does not divert her from that course. What, then, is an appropriate future course for U.S.-Taiwan relations?

- The United States and Taiwan must continue to conduct their relations through intensive communications, respect for each other's interests, and avoidance of surprises. The December 2 phone conversation between President-elect Trump and President Tsai suggests that the new U.S. administration may seek to upgrade bilateral relations to some degree. That is likely to be more successful if Beijing can conclude that the adjustments do not destroy the framework of unofficial ties that Washington accepted in 1979 for its relations with Taipei. Under no circumstances should Washington take steps that lead China to punish Taiwan, even if it chooses to spare the United States.
- Washington and Taipei should work assiduously to liberalize bilateral economic relations. Taipei would like to be part of a second round of the Trans-Pacific Partnership (TPP), but since even the first round is in doubt, its greatest opportunity lies with a bilateral investment agreement.¹² That in turn will require Taiwan to address some existing barriers

¹² On the TPP, see Richard C. Bush, "Taiwan and the Trans-Pacific Partnership: The Political Dimension," Brookings Institution, East Asia Policy Paper, no. 1, January 2014 ~ <https://www.brookings.edu/wp-content/uploads/2016/06/taiwan-tpb-bush-012014.pdf>.

(e.g., market access for pork, regulations concerning pharmaceuticals). But the United States should be willing to address those matters in the course of negotiations, not as a required price of entry.

- The United States and Taiwan should deepen their security relationship, including through U.S. arms sales, in response to China’s continuing military buildup. The cooperation should be based on a clear understanding of how China’s growing capabilities have changed the threat Taiwan faces, as well as of what defense strategy and procurement program would be the best response. Innovative and asymmetric capabilities for Taiwan will likely enhance deterrence better than state-of-the-art systems.
- The United States should continue to assist Taiwan with participation in the international community. The unavoidable reality of China’s opposition will require ongoing creativity on how to liberate Taiwan’s ability to contribute.

Under no circumstances should the United States even consider “doing a deal” with China regarding Taiwan’s future. The island’s interests should not be sacrificed in order to get China to change its policies on other interests of priority to the United States, such as North Korea. After all, as noted above, China’s own policies are the reason it has failed to bring around the island’s leaders and “win the hearts and minds” of the Taiwan people, not the security support of the United States. There is no reason for Washington to give to Beijing what it cannot secure for itself. 

Trump and Putin, Through a Glass Darkly

Kimberly Marten

As 2017 dawns, relations between the United States and Russia are at their worst level since the height of the Cold War. Russia has been under U.S. sanctions since it seized Crimea and intervened in eastern Ukraine in 2014, and new sanctions were added after U.S. intelligence agencies determined that Russia was responsible for hacking and publicizing emails from the Democratic National Committee and other political actors during the 2016 elections. In recent years, the number of dangerous military incidents between the two countries has skyrocketed, as the Russian military seems determined to test U.S. readiness by provoking hazardous close encounters in the air and at sea. Russia has built up military forces and weaponry along its borders with NATO countries, causing NATO at its 2016 Warsaw Summit to approve small force presence increases in some of its own member states that border Russia, including the post-Soviet Baltic countries of Estonia, Latvia, and Lithuania as well as Poland. Moscow regularly stages unannounced war exercises modeled after World War II land battles. Meanwhile, a wide range of arms control treaties between Washington and Moscow, which helped define U.S.-Soviet relations and limit the danger of their interactions in the late Cold War era, lie in tatters. As outgoing President Barack Obama leaves office, communications between U.S. officials and their Russian counterparts have reportedly virtually ceased.

But Donald Trump's election has thrown a wrench into predictions about U.S.-Russia relations. Trump has expressed admiration for Russian president Vladimir Putin and seems to be heading for another attempt at a "reset." However, Trump's statements and cabinet nominations have engendered so much controversy, including within the Republican Party, that it remains to be seen what direction U.S. policy toward Russia will take during his administration. It is also unclear what President Putin may have in mind for President Trump.

This essay will first examine the controversies over Russian hacking and their potential consequences, and then consider U.S. sanctions and their likely trajectory. Next, it will examine Russia-NATO tensions in more depth, including Russian use of information warfare against Washington's

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European allies. It will then turn to a discussion of Putin's seeming aims. The essay will close with an overall assessment of the relationship going forward, focusing on challenges that will need to be overcome for Trump to succeed in his attempts at a new reset in the relationship.

Russian Interference in the U.S. Election

U.S. policy toward Russia under Trump will take shape against the backdrop of ongoing debates about Russian interference in the U.S. presidential election. Despite some initial uncertainty about whether the findings of U.S. intelligence agencies converged, more recent reports indicate that the CIA and FBI agree that Putin himself most likely oversaw the hacking of the Democratic National Committee and that the ultimate Russian goal was to support Trump's candidacy over that of Democrat Hillary Clinton. There is additional evidence that Russian sources routinely published "fake news" on English-language websites in an attempt to swing public opinion against Clinton. Trump initially ridiculed these reports, stating that no one really knows who did the hacking and that he does not trust the CIA because of the bad intelligence it provided in the lead-up to the Iraq War of 2003.

Several high-ranking Republican politicians have disagreed with Trump's dismissive comments and demanded an immediate rigorous bipartisan investigation into Russian hacking. The internal conflict among powerful Republican leaders is a crucial bellwether because pitched disagreement between Congress and the White House over U.S. policy toward Russia could wreak havoc on a wide variety of presidential initiatives. A fundamental question to watch, then, as the Trump presidency unfolds is whether Trump takes seriously the U.S. intelligence community's findings that Russia tried to sabotage the U.S. electoral process. If Trump accepts this conclusion, it will be hard for him to reset relations with Russia. If he rejects it and continues to criticize U.S. intelligence agencies publicly, he may also find himself in a lasting bureaucratic battle that undermines his own effectiveness.

U.S. Sanctions on Russia and the Ukraine Crisis

Trump said during the campaign that he would consider lifting the sanctions imposed against Russia over the Ukraine crisis and might even recognize the occupied Ukrainian province of Crimea as Russian territory. Crimea's Black Sea waters are rich in natural gas resources that Russia

cannot exploit without access to Western technology. Russia also needs sanctioned Western technology to exploit its Arctic oil reserves. Meanwhile, the ongoing low-level war in eastern Ukraine shows no signs of ending.

Trump has nominated recently retired ExxonMobil CEO Rex Tillerson to be secretary of state—a man who received the Russian Order of Friendship from Putin and whose firm’s \$723 million joint venture with Russian state oil company Rosneft was put in jeopardy by U.S. sanctions. This nomination suggests that the Trump administration might consider lifting sanctions and working to expand U.S. business opportunities in Russia. Of course, global petroleum prices are low enough right now that investments by big oil have diminished even in the Alaskan Arctic, so it is not clear that energy deals with Russia would yield much profit for U.S. business anytime soon.

Even if Trump lifts the Russian sanctions that Obama imposed via executive authority, the U.S. Congress could pass a new law keeping the sanctions in place or even expanding them, a move that powerful Republican senators John McCain and Lindsey Graham have championed. Congress showed overwhelming bipartisan support for the Magnitsky Act of 2012, which sanctioned Russian officials for human rights violations in the arrest and jailhouse murder of Russian lawyer Sergei Magnitsky. Whether bipartisan support for sanctions this time around would be strong enough to withstand a presidential veto remains to be seen. But with the Magnitsky Act, Congress learned that it could tie the president’s hands by connecting his approval of sanctions to other issues that the administration valued—in that case, approval for Russian entry into the World Trade Organization. It could do something similar now to force Trump to extract real concessions from Russia on any cooperative deal going forward.

The United States, Russia, and NATO

Many foreign policy experts contacted by the Council on Foreign Relations believe that a militarized conflict between Russia and NATO in Eastern Europe is a top security threat facing the world in 2017.¹ The current Russian military doctrine of “information warfare” is particularly threatening, since Putin and his generals see NATO and the West as their primary opponents. Information warfare can involve nonmilitary measures—such as false media reports, hacking, and financial and logistical support for far-right political parties, including in the established

¹ Paul B. Stares, “Preventive Priorities Survey: 2017,” Council on Foreign Relations, Center for Preventive Action, 2016 ~ <http://www.cfr.org/conflict-assessment/preventive-priorities-survey-2017/p38562>.

democracies of Western Europe—designed to foster NATO disintegration from within. Russia is in effect challenging the traditional European values of liberal democracy and human rights that have animated the alliance for decades.

Information warfare also includes special operations like those used in Ukraine in 2014 to seize Crimea and foster armed conflict in the Donbas. Worries about what this might mean for NATO multiplied when evidence emerged that ethnic Russian nationalists were behind a failed coup attempt during the October 2016 elections in NATO invitee Montenegro (whose membership is currently undergoing ratification in various NATO member states), although Moscow itself has not (at least yet) been tied to the plot. Some analysts fear that Russia might intervene militarily into one or more of the Baltic states and that NATO would be unable to react effectively in time to stop the Russian advance.² Yet much more likely (and hence more worrisome) than a direct invasion across the Russian border is the possibility that Russia might accelerate and expand the information war that it is already waging in the Baltics. For example, while Moscow's current efforts are mostly limited to pro-Russian and anti-NATO television broadcasting to Russian speakers in these states, Moscow could exploit economic or political discontent among the large population of stateless ethnic Russians living in Latvia and Estonia to spark riots and thereby elicit demands for Russian military protection. Russia might also try to undercut NATO unity through military action in a non-NATO border state, such as Moldova, Belarus, or even the Swedish island of Gotland, in an attempt to sow panic and send NATO reeling in the face of Russian expansionism.

During his campaign, Trump appeared to disavow the Article 5 collective defense provision of the NATO charter. He questioned the value of NATO to the United States and suggested that whether to defend a member from attack would depend on that country's financial contributions to the alliance. As a result, both the European Union and several individual NATO member states are scrambling to find new options for defending against possible Russian aggression amid concerns that NATO might not survive as an institution, at least as it is currently understood. If NATO disintegrates, so will the United States' global reputation as a reliable ally. Trump's more recent comments suggest that he will uphold U.S. NATO commitments.

² For example, see David A. Shlapak and Michael W. Johnson, *Reinforcing Deterrence on NATO's Eastern Flank: Wargaming the Defense of the Baltics* (Santa Monica: RAND Corporation, 2016) http://www.rand.org/pubs/research_reports/RR1253.html.

Russian Perspectives on U.S. Relations

Russia has an obvious desire to re-establish itself as a great power with influence beyond its borders and recover from what it sees as the humiliation of its post-Cold War years of decline. These geopolitical aspirations help explain Moscow's military interventions in Ukraine and Syria, its force and arms trade buildups, and its championing of both an alliance with China and the development of the BRICS association (Brazil, Russia, India, China, and South Africa) as an alternative to dependence on Western-supported financial and trade institutions. But all these aspirations are challenged by Russia's current economic and budgetary malaise, as well as by the lack of truly shared interests between Moscow and many of its foreign partners. Putin's attempts to use these foreign adventures as a basis for his domestic popularity may face increasing challenges over time. Putin seems to truly fear that the United States and its European allies are trying to overthrow his regime, but Russia may find itself needing to re-establish economic ties with the West to stay afloat going forward.

Putin faces another presidential election sometime in 2018 (and could call an early election this year), but no one at the moment believes his victory is in question. The Kremlin demonstrated quite effectively its ability to suppress the protests that erupted in large Russian cities following the last presidential election in 2011. Since that time, Putin has further consolidated his control over Russian television and other media sources. In April 2016, he also created a new national guard under his direct command, employing up to 400,000 troops.

Yet Putin's crackdown against domestic political opposition may ironically face a new challenge going forward. If the U.S. president is now Putin's friend, there is no longer an external enemy to accuse of undermining the regime. For which country will the purported domestic traitors now be working if not the nefarious United States, and how will Putin continue to justify measures to exert control over the opposition?

Anticorruption activist and opposition politician Alexei Navalny announced in December 2016 his intention to run against Putin in 2018, but he does not appear to be a serious threat. Navalny's last attempt at political office, the Moscow mayoral campaign in 2012, led (as reliable polls had predicted) to defeat. Meanwhile, Putin has launched his own anticorruption drive, stealing Navalny's thunder while tightening the grip of his own favored cronies. For example, the Kremlin arrested (and then fired) Putin's own economics minister, Alexei Ulyukayev. A mainstream economist known to favor structural reforms to raise Russia out of its

recession, Ulyukayev may have been targeted because he dared to take on the head of Russia's powerful Rosneft state oil company, Igor Sechin (one of Putin's closest friends and a reputed former KGB officer), as Sechin strove to extend Rosneft's holdings. When seen in this light, any new U.S. oil deals with Rosneft might help strengthen Putin's key domestic coalition.

Assuming that Putin remains healthy, the future of Russia's policy toward the United States depends on him and his close network. No one, not even in the Russian elite, is exactly sure how the Kremlin's policy decisions are made these days; there is no longer any kind of bureaucratic hierarchy to control or influence them. Analysts do agree that the circle of decision-makers has shrunk over time. Putin is a career KGB officer, skilled in deception and disinformation, and he seems increasingly reliant on other intelligence officers as advisers who may share his sense of paranoia about the West. He is also a judo master, someone who thrives on finding his opponents' weaknesses and then causing them to fall from their own weight.

Putin pays a great deal of attention to personal relationships in foreign affairs. This has ranged from the steadfast support he has shown to a long-term Russian client, president Bashar al-Assad of Syria, to the Russian state's hounding of former U.S. ambassador to Russia Michael McFaul and his family. Presumably the relationship between Trump and Putin will start on a good footing, given the positive regard the two seem to hold for each other and Trump's stated intention to work with Russia in defeating the Islamic State of Iraq and Syria (ISIS) while allowing Assad to remain in power. But Trump regularly uses off-the-cuff jabs in tweets and interviews to unnerve those who oppose him. As the honeymoon between Trump and Putin wears off and diplomatic bumps emerge in the U.S.-Russia relationship, the emotional tenor of relations between the two leaders bears watching.

Conclusion

Resets in the U.S.-Russia relationship have been tried repeatedly since the Soviet Union dissolved in late 1991, but none has endured for very long. Russia nurses long-term grievances over the collapse of Soviet power and the decline of Moscow's leading role in the bipolar structure of the Cold War, and tends to blame the United States for its troubles. Meanwhile the United States has focused its attentions on China, not Russia, as the rising global power, a trend that Trump seems ready to magnify with his apparent disavowal of the one-China policy.

Moscow has attracted attention from Washington primarily by being disruptive, not cooperative. Putin has built his domestic reputation on standing up to the West and overcoming U.S. attempts to control the international system. It remains to be seen whether Putin's carefully cultivated image can withstand his cooperation with a domineering U.S. president.

For several years Putin has been building up the Russian military and advertising Russia's nuclear might—powerful symbols of the country's Cold War glory days. Trump has promised to prioritize U.S. military spending and weapons purchases in turn. Can good relations between Putin and Trump withstand a new arms race, especially at a time when Russia sees itself as China's ally and Trump has called into question the wisdom of U.S. restraint toward China?

Through all the recent challenges in their relationship, the United States and Russia have shared at least one common interest: limiting nuclear proliferation by rogue actors like North Korea and Iran. Yet Trump has said he may rethink the 2015 Iran nuclear deal and has also suggested that perhaps Saudi Arabia—as well as U.S. allies South Korea and Japan in Northeast Asia—would benefit from building their own nuclear weapons. The Iran agreement benefits Moscow not only by delaying the appearance of a new nuclear state near Russian borders (and a new nuclear arms race in the Middle East) but also by opening commercial opportunities in Iran for the Russian defense and civilian nuclear industries whose leaders are Putin's close allies. Can cooperative relations between Russia and the United States survive such a fundamental disagreement about a key security issue?

The difficulty of this exercise is compounded by the fact that what candidate Trump said on the campaign trail may not be what President Trump champions in office. Yet words matter. One indiscreet tweet by Trump during difficult bilateral negotiations with Russia might erase his apparent friendship with Putin. The question then would be how the judo master from the KGB might use Trump's weaknesses against him, in an effort to make the U.S. president fall from his own weight. ♦

Avoiding the Labors of Sisyphus: Strengthening U.S.-India Relations in a Trump Administration

Ashley J. Tellis

For close to two decades now, the transformation of U.S.-India relations has been a bipartisan project in Washington. It has also been uniquely successful, as alternating Republican and Democratic administrations have worked with governments led by both the Bharatiya Janata Party and the Congress Party to exorcise the ghosts of old corrosive Cold War disagreements. As a result, the United States and India, once sharply divided by the issues of alliances and alignment, today routinely declare their commitment to a durable strategic partnership.

Former Indian prime minister Atal Bihari Vajpayee, arguably the progenitor of the new collaboration, once boldly declared the United States and India to be “natural allies.”¹ At that moment in 1998, the vision of fraternity seemed like fatuous rhetoric. But to the credit of Vajpayee’s successors (Manmohan Singh and Narendra Modi) and their U.S. counterparts (George W. Bush, in particular), his ambition was brought to fruition rapidly and productively enough for Barack Obama to assert that U.S.-India ties could become the “defining partnership” of the century ahead.

The first section of this essay discusses the potential implications of the “America first” agenda that Donald Trump outlined during his presidential campaign for U.S.-India relations and regional security more broadly. The second section then assesses several challenges facing the bilateral relationship.

The Outlook for U.S.-India Relations during the Trump Administration

Although it is not inevitable, Donald Trump’s election as the 45th president of the United States could interrupt the dramatic deepening in U.S.-Indian ties to the disadvantage of both nations. If this outcome were to materialize, it would not be necessarily because Trump harbors

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¹ Atal Bihari Vajpayee, “India, USA and the World: Let Us Work Together to Solve the Political-Economic Y2K Problem” (speech delivered to the Asia Society, New York, September 28, 1998)  <http://asiasociety.org/india-usa-and-world-let-us-work-together-solve-political-economic-y2k-problem>.

any particular animus toward India. During the election campaign, he admittedly did complain that “India is taking [U.S.] jobs” and that the United States was being “ripped off” by many Asian countries, including India.² But he also declared that he was “a big fan,” and that “if...elected President, the Indian and Hindu community will have a true friend in the White House.”³

The variety of positions expressed by Trump suggests that the potential threat to the continuing transformation of U.S.-India relations comes less from his views on India—which are probably unsettled—than it does from his iconoclastic convictions about the relationship between the United States and the world. Throughout the campaign, Trump emphatically affirmed his opposition to the existing international order, arguing that the United States, far from being its beneficiary, was in fact its principal victim. To remedy the inconveniences flowing from this pernicious “globalism,” his America-first campaign promoted an agenda that rejected multilateral free trade agreements such as the Trans-Pacific Partnership, demanded that allies bear a greater share of the burdens associated with their defense, and eschewed U.S. military intervention in virtually all instances other than to avert direct threats to the U.S. homeland.

While many elements of this nationalist agenda are understandable—even defensible—the worldview it represents diverges from that which initially cultured the evolving U.S.-Indian partnership. Going back to the earliest years of the George W. Bush administration, the United States’ rapprochement with India was premised on the assumption that the principal strategic problem facing both countries consisted of the rise of China and the threat it posed to both U.S. primacy and Indian security—not to mention the safety of the United States’ other Asian partner and allies—simultaneously. Since it was assumed that the United States would subsist as the principal protector of the liberal international order, and the Western alliance system in particular, even in circumstances where the containment of China was impossible because of the new realities of economic interdependence, the Bush administration slowly gravitated toward a strategy of balancing China by building up the power of key states located on its periphery.

² “Donald Trump Quotes on India, China, Pakistan, Others: All You Want to Know in 10 Slides,” *Financial Express*, May 5, 2016 ≈ <http://www.financialexpress.com/photos/business-gallery/248200/donald-trump-on-india-china-pakistan-others-all-you-want-to-know-in-10-slides-donald-trump-quotes/11>.

³ “Donald Trump’s Quotes on India: Narendra Modi Is a Great Man, I Am a Fan of Hindus,” *Indian Express*, October 16, 2016 ≈ <http://indianexpress.com/article/world/world-news/donald-trump-promises-a-better-friendship-with-india-praises-narendra-modi-3085432>.

India's large size, its geographic location, and its own rivalry with China made it the ideal partner in such a strategy. Hence, it was not surprising that the Bush administration consciously sought to aid the expansion of Indian power with the expectation that the presence of strong states surrounding China would limit Beijing's capacity for misbehavior. The success of this solution where India was concerned, however, hinged on two complementarities: one, that the United States would continue to remain the ultimate guarantor of Asian security, ready to protect its friends and allies should their own national capabilities or collaborative endeavors prove insufficient to the task of constraining China's aggressiveness; and two, that Washington would persist in strengthening Indian power without any expectations of strict reciprocity because New Delhi's expanding capabilities—insofar as they could help limit Chinese ambitions—advanced the United States' larger geopolitical objectives in Asia and globally.

To the degree that Trump's administration adheres to his campaign agenda and dashes both these expectations, the ongoing transformation of U.S.-India relations will falter. In the first instance, this is simply because no matter how much U.S. allies take responsibility for their own defense, they are as of now simply incapable of protecting the liberal international order independently, much less balancing China's rise effectively. Only the United States has the capability to secure these twin objectives simultaneously. If Washington now wavers in pursuing these goals, it will undermine not only the security and well-being of the United States' friends and allies but also its own global primacy. An Asia in which the United States ceases by choice to behave like a preponderant power is an Asia that will inevitably become a victim of Chinese hegemony. In such circumstances, there are fewer reasons for India to seek a special strategic affiliation with the United States, as the partnership would not support New Delhi in coping with the threats posed by Beijing's continuing ascendancy.

The current U.S. commitment to the rise of Indian power sans symmetric reciprocity was devised during the Bush administration but has been faithfully continued by President Obama for very good reasons. It was anchored in the presumption that helping India expand in power and prosperity served the highest geopolitical interests of the United States in Asia and globally—namely, maintaining a balance of power that advantaged the liberal democracies. Accordingly, it justified acts of extraordinary U.S. generosity toward India, even if specific policies emanating from New Delhi did not always dovetail with Washington's preferences.

Given that what India could become—a power capable of successfully balancing a rising China—mattered more for U.S. interests than what New Delhi did on any other issue, U.S. policy for almost two decades has embodied a calculated altruism whereby Washington continually seeks to bolster India’s national capabilities without any expectations of direct recompense. This approach has been exemplified by bold U.S. policy decisions to conclude a civil nuclear cooperation agreement with India, support India’s candidacy for permanent membership in the UN Security Council, provide New Delhi with expanding access to advanced U.S. defense and dual-use technologies, and champion India’s membership in the governing institutions of the global nonproliferation regime.

Because the burgeoning transformation in bilateral ties during the last two decades has been nourished by such largesse (all motivated by good strategic reason), any shift now toward transactionalism—if that is what Trump’s America-first approach requires toward ostensibly free-riding allies—would inevitably retard the further deepening of U.S.-Indian strategic ties. This enervation would occur mainly because India’s current developmental infirmities simply do not allow it to satisfy any expansive U.S. demands for specific reciprocity, especially in areas such as trade openness.

To be sure, every Indian government would make the best effort possible to satisfy U.S. expectations of reciprocity as they emerge—if the issues at stake are judged to be worth it—but there would be no denying the fact that the character of the bilateral relationship would change fundamentally and not obviously for the better. If New Delhi fails to satisfy the anticipation of reciprocity embodied by an America-first policy—a likely prospect given India’s resource and power constraints—both nations will have ended up worse off. Without the benefit of a preferential affiliation with the United States, India’s challenges with regard to managing a rising China (and even a troublesome Pakistan) will have become considerably more difficult. The United States in turn will have lost the opportunity to preserve an advantageous Asian balance of power, which by incorporating a strengthened India actually constrains Chinese ambitions and thereby buttresses U.S. primacy for more time to come.

Challenges Ahead

At this juncture in history the fundamental challenge to improving U.S.-India relations does not consist of overcoming the various problems commonly enumerated: the still significant barriers to market access

in India; the Indian clamor for more employment visas, for greater access to U.S. technology, or for a totalization agreement on social security contributions; or even New Delhi's disenchantment with several U.S. global policies, its attitude to various international institutions, or its approach to China and Pakistan. These issues are undoubtedly real, but they can be managed, as they have been more or less satisfactorily for the last twenty-odd years. It would help, however, if the Trump administration took the existing threats of Pakistan-supported terrorism against India more seriously, developed a considered strategy for aiding India in coping with Chinese assertiveness, and persisted with the existing U.S. policy of eschewing mediation on the thorny Indo-Pakistani dispute over Jammu and Kashmir. Yet even such initiatives would realize their fullest success only if the larger architectonic foundations of the bilateral relationship—centered on boosting New Delhi's power—are fundamentally preserved, not because they happen to be favorable to India but more importantly because they serve larger U.S. grand strategic interests in Asia and beyond.

If these interests were to be radically redefined such that the preservation of the U.S.-dominated liberal order globally or in Asia ceased to enjoy priority in Washington, the potential for U.S. benevolence (however motivated) toward India would also proportionately diminish. If it were to be replaced instead by policies that demand greater Indian repayment for U.S. favors, New Delhi's incentives to resuscitate a new version of nonalignment could further increase. By itself, such an outcome does not automatically undermine vital U.S. interests and may even advance them if it results in greater independent intra-Asian balancing vis-à-vis China.

The only question at that point, however, would be whether these behaviors are likely to be successful. If so, the United States will have gained the best of all worlds: constraints on Chinese ambitions at low cost to itself. But if autonomous intra-Asian balancing in the absence of U.S. support fails to restrain China's exercise of its growing power, the major regional countries, including India, may be compelled to reach varying kinds of accommodations with China. These outcomes would neither serve U.S. interests in Asia nor help protect U.S. primacy globally. More importantly, they can be avoided by persisting with the liberality that characterizes the United States' current policy toward its pivotal Asian partners such as India.

Much depends on what the Trump administration's policy toward Asia actually turns out to be in practice and the extent to which it exhibits continuity with prevailing U.S. strategy. Since his election, Trump seems to have subtly shifted away from some extremes of his America-first approach.

He has, for example, in conversations with various European and Asian leaders tacitly indicated his recognition of the value of standing U.S. alliances. Two of his advisers, Alexander Gray and Peter Navarro, have in fact plainly declared that “there is no question of Trump’s commitment to America’s Asian alliances as bedrocks of stability in the region.”⁴ Such reassurances are all to the good. But the new administration must go further.

It is insufficient to think of Beijing as posing merely economic problems for Washington. It certainly does but represents much more: China is fundamentally a geopolitical rival of the United States engaged in a long-term struggle for mastery in Asia. China seeks to recreate the sphere of domination it once enjoyed on the continent by cowing its neighbors—many of which are U.S. allies—and by deploying the coercive capabilities that could prevent the United States from coming to their aid in the event of a crisis. China’s enduring objective consists of nothing less than ejecting the United States from its current position as the hegemonic stabilizer of Asia.

The challenges posed by China’s rise and its assertive behaviors thus implicate the core issues of political order throughout the Indo-Pacific region, a part of the world to which the United States simply cannot be indifferent without suffering grave risks to its own standing in international politics. Coping with these problems will require the Trump administration not only to strengthen existing U.S. alliances but also, and more importantly, to recommit itself to preserving, as Condoleezza Rice once phrased it, “a balance of power that favors freedom” in Asia.⁵ An integral component of that effort involves the unstinting U.S. support of India’s rise to power. Any alternative approach to New Delhi will not only fail to produce the best outcomes for the United States; it will also make the task of improving bilateral relations akin to the labors of Sisyphus. ◆

⁴ Alexander Gray and Peter Navarro, “Donald Trump’s Peace through Strength Vision for the Asia-Pacific,” *Foreign Policy*, November 7, 2016 ~ <http://foreignpolicy.com/2016/11/07/donald-trumps-peace-through-strength-vision-for-the-asia-pacific>.

⁵ Condoleezza Rice, “A Balance of Power That Favors Freedom” (Walter B. Wriston Lecture delivered at the Manhattan Institute, New York, October 1, 2002) ~ <https://www.manhattan-institute.org/html/2002-wriston-lecture-balance-power-favors-freedom-5566.html>.

Pakistan and the United States: A More Turbulent Ride?

Teresita C. Schaffer

The news following Donald Trump's unexpected victory in the U.S. presidential election has provided a steady dose of drama to the often turbulent U.S.-Pakistan relationship. During the campaign, Trump promised to clamp down on "radical Islamic terrorism" and proposed a total ban on Muslims entering the United States, later scaling this back to "extreme vetting."¹ Three weeks after the election came the phone conversation between Pakistani prime minister Nawaz Sharif and Trump. The Pakistani government's press release described the conversation as an effusive exchange, with Trump quoted as saying "you are a terrific guy" and that Pakistanis are "one of the most intelligent people."² The Pakistani account also described a Trump offer to mediate Pakistan's "outstanding problems." This astonishing range of views from the incoming U.S. leader would appear to foreshadow a time of great unpredictability in U.S.-Pakistan ties.

U.S.-Pakistan relations have generated intense frustration for both countries. But Pakistan has 180 million people, nuclear weapons, and a major unresolved dispute with a nuclear neighbor. Among armed groups present there, some are starkly at odds with the government, others the army regards as intelligence assets, and some the United States regards as terrorists. Pakistan also has close political and growing economic relations with China, which it considers its most faithful friend. The new U.S. administration, like its predecessors, will need to deal seriously with Pakistan. Recent commentary referring to Pakistan, despite its history of alliance with the United States, as a "frenemy" captures some of the ambiguity in this complicated relationship.³

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¹ Jeremy Diamond, "Trump Proposes Values Test for Would-Be Immigrants in Fiery ISIS Speech," CNN, August 15, 2016.

² Ministry of Information, Broadcasting and National Heritage (Pakistan), "PM Telephones President-Elect USA," Press Release, November 30, 2016 ~ <http://www.pid.gov.pk/?p=30445>.

³ See, for example, the statement by Rand Paul at a U.S. Senate Foreign Relations Committee hearing on the supply of F-16 aircraft to Pakistan, March 2016, cited in Joe Gould, "Pakistan F-16 Sale Survives U.S. Senate Dogfight," *Defense News*, March 10, 2016 ~ <http://www.defensenews.com/story/defense/2016/03/10/pakistan-f-16-sale-survives-us-senate-dogfight/81602882>.

Are Pakistan and the United States Partners?

The strategic drivers of U.S.-Pakistan relations have had considerable staying power over the years. The United States and Pakistan have been security partners in one form or another since 1954. There have been three periods of especially intense engagement: the early Cold War from 1954 until the India-Pakistan war of 1965, the Soviet invasion of Afghanistan and its aftermath from 1979 to 1990, and the period since the attacks on the United States on September 11, 2001. During all three periods, Pakistan's main strategic goal was to line up support from major powers against what it saw as an existential threat from its large neighbor, India. The U.S. objectives, on the other hand, reflected strategic goals outside Pakistan—developing the Cold War alliance system in the 1950s, responding to the Soviet invasion of Afghanistan in the 1980s, and after 2001 conducting the war on terrorism, in which Afghanistan was a sanctuary for the terrorists who attacked New York and Washington, D.C.

The two countries' strategic objectives, in other words, were only partly aligned. They believed they needed each other but also worked at cross-purposes. In the past decade, their mismatched goals have badly frayed their partnership, generating mistrust and cynicism in both countries. Popular support for the United States has fallen starkly in Pakistan. In the United States, congressional support for Pakistan remained strong until the late 1980s but has declined sharply in the past decade.

Looking ahead, the U.S.-Pakistan strategic disconnect will continue to shape two key U.S. strategic interests: the future of Afghanistan and peace between the two nuclear neighbors, India and Pakistan. However, some of the positions advanced by the Trump campaign, the Trump administration's key personalities, and Trump's own style will powerfully affect the environment in which both countries make policy. They will particularly affect other highly emotive issues with which the United States and Pakistan have wrestled, greatly heightening the volatility of the relationship.

Afghanistan and Terrorism

Afghanistan has been at the heart of U.S.-Pakistan engagement since the attacks of September 11. As part of the strategic partnership against terrorism, the United States provided Pakistan with substantial assistance, which it hoped would enlist Pakistan in preventing Afghanistan from again becoming a haven for terrorism. As in the past, the two countries' immediate priorities were different. Pakistan sought to eliminate Indian

influence in Afghanistan and establish a friendly government there, achieving what was referred to as “strategic depth.” The United States aimed to prevent the Taliban from remaining the dominant player in Afghanistan, to banish al Qaeda, and to leave behind an Afghanistan that was reasonably peaceful, coherent, and capable of keeping terrorism at bay. It hoped to leave behind a measure of democracy as well.

The gap between these goals deepened the U.S.-Pakistan “trust deficit,” as the Pakistanis called it. Pakistan’s continuing involvement with elements of the Taliban and its unwillingness or inability to keep Taliban forces from using Pakistani territory as a sanctuary led the United States to suspect that Pakistan was making common cause with U.S. adversaries in Afghanistan. From Pakistan’s perspective, the U.S. failure to accept its requirement for a “friendly”—read subservient—government in Afghanistan put the United States at odds with the goal of strategic depth dear to the Pakistan Army, long the country’s most important political player.

The year 2011 showcased this strategic divergence and misunderstanding at its worst. In January a CIA contractor assigned to the consulate general in Lahore shot and killed two Pakistanis under disputed circumstances. He was released from prison and repatriated only after a “blood money” deal brokered by Saudi Arabia. On May 1 of that same year, the United States raided the house where the architect of September 11, Osama bin Laden, had been living for years, killing bin Laden. Just as importantly, the raid publicly embarrassed the Pakistan Army, which was outraged by this violation of sovereignty. Shortly thereafter, the outgoing U.S. chairman of the Joint Chiefs of Staff, in his final congressional testimony, charged Pakistan’s Inter-Services Intelligence with maintaining one of the most hostile elements of the Taliban, known as the Haqqani network, as a virtual subsidiary. Finally, in November 2011, approximately 25 Pakistani troops were killed in a U.S.-led NATO attack on a border post between Pakistan and Afghanistan. A U.S. investigation held that the incident was a tragic error, but the Pakistan Army deemed it a deliberate assault. Pakistan responded to this string of disasters by banning the transit of U.S. military equipment to Afghanistan across Pakistan and by attempting to ban drone attacks. Although the United States and Pakistan have climbed back from the 2011 low point in their relations, mutual mistrust remains as the U.S. government changes hands.

One question for the new administration will be deciding on the role of the roughly nine thousand U.S. troops that remain in Afghanistan and the future size of this force. The U.S. Defense Department and military

leadership will almost certainly continue to make a strong argument that the United States needs to achieve some degree of stability on the ground and try to develop a coordinated game plan with Pakistan before making further reductions in the U.S. military presence.

The Pakistan government, despite widespread resentment of the United States, is in no hurry to see the small remaining U.S. military contingent disappear. But it has proceeded with caution in clamping down on antigovernment forces. The army's most successful operation against insurgents, Operation Zarb-e-Azb ("sharp strike"), was able to restore government authority to large areas in the northwest but was undertaken only after years of anxious deliberation. Nor does Pakistan wish to strengthen the hand of what it regards as pro-Indian elements in Afghanistan.

Pakistan's desire to exercise decisive influence in Kabul—and more broadly the U.S.-Pakistan strategic disconnect—has bedeviled the task of creating and implementing a coordinated strategy between Islamabad and Washington. Afghanistan has a weak record of maintaining internal security, and Pakistan's relations with the Afghan government are fractious at best. There have been a number of efforts to negotiate a political understanding between the Taliban and the Afghan government, some of which were supposed to bring Pakistan and the United States into the process. They all failed. Suspicions among different Afghan political and insurgent leaders played a big part in this, and so did Pakistan's unwillingness to press its friends among the Taliban, many of whom reside at least part-time in Pakistan, to negotiate.

In other words, the careful approach that other administrations have pursued and that the new Trump administration is likely to try to follow—first improve the situation on the ground, then phase out the U.S. military presence—will require bringing together a group of mutually suspicious allies that have historically been quite ready to betray one another. Success will demand enormous patience at a time when Congress and the American people have relatively little, and the Trump administration may have less. The administration will undoubtedly be looking for a way to muscle Pakistan into a more cooperative posture, perhaps by conditioning economic assistance or military sales on Islamabad delivering a better result in Afghanistan. The United States has relatively few other sources of leverage against the Taliban. The fact that terrorist groups have a presence in both Afghanistan and Pakistan will intensify pressure on the Trump administration to show results. Confrontational tactics have not had much success in the past, however.

Cracking down on militants or on Pakistan's Afghan allies could trigger dangers that Pakistan regards as existential, so the pushback against confrontational U.S. tactics could be far stronger than expected.

India, Nuclear Weapons, and Kashmir

What Pakistan has most wanted from each of its engagements with the United States is an effective alliance against India. During the Cold War alliance in the 1950s and in the immediate aftermath of the Soviet invasion of Afghanistan, the United States expressed some sympathy with Pakistan on some of its disputes with India. But even in those glory days Washington stopped well short of an alliance against India. Now, with a quarter century of dramatically expanding U.S.-India relations, a surging Indian economy, and a weightier Indian role in global affairs, there is practically no chance of the United States adopting a hostile policy toward India in order to accommodate Pakistan. The Pakistan government understands this, but the realization rankles, and it contrasts unfavorably with China's more enthusiastic embrace of Pakistan. Nothing in Trump's campaign would suggest that the new administration has any interest in such a policy. There is also no congressional pressure in that direction, nor would U.S. strategic interests benefit from such a move.

Historically, Pakistan had sought to involve the United States in brokering India-Pakistan negotiations over Kashmir, the area the two states have disputed since partition in 1947. Since the 1950s, India has strenuously objected to any kind of third-party involvement, which it sees as an affront to its dignity—and as undercutting its advantageous position as the stronger of the two contending powers. India, moreover, controls the most prized parts of the disputed territory. Pakistan still professes to want U.S. involvement, but the army and others in fact question whether U.S. intervention would advance its objectives. This dynamic explains why there has been no serious U.S. effort to broker a Kashmir agreement since the early 1960s. Consequently, despite the excitement stirred up by the Trump-Sharif phone call, playing a mediating role is unlikely to be a serious policy option for the United States.

U.S. crisis-management diplomacy has had more success. In 1999, negotiations between then president Bill Clinton and Nawaz Sharif, during his first term as Pakistan's prime minister, led to a withdrawal of the Pakistani troops that had infiltrated Kargil in the Indian-controlled part of the old Kashmir state. Despite Pakistan's historical quest to

improve its bargaining position with India by involving the United States, the U.S.-brokered withdrawal from Kargil had the opposite effect. It contributed to the Pakistan Army's decision to oust Sharif a few months later. By contrast, President Clinton's decision to maintain close contact with Indian prime minister Atal Bihari Vajpayee throughout the crisis built up U.S.-India relations.

Another relative success story is the development of nuclear confidence-building measures between India and Pakistan, though these were worked out bilaterally. Since the two states went nuclear, they have instituted measures such as the establishment of hotlines between senior military commanders and an annual mutual declaration of the locations of their nuclear installations, coupled with an agreement not to attack the sites. On a couple of occasions since their nuclear tests in 1998, the two countries have initiated talks about the issues they would need to resolve in order to fully make peace. In 2003, Islamabad and New Delhi concluded a ceasefire in Kashmir that lasted over a decade. But several promising starts went nowhere, and India-Pakistan relations are now at a low point.

The chances of a breakthrough in the bilateral relationship are very poor, and receptivity to a U.S. role in that direction is poor as well. While some experts have argued that resolving the India-Pakistan dispute would open the door to a more cooperative Pakistani approach to regional security, the record of the past few years suggests that strong governments in Islamabad and New Delhi working bilaterally have the best chance at moving forward. This would argue for the new Trump administration to closely watch India-Pakistan relations, remaining alert to opportunities where the United States could discreetly encourage forward movement or, if relations continue to sour, avert a crisis.

Pakistan's Internal Challenges

U.S. policy has often tried to bring about changes in Pakistan's complex and sometimes troublesome internal governance. Pakistan has spent nearly half of its independent existence under military rule, and even during periods of civilian government, the army has been the single most important political player. The army also largely controls foreign and security policy. It has faced an active insurgency in parts of the country for over four decades, representing a challenge to the government and, potentially, a homegrown source of terrorism. Political violence has been high, and religious minorities have been under threat. A new chief, Qamar Javed Bajwa, has

just taken command of the Pakistan Army. Like his predecessors, he will represent the institutional role of the army, but it is far too early to tell what changes he may bring to the table.

Both President-elect Trump and Prime Minister Sharif undoubtedly saw their phone call as the beginning of a personal relationship. Sharif has been quite successful in establishing personal ties with national leaders important to his country, but this has not necessarily translated into favorable policies at the national level. Trump's statements on the campaign trail suggest that he might approach his longer-term dealings with Sharif as an exercise of asymmetric power. That is likely to be a double-edged sword, as the Pakistan Army can be unforgiving in punishing civilian leaders who are too responsive to powerful foreigners.

The Trump administration may well change how the United States deals with Pakistan on issues of governance and economics, which could both ease and complicate the bilateral relationship. Reduced U.S. emphasis on international human rights seems quite likely, and the Pakistani government would certainly welcome this change. Similarly, Trump may not be bothered by the Pakistan Army's large role in politics and policy. His administration may also be less interested in monitoring the conduct of Pakistan's elections and the quality of democratic governance.

In other respects, the Trump administration's policies may be tougher on Pakistan. One can imagine a more confrontational U.S. position pressing Islamabad to clamp down on terrorist groups, both in Pakistan and in Afghanistan. And while Trump may be eager to promote expanded business ties in Pakistan, he may take a hard line on trade and be unsympathetic to long-standing Pakistani interest in greater duty-free access to the U.S. market. Finally, economic aid to Pakistan has been unpopular in the U.S. Congress for a long time. Thus far there have been few clues as to whether the new administration will be willing to push for generous foreign assistance as a tool for building up the economy of a sometimes troubled partner.

In contrast to the big strategic issues, the Trump administration is more likely to handle these questions of governance, terrorism, and economics with the volatility that we observed during the campaign and the transition. Many Pakistanis believe that the United States is hostile to Muslims, and the statements they have read from the Trump campaign will reinforce this view. The Pakistani government, as well as nonstate actors in Pakistan, will be acutely sensitive to indications that the United States is targeting Islam.

Trump has said on several occasions that he values unpredictability in business negotiations, implying that the same logic should guide foreign

policy negotiations. His oft-repeated plan to call for renegotiating trade agreements and his criticism of the quality of those negotiations suggest that he wants to maximize the return to U.S. power in doing so. Any U.S. negotiator, and any U.S. president, seeks to protect and advance American interests. But those interests are often best advanced in concert with other countries. Pakistan is a troublesome friend with whom U.S. interests are not well-aligned. Nonetheless, advancing U.S. interests in this complex region will require more strategic patience and creativity. There is a long history of difficult negotiations between Pakistan and the United States in which Pakistan has been fairly successful at manipulating the United States through “the art of the guilt trip.”⁴ There is ample scope for the United States to adopt more savvy tactics, but the Trump administration would be wise to avoid triggering outright hostility. ♦

⁴ For a longer discussion of this history, see Howard B. Schaffer and Teresita C. Schaffer, *How Pakistan Negotiates with the United States: Riding the Roller Coaster* (Washington, D.C.: United States Institute of Peace, 2011).

U.S.–Southeast Asia Relations: Raised Stakes and Renewed Importance

Brian Harding

Southeast Asia's profile has risen dramatically in U.S. foreign policy circles in recent years. After the United States drifted away from the region following the end of its involvement in Vietnam in 1975, U.S. attention began to return in the early days of the George W. Bush administration, although at that time largely in the context of President Bush's global war on terrorism. Toward the end of the Bush years, Washington began to wake up to the broader importance of the region as a hub of global growth and as an arena where competition for the future shape of Asia would take place in the context of China's rising regional influence. In 2007 the Bush administration sent a strong signal of U.S. interest in deepening ties with the region when it made the United States the first country to nominate an ambassador to the Association of Southeast Asian Nations (ASEAN). Meanwhile, outside the U.S. government, Southeast Asia studies programs began to crop up in the Washington think-tank community, suggesting broad interest among foreign policy elites in reflecting more deeply on the region's importance. This pattern accelerated dramatically under President Barack Obama.

This essay begins by describing developments in U.S.–Southeast Asia relations during the Obama administration and then outlines challenges that the Trump administration will face in the region. It concludes with policy recommendations for the Trump administration.

Rebalance within the Rebalance

U.S. engagement with Southeast Asia—both with the ten ASEAN countries bilaterally and with ASEAN as an institution—accelerated dramatically beginning in 2009 under the Obama administration. This surge in attention toward Southeast Asia followed decades of Northeast Asia dominating U.S. policymaking toward Asia. While the administration continued to pay considerable attention to Northeast Asia, a marked uptick in attention to Southeast Asia constituted a rebalance within the administration's overall rebalance to Asia.

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This shift was on clear display from the outset of the administration. When Secretary of State Hillary Clinton broke with 50 years of tradition and made her first trip as secretary to Asia, not only did she make stops in Northeast Asia powerhouses Tokyo, Seoul, and Beijing, but she also visited Jakarta to signal her intention to work more closely with Southeast Asia, including ASEAN's de facto leader Indonesia. Furthermore, during that landmark visit, she became the first secretary of state to visit the ASEAN Secretariat, based in Jakarta. This move demonstrated that multilateral engagement with ASEAN would be a high priority in the administration's regional approach, in line with Obama's global re-engagement with multilateral structures.

President Obama delivered on this early intention to engage ASEAN more deeply in numerous ways. Multilaterally, he signed with ASEAN the Treaty of Amity and Cooperation in Southeast Asia, paving the way for U.S. membership in the East Asia Summit. He made the U.S. ambassador to ASEAN resident in Jakarta (another first for a non-ASEAN country). Obama inaugurated annual 10+1 ASEAN-U.S. summits and later in his presidency hosted a landmark U.S.-ASEAN leaders retreat at Sunnylands in California. On the people-people front, the Clinton State Department launched the highly successful Young Southeast Asian Leaders Initiative, aimed at deeper engagement with ASEAN youth. The Department of Defense also became increasingly engaged with ASEAN as it embraced the ASEAN Defence Ministers' Meeting-Plus forum. Perhaps most importantly, U.S. officials across the government began to make a habit of showing up at regional meetings at all levels, including through the secretary of state's annual attendance at the ASEAN Regional Forum (ARF).

Bilateral relations in the region also surged. The U.S.-Philippines alliance went from near irrelevance to a central component of Asia policy, with the signing of the landmark Enhanced Defense Cooperation Agreement bringing the relationship into a new era. Ties with Myanmar began anew when Obama seized the opportunity that reforms presented to ease sanctions and normalize relations, while the end of defense trade restrictions with Vietnam signaled a full normalization of ties. Throughout the region, the administration built an architecture for engagement that did not previously exist—from annual secretary of state engagements with Indonesia and Singapore to defense policy dialogues with Vietnam and Thailand.

Headwinds

The progress the Obama administration made in deepening ties with Southeast Asia could not have happened without strong demand for U.S. involvement in regional affairs from regional countries. This demand is fundamentally driven by the region's concern about being dominated by a single outside power—such as China—and interest in having as much U.S. trade, investment, and technical assistance as possible. These drivers will not disappear during the Trump administration.

However, the administration faces several challenges in terms of Southeast Asia policy. First, among its difficulties will be to demonstrate that the United States remains a reliable partner. Southeast Asians are already asking what an “America first” foreign policy means and whether the United States will continue to be engaged in regional affairs. The dismissal of the Trans-Pacific Partnership (TPP) raises major questions about what the United States can bring to the table in terms of economic engagement, despite high levels of FDI from the U.S. private sector. Regional countries also wonder if the United States will continue to “sail, fly, and operate anywhere international law allows.”

Donald Trump's comments during his presidential campaign regarding Muslims also create a new barrier to relations with the region, particularly in Indonesia, Malaysia, and Brunei. Even if Trump adjusts his rhetoric, he has already left a deep impression among Southeast Asian elites and publics alike. While Indonesian and Malaysian foreign policy is fundamentally interest-driven and not ideological, issues of religion will hang over these relationships.

Finally, even if the Trump administration gets regional policy right, it will find the region devoid of international leaders, with many countries themselves looking inward. Two of Southeast Asia's natural leaders and obvious U.S. partners—the Philippines and Indonesia—are now led by presidents who are popular at home but focused on internal affairs. With Malaysia, Thailand, and Myanmar also focused on domestic issues, Vietnam and Singapore form the vanguard of outward-looking ASEAN countries in the near term. As a result, there is little driving substantial ASEAN integration and cohesion over the next several years. Unfortunately, this will constitute a risk for U.S.-ASEAN relations, as a better-integrated, more effective ASEAN encourages U.S. policymakers to continue the at-times difficult nature of multilateral diplomacy in Southeast Asia.

Moving Forward

While the Obama administration will bequeath to the Trump administration far more robust ties with Southeast Asia than it inherited, it has also raised the stakes and set very high expectations. To continue to deepen ties and advance U.S. interests in Asia, the United States will need to focus on six general areas in its engagement with Southeast Asia.

Signal the region's importance early. As an increasingly connected region with over 600 million people, a \$2.5 trillion economy, and the world's most strategically significant waterways, Southeast Asia's importance to the United States' interests as a global power is irrefutable. Yet with the region nervous about U.S. international leadership and uncertain about what an America-first foreign policy entails, the administration should signal early on that it will continue to be engaged with ASEAN and Southeast Asian affairs. Trump can support this in many different ways, including by directing his cabinet officials to travel early to the region, arranging for his secretary of state to give a speech on Asia policy soon after the inauguration, and signaling that he will attend the East Asia Summit in Manila and continue other presidential-level engagement.

Develop an economic agenda. Developing an agenda for economic engagement with the region following the withdrawal from the TPP will be crucial for maintaining U.S. credibility. Trump himself clearly understands the vitality of Southeast Asia as a market, given his personal business activities in the Philippines and Indonesia, two of the most important emerging economies in all of Asia. He should direct his cabinet to recognize the same. In this context, deep engagement by the Department of Commerce, following on Secretary Penny Pritzker's strong record of ASEAN engagement, will be particularly important.

Continue to wield hard power. While Southeast Asian leaders have often critiqued Obama's rebalance to Asia as being too focused on defense and not focused enough on economic engagement, the defense components of the rebalance remain important to the region. With China's assertive approach to the South China Sea in mind, the region seeks continued U.S. presence to balance potentially disruptive Chinese behavior. Suggestions that the United States will not live up to its historical role in Asia have therefore unnerved many in Southeast Asia. The president should make clear early on that the United States will continue to stand up for international law and freedom of navigation in the South China Sea and elsewhere.

Show up. Showing up at regional meetings at the appropriate level is critical for forging ties in Southeast Asia. This lesson was driven home during the tenure of Condoleezza Rice as secretary of state from 2005 to 2009; while she did laudable things for U.S. policy in Southeast Asia, she is best remembered for missing two of the four ARF meetings during her tenure. The Obama administration took this lesson to heart and Secretaries Clinton and Kerry attended all eight ARF meetings, which went a great way toward building trust and becoming part of the region's fabric. With the Obama administration having established a host of other meeting commitments, the bar is set very high for the Trump administration. At a minimum, Trump must annually attend the East Asia Summit, periodically hold 10+1 leaders meetings, and direct his secretary of state to attend the ARF for the United States to continue to be at the table as the future of the region is crafted.

Demonstrate an understanding of Islam in Southeast Asia. Trump's blanket statements about Islam during his presidential campaign will be a major burden for his administration's diplomacy in the region, particularly with Indonesia, Malaysia, and Brunei. To help alleviate concerns that he is at war with Islam, the Trump administration should explicitly acknowledge that maritime Southeast Asia is a major center of the Muslim world and by and large demonstrates Islam's inherent peacefulness and tolerance.

Find ways to work with China. While Southeast Asian countries have no interest in the United States and China forming a condominium of power that determines the future of the Asia-Pacific, they also do not want the two sides to be locked in blind competition. While individual countries have at times tried to bring the United States and China together, friction between Beijing and Washington has not facilitated a productive U.S.-China dynamic in Southeast Asia. To build trust that the United States' interest in the region is not driven by competition with China—as is often assumed—the Trump administration should proactively seek to find ways to cooperate with Beijing on regional challenges. Existing channels of U.S.-China cooperation, such as on renewable energy and oceans stewardship, offer a range of areas of activity to expand to Southeast Asia.

Conclusion

Southeast Asia is a dynamic region of growing economic and strategic importance. While diplomacy with the region requires patience and stamina, given the need to engage bilaterally with countries as well as multilaterally

with ASEAN, it brings great opportunities for the United States to advance its interests, including through securing sea lanes, combatting transnational threats, and benefitting from the region's economic growth. If the United States were to withdraw from regional affairs, this would lead to less order in Asia, which would be detrimental to U.S. interests. While the Trump administration will likely put its own stamp on policy toward Southeast Asia, U.S. interests will be well served by continuing down the bipartisan path of deeper engagement charted over the past decade. ♦

The U.S.-Australia Alliance in an Era of Change: Living Complacently?

Michael Clarke

U.S. primacy is both a strategic choice and an empirical condition, and thus analysis regarding the future of U.S. primacy should focus on both ideational (i.e., policy choices) and material variables (i.e., relativities of power).¹ We are now witnessing significant shifts in the realms of U.S. primacy that carry great weight for Australia. In material terms, while the United States remains dominant across a range of measures (e.g., military spending),² it has faced with growing intensity the great challenge of all hegemonic powers—managing never-ceasing political and military commitments and maintaining the economic capability to meet them.³ The Obama administration has attempted to grapple with this central challenge via the retrenchment of military commitments in Iraq and Afghanistan, budget sequestration, and a concerted effort to avoid new military and security commitments.⁴

The results of this strategic choice to retrench U.S. commitments to a more manageable level, however, have been problematic at both the ideational and systemic levels. Ideationally, as amply demonstrated by the 2016 presidential election, we have seen the rise of a “restraint constituency” among a significant segment of the U.S. public that openly questions both the viability and desirability of maintaining U.S. primacy in international affairs.⁵ In a systemic context, perceptions of U.S. retrenchment have

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¹ Robert Jervis, “International Primacy: Is the Game Worth the Candle?” *International Security* 17, no. 4 (1993): 52–53.

² In 2015, U.S. military expenditure was \$596 billion compared with China’s \$215 billion and Russia’s \$66.4 billion. See Sam Perlo-Freeman, Aude Fleurant, Pieter Wezeman, and Siemon Wezeman, “Trends in World Military Expenditure,” Stockholm International Peace Research Institute (SIPRI), SIPRI Factsheet, April 2016 ~ <https://www.sipri.org/sites/default/files/EMBARGO%20FS1604%20Millex%202015.pdf>.

³ Paul Kennedy, *The Rise and Fall of Great Powers: Economic Change and Military Conflict from 1500 to 2000* (New York: Random House, 1987).

⁴ For instance, see Jeffrey Goldberg, “The Obama Doctrine,” *Atlantic*, April 2016, 70–90; and Andreas Krieg, “Externalizing the Burden of War: The Obama Doctrine and U.S. Foreign Policy in the Middle East,” *International Affairs* 92, no. 1 (2016): 97–113.

⁵ Trevor Thrall, “Primed against Primacy: The Restraint Constituency and U.S. Foreign Policy,” *War on the Rocks*, September 15, 2016 ~ <http://warontherocks.com/2016/09/primed-against-primacy-the-restraint-constituency-and-u-s-foreign-policy>.

also stimulated both adversaries and allies alike to consider the limits of U.S. primacy. As Robert Jervis has noted, primacy not only means “being much more powerful than any other state according to the usual and crude measures of power (e.g., gross national product, size of the armed forces, and lack of economic, political, and geographic vulnerabilities)” but also, by virtue of this standing, means having the ability to “establish, or at least strongly influence, ‘the rules of the game’ by which international politics is played, the intellectual framework employed...and the standards by which behavior is judged to be legitimate.”⁶

The subsequent discussion focuses on the impact of current challenges to the current U.S.-led international order derived from both the systemic and ideational levels for the future of the U.S.-Australia alliance. It argues that while Australia, like other U.S. allies in Asia, has been sensitive to the challenges to U.S. primacy posed by states such as Russia and China and has adjusted its defense and strategic policy accordingly, it has not adequately considered how such systemic pressures have negatively affected American perceptions of the durability of U.S. primacy.

Australia and Challenges to U.S. Primacy under Obama

An international order, as Henry Kissinger famously put it, is “legitimate” if all great powers accept their role and identity within it and embrace certain baseline conventions and rules governing interstate behavior.⁷ Adversaries such as Russia and China—through their actions in Ukraine and the South China Sea—have clearly used the Obama administration’s attempts at retrenchment as an opportunity to challenge the baseline conventions and rules of the current international order and in doing so test the limits of U.S. primacy. Some U.S. allies, such as Japan, South Korea, and the Philippines, have also begun to consider with much greater alacrity their strategic options—from greater defense self-reliance to potential bandwagoning with a rising China—should such trends continue.

These trends should also be highly concerning for policymakers in Canberra. While there has been significant academic debate in Australia regarding the significance and impact of the rise of China on the country’s national security and the U.S.-Australia alliance, official policy for the past several years has attempted to hedge between the realities of deep

⁶ Jervis, “International Primacy,” 53.

⁷ Henry Kissinger, *A World Restored: Metternich, Castlereagh, and the Problems of Peace, 1812–1822* (New York: Grosset and Dunlap, 1964), 3–6.

economic engagement with Beijing and underlying concerns regarding its strategic intentions throughout Asia.⁸ The latter concern has resulted in efforts to strengthen the alliance with the United States on the basis that “strengthening the alliance network and joint capabilities will complicate the strategic picture for China in various theatres and dissuade Beijing from even more assertive and possibly reckless policies in the region.”⁹ Indeed, much of Australia’s 2016 *Defence White Paper* was based on the core assumption that the longevity of U.S. primacy would persist. The document judged that the “United States will remain the pre-eminent global military power over the next two decades” and that its “active presence... will continue to underpin the security of our region.”

Yet the ideational shifts and the systemic changes noted above fundamentally challenge the core assumption that the United States will not only remain the preeminent global military power but continue to be fundamentally engaged in its various alliance relationships. To date Australian leaders have been largely silent on this issue. Indeed, Donald Trump’s unexpected victory has instead, in former prime minister Paul Keating’s colorful words, prompted “reverential, sacramental” responses to the alliance rather than critical reflection.¹⁰ Many current and previous officials, from Australian prime minister Malcolm Turnbull to former ministers and ambassadors, have responded by simply reasserting the centrality of the U.S. alliance for Australian defense and strategic policy.¹¹ The Turnbull government in particular has been careful to stress that the alliance rests not so much on the individual characteristics of specific administrations in Washington or Canberra but on shared values, interests, and institutions.¹²

⁸ A great deal of debate in this regard has stemmed from Hugh White, *The China Choice: Why America Should Share Power* (Melbourne: Black Inc., 2013). See also Paul Kelly, “Australia’s Wandering Eye,” *American Interest*, May/June 2013 ~ <http://www.the-american-interest.com/2013/04/12/australias-wandering-eye>.

⁹ John Lee, “China in Australia’s 2016 Defence White Paper,” *Security Challenges* 12, no. 1 (2016): 175.

¹⁰ Michael Kolzol, “Paul Keating Says ‘Cut the Tag’ with the U.S. after Donald Trump’s Shock Win,” *Sydney Morning Herald*, November 10, 2016 ~ <http://www.smh.com.au/federal-politics/political-news/paul-keating-says-cut-the-tag-with-the-us-after-donald-trumps-shock-win-20161110-gsms4e.html>.

¹¹ Fergus Hunter, “Top Defence Official Warns of ‘Big Mistake’ of Questioning U.S. Alliance over Donald Trump,” *Sydney Morning Herald*, November 24, 2016 ~ <http://www.smh.com.au/federal-politics/political-news/top-defence-official-warns-of-big-mistake-of-questioning-us-alliance-over-donald-trump-20161124-gswog5.html>.

¹² Sam Maiden and Claire Bickers, “Australian MPs React to President Elect Donald Trump’s Victory,” *News.com.au*, November 10, 2016 ~ <http://www.news.com.au/national/politics/australian-mps-react-to-president-elect-donald-trumps-victory/news-story/0c24d864e903bf1c23207b58c1a2fc7b>.

The problem with such “genuflections” to the alliance is that they refuse to acknowledge that the United States may in fact be in the process of fundamentally reorienting its approach to the wider web of relationships that have underpinned Asia-Pacific security for decades. As Hugh White has pointedly noted:

The issue for Australia today isn’t whether we should step back from our alliance with America, but whether America is stepping back from its alliance with us. Or, to put it a little more precisely, the question is whether we can be sure that America will continue to play in [the] future the same strategic role in supporting Asian security and Australia’s defence that it has played for the past few decades.¹³

Thus, the central problem is that the hub of the U.S. hub-and-spoke alliance system in the Asia-Pacific may be on the verge of a disengagement that could undermine the robustness of the system. While the credibility of U.S. security guarantees embodied in the 1951 Australia, New Zealand, United States Treaty (ANZUS) has long been a source of friction in the bilateral alliance—and is thus not a new issue—there has not arguably been an occasion when an incoming U.S. administration has so openly and consistently questioned the efficacy of U.S. alliances. White’s identification of the uncertainty surrounding the U.S. commitment to global and regional order points to a need for Australian policymakers to reconsider a crucial question: from Australia’s perspective, is the alliance with the United States a fundamentally threat-centric or order-centric proposition?

Outlook for the U.S.-Australia Alliance

Historically, a case can be made that ANZUS assuaged Australia’s long-standing concerns about its security in Asia, particularly during the early decades of the Cold War when ascendant decolonization and the spread of Communism were perceived as potential direct threats to the country’s national security.¹⁴ Yet Australian policymakers’ understanding of the alliance grew over time to include considerations of Canberra’s contribution to the maintenance of the rules-based order established by the United States after 1945. Successive Australian governments have judged

¹³ Hugh White, “ANZUS in the Age of Trump,” *Strategist*, December 1, 2016 ~ <https://www.aspistrategist.org.au/anzus-age-trump>.

¹⁴ Stephan Frühling, “Wrestling with Commitment: Geography, Alliance Institutions and the ANZUS Treaty,” in *Australia’s American Alliance: Towards a New Era?* ed. Peter Dean, Stephan Frühling, and Brendon Taylor (Melbourne: Melbourne University Press, 2016).

that strategic threats to the country's national security could "arise as a consequence of distant disruption of the global balance of power" and that "by choosing to work with more powerful allies to help ensure a satisfactory global balance, Australia thereby served its own interests."¹⁵ Such thinking has underpinned Australian military commitments to the alliance from the Korean War to the 2003 invasion of Iraq. The potential that the United States under the Trump administration may fundamentally reconsider its commitment to the maintenance of the rules-based order would thus directly and negatively impinge on Australia's national security interests.

Many of Trump's statements on foreign policy have critiqued what could be termed the bipartisan post-Cold War foreign policy consensus in Washington. This consensus has been based on the twin assumptions that a "strong United States is still essential to the maintenance of the open global order" and that "the alternative to America's 'indispensability' is not a harmonious, self-regulating balance of independent states but an international landscape marked by eruptions of chaos and destruction."¹⁶

The president-elect has challenged this consensus by propagating a foreign policy agenda that appears to be predicated on three core positions: the U.S. web of alliances has been overextended strategically and militarily, the United States is disadvantaged by the open global economy, and the United States is no longer respected by rivals or friends. The first position has resulted in Trump openly questioning the utility of U.S. alliances (such as NATO and Japan), threatening to withdraw U.S. security guarantees unless states bear a greater proportion of financially ensuring those guarantees, and speculating that these allies should acquire nuclear weapons of their own.¹⁷ Meanwhile, his suggested remedy for the assertion that the United States has suffered economically from the liberal global trading order championed by successive administrations evokes a throwback to the protectionism of nineteenth-century U.S. policymakers: threatening to impose high tariffs on imports, pursuing a "trade war" against China, and scrapping the Trans-Pacific Partnership (TPP). Finally, the president-elect has indicated

¹⁵ Robyn Lim, "Australian Security Thinking after the Cold War," *Orbis* 42, no. 1 (1998): 95.

¹⁶ Eliot Cohen, Eric S. Edelman, and Brian Hook, "Presidential Priority: Restore American Leadership," *World Affairs*, Spring 2016 ~ <http://www.worldaffairsjournal.org/article/presidential-priority-restore-american-leadership>.

¹⁷ See, for instance, "Transcript: Donald Trump, CNN Milwaukee Republican Presidential Town Hall," CNN, Press Release, March 29, 2016 ~ <http://cnnpressroom.blogs.cnn.com/2016/03/29/full-rush-transcript-donald-trump-cnn-milwaukee-republican-presidential-town-hall>.

that Washington must be willing to act unilaterally, particularly in the use of military force.¹⁸

Such pronouncements should be deeply concerning to Australian policymakers, who have depended on the complementary relationship between the strength of the U.S. alliance system in Asia and the consolidation of an open global economic order to ensure Australia's long-term security. Overtly questioning long-standing alliances in Asia will potentially undermine regional security by increasing uncertainty about U.S. commitments to the region and also may provide incentives for both allies and adversaries to pursue destabilizing initiatives.

If the alliance with the United States is fundamentally conceived in order-centric terms, then it is imperative that policymakers in Canberra move beyond gennufections to the alliance to consider strategic options in response to the ideational change in Washington and systemic challenges wrought by China's rise. A number of immediate recommendations suggest themselves in this regard. First, Canberra should intensify the efforts already underway to develop "spoke-to-spoke" relationships between itself and other U.S. allies and partners throughout the region, such as Japan, Singapore, South Korea, and India.¹⁹ Second, such bilateral relationships should also be complemented by increased Australian efforts to facilitate regional multilateral security dialogues and cooperation—such as the ASEAN Defence Ministers' Meeting-Plus.²⁰ Third, Australia should also recommit effort and resources to prosecuting the case for a strong Australia-U.S. alliance and U.S. commitment to the Asia-Pacific in Washington. Key here will be not only strategizing as to the best means of engaging with the incoming administration but also presenting Australian concerns and interests to the legislative branch through, for instance, Australia's Congressional Liaison Office.²¹ This latter consideration will

¹⁸ For perceptive overviews of a possible Trumpian worldview, see Thomas Wright, "Trump's 19th Century Worldview," *Politico*, January 20, 2016 ~ <http://www.politico.com/magazine/story/2016/01/donald-trump-foreign-policy-213546>; and Alex Ward, "America Alone: Trump's Unilateralist Foreign Policy," *War on the Rocks*, May 31, 2016 ~ <http://warontherocks.com/2016/05/america-alone-trumps-unilateralist-foreign-policy>.

¹⁹ See, for example, Takashi Terada, "Evolution of the Australia-Japan Security Partnership: Toward a Softer Triangle Alliance with the United States?" in *The U.S.-Japan Security Alliance: Regional Multilateralism*, ed. Takashi Inoguchi and G. John Ikenberry (New York: Palgrave MacMillan, 2011), 217–32; and David Brewster, "The Australia-India Framework for Security Cooperation: Another Step towards an Indo-Pacific Security Partnership," *Security Challenges* 11, no. 1 (2015): 39–48.

²⁰ Brendan Taylor, "A Pragmatic Partner: Australia and the ADMM-Plus," *Asia Policy*, no. 22 (2016): 83–88.

²¹ On this issue, see Alan Tidwell, "The Role of 'Diplomatic Lobbying' in Shaping U.S. Foreign Policy and Its Effects on the Australia-U.S. Relationship," *Australian Journal of International Affairs* (2016): 1–17.

be of great significance for Canberra, which may need to push the case with U.S. congressional leaders for the continued importance of an open economic order for regional stability should the Trump administration repudiate the TPP as promised. Undertaking such measures will both serve as a prudent hedge against U.S. disengagement (regardless of level and intensity) from the region and also permit Australian policymakers to demonstrate Canberra's willingness to bear an increasing burden in strengthening regional security architecture. ♦

