AMERICAN ASIAN STRATEGY UNDER TRUMP: THE ART OF THE DEAL

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Executive Summary

1. The upset election of Donald Trump was unusually divisive. The American foreign policy community was also divided, and with good reason: Trump had some very radical ideas about American foreign policy, was determined to implement them and disdained the counsel of the Establishment. If consistently implemented, they portend a drastic shift in the terms of American engagement with the world.

2. Trump is paradoxically a billionaire populist politician, whose appeal is based on celebrity, plain speaking, an ambivalent personal charisma, effective use of social media (particularly twitter), inordinate self-confidence and the ability to generate spontaneous publicity (both good and bad).

3. Trump’s assumptions for his foreign policy orientation have remained consistent despite his shifting partisan affiliations: he is a mercantilist, transactionalist (immediate solutions to pressing problems), a threat-besieged realist, prefers bilateral to multilateral organisations and scorns the foreign policies of most of his predecessors (except for Jackson, Franklin Roosevelt, and Nixon).

4. He has an ambitious but narrow foreign policy agenda: the basic architecture he has not sought to redraft, but considers certain crucial policy decisions involving American political or economic interests deeply flawed and sees his mission to renegotiate them.

5. To renegotiate deals for more favourable terms in American interests is apt to encounter resistance from counterparties. Trump feels he can best show his mettle as a “deal-maker” and he has boldly reopened a number of trade and security agreements for new talks. There seems to be no overarching strategy beyond the cumulation of better deals.

6. As a negotiator, Trump is a hard bargainer who employs a number of tactics familiar to hard bargainers everywhere (for example, a strong reliance on leverage).
7. Two East Asian cases highest on his agenda have so far been inconclusive. North Korea has suspended nuclear and missile tests but avoided irreversible steps towards nuclear disarmament.

8. The five months of fruitful Sino-American trade negotiations came to naught when the agreement was drastically abridged by the Chinese leadership and the trade dispute escalated. After rising still further in 2018, the bilateral trade deficit has begun to decrease.

9. Although the jury is still out on the many bargaining venues Trump has reopened, his results have thus far been modest. However, the overall impact of his recasting of American foreign policy may be more lasting.