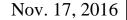
Pacific Forum CSIS Honolulu, Hawaii



PacNet Number 86

Japan's early opportunity to shape Trump's emerging Asia policy by Daniel Twining

Daniel Twining (<u>dtwining@gmfus.org</u>) is Director of the Asia Program at the German Marshall Fund of the United States and a former official of the George W. Bush administration. A version of this article previously ran in Nikkei Asian Review.

Prime Minister Abe Shinzo has transformed Japanese diplomacy. Under his leadership, Japan has ratified the Trans-Pacific Partnership (TPP) trade agreement as a strategic instrument to bind like-minded nations, forged new alliances beyond Tokyo's traditional US orbit in South and Southeast Asia, become a military supplier to Asian nations determined to resist Chinese hegemony, reinterpreted constitutional constraints to expand Japan's role as a regional security provider, and reached out to Europe and Russia as extraregional partners to help bring balance to Asia.

As he prepares to meet US President-elect Donald Trump in New York on Thursday, Abe faces perhaps his most important test: convincing a uniquely skeptical American leader that the US-Japan alliance is central to US interests in Asia -- and that rather than walking away from President Barack Obama's "pivot" to Asia, the new Republican administration should double down on it.

Trump certainly gave Abe grounds to worry during the campaign, questioning the value of the US-Japan alliance, suggesting Japan should acquire nuclear weapons to defend itself, and threatening a new form of protectionism that would jettison not only TPP but the US commitment to the liberal trading order writ large.

Lest we forget, however, it was Obama who originally derided US allies as "free-riders," slashed defense spending in ways that made the US "rebalance" look hollow, failed to reinforce a declared red-line in Syria that emboldened US adversaries farther afield, and allowed China to militarize the South China Sea with impunity.

To secure their support for his candidacy, Obama also made a deal with America's protectionist labor unions during his 2008 campaign that he would push no free trade agreements during his first term in office, only to perform another pivot by becoming a late champion of TPP at the end of his term, when US domestic politics made it too difficult to ratify a final agreement.

Trump can correct these strategic errors on the part of the outgoing US administration and work with the internationalist Republican majority in Congress to strengthen both the US-Japan alliance and the broader US strategic position in East Asia. Obama himself describes Trump as a pragmatist who is not ideological. Abe can make a pragmatic case to Trump that Japan and the United States must work together to countervail Chinese power in Asia, boost both

countries' prosperity through balanced economic agreements, and underwrite peace in a more dangerous world.

Senior Trump advisers are China hawks who have argued for a "peace through strength" policy in Asia that properly resources the US strategic posture there. Among them, Peter Navarro and Alexander Gray, writing in *Foreign Policy*, argue for a policy to "reclaim [America's] geostrategic position in Asia." According to them, Trump will pursue a military buildup, including moving from a 275-ship to a 350ship Navy, so as to "reassure our allies that the United States remains committed in the long term to its traditional role as guarantor of the liberal order in Asia." This should be music to Japanese ears.

Michael Pillsbury, another key Asia adviser, is a career China hawk whose book *The Hundred-Year Marathon* convincingly argues that China is pursuing a concerted grand strategy to depose the US as the predominant power in the Asia-Pacific. He argues for a policy to exploit China's vulnerabilities and magnify US advantages -- including its alliance network -- to preclude that outcome.

Heritage Foundation Vice President James Carafano leads a group of convinced China skeptics at that institution, some of whom are playing a central role on the Trump transition team. These and other Trump advisers have also critiqued Obama's policy of "strategic patience" on North Korea as one that has enabled Pyongyang to conduct four nuclear tests, and develop warheads capable of hitting the US, with impunity.

In short, it is a misreading of Republican politics, and of Trump's victory, to conclude that he will pursue a softer line on Japan's primary strategic rivals, or pursue a US retreat from Asia that leaves allies exposed to predation. Trump and Congressional Republicans seem more likely to counteract the erosion of the US strategic position in East Asia during the Obama years in ways that could shore up, rather than undercut, Japan's security.

Abe's message to Trump

While reinforcing this instinct, Abe can also point out to the president-elect that Japan is a model ally that is not freeriding but assuming greater responsibilities for its own defense. His controversial policy to pursue constitutional revision giving Japan the legal right to defend its US ally in a crisis -- and Japan's formation of proto-alliances with countries like India, Vietnam, and the Philippines -- reinforce America's own strategic interests in an Asia that is resilient to Chinese domination.

On trade, it was Democratic primary candidate Bernie Sanders who was the most protectionist candidate in this US election cycle. Trump's case was not for sheer protectionism, but for trade deals that were "smart." He argued that he wanted the US to "win again" in its trade accords, not that the US should stop leading on trade. As a pro-market business executive, he should understand that having government tax imports by raising tariffs only hurts US businesses and consumers.

Americans whose jobs have been hollowed out by manufacturing competition from China and relentless globalization more broadly responded to Trump's call for a "smarter" approach to trade. They responded similarly to Ronald Reagan, who as president combined free-market reforms and support for global trade liberalization with the Plaza Accord and Voluntary Restraint Agreements that prevented a then-surging Japan from enjoying unfair currency and export advantages in the US market.

If Trump can find "smart" ways to enlarge the liberal trading order -- including perhaps through a US--Japan bilateral trade agreement if TPP falls by the wayside -- that will be very different from the evident dangers of torpedoing the global trading system. This is especially so given China's attempt to fashion trade and economic arrangements that exclude the US, as Beijing is already pledging to do in the wake of Trump's victory by promoting its own version of a free trade area for Asia to fill the gap left by TPP.

Trump's competitive business instincts will not want to hand China such unilateral advantage, which may bring his administration back around to TPP or a similar set of trade and investment accords over time.

It was Congressional Democrats -- about 90 percent of them -- who opposed giving Obama the negotiating authority to conclude the TPP agreement. Most Congressional Republicans supported giving a president from the other party the power to conclude the Asian trade accord. Republican majorities on Capitol Hill may pull Trump as president back in the direction of using trade policy tools as strategic projections of US influence -- a task that would be made easier by a return to robust domestic economic growth after a listless performance since 2008. Polling shows that US public opinion still supports free trade.

As Michael Green of the Center for Strategic and International Studies argues, Abe has close relations with other strong, nationalist leaders -- including Narendra Modi in India, Recep Tayyip Erdogan in Turkey, and Vladimir Putin in Russia. Trump's executive vigor might even suit him more than Obama's cool intellectualism. Trump's ambitions for a rapprochement with Putin may also create a new opening for US-Japan-Russia cooperation to maintain strategic ballast in Asia, although Putin's enduring pretension to empire in Europe may stifle such ambitions.

In short, Abe has an opening to help shape the incoming president's understanding of the US leadership role in Asia and how US allies can be force-multipliers for US interests. Their meeting will be Trump's first test on getting Asia policy right. A world trying to make sense of the incoming US president will be watching closely.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.