

[ISSF Policy Roundtable 1-9: U.S.-China Relations and the Trump Administration](#)

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U.S.-China Relations and the Trump Administration**

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Introduction by Joshua Rovner, SMU

Nearly twenty years ago, Robert Ross wrote an influential article on the sources of stability in East Asia. He argued that while the United States and China were destined to engage in great-power competition, geography and structural factors would lead to a stable regional bipolar balance. The United States would focus on maintaining its maritime position, and China would focus on securing its interests on land. Neither would find it useful or practical to attempt to change the regional order. “The U.S.-China conflict is a rivalry between a maritime power,” Ross concluded. “This dynamic reduces conflict over vital interests and mitigates the impact of the security dilemma, reducing the likelihood of protracted high-level tension, repeated crises, and arms races.”¹⁴ Military leaders in both countries would have to indulge in heroic assumptions to convince themselves that they could seriously challenge their adversary on its domain. Political leaders in Beijing and Washington would benefit from competing – and cooperating on areas of mutual interest – in a relatively low-risk

environment.

The stable maritime-land balance is now in question, at least to some observers, because of China's economic and military rise. Over the last two decades it has developed an impressive suite of new military capabilities. Gone is the bloated and technologically immature People's Liberation Army of the past. In its place is a leaner but more lethal force, which has improved not only its capabilities on land, but has also made important strides in ballistic missiles and naval technology. U.S. defense officials are particularly concerned about China's ability to threaten U.S. air and naval forces through its use of increasingly accurate long-range weapons. These so-called "anti-access" weapons might give U.S. leaders pause before deciding whether to enter into a conflict in defense of the United States' regional allies and partners. China's political ambitions have expanded as its military capabilities have grown. Its leaders seem bent on enforcing decades-long maritime claims, even at the risk of a provoking a confrontation with the United States. How much risk Beijing will accept, and how Washington will respond in the event of a serious crisis, is highly uncertain.

Donald Trump's election has injected even more uncertainty into U.S.-China relations and the politics of East Asia. As a candidate, and as president-elect, Trump threatened to upend longstanding regional norms, including the delicate diplomatic arrangement that has underwritten the US-Chin-Taiwan balance since the 1970s. He used unusually belligerent rhetoric about China and declared his willingness to confront China directly. At the same time, he expressed skepticism about U.S. allies and partners in the region, demanding they pay more for U.S. security assurances, and arguing that the era of free-riding on the United States was over. Trump seemed bent on alienating friends as well as rivals, and pursuing an "America First" agenda that threatened decades of U.S. grand strategy geared towards creating and maintaining a liberal international order.

In office, however, the administration changed course. Trump has reached out to both Chinese and Japanese leaders, and his rhetoric has in some ways returned to the mainstream. He backed off his provocative threats to renegotiate the "One China" policy and hosted Chinese President Xi Jinping for what by all accounts was a very friendly visit. The administration also sought a measure of reconciliation with Japan. Meanwhile, its chief concern has been with responding to North Korea's continuing nuclear and missile tests. In short, the President seems to be pursuing a very familiar regional strategy with very familiar goals.

Who, then, is the real Donald Trump? Will we see more of the aggressive nationalism that characterized the candidate, or more of the mainstream internationalism on display in recent weeks? This is an open question, not least because most of the key administration officials who will be responsible for Asia policy have not been named. Perhaps a more consistent and coherent policy will emerge when they belatedly take their posts. But until then, the contributors to this roundtable agree that uncertainty is the watchword for U.S.-China relations.

It is not enough to bemoan uncertainty, however, and the essayists offer a number of ways in which we might gain analytical traction on the problem.

Dingding Chen of Jinan University kicks off the forum by addressing two sources of uncertainty and potential conflict: fear and honor. Understanding the regional order means going beyond factors like polarity and geography. It requires grappling with human emotions, however irrational, that

Thucydides discussed in his history of another war between land and sea powers. Chen suggests that the general U.S. fear of a rising China causes it to be overly concerned with every Chinese development; similarly, Chinese fears of Western encirclement may inhibit the kind of diplomacy needed to maintain stability. Honor also plays a large role for both countries. The United States is proud of its effort to create a liberal international order, and will not let its achievement go away without a fight. China, meanwhile, seeks to regain some semblance of its former glory.

Taylor Fravel of MIT welcomes the Trump administration's recent moderation, but wonders how long it will last. Trump's style of sudden policy turnabouts means that nothing about U.S. policy is certain. Fravel's essay is also a reminder that the U.S. election was not the only one that matters. Chinese leaders crave stability in these early months of the Trump administration, not least because they are in the midst of their own election cycle and seek a smooth transition. What will happen after the next crop of officials take their places in the higher echelons of the Chinese Communist Party (CCP) is not clear.

Mira Rapp-Hooper of the Center for a New American Security suggests that instability will continue as long as Trump pursues a transactional approach to China. The President's fondness for ad hoc deal making, instead of implementing a coherent and consistent foreign policy, poses real dangers. Bilateral deals on certain issues might inadvertently signal that Trump has narrow priorities, and that he will not act if China acts elsewhere. Trump's transactionalism also risks sidelining U.S. allies and reinforcing their fears of marginalization. Whatever short-term gains come from bilateral deals may not be worth the costs to the longstanding alliance network that Washington has cultivated for decades.

Joseph Siracusa of the Royal Melbourne Institute of Technology, presents the view from Australia. Like Rapp-Hooper, he stresses the danger of undermining U.S. allies. He notes that the White House seeks to present an image of strength, while at the same time tacitly threatening to reduce the U.S. commitment to the allies on whom it relies for base access. Unless he resolves this apparent contradiction, President Trump may discover that the "America First" campaign theme cut against his policy goals.

Toshi Yoshihara of the Center for Budgetary and Strategic Assessments highlights a different sort of danger. His assessment of the regional balance suggests that the United States is losing the maritime edge it has enjoyed for so long. China has vastly increased its naval capabilities, and it has the luxury of concentrating its assets in a single theater. The U.S. Navy has not grown at a similar rate, and its resources are spread thin. The Trump administration's pledge to increase the size of the fleet is welcome, Yoshihara argues, but that is not enough. Instead, U.S. leaders must come up with innovating operational concepts.

Zhu Feng of Nanjing University rounds out the discussion on a somewhat more optimistic note. Improved relations since Trump's inauguration are welcome, especially given the need to find a joint solution to the North Korean problem. But collaboration must not stop there, because Asian security includes a number of separate issues. Cooperation on North Korea may be a launching pad for broader regional diplomacy, but the intense focus on Pyongyang may overwhelm other concerns.

Participants:

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M. Taylor Fravel is Associate Professor of Political Science and member of the Security Studies Program at the Massachusetts Institute of Technology. Taylor studies international relations, with a focus on international security, China, and East Asia. He is the author of *Strong Borders, Secure Nation: Cooperation and Conflict in China's Territorial Disputes* (Princeton University Press, 2008) and is currently completing a book-length study of China's military strategy since 1949, entitled *Active Defense: Explaining the Evolution of China's Military Strategy*. His other publications have appeared in *International Security*, *Foreign Affairs*, *Security Studies*, *International Studies Review*, *The China Quarterly*, *The Washington Quarterly*, *Journal of Strategic Studies*, *Armed Forces & Society*, *Current History*, *Asian Survey*, *Asian Security*, *China Leadership Monitor*, and *Contemporary Southeast Asia*. Taylor is a graduate of Middlebury College and Stanford University, where he received his PhD. He also has graduate degrees from the London School of Economics and Oxford University, where he was a Rhodes Scholar. In 2016, he was named an Andrew Carnegie Fellow by the Carnegie Corporation. Taylor is a member of the board of directors of the National Committee on U.S.-China Relations and serves as the Principal Investigator for the Maritime Awareness Project.

Mira Rapp-Hooper is a Senior Fellow in the Asia-Pacific Security Program at the Center for a New American Security in Washington DC. Her work focuses on alliances, maritime and territorial conflicts, deterrence and nuclear weapons, and US-China competition in the Asia-Pacific region. Dr. Rapp-Hooper's academic writings have appeared in *Political Science Quarterly*, *Security Studies*, and *Survival*. Her policy writings have appeared in *The National Interest*, *Foreign Affairs*, and *The Washington Quarterly*, and her analysis has been featured in *The New York Times*, *The Washington Post*, and on NPR and the BBC, among others. Dr. Rapp-Hooper was the Asia Policy Coordinator for the 2016 Hillary Clinton campaign.

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of *Red Star over the Pacific* have been published in China, Germany, Japan, South Korea, and Taiwan.

Zhu Feng is Executive Director of China Center for Collaborative Studies of South China Sea at Nanjing University, China, and Dean of International Studies Institute and professor of international relations of Nanjing University. His recent English book is *America, China and the Struggle for World Order*, co-editor with G. John Ikenberry and Wang Jisi (Palgrave/Macmillan, 2015).

Essay by Dingding Chen, Jinan University

Fear and Honor Are the Most Profound Risks in U.S.-China Relations

There is little doubt that the U.S.-China relationship is one of the most important and most consequential bilateral relationships for the global order in the twenty-first century. If not managed well, it is not unthinkable that a military conflict would break out between the two largest economies in the world. As such, it is imperative to understand the fundamental risks in this relationship because otherwise we will be misled by merely tactical issues like trade and nuclear non-proliferation.

It is in this context that the debate over the so called ‘Thucydides trap’ –which basically claims that a rising power will invariably seeks to replace the existing hegemon and thus leads to unavoidable war– has been both interesting and puzzling among watchers of U.S.-China relations in recent years, as top leaders from both countries frequently refer to it as one of the most critical challenges between the two.¹ Most of the time, leaders deny the inevitability of conflict and call for mutual respect and cooperation. They are right that conflict is not inevitable, but there remain some common misunderstandings of the Thucydides trap that need to be dispelled. Without fully understanding the two major factors in the trap, i.e., fear and honor, we simply cannot arrive at correct solutions to the problems.

First it should be pointed out that the Thucydides trap is not just about a rising power trying to overtake the dominant power thereby leading to conflict. That is only half of the picture, though it is now well-known, particularly in Western discourse, where most analysts believe that China, as the rising power, seeks to reform and revolt against the existing liberal international order. As a result, most policy recommendations call for a more restrained and less ambitious and assertive Chinese foreign policy, believing that this is the only way to avoid the Thucydides trap.

However, the other half of the picture is about fear’s role in the Thucydides-trap scenario. The dominant power’s fear propels it to adopt a preventive strategy to stall the rising power, thereby causing conflict. To use the language of international relations, this might be called a preventive war strategy. Of course, no serious scholar believes that the United States would actually initiate a preventive war just to stop China from growing into a superpower someday in the future. But, in practice, such a mentality might prevail and indeed already exist in certain circles— the thinking is that ‘the United States had better stop China’s bad behavior before it is too late.’

For a range of reasons, this fear factor on the part of U.S. analysts is rarely discussed, at least within the United States. One possible reason is that China will not be able to overtake the United States.

Thus, there is no need for the ‘fearful thinking’ tendency among many U.S. analysts who worry about China overtaking the United States.

This is particularly sound advice to U.S. analysts because, currently, U.S. foreign policy is driven by two primary factors. Fear is one, but honor is the other. On the one hand, the United States is proud of the existing liberal international order and is determined to defend it at all costs from all sorts of threats, including rising authoritarian regimes. Honor, meanwhile, plays an important role also. The United States is strongly interested in exporting its own values and systems to the rest of the world (though it has exhibited a mixed record of success and failure in this regard).

Simultaneously though, U.S. China policy is also driven by unwarranted fear. Many U.S. analysts worry and fear that China will try to force the United States out of Asia once it dominates the South China Sea. The U.S. government’s initial reaction to China’s Asian Infrastructure Investment Bank (AIIB) project is evidence of this fear; when the bank launched, the U.S. feared that China would use it to erode American influence in Asia. Of course, Washington realized later that this was exaggerated and turned around to welcome the bank. Still, the overall tendency to fear China’s every foreign policy move, especially assertive ones, is one reason the U.S.-China relationship remains unstable.

To be fair, the honor and fear factors exist on the China side too, though they express themselves through different mechanisms. Chinese President Xi Jinping’s “China dream” could be seen as a manifestation of the honor factor in Chinese foreign policy (though it comes without the expansionist elements of the U.S. version). The China dream is mostly about China returning to its once prominent position in Asia—not about exporting Chinese values and systems to other countries. For more than 500 years before East Asia was forced by Western powers to open to the outside world, China had been the undisputed hegemon in East Asia, having a big impact regional politics, economics, and culture. Of course, today no official discourse even mentions the possibility of returning to that old mode of governing East Asia, which sometimes is referred as the ‘Tribute system’, which puts China at the center of the East Asian international order with others deferring to China’s authority in regional affairs.¹⁴ But for many Chinese strategists a preeminent China in East Asia is realistically within reach. Here the ‘China Dream’ has an international dimension, and it might drive China’s external behavior toward some of its neighbors.

There is also the constant worry and fear within China that the West is engaged in some kind of conspiracy against it, trying to contain and block China’s rise. This has much to do with China’s century of humiliation at the hands of Western powers and Japan between the mid-nineteenth century and mid-twentieth century. During that period of time, China was weak and suffered great humiliation until the establishment of the People’s Republic of China in 1949 by the Chinese Communist Party. A sense of existential crisis still existed in much of the Cold War era for China as it was, for most of the time, sandwiched between two superpowers, the U.S. and the Soviet Union. China’s strategic environment did not significantly improve until the late 1970s when China and the U.S. normalized their relations. However, since the 1990s there has always been a strong voice in China that the West, led by the U.S., cannot fundamentally embrace China’s rise for a variety of reasons. As such, fear plays a crucial role in China’s strategic thinking about the U.S., thereby creating a possible security dilemma. For example, any U.S. move to help strengthen Japan’s defense capabilities is seen in Beijing as a provocative move to block China’s rising influence in Asia.

Just like individuals, states conduct foreign policies based on psychological and emotional factors. Unless we better understand how the impulses of honor and fear shape decision-making processes, we will have an incomplete understanding of the much-hyped Thucydides trap. Understanding the factors that play into the trap better will help the United States and China escape from it.

Essay by M. Taylor Fravel, MIT

The Certainty of Uncertainty: U.S.-China Relations in 2017

It is probably impossible to predict how U.S.-China relations will unfold under the Trump administration. Almost one hundred days into the new presidency, the national security apparatus remains largely unstaffed, apart from the secretaries of state and defense along with a handful of officials in the National Security Council. The administration has been unable to conduct policy reviews of many issues, especially the overall approach to Asia, including China. Even if such a review had been conducted, the administration lacks the middle-level managers to execute a region-wide policy.

The issues over which a crisis between the United States and China could erupt are easy enough to identify. The most immediate and pressing concern is North Korea and the acceleration of its of nuclear and missile programs. The other issues all involve disputes featuring Chinese sovereignty or territorial claims. In the East China Sea, China disputes the sovereignty of the Senkaku Islands, which Japan also claims. Although the United States does not acknowledge Japan's sovereignty over these rocks, it does recognize them as territories under the administration of Japan and thus covered by Article 5 of the U.S.-Japan mutual defense treaty. A crisis between China and Japan over the Senkakus would almost certainly trigger the treaty and involve the United States.

Across the Taiwan Strait, the election of Tsai Ying-wen as President of Taiwan has renewed concerns on the mainland about the island's drift toward independence, challenging national unification and one of Beijing's explicit core interests. Taiwan is not a formal ally of the United States, but Washington is closely involved in its defense through the commitments in the Taiwan Relations Act. A crisis across the Strait would quite likely result in the involvement of the United States

In the South China Sea, China disputes two archipelagos, the Paracels and Spratlys, with several other states. Vietnam challenges China's claim over the Paracels; Vietnam, the Philippines, Malaysia and Brunei challenge its claim over the Spratlys. China also claims maritime jurisdiction and historic rights over much of the waters in the South China Sea (presumably, though not explicitly, enclosed by the 'nine-dashed' line that appears on most Chinese maps). Only one of the other claimants to the Spratlys, the Philippines, is a treaty ally, but the United States has identified a vital interest in freedom of navigation through these waters.

These issues alone are cause for concern. But they are unfolding against a dramatic change in the balance of power created by the rise of China. China is not only the second largest economy in the world, but it is also the dominant economy in the region, more than twice the size of Japan, whom it surpassed in 2010. The changing balance of power elevates the stakes in the potential conflicts

described above. For the United States and many in the region, China's assertiveness over Taiwan or in its sovereignty disputes is viewed as a litmus test for how China as a dominant power might behave. For China, however, resistance in what it views as long-standing historical disputes reflects a rejection of its rise. China is more able than ever to defend its interests in these disputes, a situation which triggers broader concerns about order in the region – a volatile mix.

Enter President Donald Trump. During the transition, Trump appeared willing to challenge China more forcefully on many of these issues. When he spoke over the telephone with President Tsai, he questioned whether his administration would abide by the 'One China' policy, which has served as the framework for diplomatic relations with the People's Republic for more than forty years. Following criticism of his phone call, he doubled-down, questioning explicitly whether the policy was worth continuing. Likewise, he scolded China over the South China Sea. All of this before inauguration.

Since then, Trump has appeared to moderate his stance. In a phone call with President Xi Jinping on early February, Trump indicated he would support the 'One China' policy. "At the request of President Xi," he was reported to have "agreed...to honor our 'One China' policy."¹⁴ In the South China Sea, the United States has maintained an active naval presence, but has not yet conducted any Freedom of Navigation Operations to challenge China's excessive maritime claims. In Beijing in March, Trump's Secretary of State, Rex Tillerson, even repeated a phrase associated with China's desire to build a "new type great power relationship" that is seen as a Chinese effort to gain U.S. acquiescence on its core interests, especially Taiwan.¹⁵

After the summit at the Mar-a-Largo golf club in Florida, many pundits must have been surprised. Trump did not offer a 'grand bargain' to Xi, and Xi did not bring a treasure chest of pledged investments. Instead, in their dinner and then working lunch, the two leaders agreed to create a new framework for issue-specific dialogues to replace the unwieldy Security & Economic Dialogue. This was another positive development, reflecting the start of an effort to build a working relationship for the many issues that the two sides need to address. The need to take action on North Korea may have also overshadowed Trump's desire to press China on specific issues, especially trade, given the prevailing view that only Beijing has sufficient leverage over Pyongyang to compel it to abandon or at least freeze its nuclear and missile programs.

All along, China has been remarkably restrained. To be sure, Trump's election was unexpected in Beijing. China had forged few ties with the campaign and finally found a channel through Jared Kushner, which paved the way for the February phone call and April summit. Observing Trump's more general impetuosity, Beijing likely concluded that maintaining stability in the bilateral relationship was paramount. Trump would not be given a reason to lash out at Beijing. More generally, with the 19th Party Congress convening sometime in the fall of 2017 to select new members of the leading bodies of the Chinese Communist Party, the Politburo and Politburo Standing Committee, Beijing prizes stability above all else, at home and abroad.

So far, so good. Yet can this nascent trajectory of cooperation last? Trump has shown that talk is cheap. China has little reason to rely on his word alone and will watch U.S. actions with great care. As quickly as Trump reversed many of his positions on China during the campaign, he may switch back. Because it is an election year in China, the leadership in Beijing is extra sensitive to perceived

threats from abroad and will view them as an effort to exploit China's desire for stability. Trump could easily pose such a threat to China, unraveling the progress that has been achieved since the inauguration. And many opportunities for a crisis to occur are present.

Essay by Mira Rapp-Hooper, Center for a New American Security

For the last forty years, there has been some degree of bipartisan consensus on certain essential elements of U.S. foreign policy towards China. This has included the belief that China's peaceful rise is to be welcomed, and the acknowledgment that China's growing power means that Washington and Beijing will be able to cooperate on some issues while accepting some degree of competition in others. As China has modernized its military and adopted more assertive foreign policies, particularly in the maritime domain, the competitive elements of the relationship have become more pronounced. The stakes of these dynamics are, of course, structural in their significance: Will the United States retain its longstanding role as maritime hegemon? Will the region come to be dominated by China, with diminished U.S. access and influence? Is there some middle ground where accommodation is possible?

A thoughtful U.S. approach to China would be rooted in a broader Asia strategy. It would account for relative shifts in military, diplomatic, and economic power. And it would identify the ways and means to secure long-term U.S. objectives under dynamic circumstances. Thus far, however, President Donald Trump has adopted a transactional approach to China that is both narrow in its scope and short-term in its horizons. This is a perilous way to fashion U.S. foreign policy in Asia.

On the campaign trail, Trump used China as a political prop, accusing it of "raping our country," and he seemed to be courting escalation with Beijing when he put the One China Policy at risk after taking a phone call from Taiwan's president before he was sworn into office.¹ Since February, however, when Trump and Chinese President Xi Jinping spoke for the first time, he has taken a very different tack. As they headed into their bilateral summit with Xi in early April, Trump and his top advisors been focused on just two issues: the growing nuclear threat from North Korea, and trade issues, with an emphasis on the trade deficit. In a series of Tweets, the president has "made clear" that he is 'looking for concessions' from China on these in these two areas, and has suggested that he is willing "to trade one against the other."² The trouble with this kind of tactical transactionalism, however, is that it is short-term and far more narrow than the U.S.-China relationship itself.³

Even if Trump and Xi Jinping were to strike a deal in which China cracks down on North Korea in exchange for more favorable terms of trade with the United States, the dynamics on the ground are likely to evolve before the ink is dry.⁴ The actions of other states in the region, adversaries and allies alike, are likely to spoil bilateral deals. For example, if North Korea tests a sixth nuclear weapon and the UN Security Council places more sanctions on Pyongyang, would the terms of the 'deal' with China have to change as well? Xi is likely to want to be only cooperative enough to satisfy any bargain, while Trump is likely to expect Beijing's cooperation to grow with the situation. What looks like a decent trade for both parties may be overtaken by events in a matter of weeks.

Second, by fixing his gaze on North Korea and trade issues alone, the Trump approach artificially narrows a highly complex relationship in ways that are likely to advantage China. These circumscribed priorities suggest that other issues, such as security in the East and South China Seas, are not as high on Trump's list. There is little chance that this message will be lost on China, which

will be all too eager to extend its influence where the United States is less engaged. More worrisome is the fact that downgrading these issues could easily invite crisis or conflict. If, as a concession for China's help on North Korea, Trump signals that he does not intend to take a hard line against Beijing's island fortifications in the South China Sea, China's leaders could take this as an invitation to extend their reach further still. If they began land reclamation at Scarborough Shoal, an underwater reef seized from the Philippines in 2012, President Rodrigo Duterte could attempt to invoke the U.S.-Philippines mutual defense treaty and request defensive aid from Washington. Backing off the South China Sea as part of a 'deal' could actually result in the United States getting drawn back in by its other interests once a dangerous crisis was already under way. The U.S.-China relationship will not easily be reduced to a short and tractable to-do list, and the region's other flashpoints are likely to reassert themselves in due time.

A third and related danger of Trump's transactionalism towards China is that it circumscribes the role of allies in decision-making. This puts U.S. interests at risk. Treaty allies like South Korea and Japan have long feared that the United States and China will strike some form of "G2" great power condominium and carve up the region between them. If its allies do not understand what the United States is seeking from its deal making with China, or, perhaps more importantly, what it is giving up, they are less likely to support U.S. policies or to support them as fully. Treaty allies may have an endless appetite for assurance, but few things will make them more jittery than the perception that two superpowers are making secret trades that involve their interests.

If Trump's transactionalism prevails, the benefits of any arrangement with China are guaranteed to be narrow. Indeed, the international relations bargaining literature tells us exactly what we should expect from 'deal-making' amidst a power shift: whatever Trump wins today will be worth less tomorrow.¹³ A Trump bargain with Beijing could invite crisis or conflict; it could also make implicit and explicit concessions to China that he will not be easily able to retract. Precisely because China is on the rise, we can expect it to expand its reach where it has more room to maneuver, and to try to fill any space from which the United States withdraws. Because of the ongoing relative power shift, Asia may be the region where narrow deals have the lowest return and U.S. foreign policy stumbles have the highest costs.

Essay by Joseph M. Siracusa, Royal Melbourne Institute of Technology

During the 2016 presidential campaign, Donald Trump characterized China "as the great abuser of the United States," bashing Beijing for trade policies and currency manipulation that cost American jobs and raised the trade deficit.¹⁴ He also criticized China's military activities in the South China Sea. Its land reclamation and base building program extend China's operational range south and east by as much as 620 miles, putting it in direct conflict with regional countries with competing claims to the same maritime territories. In Trump's view, the United States needs to counterbalance China by upholding the United States' traditional claims to operate wherever international law allows, while supporting the right of all nations to do the same. Trump supported a hard-line policy toward China, in contrast to what he imagines to have been the Obama administration's softness. An image of weakness encouraged Chinese ambition, he claimed, and his remedy was more of everything.¹⁵ Trump

proposed expanding the Marine Corps, increasing the Navy to 350 ships, and vastly increasing the defense budget. He specifically said that the United States needed to increase the size of its Navy to 350 ships. Noticeably, some of his top campaign advisors explicitly argued that these changes were needed to contain China.^[1]

Unsurprisingly, this rhetoric was alarming to Beijing, though Trump's volatility made predictions difficult. As his candidacy gained steam, China's state-run media released an editorial entitled "Unpredictable Trump could swing either way on China." While his belligerent tone could lead to conflict with China, the United States might also be inclined to isolationism. "Ideology will be downplayed," the editorial concluded. "Washington might engage in more squabbles with its free-riding allies."^[2] Chinese observers also speculated that changes to U.S. policy would "not be as great as suggested by his unrestrained performances," and that Trump's bluster was partly a result of his inexperience and ignorance about regional policy.^[3] But the response would be the same in either case. China would hedge against uncertainty by continuing its military expansion.

By underscoring the 'America First' and 'Make the America Great Again' worldview, Trump has clearly undermined U.S. alliances and free trade. Trump sees Asian nations as irresponsible partners and rule-breakers. From Asia's perspective, his announcements are justifiably worrying. Many fear that Trump's actions will make the region more unstable and insecure, with rising political tensions, trade protectionism and arms races. His policy proposals, if carried out, would certainly generate conflict and instability in Asia - and the world.

There may be some continuity in his regional approach, however. Despite serious criticism of President Barack Obama's pivot to the Asia-Pacific region, deep antipathy to U.S. security commitments to U.S. Asian allies, and severe mistrust of China, Trump and his team may yet find it vital to maintain some elements of Obama's rebalance to the Asia-Pacific. Given their heavy reliance on the U.S. security umbrella, U.S. allies in Asia will have little choice but to cooperate with Washington. Similarly, the United States requires allies and partners to grant access to ports and airfields so that it can project power and contain China's military expansion. And while Beijing's leaders are publically apprehensive, they might be privately optimistic about the Trump administration, perhaps expecting accommodation or at least anticipating that his enthusiasm for deal-making may provide opportunities to influence U.S. foreign policy. Indeed, they might relish the opportunity to negotiate with a president who seems to lack detailed knowledge of Asian affairs.

For Australia, the main threat stemming from a Trump presidency mainly concerns China's continued artificial island building and militarization in the South China Sea. Canberra finds itself caught on the horns of a dilemma. On the one hand, it still seeks the support and protection of its long time military ally, and it agrees with Washington on the principle of freedom of movements wherever international laws apply. But it also needs to placate China, its principle trade partner with whom it recently signed its most ambitious free trade agreement - the China-Australia Free Trade Agreement. Balancing relations with Washington and Beijing may become increasingly difficult in the Trump administration. During his Senate testimony in January, for example, Secretary of State-designate Rex Tillerson called for a U.S. naval blockade of China's facilities on the islands/reefs it occupies in the South China Sea. Canberra lives in fear of such a move, knowing that a blockade is but a step away from a declaration of war, and was surely assuaged by Tillerson's more accommodating tone in his first trip to the region once in office. Still, Canberra remains concerned about Tillerson's desire

for expanding the U.S. military presence and adding new bases in Australia, to which China would take immediate exception. The possibility for a serious downturn in U.S.-China relations is real, and Australia worries about being caught in the middle.¹⁰⁰

Australia is not about to jettison its own special relationship with Beijing in order to satisfy Trump's blanket challenge to China in the South China Sea. Beijing, which clearly appreciates the importance Canberra attaches to a rules-based international order and universal values, will do whatever is necessary to drive a diplomatic and legal wedge between these ANZUS partners if Trump seriously pursues a blockade of the reefs. The administration may believe that a conspicuous naval action of this sort would be the ideal signal of U.S. resolve; indeed, it has already tried to use naval movements to signal resolve to North Korea. But Australians, and other long-time U.S. allies and partners, may balk. How they respond may determine the success of the U.S. military efforts to contain China's military expansion, given their control over the basing and logistics infrastructure the United States needs in order to project power in the region. For this reason, the 'America First' candidate may discover that his rhetoric is self-defeating.

Essay by Toshi Yoshihara, Center for Strategic and Budgetary Assessments

China's Rising Seapower and Risk in Maritime Asia

American command of the seas in the Western Pacific has been essential to U.S. regional strategy over the past seventy years. The U.S. Navy's dominance facilitated the uninterrupted flow of seaborne commerce, promoting transpacific access to markets and offering a chance at prosperity for those participating in the network of maritime trade. The naval service's forward presence in Asia and its ability to respond rapidly to crises also deterred aggression and reassured allies, preserving a favorable balance of power.

For the United States, access beget wealth, wealth beget power, power beget stability, and stability beget access, restarting the positive-sum cycle. This is the grand strategic logic to superior seapower. However, China's growing capacity to influence events offshore could put at risk the freedom of the seas that the United States and its longstanding allies have enjoyed for decades. Consequently, the virtuous interplay between access and power that allowed the United States to preside over a long peace in Asia is under strain.

China's impressive buildup of naval might since the 1990s has enabled a historic continental power to skew the regional balance of naval power, contesting America's accustomed supremacy in Asian waters. The People's Liberation Army Navy (PLAN) is bolting together more warships than any country in the world. It already has the largest number of combatant ships in Asia, and it is expected to possess the biggest navy in the world by 2020. By the end of the Trump administration's first term, China's navy will also boast an expeditionary capability unmatched by any save the U.S. Navy.

If past is prologue, such a rapid accumulation of naval power portends unwelcome great-power dynamics. From antiquity to the modern era, radical shifts in the naval balance have stimulated destabilizing alliance realignments and arms races. Naval competitions have compelled states to

invest heavily in leap-ahead technologies to stay ahead, and, under certain circumstances, to launch preventive military attacks. Fears of an irreversible tilt in the naval balance toward its rivals drove Japan to spring surprise attacks on Russia in 1904 and the United States in 1941.

Naval power emboldens China. The PLAN provides the ultimate backstop to the growing fleet of paramilitary vessels that Beijing regularly employs to assert its maritime prerogatives. When China's Coast Guard cutters harass foreign ships, the Chinese navy lurks right over the horizon, waiting in reserve. It is China's ability to climb higher on the escalation ladder when rival claimants cannot that has conferred so much coercive leverage to China's maritime law enforcement vessels. Thus, the bulkier the PLAN gets, the more intimidating the civilian arm of Chinese maritime power becomes.

Notwithstanding the U.S. Navy's qualitative superiority in seamanship and combat experience, built-in asymmetries in the naval balance have conspired to favor China. The only meaningful measure of a navy's sufficiency is its ability to mass superior fighting power to defeat the strongest and most plausible enemy at the right place and at the right time. Yet, the reality for the United States is that only a fraction of its force will be in position to fight the whole of China's force.

Most of Beijing's vital seaward interests, ranging from Taiwan to resources to sea lanes to security buffer zones, are in the Yellow, East, and South Chin Seas. Fighting close to home, it can afford to throw the full weight of its military power, including shore-based missiles and aircraft, against an adversary. China's dense arsenal of close-in, anti-access weaponry along the coastline testifies to this focus on localized conflicts.

By contrast, a distant global power like the United States enjoys no such luxury. With commitments spanning the world, Washington can only devote a portion of its naval forces to the Western Pacific. Diverting forces to Asia from obligations elsewhere remains an option, but such a choice requires statesmen to accept greater risks in other theaters from which those forces are being drawn.

This asymmetry is an unavoidable burden for a global navy. The age-old rule-of-thumb for the U.S. Navy is that it takes three ships to keep one on foreign station. In general, one is undergoing maintenance in shipyards, another is preparing for deployment, and the third is on cruise. At any given time, then, only a third of the total force is immediately available for worldwide contingencies.

Consider the Obama administration's pivot to Asia, in which it pledged to deploy 60 percent of naval combat power there. In 2015, the U.S. Navy planned for a fleet of 304 ships by 2020. About a third of the force, 115 ships, would be deployed around the world. Crucially, it is 60 percent of that *deployed force*, 66 ships, that would cover the vast expanses of the Pacific and Indian Oceans. This casts the Sino-American naval balance in a whole new light.

If the United States wishes to maintain access to Asia and preserve a favorable regional balance of power, then statesmen must pay renewed attention to naval power and strategy.

First, policymakers must jettison soothing narratives about America's enduring preeminence at sea. A profound shift in the naval balance has already taken place in Asia and its implications remain largely unacknowledged. Statesmen can no longer count on overmatch, qualitative superiority, and ghee-whiz technologies as a talisman. The United States and its allies cannot take for granted the

unencumbered freedom to use the seas. Coming to grips with this new reality is the starting point for staying competitive at sea.

Second, statesmen must reacquaint themselves with risk. No longer are Asian waterways a haven for the U.S. Navy. Run-ins with Chinese warships and military aircraft probably will comprise a permanent feature of Sino-American relations. That means testy encounters, cat-and-mouse games, and even deliberate collisions that were the staple of U.S.-Soviet interactions at sea could become routine. Just as the U.S. Navy learned to jockey for position against its Soviet rival in close quarters and developed procedures to manage naval incidents, the United States will have to adapt to a more contested and congested maritime environment in Asia. Recalibrating risk will enable policymakers to strike a balance between overreacting and underreacting to China's growing presence and assertiveness in the Western Pacific.

Third, the United States must maximize one of its competitive advantages over China: allies. America's security partners in the region, including Japan, South Korea, and Australia, possess modern navies. Indeed, an understanding of the regional naval balance would be woefully incomplete without accounting for potential allied contributions. However, paying lip service to burden sharing is no longer viable. The time has come for imaginative strategies and operational force deployments for meaningful coalition warfare.

Finally, there are hopeful signs that officials recognize the urgent need to reinvest in seapower. The Trump administration has called for a 350-ship U.S. Navy, up from 275 as of this writing. And, naval leaders have conceded that the U.S. Navy must restore the ability to fight and win a war at sea, the *raison d'être* for any navy. Tellingly, in January 2017, officialdom released a strategy document affirming that fighting for sea command once again constitutes the surface navy's central purpose.

But, policymakers must also recognize that regaining and extending the margin of U.S. naval superiority over the full weight of the PLAN and its sister services will not be easy. The administration's pledge to build more ships would take years to fulfill even were the keels funded and laid today. At the same time, concepts such as 'distributed lethality,' which envision arming more surface vessels more heavily to cause trouble for opponents, will take time to bear fruit.

The above policy recommendations have been listed in descending order of importance—and for good reason. While revitalizing the material dimension of seapower is essential to success, the far more important responsibility among statesmen is the intellectual investment to meet China's challenge at sea.

Essay by Zhu Feng, Nanjing University

The shift in the Asian regional balance produced tension in U.S.-China relations long before last year's presidential election. Donald Trump's campaign rhetoric, which included threats of a trade war and promises to brand China as a currency manipulator, exacerbated the problem. Rather remarkably, however, relations improved after he took office. The Trump administration quickly reversed course, getting softer on China and harder on Russia. After their summit at Trump's Mar--

-Lago resort on April 6-7, President Trump praised Chinese President Xi Jinping and raved about their personal chemistry.^[42] All this has been a welcome change, to be sure, though it is uncertain how long the Mar-a-Lago momentum will last.

President Trump may be using the early days of his administration as a testing period for his China policy. Economic and political reality may force the administration to pursue reconciliation after many months of belligerent rhetoric. Despite his harsh words on the campaign trail, he may realize that a trade war will badly damage U.S. interests, especially given that China is the world's second largest economy. Similarly, Trump is already showing signs of backing down on some controversial security issues. During the transition he alarmed Beijing by reaching out to Taiwan's President directly, and by suggesting that the longstanding 'One China' policy was open for debate. But once in office, he reaffirmed the longstanding U.S. position, causing relief among those who feared that the Taiwan issue could lead to a serious confrontation. Chinese observers are also gratified that Trump's advisor and son-in-law Jared Kushner established a channel to facilitate communications between the White House and Zhongnanhai - the Chinese presidential compound - in advance of the Mar-a-Lago meeting.^[43] This is the sort of traditional diplomacy that suggests continuity in U.S.-China relations rather than the radical change that Trump previewed during the campaign. Kushner's apparent rise is also gratifying because he represents a familiar brand of commercial pragmatism, which is opposite of Trump advisor Steve Bannon's frenzied economic nationalism.

Yet the Trump Administration's policy is still in formulation. The Mar-a-Lago summit produced a 100-day plan for trade talks, which will keep the conversation going even in the absence of any agreements.^[44] The summit also gave both leaders a chance to reaffirm their shared commitment on the issue of North Korea. This also suggested a spirit of cooperation, though the announcement left plenty of wiggle room for both sides as they devise next steps. Trump has tried to link economic and security goals as the foundation for U.S.-China relations, for instance, suggesting that China's help on North Korea would help facilitate a better trade relationship. But what if China's actions are not enough to satisfy the administration? China, after all, faces much greater risks from a military confrontation on the peninsula, and Xi has urged Trump to seek a peaceful solution to the nuclear issue. It is unclear whether Trump will accommodate China's concerns, especially if that means making concession to North Korea. If not, then the warm glow of Mar-a-Lago may be remembered as a moment of diplomatic courtesy.

We also do not know who will serve in Trump's China team, because of the administration's unusually long delay before nominating key appointees in the State Department and Pentagon. President Trump's policies seem to be ad hoc responses to changing events, and this may simply reflect a lack of staff support.

But there are deeper reasons why the Mar-a-Lago summit will not overturn America's concerns. The Pentagon will remain wary of Chinese activities in the South China Sea because it views China as a strong rival and a competitor for influence in the Asia-Pacific. While the administration seems to have abandoned President Barack Obama's 'rebalancing strategy,' it has not abandoned its allies, despite all of Trump's talk about forcing them to pay more for U.S. protection. Instead of following through on that threat, it has taken steps to repair relations, apparently for the sake of checking and balancing Beijing.

This is not to say that deteriorating U.S.-China relations are inevitable. There is a lot of room for the kind of leadership that could lead to cooperation and coordination to achieve mutual interests. For example, both countries have benefited from globalization, and China has gained a great deal from integration into the liberal world order. Trump, however, seems to be questioning the foundations of the order and may seek to change it.

The nature of such a change is uncertain, as is so much else in the early days of the Trump administration. For China, the question is not only assessing Trump's intention but also determining its own willingness to go along with Trump's conception. If the administration relaxes its anti-globalist campaign rhetoric, there may be a middle ground that satisfies both Washington and Beijing. In addition, if the administration is willing to share responsibility for global governance, China will probably be more willing to invest in the renewal of international institutions whose design was heavily influenced by the United States.

For the moment, the biggest potential risk lies on the Korea Peninsula, where North Korea's nuclear and missile programs complicate security prospects in the Asia-Pacific. It is not clear that the Trump administration is willing to live with North Korea as a nuclear-armed power, and there seems to be a growing urgency in Washington to deal with the problem quickly. This could create a crisis and perhaps a military confrontation. As with other issues, China is eager to understand Trump's real intentions, as well as what kind of solution short of war would be acceptable to the United States.

President Trump's desire to work with China on resolving the North Korean issue may create an opportunity for broader diplomacy. It also gives China a chance to reinforce the dangers of a military strike. War on the peninsula might cause a desperate North Korean regime to lash out with its small nuclear arsenal. And if the regime collapses, both the United States and China will be faced with great uncertainty about the location and security of the North's nuclear stockpile. Scenarios like these underscore the urgency of a diplomatic effort to cap and roll back Pyongyang's nuclear program and ultimately reduce the risk posed by North Korea.

None of this will be easy, of course, and the effort will be complicated by Washington's wider regional diplomacy. Beijing is extremely concerned about the deployment of the Terminal High Altitude Area Defense (THAAD) system in South Korea. While U.S. and South Korean officials argue that it serves as a defense against the North, and that it is simply part of a durable alliance, Chinese observers are concerned that it may be used against their own capabilities. More broadly, such deployments suggest U.S. military efforts to contain and isolate China, at a time in which the United States needs its support to resolve the North Korean issue. Put another way, the immediate need for cooperation is in tension with profound and unresolved regional differences, to say nothing of the potential for a clash over different visions about globalization. The joint effort to deal with the nuclear issue is not a zero-sum game, as Washington and Beijing share similar goals. But a perfect "win-win" solution will be difficult to achieve, given the wider regional and global context of U.S.-China relations.

Notes

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