



**Anthony Saich**  
**The US Administration's Asia Policy**  
**(Q&A)**  
**(Summary)**

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Venue: CIGS Meeting Room, Tokyo, Japan

**Questioner 1:** What are your views on the nature of the so called “Trump phenomenon”? Does the phenomenon actually represent the will of the US to walk away from efforts to provide public goods?

Second, what options does Mr. Trump have for trade in the Asia-Pacific region if he walks away from the TPP? What kind of recommendations would you make to him? You mentioned the possibility of a renegotiated TPP.

I would also like to hear what kind of security strategy you would suggest to Mr. Trump or Prime Minister Abe.

**Mr. Anthony Saich:** First, on the Trump phenomenon, let us remember that Hillary Clinton actually won the popular vote. It's not as if there is an overwhelming American advantage within the country for Mr. Trump.

What surprised everyone was that Mrs. Clinton lost Wisconsin, Michigan, and Pennsylvania, which should never have happened. We are seeing dramatic shifts within politics, where the Democratic Party is being seen more as the party of different groups – African-Americans, Latinos, LGBT groups and so forth, and the traditional working class core is moving behind Trump. I think that will not be true in the long term, because if you think about Mr. Sander's campaign, he had very different policies that appealed to many of the same issues as Trump – inequality, the impact of globalization, and so forth.

Trump's election does raise the question of whether or not the US will become more isolationist. I am not sure that there is such a strong sentiment to become isolationist in the US.

I think the real litmus test is going to be climate change. If the US pulls back from that, then I think that will mean that we are seeing a very different US, and a very different world. If it pulls back from the TPP and climate change, moral leadership will have to go somewhere else. China could quite easily present itself as the moral leadership in that situation. It could take the lead on climate change, pursue other trade agreements within Asia-Pacific, and make investments into places like central Asia and Africa. I could see a situation where China becomes more involved in decisions about rules, regulations, and the provision of public goods.

As for the TPP, I will say that he might step back from that as he already has with Obamacare, where he is saying that he may be open to keeping children on their parents insurance until age 26, or the policies around pre-existing conditions. He may run into trouble with this, but it suggests that he may be open to listening to arguments about different policies and picking out the parts he likes. Where does that leave us with TPP? Perhaps it could be extended or reworked.

Japan is not in such a bad position related to the TPP. There are other options open to Japan. There aren't many other options open to the US in the Asia-Pacific region. For that reason, maybe there will be room for some flexibility on the TPP.

On security, I don't think most Americans know or care about East Asia. What they do care about is the rhetoric that trade deals are killing jobs and being detrimental to the quality of life in the US. That is what Sanders' supporters heard and what Trump's supporters heard. It would be a good idea to start from square one and think about what a comprehensive strategy in the Asia-Pacific region should look like.

On the other hand, it is important to remember that the first priority for every incoming administration is domestic issues. I think Mr. Trump will focus first on trying to create jobs. As for international relations, I think that efforts to deal with Israel, the Middle East, and Russia are going to take precedence over work in East Asia. Mr. Trump has made very grandiose claims about the way he can resolve ISIS and what he can do to deal with Iran. I think that is going to be focused on, so he may just go quiet on China raping America or how evil China is.

**Questioner 2:** You said that TPP could be effective linkage between security Asia and economic Asia. Could you elaborate on what you mean by that?

**Mr. Anthony Saich:** Yes, I think the TPP is a crucial link that pulls the two together. The US desperately needs to be seen as trusted and reliable within the Asia-Pacific region. One way of doing that beyond security alliances is a decent trade agreement. It is crucial to security arrangements, because if you take the TPP away, what would happen? China's trading blocks and groups become more important. China might look to expand those groups. The countries that have always been part of the US security alliances may then begin to feel conflicted because of their economic ties and the benefits that come from a better relationship with China.

That is what we are seeing in the Philippines. What is going to happen with US troops there if Mr. Duterte is further seduced into the orbit of China's influence? Economic deals have very serious security consequences over time.

**Questioner 3:** If you were an advisor to President Trump, what would you advise his priorities be between the Middle East, Israel, Russia, and Asia?

**Mr. Anthony Saich:** My priority would be different from what his priority will be. I believe the US must have a better understanding of Asia as the most dynamic region in the world. That won't be a priority of the new regime. The Israel lobby is very strong in America and President Trump has committed himself to be a stronger friend than any other president towards Israel.

Another point is, for all the bullying and all the rhetoric, is China really a threat to US core interests? Maybe in 50 years' time. There are still too many issues where the US and China must work together and where there are joint benefits. China is not a threat to the US in the same way that ISIS is or instability in the Middle East would be.

On day one in a new administration you are dealing with crises. Where are the crises? Not in Asia. North Korea could bring this region to the forefront, and I suspect there will be some noise about the TPP, but the issue may be shelved after that.

**Questioner 4:** What is your view on China as a competitor to the US in terms of its economic development model or values?

**Mr. Anthony Saich:** I don't think it's a competitor. I don't think there's anything particular about China which is hugely attractive to open or democratic societies. The model that has been successful is a model that Japan followed, that South Korea followed, and Taiwan followed. What can you really transfer from China to other countries? I think so much of its model has been unique because of the size of China's market, the fact that it started out very poor, and that it has been so fantastically good at attracting foreign direct investment and building financial capital.

It could be argued that the Chinese model is attractive in the early phases, but so are other models. In terms of cultural values, in China itself, there's Daoism, there's Buddhism, there's Confucianism – it is a mish-mash. I am not quite sure what the moral core of that is. I am not entirely sure that would be attractive to many people.

**Questioner 5:** I feel that the decision-making process in many states is starting to resemble a global company where the strong heads of state make the major decisions, and so we are perhaps seeing the end of the modern nation state. China has been a very strong controller at the moment, which is in line with what is going on elsewhere in the world. On the other hand, we have movements like Brexit. What is your opinion on this issue?

**Mr. Anthony Saich:** I think China is very strange. It is an empire that is probably one of the last countries to think like a traditional Westphalian state in terms of its international relations. It says it doesn't interfere in the affairs of other countries. Actually it does, but not in the same way as the US. It more commonly uses its economic power. I think China as well is trying to work out how to deal with the global movements we are seeing around the world.

**Questioner 6:** You said that the Trump administration may let the TPP lie and not do anything with it. Do you think people will become more accepting of the TPP with time? Do you really think renegotiation is possible under the same name? Do you really think it is possible to involve China in TPP negotiations?

Furthermore, how will the Trump-Putin relationship affect Japan-Russia relations, and our peace treaty negotiations?

**Mr. Anthony Saich:** First, it is almost certain that China will not be included in the TPP because of the way it is structured and its premise. I am just suggesting that one way to repackage it would be to suggest that China could be further engaged. That would mean it probably would have a different name from the TPP.

Would time give it more acceptance? It would probably lead to more indifference in that most people would forget about it. I wonder how many people in America have a clue what the TPP is, what it's intending to do, and what it means. That gives the administration wiggle room to redefine it in terms of what it wants to do. On the other hand, I do believe it's going to be extremely difficult for Mr. Trump not to initially say that he will kill it.

Similarly to the denouncement of China as a currency manipulator, killing the TPP is a really easy thing to do that makes little difference to the way things are going on, but it is good rhetoric. He can claim that he followed through on campaign promises.

In terms of the US, Russia, and Japan, and their relationships, I will defer to Prof. Nishida.

**Prof. Tatsuya Nishida:** I have heard that Mr. Trump just finished a telephone conversation with Mr. Putin and that they agreed to improve relations. That is a positive sign in terms of US-Russia relations. Mr. Putin has shifted toward Asia. Many scholars, including American scholars, are now predicting that US-Russia relations will be more positive. The improvement of US-Russian relations will probably also affect US-Japan relations. I think Japan might have a good chance of resolving its main issues with Russia, including territorial issues, over the next few years.

**Questioner 7:** What is Mr. Trump's picture of North Korea, and what diplomatic packages do you think he will offer it?

**Mr. Anthony Saich:** I don't think anybody knows how to deal with North Korea, and the idea that somehow you can rely on China to bring North Korea to some kind of negotiating table has also been shown to be a fallacy. China has made it clear it doesn't really have much influence over North Korea. The kinds of actions that China could take against North Korea would bring about a conclusion that China still doesn't want, which would be the collapse of North Korea. China wants to persuade North Korea to follow the kind of reform path that China itself undertook. That's a divergence from the strategy of the US.

In a sense, for the US, the overriding priority is a nuclear-free peninsula. China signs on to that, but with the caveat that it doesn't want the collapse of North Korea or US troops on its border. For those reasons, China has always shied away from dramatic actions on North Korea.

It is very difficult to know what Mr. Trump will do beyond what has already been tried. I would presume he will still go ahead with a missile defense system.

**Questioner 8:** Could you comment more on Mr. Trump's statements that Japan should develop nuclear capabilities?

**Mr. Anthony Saich:** Mr. Trump once intimated that perhaps he would encourage development of nuclear capabilities by South Korea and Japan, but we haven't really heard very much further since. My personal view is that it will be a dead idea in the Trump administration.

The question of whether Japan would pay more to share defense costs is another matter. Perhaps his comments have created an opportunity for public discussion on this in Japan, including how Japan sees defense and how it wants to structure defense.

Prof. Nishida, if North Korea does develop credible nuclear capabilities, does that change the situation for Japan in terms of willingness to develop nuclear capabilities?

**Prof. Tatsuya Nishida:** First of all, we would need to analyze what the real intention of North Korea is, and their reason for possessing nuclear capabilities. I think there is a kind of consensus that North Korea wants to possess nuclear capabilities simply for its own survival. If they do not have any credible intention to attack Japan with nuclear weapons, there would be no point in developing nuclear capabilities here.

**Questioner 9:** What is your assessment of the future of Xi Jinping? Is he intending, in your opinion, to become a permanent figure of state in the future?

**Mr. Anthony Saich:** I will start by answering about the constitution and then come back to what I think the reality of politics is.

Unless the constitution is changed, which is very unlikely, he can only serve two terms. He could stay forever as the General Secretary of the Communist Party. The problem then becomes though, as the General Secretary, would foreign dignitaries receive him? This problem is the reason why, at certain points, the position of President and General Secretary have been pushed together or separated.

I think the politics around the constitution make it very difficult to change. I also think Mr. Xi has created a sufficient set of enemies that would seize on that as a way to attack him. Furthermore, if his policies don't produce clear results, people won't be that keen for him to stay on.

Has he shown results so far? That depends on how we assess him. Certainly in areas like anti-corruption campaigns, he has been quite successful. In terms of restoring Chinese nationalist pride around sovereignty issues, he has been quite successful. However, in terms of the most fundamental challenges facing China, such as restructuring the economy and dealing with things like the pollution issues, he has not been very successful, and he has even created a lot of frustration. Personally, I think he would be lucky to get through his two terms. I don't think he will get into a third term beyond that.

On the other hand, I am not good at making predictions, so take that with a pinch of salt. Even if Mr. Xi has imperial ambitions, China has changed. It would be extremely difficult without major successes in the economy for it to be acceptable for people to agree to a third term for Mr. Xi.

**Questioner 10:** Could you please briefly explain your thoughts on the current positions of Taiwan and Hong Kong?

**Mr. Anthony Saich:** I think what has been happening with respect to Beijing outside Hong Kong is probably driving any resolution with Taiwan further away. I also think we are seeing the emergence of a young generation in Hong Kong that have never known British rule. They have only known Chinese rule. Whereas people may have blamed the British for their problems in the past, this generation is now blaming China.

China, I think, has made some very bad mistakes around the content of the curriculum used in Hong Kong, and also now with this question of the swearing in of the two pro-independence candidates, China has produced really strong negativity feelings across a strong section of the population, and predominantly amongst the younger people.

If I were Xi Jinping, I would be furious with the intelligence that I have been getting from Hong Kong and Macau. None of it predicted the umbrella movement. The current situation has left him in a difficult position, because nationalism is very fundamental to his power, so he really has no choice but to take a hardline stance on Hong Kong, and this alienates people there even further.

Nothing will change related to Taiwan until Beijing changes. Similarly to Hong Kong, there are many young people in Taiwan who don't see themselves as part of China, and don't want to be.

We often talk about economics, but identity politics and nationalism can often override economic concerns and issues. I think that is extremely true with Taiwan and Hong Kong. Identity politics make a resolution to these issues difficult. It's also a problem of course in Tibet and Xinjiang because they are the only two parts of China where there is a really strong alternative narrative to Beijing's rule. Identity issues are not easily overcome.