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Prospects for the U.S. Trump Administration's Policy on Foreign Affairs and the Korean Peninsula

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Donald J. Trump of the Republican Party was elected the 45th President of the United States after a fierce battle against a democratic presidential candidate Hillary Clinton, by winning 306 electoral votes out of the 538 Electoral College electors. The major contributing factors to his victory were cited as Americans' antagonism toward the political establishment and the existing elites and anxiety of white, low-income populations over the neo-liberal economic order. For the first time in the US history, Americans choose an outsider to govern their state of affairs of the next four years, whatever the reasons may be in their voting for Trump.

Foreign Policy of the U.S. President-elect Donald Trump

Americans' decision to vote for Trump as their president will bring about inevitable changes in the U.S.-led neoliberal economic order as well as in the entire picture of its alliance. What he continuously emphasized throughout his campaign was that he will realize "Put America First" principal by seeking "protectionism" and "realigning relations with the U.S. allies."

During the presidential campaign, now the president-elect and then Republican presidential candidate Donald Trump made sure that he will reorganize trade relations with other countries, including China, to make America great again. He lashed out at bilateral free trade agreements that involved many international counterparts and North American Free Trade Agreement (NAFTA), citing them as the cause behind the mounting US trade deficits and job losses. He also took a firm and negative stance on Trans-Pacific Partnership (TPP), sought by the Obama Administration. He assured that he would impose higher tariffs on imported goods once he gets elected.

He also pledged to make the American allies take more responsibility, including a burden-sharing in the U.S. contributions to their defense, through a renegotiation of military and security agreements with NATO allies and those in other regions. In particular, he criticized Republic of Korea (ROK) and Japan for free riding on the U.S. military power. He also hinted that Washington would have United States Forces Korea (USFK) withdrawn from the Korean Peninsula if Seoul refused to share the cost in defense spending. These campaign pledges very differ from the existing framework of the U.S. economic and foreign policy. However, with them, Trump won in the November presidential election. For that reason, the incoming Trump administration is expected to actively put his pledges into action right after the election. In addition, the Republicans Party will control both the Senate and the House of Representatives by winning this election. And now, with the support of the Congress, Trump will actively implement his pledges. Then, to what extent can Trump's intention for protectionism and rearrangement of alliance relationship be put into practice and what impact could it have on the ROK-US alliance?

President-elect Trump's Pledges, ROK-US Alliance, and Policy on North Korea

In general, the core of the policy initiatives put forth during the US presidential race

is related to domestic issues involving the economy, unemployment, and immigration. Foreign policy on matters of diplomacy and security is often discussed within the boundary of simply presenting a vision for the future of America or just criticizing the policy of a competing candidate. The U.S. institution, by its nature, requires many actors to get involved in the decision-making process in foreign policy, which creates a huge gap between the policy initiatives proposed as a candidate and the one that actually gets implemented after becoming elected. That is why Trump's somewhat exceptional or radical foreign policy is unlikely to be fully implemented.

The president-elect is highly likely to continue his strong pursuit of protectionism at the early stage of his presidency, among many other pledges made during the presidential race. But Mr. Trump will inevitably show a willingness to implement his promises since announcing such pledges had played a decisive role in winning the votes in swing states, including Ohio State, Wisconsin State, and Michigan State, whose economic foundations lie in the steeling and automobile industries.

However, Trump's promises have shortcomings in that the issue of trade deficits will not be resolved simply by imposing high taxes on the imported goods, expanding the manufacturing jobs, and lowering the unit costs of production. Creating jobs and stimulating the economy will not likely to happen simply by focusing on the manufacturing industry alone, due to its low representation in the entire US industry. The US's banning an import with higher taxes will end up making the prospects of export even more gloomy, due to the reciprocal nature of trade involving many trading partners. After all, America is both a major importer and exporter in the world market. Trade is not a sole factor impacting the financial market even when the pursuit of protectionism induces a weakening of the US dollar.

Especially, a concern still remains that the Trump's protectionism might lead to the US's waning military and diplomatic influence in East Asia. The US security and diplomatic strategy in East Asia has been crafted based on the economic cooperation

with its allies, including South Korea and Japan. And its potential pursuit of protectionism indicates that the heightened tensions are likely to arise in relations with such allies. In addition to that, external environment in Asia has recently been changing with formally pro-American countries - the Philippines and Malaysia - starting to strengthen their relations with China. At the end of the day, American protectionism will deal a huge blow to its military and security sectors. For that reason, Washington will face a difficulty in adhering to strong protectionism.

The Trans-Pacific Partnership (TPP), sought with the absence of rising military and economic power, China, is likely to be fully revised, postponed or withdrawn. And one cannot rule out the possibility that China might be included in the pact if TPP went through a complete revision. However, the pursuit of TPP has become a highly-unlikely scenario - a trade pact initially expected to contribute to strengthening the US leadership in East Asia at the early phase of the Trump administration. At this point, Obama's Pivot to Asia strategy inevitably faces a change of direction going forward.

KORUS FTA and ROK-US Alliance

Trump claimed on the campaign trail that the United States-Korea Free Trade Agreement (KORUS FTA) is a losing game for America. However, such claim made as a presidential candidate will not lead to the fundamental renegotiation or the complete scrapping of FTA concluded between Seoul and Washington. First, reversing the international agreement is not realistically a viable option. Besides, the U.S. can gain some advantages through FTA. However, a negotiation may also be carried out between Korea and America with the aim to adjust Korea's surplus margin. The Trump administration might strengthen the level of supervision of currency manipulating practice for Korea, China, Japan, and Taiwan, since those countries fall into the category of "those subject to monitoring for currency manipulation." In the coming years, the Trump administration is expected to pursue

the “principal of reciprocity with its allies.” And the demands made for Asian countries, such as Japan and Korea - countries deemed to be easily dealt with in the eyes of the US, will be stronger than those for European countries. However, it will not effect the fundamental framework of the Korea-US alliance. Especially, Washington is not likely to pursue the withdrawal of USFK from the Korean Peninsula since the US forces stationed in Korea significantly contribute to the regional defense system in East Asia. In short, USFK is not only at the military interests of Korea but also that of America. However, the U.S. could also urge Korea to spend more defense budget in the form of a burden sharing.

North Korea’s Nuclear Issue and Policy toward Pyongyang

Estimating the US policy direction toward North Korea will not be easy in the coming years since then presidential candidate and now president-elect Trump has shown a lower level of interests on issues of North Korea and its nuclear weapons, compared to Hillary, during the presidential race. And so far, no specific policy on North Korea has been proposed. However, he did say on the campaign trail that South Korea or Japan might possess nuclear weapons in order to keep North Korea’s nuclear possession in check. Such positioning is different from that of the US government or the political establishment regarding nuclear proliferation. He also said that China making one phone call would settle North Korea’s nuclear issues all together. Such statement indicates that he perceives a China’s role to be crucial in resolving nuclear issues, in line with the majority opinion of US politicians.

However, the fact that he actually believes that making one phone call would address North Korea’s nuclear issues lays bare the truth of the lack of his recognition on how severe nuclear issues are and how challenging it is to come up with the proper resolution. Besides, if the US-China relations become worse triggered by trade conflicts after his inauguration, nuclear and sanctions issues might not be a priority

anymore for both powers. Until Trump recognizes the severity of the implications that nuclear issues could have on both East Asia and the world peace as the US president, nuclear issues might be put in the back burner of the US foreign policy priorities for the time being. Such scenario emphasizes the importance of Korea's self-defense.

Embracing the Next Trump Administration

We are two months away from the Trump's inauguration. During these two month period, the ROK government should be prepared, in cooperation with the U.S., for a new negotiation over trade and the economy. It also should craft a strategy with the consideration of possible negotiations over various issues, including burden sharing in the defense spending for the Korea-US alliance. The US regional influence could also become weaker, triggered by its pursuit of protectionism, in a stark contrast with China, whose influence continues to rise in the region. That is why we need to be prepared policy-wise regarding Korea-China relations. Above all, the Trump administration might actively pursue resuming a dialogue with North Korea to set it apart from the previous Obama administration. In case the North Korean regime seeks out to resume the talks with Trump on nuclear issues, the ROK government should consider the possibility of having a direct dialogue with North Korea and utilize various channels. And Seoul should also make it known to Washington the ROK policy direction toward the DRPK and the risks associated with nuclear issues on the Korean Peninsula. ©KINU 2016

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