



## Online Series

2017. 01. 25. | CO 17-03

# Transition of US Grand Strategy in the Trump Era and Changes in East Asia and the Korean Peninsula

Kim, Sang Ki

(Research Fellow, International and Strategic Studies Division)

America First policy, promoted by Trump on the presidential trail, was reiterated again in his inaugural address delivered on January 20th. Trump's basic perception and plans outlined in the speech was that so far America has enriched other nations at the expense of their own industries and helped secure the borders of others while depleting all the military resources. He went on to say that from now on all the US policy should be formulated based on seeking their interests at the heart. Trump's initiatives have left no place for undertaking the US traditional, hegemonic tasks of making a harmony between institutional interests of the global capitalism and US national interests. And his initiatives emphasize building prosperity by "protecting" their interests as a major task. Although the U.S. seeks to make its military strong with an emphasis on building "peace through strength," it does not aim to harbor peace in other region or nations, but to promote their own safety. This paper sets out to make a projection of how a transition of the US grand strategy with the Trump's America First policy at its core brings about changes in the environment in East Asia and what kind of implications and challenges are lying ahead regarding North Korea's nuclear issues and

the US-Korea alliance down the road.

### **Declining Liberal Hegemonic Strategy and Rising Economic Nationalism**

Trump's America First policy is indicative of a transformation of the US grand strategy. Liberal hegemonic strategy, which began as the US grand strategy during the post-cold war era and had continued up until the Obama administration, is an interventionist strategy to create, maintain, and defend the US-led international order under the recognition that expansion of liberal ideology, value, and economic order is interconnected to alleviating the traditional/non-traditional threats facing America. Such strategy is expected to have been in decline under the Trump era. Trump appears to have no interest for the proliferation of democracy and promotion of human rights, and already declared the halt of external intervention in power shift. In other words, leading and expanding liberal economic order will no longer be the principle of the US external strategy under the Trump administration. And Trump has so far shown no interest in taking up the responsibility as the world hegemony of managing the institutional interests of the global capitalism.

To that end, economic nationalism is expected to rise as a defining feature of the US external strategy under the Trump era. The emergence of America First policy is closely related to the hollowing out of the middle class, deepening economic inequality, and the subsequent outrage of the American workers, which indicates that addressing the economic issues is going to be a major challenge facing the US external policy in the future. As emphasized in the inaugural address, Trump's yard stick for deciding on policy is whether it is beneficial for American workers. Trump declared that he will prevent the ravages of other countries destroying the US industries and stealing their jobs. He has also pledged to withdraw from the Trans-Pacific Partnership(TPP), either withdraw from or re-negotiate the North American Free Trade Agreement(NAFTA), and take punitive actions on those who have moved the manufacturing jobs overseas. The main objectives of the US foreign

policy are resolving the trade deficits, promoting the American industries, creating jobs and improving profits for American workers. The National Trade Council(NTC), a newly-established body in the White House, will be undertaking those tasks. And aggressive protectionist and mercantilist trade policy will be put forth under the disguise of “fairness.”

The Trump initiatives of the military and security sectors reaffirm the deviation from the liberal hegemonic strategy. The US is expected to lean toward making its military strong in the defense sector, rather than strengthening the multilateral cooperation and alliances and reduce the military intervention overseas. Trump is skeptical of the role of North Atlantic Treaty Organization(NATO), which has long been viewed as an important mechanism of keeping the US hegemonic order, and is doubtful of spending the U.S. budget for maintaining the alliances in the Asia Pacific region. He also reiterates that even though he argues for making its military strong, the US will be far better off not to use its military power, except for eradicating the Islamic State of Iraq and Syria(ISIS). Trump’s claim of building “peace through strength” has its roots in his realistic recognition with an emphasis on self-reliance that a pathway for safety for Americans is to accumulate the strength by reducing intervention and building up military power. Chances are that we could witness the increased instances of military intervention in eradicating ISIS – his pressing security challenge – but the intervention is likely to play out in a different form compared to the past – a cooperation with Russia.

### **Transforming Re-balancing Strategy and Deepening Economic Conflicts between America and China**

The transition of US grand strategy in the Trump era will accompany the changes in East Asia strategy. The East Asia strategy of the Obama administration had been pursued based on its re-balancing approach, such as reinforcing the alliances, re-dispatching the military forces, concluding the TPP, intervening in multilateral

institutions, and promoting democracy and human rights, while keeping a check on China's ambition to expand a regional influence. Obama's re-balancing strategy, designed to re-establish and keep the US hegemony in the Asia Pacific region, is likely to decline in the Trump era. There are significant implications in the Trump's decision to withdraw from the TPP and his claim for the US allies not spending their fair share in defending their own borders. Trump believes that establishing the US-led hegemonic world order has not been transferred into the US interests. Trump's strategy in the security sector is more focused on striking the inner balance of strengthening the US military power and less on making the external balance of improving the alliances. And therefore the US is likely to respond to China's military build-up by making its naval and air force strong in the Asia Pacific region. To that end, the US is expected to put an emphasis on holding its allies accountable for their own security and require them to increase their share of defense budget, as opposed to investing resources in the tri-lateral alliance of Korea-US-Japan, the US-Japan alliance, and the Korea-US alliance. Confrontational dynamics in the region - Korea-US-Japan vs (North Korea)-China-Russia - could be witnessed less often but conflicts between Korea and Japan and between China and Japan could become prolonged, caused by the declining Obama's re-balancing strategy and the improving US-Russia relations. In particular, the arrival of Trump era could come as a challenge to Japan that has sought its strategic interests, going along with the Obama's re-balancing approach. Trump, with his pragmatic view of the world, is not likely to have much of an interest in building a multilateral institution in East Asia. And the same goes true for dictatorship and human rights issues. President Trump has also shown his support for the Philippines' ongoing efforts of crackdown operations on drug dealers - a step criticized by Obama as an oppression to human rights.

Trump's economic nationalism is expected to have a significant impact on relations between East Asian nations as it has morphed into a form of bilateral economic oppression. One of the Trump's main campaign rhetorics is that China is threatening the US economy and stealing jobs of American workers. As he accused China of

currency manipulation and declared to impose high taxes on Chinese goods, economic conflicts are expected to deepen between two major powers. The most urgent challenge facing Trump's policy on China would be how to resolve the trade deficits - "rebalancing of trade" - although an issue in East China Sea still remains to be an important source of potential conflicts between Washington and Beijing, in addition to the newly-emerging One China policy issue.

"One China" issue has recently come to the fore since Trump has started to strengthen his negotiating power over trade/currency in dealing with China. The Trump administration is not going to impose economic pressure only on China. Korea and Japan, who have had trade surplus over America, could also be subject to the economic pressure. And should such instance occur, it could trigger the trade conflicts between the ROK and the US and between the US and Japan.

### **North Korea's Nuclear Issues and Korea-US Relations**

Addressing North Korea's nuclear issues might not be as pressing to the Trump administration as eliminating ISIS or resolving the unbalance in trade with China. Although Washington declared to develop the state-of-the-art missile defense system in response to missile threats from Pyongyang, such announcement was not made for resolving North Korean issues, but for their own sake. Trump has emphasized the role China should assume in addressing North Korea issues, rather than taking a direct action on them. He could choose to strengthen sanctions on the North by passing on the responsibility to and putting a pressure on China. However, other dimension of such scenario is that the North's nuclear issues could be used as a tool for shaping the U.S. policy on China. For instance, secondary boycott that is supposed to sanction North Korea's nuclear development, could be used to induce economic negotiation with China in America's favour. In the meantime, there exists a possibility for dialogue and negotiation. One of the stumbling blocks in fostering a negotiation between Washington and Pyongyang in the past was the US's

opposition to North Korea's dictatorship and human right issues. Therefore, America and China might have a relatively large room for dialogue and negotiation under the Trump era, during which the liberal ideology and value has become less important as a yardstick in determining foreign policy. The ROK's policy on the DPRK could become even more important in the midst of uncertainty in Trump's policy on the North with various possibilities looming large. To that end, the Korean government should consider the possible changes in the environment in advance, including the resumption of dialogue and negotiation between the US and North Korea, in actively building relations with the US and preparing policy toward North Korea so that we can peacefully resolve the North's nuclear issues.

America will require Korea to share the burden of the defense spending increase, which will hold Korea more accountable for its security. Resolving the dilemma between security and autonomy has long been a challenge to the Korea-US alliance. The ROK government should advance the Korea-US relations in a direction that enhances its autonomy in crafting foreign policy. It should also strengthen its self-defense capability while pro-actively responding to the demands from the US. In doing so, Korea could forge more legitimate and persuasive diplomacy in the rapidly changing East Asian geopolitical landscape and build virtuous relations with the US and China that meet the security and economic interests of Korea. Overall, Korea should take changes of the Trump's foreign policy as an opportunity to strengthen its autonomy in shaping foreign policy and peacefully advance the Korean Peninsula. ©KINU 2016

※ The views expressed in this paper are entirely those of the author and are not to be construed as representing those of the Korea Institute for National Unification (KINU).