

ANALYSIS

THE TRUMP OPPORTUNITY: CHINESE PERCEPTIONS OF THE US ADMINISTRATION

The Chinese have long been obsessed with strategic culture, power balances and geopolitical shifts. Academic institutions, think-tanks, journals and web-based debates are growing in number and quality, giving China's foreign policy breadth and depth.

China Analysis introduces European audiences to these debates inside China's expert and think-tank world and helps the European policy community understand how China's leadership thinks about domestic and foreign policy issues. While freedom of expression and information remain restricted in China's media, these published sources and debates provide an important way of understanding emerging trends within China.

Each issue of *China Analysis* focuses on a specific theme and draws mainly on Chinese mainland sources. However, it also monitors content in Chinese-language publications from Hong Kong and Taiwan, which occasionally include news and analysis that is not published in the mainland and reflects the diversity of Chinese thinking.

Introduction

François Godement

For European readers accustomed to full-throated criticism of Donald Trump (sometimes from leaders at the highest level), Chinese experts' and officials' relatively moderate discussions of the American president may come as a surprise. Even before his election, Trump caught the attention of China, where there were hopes that - as a businessman who had risen to the top of American politics - he might strike deals with Beijing based on pure bargaining rather than values-laden arguments. These views remain common. Although Chinese America-watchers acknowledge Trump's narcissistic traits, they also disdain much of the American policy establishment's analysis of him, seeing it as dead set against his freewheeling, deal-making style. Indeed, one Chinese analyst goes so far as to discuss Trump's courage and determination, emphasising his policies' positive effects on the American economy.

Of course, this raises questions about whether Chinese experts adopt these positions because they sense opportunities to exploit, or because they take Trump seriously – including the announced backlash against China. Much foreign commentary points to the first interpretation, arguing that Trump's disregard of the traditional institutions of the Western alliance and attacks against old allies provide too good an opportunity to pass up.

However, this edition of China Analysis indicates that the second interpretation is more accurate. Firstly, Chinese analysts are genuinely concerned about a potential onslaught of trade sanctions - an initial round of which will come into effect on 6 July. Interestingly, Chinese experts may have a tougher stance than China's trade officials: the former urge the latter to fight it out, confident that China has more staying power than the United States. China's trade officials remain unwilling to declare any numerical target or commitment on trade to appease America, and they are certainly loath to repudiate the highprofile "Made in China 2025" plan for industry. This strategy for acquiring advanced technology is perhaps the centrepiece of the country's new growth policies, but has become a symbol of the Chinese state abroad. Nonetheless, China has announced concessions in other areas, such as farm and energy imports, banking liberalisation, duties on cars, and rules on full foreign ownership of firms in sectors that were previously restricted to joint ventures.

These concessions were not made to the European Union's negotiators. Yet Chinese officials have told them that the measures came in response to European demands – when, in fact, the White House was responsible. There is an open question about what will become of these concessions now that China has announced that, as a consequence of the new US duties on Chinese exports, it will rescind all previous trade offers to the US.

Chinese experts pay the utmost attention to the swirling entourage around Trump. They talk bluntly, albeit not unreasonably, of a division between "military hawks" and the "Goldman gang" within the Trump administration. These experts also recognise that the interests of US businesses - as represented by the American Chamber of Commerce – may differ from those of blue-collar workers. Accordingly, China has strenuously lobbied key US states for their support in the trade spat: in just one week in May this year, China Daily published articles on the interests Arkansas, Kentucky, Maine, and Alaska have in agricultural exports to, and job-creating investment from, China. And the bulk of China's recently announced counter-tariffs focus on agricultural and energy exports from largely pro-Trump states.

Another explanation for Chinese America-watchers' analysis is that they tend to take the long view: America is in slow decline. It is ripped apart by increasing domestic political division, and set on continuing a retreat from global commitments that began under Trump's predecessor, Barack Obama. Taiwanese experts appear to share much of this perspective – even though, since Trump became president, Washington has upgraded its relationship with Taipei, creating a new quasi-diplomatic facility guarded by US marines in Taiwan, signing a new Taiwan Travel Act, and engaging in major arms sales to the country.

In all these discussions, there is simply no mention of some of the most strategically important issues in the Sino-American relationship: North Korea, the South China Sea, and the international order. In the short term, at least, Trump's swirling threats and openings on trade seem to have captured the attention of most experts and official media outlets in China. Should a major trade war erupt or the US administration back down from its assertive positions, Chinese Americawatchers will undoubtedly shift their attention to grand strategy as Beijing either retaliates or revels in victory. But, at present, they maintain a narrower focus.

www.ecfr.eu

2018

June

CFR/262

The roots of Trump's behaviour and strategy

Camille Boullenois

More than a year after his inauguration, US President Donald Trump continues to engage in unconventional behaviour, not least in his style of administration. His personality and his actions have sparked intense debates between Chinese scholars. Many of them depict him as a fickle narcissist, a fierce negotiator, and a skilled strategist – while also seeing his China policy as rooted in long-term trends within, and the internal dynamics of, the Republican Party.

A fickle narcissist and a master strategist

Inspired by US journalists and academics, Chinese scholars such as Wang Yiming, Shi Yinhong, and Yin Jiwu use political psychology to analyse Trump's behaviour and personality. According to Wang, a postdoctoral student, and Shi, a professor at Renmin University's School of International Relations, Trump exhibits a "typical narcissist personality" (统典型的自 恋型人格 tong dianxin de zi lian xing renge), reflected in his "exaggeration of self-value, lack of public sentiment, and desire to perform on stage, showing paranoia, anger, repetition, suspicion, (and) hatred".1 They argue that narcissm was Trump's motivation for participating in the presidential campaign, and has profoundly shaped his political philosophy and policy preferences, permeating every political decision in the US governance process.

Similarly, Yin, a professor at Beijing Foreign Studies University's School of International Studies, and his co-authors – Zheng Jianjun, an associate researcher at the Chinese Academy of Social Sciences' Institute of Political Science, and Li Hongzhou, a graduate researcher at Beijing Foreign Studies University's School of International Relations – characterise Trump as "uninhibited and fickle" (不羁善变 buji shanbian), "keen-witted and capable" (精干有为 jinggan youwei), "eager to pursue profit for himself" (逐利自我 jianli ziwo), "eager to outshine others" (好胜 haosheng), "persistent" (执着 zhizhuo), and "energetic and extrovert" (积极外向 jiji waixiang).² Above all, in these scholars' view, his strong ego, selfconfidence, and willingness to break with political and social norms make him a powerful leader, whose personality foreign scholars must analyse to understand his policy.

Other Chinese scholars believe that Trump's seemingly incoherent actions stem from a deliberate strategy rather than ignorance of political issues. On this point, they tend to dismiss the US media's largely negative coverage of the president. According to Shen Yi, an associate professor at Fudan University's Department of International Politics, this negative coverage is the result of an appetite for emotive, sensationalist reporting.3 He argues that, to properly understand both US politics and Trump's personality, scholars should ignore the American media's "obsession" with scandals involving Trump, such as that around Russian meddling in the 2016 US presidential elections.

Likewise, Wang Dong, an associate professor at Peking University's School of International Studies, is wary of Western mainstream reporting and sensationalist books such as Michael Wolff's Fire and Fury.4 This kind of reporting, Wang Dong argues, harbours a deep prejudice against the president and underestimates his good qualities. He adds that Trump is far from being ignorant, explaining that, on the contrary, Trump's aggressive and inconsistent moves give him the upper hand in negotiations. Wang Dong contends that, "objectively speaking, Trump has some very good qualities, such as his determination, courage, and strength," and that the president "did a very good job this year" on economic policy.⁵

Yin and his co-authors also emphasise Trump's qualities as a strategist and a negotiator. His ability to hide his intentions and manipulate his opponents' emotions makes him a skilled negotiator, they argue. They believe that Trump's upbringing and his education at New York Military Academy have made him a strong, wilful, and efficient leader – a master strategist. His keen sense for the domestic and international political scene allows him to seize opportunities and adapt to changes.

Most Chinese academics contend that, beyond the apparently incoherent rhetoric, Trump's core

5 Dong, "After a year in office, we should see clearly what sort of man Trump is".

¹ 王一鸣、时殷弘: "特朗普行为的根源: 自恋人格特质与 对外政策偏好", 澎湃新闻, 24 March 2018 (Wang Yiming and Shi Yinhong, "The roots of Trump's behaviour: Narcissist personality and foreign policy preferences", *The Paper*, 24 March 2018).

² 尹继武,郑建君,李宏洲: "特朗普的政治人格特质及其 政策偏好分析",现代国际关系, 2017, 2 (Yin Jiwu, Zheng Jianjun, Li Hongzhou, "Analysis of Trump's political personality traits and policy preferences", *Modern International Relations*, no. 2, 2017).

³ 沈逸: "'火与怒'热销折射反特朗普阵营的窘境", 观察 者, 2018-01-06 (Shen Yi, "'Fire and Fury', a best-seller reflects the dilemmas of the anti-Trump camp", *Observer*, 6 January 2018).

⁴ 王栋, "执政一年了, 特朗普是什么人该看清楚了吧", 侠 客岛, 2018-01-20 (Wang Dong, "After a year in office, we should see clearly what sort of man Trump is", Xiake Island, 20 January 2018 – hereafter, Dong, "After a year in office, we should see clearly what sort of man Trump is").

objectives are rational and consistent. Yin and his co-authors contend that Trump's strategy serves his fundamental goal – promoting US national interests – and believe that Trump will not significantly change his approach.

Of course, Trump has changed political sides several times, in line with his business interests. He supported Democratic candidates before 1987 and during 2001-2009, but Republican candidates at other times. This is due to his lack of interest in political ideologies, Yin and his co-authors say. They argue that Trump's background as a successful businessman has shaped his vision of America's interests as based on the economics of profit and loss rather than politics. They state that Trump believes in trade and reciprocal relations – as is common among businesspeople.

Long-term trends in America's China policy

Some Chinese analysts point to key decisions as evidence that Trump's policy is rooted in longterm trends within, and the internal dynamics of, the Republican Party. These include the decision to withdraw the United States from the 21st Conference of the Parties Agreement on climate change and the decision to undermine the Affordable Care Act, which his predecessor, Barack Obama, established. Trump's policy on China also aligns with the position of the Republican Party, some analysts argue.

As Wang Dong sees it, "in terms of grand strategic direction, Trump and Obama are essentially on the same line of strategic retreat." Wang notes that, just as Obama tried to limit US military engagements abroad, Trump's rhetoric – throughout his election campaign and his time in office – has focused on promoting "US priorities" rather than strengthening America's role as the world's policeman.

Similarly, Da Wei, director of the Chinese Modern International Relations Institute's American Research Institute, states that Trump's hardline attitude towards China is not so much an innovation of his own as a reflection of viewpoints of the American public and strategic community.6 Ultimately, he explains, US policy on China is rooted in the countries' contrasting positions in the world. Da contends that the US policy of engagement with China that prevailed in the 1970s and 1980s was based on an asymmetrical relationship between a strong America and a weak China, particularly the idea that it would be possible to influence China to ultimately accept the US concepts of democracy and capitalism. This was an era in which the US believed in the inevitable success of American-style democracy and what Francis Fukuyama famously called the "end of history". But history has proven these predictions wrong: China has risen but has not become liberal. Thus, Da concludes, a hardline faction started to emerge within the American establishment under the presidencies of George W. Bush and Obama, leading to a consensus on the need to contain China.

Nonetheless, Da points out several major splits within the American establishment. Firstly, while Obama has made use of the international alliance system to contain China's rise, Trump conducts his policy within an "America first" framework and in defiance of his allies. Like Yin, Da believes that Trump's foreign policy is less ideological and more transactional than Obama's, and that "reciprocity" seems to have become the main goal of the Trump administration's strategy on China.

Secondly, Da argues that the divergence between isolationists and internationalists in the Trump administration has created major uncertainties that will determine this strategy in the short and medium term. Internationalists themselves are divided into military hawks who emphasise security issues and members of the so-called "Goldman gang" – named for its inclusion of former Goldman Sachs employees – who focus on opening the Chinese market.

Da concludes that Trump's policy on China could take one of four possible forms: cooperation in the context of US isolationism; confrontation in the context of US isolationism; cooperation in an international context; and confrontation in an international context. Da contends that the form it ultimately takes will depend not only on Trump's personality but also power dynamics within the White House.

Most Chinese analysts expect Trump's tough stance on China to last, but also note the potential for fruitful cooperation between Beijing and Washington. As Da points out, there are already significant differences between Trump's approach to China during his election campaign and his current, more moderate stance. In response, he and other Chinese analysts argue, China should adopt a firm but reassuring position, and should play a stabilising role in international politics.

4

www.ecfr.eu

2018

June

Da Wei, "美国对华战略逻辑的演进与'特朗普冲击", 世界 经济与政治, 2017, 5 ("The Evolution of US Strategic Logic towards China, and the 'Trump Shock'", *International Economy and Politics*, no. 5, 2017).

Chinese Perceptions of Trump's Trade Policy

Jiakun Jack Zhang

Donald Trump campaigned for the US presidency on an "America First" vision of foreign policy that contained a large dose of anti-China protectionism. Since coming to power in January 2017, his administration has sparked fears of a US-China trade war by placing tariffs on solar panels, washing machines, steel, and aluminium. Despite Trump's claim in March 2018 that "trade wars are good, and easy to win," China has threatened to impose retaliatory tariffs on 128 US products, ranging from fresh fruit to modified ethanol.7 To prevent rounds of retaliatory tariffs from escalating into a full-blown trade war, high-level representatives from both countries have held several rounds of talks in Washington and Beijing. Yet by May 2018 - when Chinese Vice-Premier Liu He visited Washington for the latest round of negotiations - the sides were unable to agree on how to reduce the US trade deficit with China.

Chinese scholars generally agree that the brewing trade war between the United States and China poses one of the most severe challenges to the Sino-American relationship since the 1970s, when the sides began to normalise their diplomatic ties. At the beginning of this period of reform and opening up, Deng Xiaoping correctly judged that the two major trends in international politics were towards peace and development. China's economic development required a peaceful international environment, and was made possible, in large part, by diplomatic normalisation with the US. Today, these decades-old trends seem to be in flux: following the rise of Trump, China's success in development has transformed trade from a cornerstone of peace in the US-China relationship to a source of uncertainty and instability. Due to the deep economic interdependence of the US and China, a trade war between them would lead to a catastrophic collapse in bilateral trade and a substantial decline in output and wages.⁸ Chinese scholars (many of them educated in the US) are well versed in the domestic political drivers of, and constraints on, Trump's trade policy, as well as the threats a trade war poses to China. Most support a forceful Chinese response to US pressure in the short term, confident in China's tactical advantages over the US in tough trade negotiations. But they disagree about whether Trump's economic policies will create opportunities for China to play a greater role in global governance or begin a cold war between China and the US.

The domestic politics of Trump's trade policy

Many Chinese analysts understand that domestic politics will significantly constrain the Trump administration's efforts to implement protectionist trade policies. Zhang Ruihuan and Li Wei, professors at the Chinese Institute of International Studies and Renmin University respectively, argue that trade is one of the four pillars of Trump's economic programme.⁹ The others are tax cuts, immigration restrictions, and an industrial policy designed to revive manufacturing and rebuild infrastructure. Trump's trade policy can be characterised as one of tradedeficit reduction centring on a reduction in imports, an increase in exports, and opposition to multilateral trade deals such as the Trans-Pacific Partnership and the North American Free Trade Agreement. Zhang and Li see Trump's economic programme as important to honouring his commitment to his blue-collar supporters who are frustrated with the advance of globalisation - despite the fact that some of these policies ignore basic economic principles and most will face domestic political opposition in their implementation. They are sceptical of Trump's promises to bring manufacturing jobs back to America and to revitalise uncompetitive industries such as iron and steel production. Tu Xinguan, a professor at the University of International Business and Economics, put matters more bluntly in a recent interview with Caijing Magazine: "I feel that the American business community is not very clear about what he [Trump] wants. The American Chamber of Commerce does not care about the trade deficit. What Trump wants is not what the American business community wants."10 Indeed, American companies have lobbied the Trump administration to avoid focusing on tariffs in trade talks and instead pressure China to relax foreign investment laws, improve intellectual property protection, and curb forced technology transfers.

Beijing views the gap between Trump's and the US business community's goals on trade as a source of

⁷ Thomas Franck, "Trump doubles down: 'Trade wars are good, and easy to win", CNBC, 2 March 2018, available at https://www.cnbc.com/2018/03/02/trump-trade-wars-are-goodand-easy-to-win.html.

⁸ Meixin Guo, Lin Lu, Liugang Sheng, and Miaojie Yu, "Evaluating the Burden of a U.S.-China Trade War", VoxChina, 25 April 2018, available at <u>http://voxchina.org/show-4-229.html</u>.

⁹ Zhang Ruihuan and Li Wei, "Trump Economics and US-China Relations", *Contemporary International Relations*, 31 March 2017, available at <u>http://www.sohu.</u> <u>com/a/131354717_618422</u> (hereafter, Zhang and Li, "Trump Economics and US-China Relations").

¹⁰ Tu Xinquan, "Tu Xinquan: In response to Trump's high-pressure policy, China should 'seek peace through war'", *Caijing Magazine*, 28 March 2018, available at <u>http://yuanchuang.</u> caijing.com.cn/2018/0323/4423634.shtml.

leverage in US-China trade negotiations. Zhou Jun, a professor at Soochow University, contends that Trump will not easily abandon protectionism - because many of his supporters view themselves as victims of globalisation - but that Congress and special interest groups will constrain his trade policies." According to Zhou, continued support for trade liberalisation from the Republican majority in Congress and influential special interest groups will make it difficult for the Trump administration to start a trade war - despite the fact that it has singled out China with its protectionist rhetoric. Zhou anticipates that the administration will instead adopt an outcome-oriented trade policy, resisting what it views as China's unfair trade practices where possible and claiming small victories that create jobs at home.

The impact of Trump's trade policy on China

Chinese scholars see little risk of a full-scale trade war between the US and China as long as both sides are aware that - due to the interdependent nature of the global trading system - they would incur major losses. Globalisation has fragmented supply chains to the extent that the creation of a single product often involves manufacturing and assembly processes in many several countries. This means that a Sino-American trade war would inevitably have an impact on all the countries involved in such global production networks, and that unilateral efforts to reduce trade deficits can undermine the global trading system.¹² Several scholars accuse the Trump administration of failing to understand the complexities of the global trading system, and of adopting a cold war mentality. Zhang and Li see Trump's economic policies as introducing a large dose of uncertainty into the US-China relationship by increasing political pressure on China to further liberalise strategically important sectors of its domestic market; disrupting bilateral investment flows (including through restrictions on Chinese investments in the US); intensifying competition over innovation and industrial policy; and generating uncertainty over the future of the US-China Bilateral Investment Treaty and the US-China Strategic and Economic Dialogue.¹³

(hereafter, Zheng, "Technological Cold War and the Prelude to the Cold War between China and America"). Most Chinese scholars view Trump's trade policies in the context of broader economic and political competition between China and the US.¹⁴ Trade has long been a source of stability in the US-China relationship, but is becoming highly politicised under the Trump administration. Zheng Yongnian, a professor at the National University of Singapore, notes that, "for China, 'Made in China 2025' [中国 制造2025 zhongguo zhizao 2025] is a long-term national economic development plan, but the US does not think so. The US believes that this is a plan that China surpasses the US and even threatens the US. In fact, many people in China (at least in the intellectual world) regard this as a plan for China to surpass the US."¹⁵ Yu Miaojie, a professor at Peking University, agrees that the long-term goal of Trump's trade policy is "to curb the development of China ... especially in high-end manufacturing."16

Zheng points out that high trade interdependence between countries increases the economic costs of political tensions between them. As a consequence, trade tensions (or a slow, low-intensity trade war) between the US and China could gradually reduce their trade interdependence until their economies finally decouple. Following this gradual period of adjustment, a political and even military cold war between the two countries would become more likely. He notes that history has shown that economic globalisation is not inevitable, and that economically interdependent countries can resort to conflict with one another if their leaders choose national security interests over economic interests. Thus, Trump's trade policy increases the probability of conflict between the US and China by linking economics to national security.

His policy also risks the dissolution of the global trading system in which the US and China are key stakeholders. With the US constantly threatening to withdraw from global governance systems and reducing its international responsibilities, China has an opportunity to take on a greater leadership role in global governance – if others are willing to follow. However, Zheng also observes that, while the European Union and Japan oppose Trump's

6

www.ecfr.eu

2018

June

Il Zhou Jun, "The Trump Administration's Trade Policy
An Analysis Based on the Domestic Politics of Trade in the US", *International Outlook*, 15 November 2017 (hereafter, Zhou, "The Trump Administration's Trade Policy").

¹² Zheng Yongnian, "Zheng Yongnian: Technological Cold War and the Prelude to the Cold War between China and America", China Elections and Governance, 24 April 2018, available at http://www.chinaelections.org/article/910/248566.html

¹³ Zhang and Li, "Trump Economics and US-China Relations".

¹⁴ This view, that Trump's trade policy is primarily directed at China, differs somewhat from mainstream US news coverage. See "Trump has officially put more tariffs on US allies than on China", *Washington Post*, 31 May 2018, available at https://www.washingtonpost.com/news/wonk/wp/2018/05/31/ trump-has-officially-put-more-tariffs-on-u-s-allies-than-onchina/?noredirect=on.

¹⁵ Zheng, "Technological Cold War and the Prelude to the Cold War between China and America".

¹⁶ Yu Miaojie, "Yu Jiejie, the dean of the Peking University's National Development Research Institute: Why the United States will lose the trade war and why China should "seek peace through war", *Daily Economic News*, 25 March 2018, available at http://www.nbd.com.cn/articles/2018-03-25/1202385.html.

trade war tactics, they are united with the US in their opposition to "Made in China 2025". European and Japanese business leaders share US concerns about Chinese industrial espionage and demands for technology transfers from private companies. Zheng warns that this coalition of Western countries can slow down China's rise by preventing the export of cutting-edge technology to China and by preventing Chinese companies from accessing Western markets, as part of a technological cold war (技术冷战 jishu lengzhan)."

Recommendations for China's response

Trump's "America First" approach to foreign policy – specifically, his disdain for the global trading system and his affinity for protectionism – constitute both a challenge and an opportunity for China. The challenge is in avoiding a costly trade war (and, potentially, political and military conflict) with the US while the opportunity is in increasing China's influence.⁴⁸ Chinese scholars agree that China should push back against Trump's trade policy at a tactical level, but disagree on the appropriate long-term strategy for China's economic development.

Tactically, nearly all scholars concur with Tu's recommendation that China "seek peace through war" (以战争换和平 yi zhanzheng huan heping) in the face of pressure from the Trump administration. That is, China should be prepared to place retaliatory tariffs on US exports to counter Trump's tactic of proposing high tariffs then negotiating exemptions one by one. They call on Chinese leaders to "not make concessions to Trump's unreasonable demands during trade negotiations".¹⁹ Although Chinese exports to the US account for nearly 4 percent of Chinese GDP while US exports to China account for only 0.6 percent of US GDP, China has considerable leverage in trade negotiations due to the integration of global production networks. Increased US tariffs on major Chinese exports will have an adverse impact on companies and consumers in America and elsewhere, increasing pressure on American policymakers to change tack.

Tu also argues that, unlike Washington, Beijing has the capacity to maintain economic stability by subsidising damaged industries. Zhou believes that China must not treat the US as a single player; rather, China must identify countermeasures that exploit divisions in US domestic politics, finding allies in Congress and among special interest groups to resist Trump's trade policies.²⁰

Strategically, Chinese expert opinion is loosely divided between techno-nationalists and economic liberals. Techno-nationalists argue that Beijing should avoid making concessions to Trump because China needs to dominate the development of advanced technology if it is to surpass the US and secure its long-term development.²¹ They tend to view development as a technological arms race rather than a by-product of economic liberalisation and support industrial policies such as "Made in China 2025". In contrast, economic liberals believe that China should safeguard the multilateral trading system with the World Trade Organisation (WTO) at its core while expanding Beijing's network of free-trade agreements and promoting the Belt and Road Initiative (一带一路 yidai yilu).²² They see Trump's protectionist policies as an opportunity to improve China's "right to speak" in global governance (全球治理中的话语权 quanqiu zhili zhong de huayu quan). They believe that China should use the WTO to counteract the Trump administration's attempt to restrict Chinese trade and investment, and reciprocally relax its own protectionist policies.²³ Yet these two camps agree that Trump's withdrawal from multilateral global governance mechanisms such as the Trans-Pacific Partnership is a blessing for China. Techno-nationalists saw the TPP as designed to contain China economically, while economic liberals believed it limited China's "right to speak" in global governance.

20

¹⁷ Zheng, "Technological Cold War and the Prelude to the Cold War between China and America".

^{18 &}quot;全球治理中的话语权", or "the right to speak in global governance", is one of the most frequently debated topics in Chinese international relations.

¹⁹ Zhou, "The Trump Administration's Trade Policy".

Zhou, "The Trump Administration's Trade Policy".

²¹ China 2025 identifies the following industries as strategically important: robotics/artificial intelligence, new-energy vehicles, biotechnology, aerospace, high-end shipping, advanced rail equipment, electric-power equipment, new materials (such as carbon filters), and advanced information technology.

Zhou, "The Trump Administration's Trade Policy".

²³ Frank Tang, "Is it time Beijing ditched 'Made in China 2025' and stopped upsetting the rest of the world?", *South China Morning Post*, 4 June 2018, available at <u>http://www.scmp.com/</u> <u>news/china/economy/article/2149223/it-time-beijing-ditched-</u> <u>made-china-2025-and-stopped-upsetting?edition=hong-kong</u>.

China's blind spots on US foreign policy

Melanie Hart and Blaine Johnson

Chinese analysts generally attribute shifts in the Trump administration's foreign policy to US decline. Many Chinese observers assume that the combined forces of globalisation and China's rise are undermining US predominance, generating a new wave of anxiety within the United States. Due to these underlying assumptions, they often view the Trump administration's threats against China as the ineffectual flailing of a declining power rather than a genuine warning sign that the US will take action that damages Chinese interests.

To be sure, there is also broad recognition in China that Washington increasingly views Beijing through a competitive lens, creating new uncertainties in the Sino-American relationship. However, Chinese analysts are largely optimistic about the future of the relationship, assuming that US national interests will eventually drive the Trump administration towards a more cooperative stance on China. Chinese scholars are even more optimistic at the multilateral level, with many viewing the Trump administration's actions as facilitating China's rise as a global power, at the expense of the US.

From a US perspective, these analyses all ignore one of the most important factors in the Trump administration's foreign policy: China's actions, and their impact on the US. By taking Beijing's behaviour out of the equation, many Chinese scholars overlook the broad shift in views of China that is occurring across multiple US interest groups and will likely continue well beyond the Trump administration. This shift will likely have greater implications for Beijing than most Chinese scholars predict.

The political interests behind Trump's foreign policy

Chinese scholars have presented several theories to explain why the Trump administration's foreign policy differs from those of previous Republican administrations. A common underlying theme of these theories is that China's rise is inevitable and follows a natural, unquestionable policy trajectory. This perspective prevents many Chinese scholars from considering the characteristics of China's rise as variables in US policy decision-making, causing them to focus exclusively on Washington's behaviour. One Chinese theory centres on globalisation. Han Zhaoving and Jiang Tan, scholars at Nankai University's Zhou Enlai Government School of Management, analyse trade and foreign direct investment data to assess how globalisation distributes economic benefits among nations. They find that US competitors - particularly China - have enjoyed greater relative gains than the US itself.²⁴ They argue that the US is experiencing an identity crisis because globalisation has provided it with limited benefits and imposed high costs, including those from increased immigration and increasingly expensive global security commitments.25 In their view, President Donald Trump tapped into the resulting hostility towards globalisation and advocated protectionism as the solution – thus explaining one of his administration's most significant foreign policy adjustments.

Another theory is that the Trump administration's approach to global affairs originates from the collapse of a supposedly fraudulent American liberalism. Ruan Zongze, vice-president of the China Institute of International Studies, attributes the "Trump phenomenon" to a lower middle class populist movement, describing it as "correcting the error" of American liberalism.²⁶ Ruan sees Trump as "puncturing the bubble" of US exceptionalism "draped" in liberalism, thereby changing US alliance relationships, especially those within NATO.²⁷ In Ruan's view, under Trump, the US has revealed its true nature.

Other Chinese scholars see the Trump administration's foreign policy as designed to stitch together a divided Republican Party. Diao Daming, a professor at Renmin University's School of International Studies, argues that Trump's overtures to the business elite, the military, southern conservatives, and lower middle class groups produce a hotch-potch foreign policy that follows the Republican establishment in some respects but takes a more populist path in others.²⁸ Diao observes that the Trump administration

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Han Zhaoying and Jiang Tan, "The Shift of U.S. Foreign Strategy under Globalization", *Contemporary International Relations*, volume 4, 2017, pp. 12-22 (hereafter, Han and Tan, "The Shift of U.S. Foreign Strategy under Globalization").

²⁵ Han and Tan, "The Shift of U.S. Foreign Strategy under Globalization".

²⁶ Ruan Zongze, "Trump's New Vision and China's Diplomatic Options", *International Issues Research*, volume 2, 2017, available at http://www.ciis.org.cn/gyzz/2017-03/24/content_9406209.htm (hereafter, Ruan, "Trump's New Vision and China's Diplomatic Options").

²⁷ Ruan, "Trump's New Vision and China's Diplomatic Options".

²⁸ Diao Daming, "The Political Trend of the United States' Two Parties and Its Influence on Trump's Diplomacy", *Contemporary International Relations*, volume 10, 2017, pp. 7-17 (hereafter, Diao, "The Political Trend of the United States' Two Parties

emphasises military power, stated its intent to withdraw from the 21st Conference of Parties agreement on climate change, and opposed the Iran agreement to appeal to traditional Republicans; the administration simultaneously pursued a separate set of nativist foreign policies - including withdrawal from the Trans-Pacific Partnership, new restrictions on immigration, and the renegotiation of trade deals - to appeal to the populist side. Diao cites examples in which administration officials have tried to combine these two elements in a unified message by claiming that "America First" is traditional Republican foreign policy; he concludes that Trump has expanded the definition of "national security" to include employment, economic growth, and freedom from "disproportionate international burdens".29 Overall, Diao sees "conservative hawks" and "conservative realists" as responsible for the administration's alignment with traditional Republican foreign policy – where it exists – as he does Trump's efforts to transform conservative nationalism and antiinterventionism to create space for his nativist agenda.

From a US perspective, these analyses miss a critical element in current US debates: the impact of China's shifting policy trajectory on American interests. While Chinese scholars acknowledge the fact that changing domestic politics influence US foreign policy, they rarely frame Chinese foreign policy in this way. Comparing China to the US, Song Guoyou, deputy director of Fudan University's Center for American Studies, describes China's foreign policy as consistent, involving "no major changes" to the country's definition of its interests.³⁰ Due to their omission of how China's policy shifts affect the rest of the world, Chinese experts writing about US foreign policy often focus only on variables in Washington.

Creating space for China at the global level

Most Chinese analysts view the Trump administration's "America First" policy as a retreat that reduces pressure on China and creates space for the country to expand its influence at the global level (although they have varying ideas about how this expansion should unfold). Song argues that "Trump deliberately ignores" traditional US interests and "universal' American-style values, and that he refuses to regard the US "leadership position in the international order" as a core interest.34

Many Chinese scholars see US isolationism and actions that undermine multilateral institutions as creating an opportunity for China to demonstrate its value as a global leader and partner. Ruan emphasises the positive impact of Chinese President Xi Jinping's speeches, which portray China in a favourable position vis-à-vis the US in its openness, tolerance, and influence on globalisation. Ruan believes that China's efforts in these areas have helped reconstruct its international image and increase its international discursive power. Some Chinese scholars describe Washington and Beijing as "swapping" roles, with China increasingly acting as the more responsible power. As Ruan puts it, "China is repairing roads, but the US is building walls."³²

Chinese scholars believe that other nations will increasingly depend on China to hedge against "the negative impacts of Trump's inward-looking policies", increasing China's international prestige and global leadership position.33 Ruan suggests that the "big transition" of US foreign policy under Trump will prompt a reorganisation of other global powers and provide Beijing with an opportunity to, for example, "consolidate the upgraded version of neighbourly and friendly relations between China and neighbouring countries".³⁴ Wu Xinbo, a professor at Fudan University's Center for American Studies, argues that China's initiative-building activities improve China's opportunities and its ability to manoeuvre versus the US.³⁵ Song argues that "even if a future US administration were to have an outwardfacing approach again, the international influence that China accumulates" during the Trump era will persist.³⁶

Some Chinese analysts have more modest expectations. For example, Ruan calls the idea of "leading the world" a myth, focusing on China's need to assume proportionate responsibility and prevent US-China relations from "sliding into 'strategic confrontation."³⁷

and Its Influence on Trump's Diplomacy").

²⁹ Diao, "The Political Trend of the United States' Two Parties and Its Influence on Trump's Diplomacy".

³⁰ Song Guoyou, "Change of Interests, Role Shifting, and Relationship Balancing – Development Trends of Trump Era US-China Relations", *Contemporary International Relations*, volume 8, 2017, pp. 31-36, 43 (hereafter, Song, "Change of Interests, Role Shifting, and Relationship Balancing").

³¹ Song, "Change of Interests, Role Shifting, and Relationship Balancing".

³² Ruan, "Trump's New Vision and China's Diplomatic Options".

³³ Song, "Change of Interests, Role Shifting, and Relationship Balancing".

³⁴ Ruan, "Trump's New Vision and China's Diplomatic Options".

³⁵ Wu Xinbo, "The Trump Administration and Sino-US Relations Trends", *New Model of China-US Major-Country Relationship Report*, volume 19, 2017, Fudan University (hereafter, Wu, "The Trump Administration and Sino-US Relations Trends").

³⁶ Song, "Change of Interests, Role Shifting, and Relationship Balancing".

³⁷ Ruan, "Trump's New Vision and China's Diplomatic Options".

Opportunities in US-China relations

While most Chinese scholars see substantive shifts in US foreign policy under Trump at the global level, they are divided on the degree to which developments in the US-China bilateral relationship extend beyond rhetoric. Chinese scholars often tie changes in Washington's rhetoric on China to the US electoral cycle: they see a historical pattern in which successive administrations move from negative campaign rhetoric early in their presidential terms to more positive policy engagement following a sober assessment of US national interests. Many Chinese scholars assume that Trump will follow this pattern. Wu adds one caveat: the Trump administration is generally uninterested in returning to the traditional pattern of international engagement that reduced friction between the US and China under his predecessor, Barack Obama. Nonetheless, Chinese scholars do not seem to expect that Trump will moderate his policies to China's detriment, such as by reversing the US retreat from global diplomacy and leadership in the international order.

Generally, Chinese analysts are optimistic about Beijing's ability to manage such shifts, for three reasons. Firstly, they view China as increasingly powerful and thus able to exert its influence on US policy and Sino-American relations regardless of Washington's decisions. Wu argues that Beijing has never had greater resources and experience with which to manage its relationship with the US. Song contends that China has more "strategic determination and execution ability" than Trump's America.38 Ruan asserts that China should leverage these advantages to "proactively" mould the relationship.³⁹ Wu agrees, adding that the relative stability of Chinese foreign policy allows Beijing to "consistently shape positive and constructive" relations with Washington.40 Many Chinese scholars believe that Beijing is already successfully constraining the US - as seen in, for example, the western Pacific through its strategic engagement with great powers and management of relations with states on its periphery. As a result, they argue, Trump's policy on China will turn on not just domestic political and economic conditions but also the external environment, "especially the shaping effect of China's diplomacy".4 Ruan points to Trump's reaffirmation of the "one China" policy as evidence that US policy is "malleable" to the right kind of diplomatic engagement.42

42 Ruan, "Trump's New Vision and China's Diplomatic

Secondly, most Chinese scholars assume that Sino-American cooperation is in the US national interest, and that a fundamental alignment of US and Chinese interests will eventually bring Washington back around. Ruan argues that both Xi's "China dream" and Trump's "make America great again" require the stable development of US-China relations. Some view cooperation as leverage in advancing China's narrow national interests. Wu implies that the White House's attempts to significantly challenge China will be constrained by either Chinese actions or the US itself, noting that Trump is "profit-seeking" but prioritises "traditional" industries over advanced ones.43 Overall, Wu asserts that increasing US economic dependence on China will cause US policymakers to behave "more cautiously".44 Yet the assumption that the countries' shared need for cooperation will result in a positive bilateral relationship overlooks the fact that the Trump administration has a different assessment of US interests. Many in the US believe that, due to Beijing's choices, cooperation with China is not in the US interest, and that the mutual benefit argument is only persuasive if one ignores these choices. More fundamentally, Chinese scholars' perception of how US interests should translate into US foreign policy is likely inaccurate under the Trump administration.

Finally, Chinese scholars view many of the Trump administration's policy shifts as directly favourable to China. They perceive Trump's abandonment of traditional US interests in values-based diplomacy and engagement with the international order as beneficial for China's domestic politics, relations with neighbouring countries, regional and international arrangements, international status, and ability to "shape international mechanisms and rules to better promote China's national interests".⁴⁵

Song contends that, based on the main shifts in Sino-American relations he identifies, Beijing will benefit from improvements in: its regime security, because the Trump administration is uninterested in values-based diplomacy and ideological expansion;** its sovereignty, because the administration has adopted the established US position on Taiwan and a moderate stance on the South China Sea, Tibet, and Xinjiang; and its role in the international order, because the administration is unconcerned about US global leadership.*' Song views economic relations as

www.ecfr.eu

10

ECFR/262

³⁸ Song, "Change of Interests, Role Shifting, and Relationship Balancing".

³⁹ Ruan, "Trump's New Vision and China's Diplomatic Options".

⁴⁰ Wu, "The Trump Administration and Sino-US Relations Trends".

⁴¹ Wu, "The Trump Administration and Sino-US Relations Trends".

Options".

⁴³ Wu, "The Trump Administration and Sino-US Relations Trends".

⁴⁴ Wu, "The Trump Administration and Sino-US Relations Trends".

⁴⁵ Wu, "The Trump Administration and Sino-US Relations Trends".

⁴⁶ Wu draws similar conclusions about the positive effect on China's domestic politics.

⁴⁷ Song, "Change of Interests, Role Shifting, and Relationship Balancing".

the one area in which there are negative trends, but is optimistic about China's ability to handle these issues. This optimism stems from a belief that a shifting US policy on China under the Trump administration stems from US domestic issues and Washington's inability to keep up with or accept a changing world. Like many autocratic regimes, the Chinese government likely draws comfort from the thought that it will be relatively secure at home and free to act abroad as it faces a divided US under Trump.

Portraying China as a reactive power

The glaring omission that runs throughout these Chinese assessments of US foreign policy concerns China's behaviour. To the degree that these scholars address Beijing's policy as implemented - rather than as depicted in government rhetoric - they frame it as a reaction to changes on the US side. This approach precludes any acknowledgement of China's responsibility for initiating some Sino-American disputes, obfuscating its very real attempts to change the bilateral status quo. At the same time, Chinese scholars laud Beijing's attempts to change the international status quo under Xi's leadership. Lacking an accurate assessment of where and how these efforts intersect with US interests, the result is a skewed analysis of the ways in which US policy is likely to develop.

It is impossible to assess the degree to which Chinese scholars genuinely overlook US perceptions of Chinese policy or else focus their analysis on Washington to avoid angering Beijing. At the government level, Beijing's primary approach to resolving conflict appears to centre on influencing other countries' reactions to Chinese activity rather than reassessing whether this activity should change. With Chinese scholars having adopted this conceptual framework and the belief that US foreign policy primarily stems from domestic US factors, it is no wonder that they have little interest in American attempts to distinguish between China's rise and the methods by which it rises. From a US perspective, China's rise could receive a warmer welcome from the international community if Beijing adopted a different approach. From a Chinese perspective, there is no need to change tack. It remains unclear whether the US will reassert American interests in bilateral and international engagements with China, but Beijing clearly likes its chances.

Taiwanese views of the US under Trump Earl Wang

Since coming to power in January 2017, US President Donald Trump has displayed a leadership style and approach to global affairs that are very different from those of his predecessor. His unpredictable behaviour - not least his challenges to other heads of government - have prompted officials and scholars around the world to analyse his motives and strategy. The effort to understand Trump is particularly intense in the Indo-Pacific, a region with which the United States has remained politically and militarily engaged throughout his presidency. This article explores mainstream perceptions of the Trump administration in Taiwan – a key actor in the region – in relation to both America's internal dynamics and US relations with Taiwan and China. It analyses how Taiwan's strategy fits with the evolving relationships between Washington, Taipei, and Beijing, focusing on the Trump era.

A changing US

Su Chi, chair of the Taipei Forum and former secretarygeneral of Taiwan's National Security Council, believes that the US has in recent years undergone "qualitative changes" (質變 zhibian) that involve four "divisions" (分化 fenhua).⁴⁸ Firstly, US society has experienced a growing division between rich and poor, which exacerbates hostility towards immigrants and non-Christians while strengthening nativist political movements. Indeed, in 2017, the richest 1 percent of Americans owned nearly 40 percent of national wealth, and the richest 10 percent slightly less than 80 percent of national wealth.

Secondly, the US is increasingly divided politically. Around 84 percent of US citizens live in 25 urbanised states along the west and east coasts. The other 16 percent account for half of the votes in the Senate, giving them a disproportionate influence on national politics. Xenophobia (排外 paiwai) and opposition to globalisation are common in relatively rural states. As Su observes, confrontation between the Republicans and the Democrats has been more severe under Trump than under his predecessor.

Thirdly, there is a division between the upper and lower layers of the US government. The upper layer includes the Trump family and their trusted allies. This group pays more attention to domestic politics than foreign affairs, US glory than US strategic interests, and economic success than freedom, democracy, or human rights. As such, this group lacks viable strategies for dealing with global affairs. People from the lower level of government – primarily comprising experts in government departments – feel disconnected from the White House. Su interprets this as the reason why there are still a huge number of job vacancies in the US administration.

Fourthly, there is a division between the US and other countries. Implementing its "America First" policy, the Trump administration has withdrawn from several important multilateral agreements, including the Trans-Pacific Partnership and the 21st Conference of the Parties agreement on climate change. These moves may have affected US influence in global politics. For Su, the US is still a superpower, but it is ruled by chaotic ideas and ideology (思想混亂 sixiang hunluan), and has an unclear will and direction (意志模糊 yizhi mohu).

The US-Taiwan-China triangle

Passed by both the House and the Senate unanimously, the Taiwan Travel Act has been a prominent issue in relations between the US, Taiwan, and China since entering into force on 16 March 2018. Most Taiwanese journalists and scholars interpret the act as a significant gesture and a sign that "justice that has finally arrived" (遲來的正義 chi lai de zhengyi) in the US-Taiwan relationship, but also warn that it creates risks that require careful analysis.

Huang Kwei Bo, vice-dean of the College of International Affairs at National Chengchi University and secretarygeneral of the Association of Foreign Relations, points out that the act may have less of a political effect on Taipei than on Washington or Beijing.49 Moreover, as the act is non-binding and only represents Congress's opinion, the US has considerable flexibility in implementing it. For instance, if it wants to pressure Beijing, the Trump administration may announce that it will send a member of the cabinet on an official visit to Taiwan; if relations improve, the White House can then postpone or cancel the visit.⁵⁰ Huang believes that such trips would contravene the Taiwan Relations Act, which limits US visits to "people to people" and non-official visits. As a result, Huang argues, the introduction of the Taiwan Travel Act may push Beijing to further constrain Taiwan's diplomatic relations and broader room for manoeuvre in international affairs.⁵¹

⁴⁸ Su Chi, "蘇起:美國怎麼了?" (What is happening in the US?), United Daily News, 10 December 2017, available at <u>https://udn.com/news/story/7339/2866389</u>.

⁴⁹ Huang Yu Xuan, "台灣旅行法通過 排除台美官員互訪 障礙" (Obstacles to visits of officials between Taiwan and the US overcome after the Taiwan Travel Act is passed), *United Daily News*, 1 March 2018, available at <u>https://udn.com/news/story/6656/3007287</u> (hereafter, Huang, "台灣旅行法通過 排除台美 官員互訪障礙").

⁵⁰ Lu Jia Rong, "面子與裡子 台灣恐難兼顧" (It would not be easy for Taiwan to gain both the face and the substance), *China Times*, 7 March 2018, available at <u>https://www.chinatimes.com/</u>newspapers/20180307000125-260301.

⁵¹ Huang, "台灣旅行法通過 排除台美官員互訪障礙".

Shen Lyu Shun, Taiwan's former representative (de facto ambassador) to the US, argues that it will be telling if the US sends a member of the cabinet or a high-ranking State Department official to the opening of the new office of the American Institute in Taiwan (de facto US embassy).52 This would be a break from established practice: the US dispatched the relatively low-ranking Environmental Protection Agency administrator and assistant secretary of state for economic and business affairs to Taiwan in 2014 and 2015 respectively. Following the passage of the Taiwan Travel Act, Taiwan's diplomats in the US may now be permitted to work with governmental officials in their buildings. Shen also notes that serving US generals could participate in Taiwan's largest annual military exercise in 2018, and that the country's foreign minister and/or defence minister could make an official visit to Washington in 2018 or 2019. However, as these events are mainly symbolic, Shen believes that the act is declarative (宣示 性 xuanshi xing) and does not substantially change US policy on Taiwan. He contends that the attitude of State Department officials in charge of Taiwan affairs will also be key to how the act is implemented.

An editorial in Taiwanese newspaper United Daily News notes that Trump's "kind" behaviour towards Taiwan is in line with US self-interest, and that Taiwan should never think that other countries show their support without having a hidden agenda.⁵³ One of the risks of the Taiwan Travel Act is that, if the US and Taiwan exchange high-level official visits, Beijing may retaliate by further separating Taipei from its diplomatic allies and limiting its ability to participate in global forums. Moreover, Taiwan may yet become a bargaining chip for Washington, given that Trump is negotiating deals with Beijing that could run against Taiwanese interests.

Chang Wu Ueh, an expert on cross-strait issues at Tamkang University's Graduate Institute of China Studies, believes that intensifying Sino-American competition on global affairs – particularly the looming trade war between the sides – has contributed to growing Chinese pressure on Taipei.⁵⁴ As Beijing has long regarded the Taiwan issue as the core problem in its relationship with Washington, interaction between the US and China is now the most crucial factor in cross-strait relations. Thus, Beijing's policies and strategies on Taiwan are closely linked to "coopetition" – a mixture of cooperation and competition (競合 關係 Jinghe guanxi) – under the new model of major power relations between Washington and Beijing (美中新型關係 的競合 mei zhong xinxing guanxi de jinghe). According to Chang, this is reflected in the fact that China has appointed officials who have a good understanding of the US to deal with Taiwan affairs.

Su agrees with Chan (and many other commentators) that the US may be using Taiwan to gain leverage in its relationship with China. Su also believes that while under the Trump administration the US faces continuous challenges to its global leadership position, Chinese President Xi Jinping has been working to clear, firm goals in consolidating his personal power. Therefore, Washington may see raising the prospect of a trade war and playing with the Taiwan issue as a means to frustrate Beijing.⁵⁵

Chiu Kun Hsuan, emeritus professor at National Chengchi University's Graduate Institute of East Asia Studies and a former senior adviser to Taiwan's National Security Council, contends that the US has portrayed China as a revisionist power (as seen in its National Security Strategy and National Defense Strategy), then started a trade war declaring that China is an economic opponent.⁵⁶ This, in Chiu's view, is a break from the policy of the Obama administration, which sought to accommodate China in the rules-based international order. However, from the perspective of Trump and several key US officials (including National Security Advisor John Bolton and Secretary of State Mike Pompeo), not even the Pacific is large enough to accommodate two major powers.

Taiwan's strategy

As the African proverb goes, "when elephants fight, it is the grass that suffers" (大象打架 小草遭殃 da xiang da jia, xiao cao zao yang). Chiu suggests that Taiwan's position as a far smaller player than the US or China requires it to have the utmost wisdom in maintaining friendly relations with both Washington and Beijing. Given that uncertainty and policy reversals are characteristic of the Trump administration, Taiwan should not rely solely on the US to restrain Xi's China because this may serve as a good excuse for Beijing to counterbalance Taipei. Instead, Taiwan should maintain a dialogue across the Taiwan Strait, Chiu believes.⁵⁷

⁵² Shen Lyu Shun, "台旅法開始見真章" (The real effect of the Taiwan Travel Act is about to be revealed), *China Times*, 19 March 2018, available at <u>http://opinion.chinatimes.</u> com/20180319003876-262105.

⁵³ United Daily News editorial board, "蔡政府須區辨表 面虛榮與國家利益" (The Tsai administration needs to distinguish between the vanity and the national interests of Taiwan), United Daily News, 27 March 2018, available at <u>https://udn.com/news/</u> story/7338/3055571.

⁵⁴ Lin Chen Yi, "美中競合 學者:美打台灣牌抗中 促中對 台施壓" (Co-opetition between the US and China – Scholar: The US is playing with the Taiwan issue to confront China, which leads to the latter imposing pressure on Taiwan), 9 May 2018, available at https://udn.com/news/story/6656/3131567.

⁵⁵ You Kai Xiang, "中美台關係 蘇起:美打台灣牌機會大 增" (US-Taiwan-China relations – Su Chi: The possibility of the US playing with the Taiwan issue will increase), 18 March 2018, available at http://www.cna.com.tw/news/aipl/201803180166-1.aspx.

⁵⁶ Chiu Kun Hsuan, "兩強對抗下的小國智慧" (The wisdom of a smaller country when facing confrontations between two great powers), 24 March 2018, available at <u>https://udn.com/news/sto-ry/7339/3050273</u> (hereafter, Chiu Kun Hsuan, "兩強對抗下的小國 智慧").

⁵⁷ Chiu Kun Hsuan, "兩強對抗下的小國智慧".

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14

Su agrees, contending that the "Big Triangle" is developing into merely bilateral relations between the US and China, with cross-strait and US-Taiwan interactions gradually becoming less intense. Su suspects that Trump is relatively unconcerned about comprehensive strategies, values, and long-term policies. Therefore, he argues, Taipei should be wary of US attempts to play with the Taiwan issue, lest Taiwan become a bargaining chip for Washington and/ or Beijing. To realise this goal, Taiwan's interactions with other major powers should be based on "peace" (和 he) rather than "contestation" ([*] dou).58 In this sense, the strategy is reminiscent of former president Ma Ying Jeou's policy of "building a cordial relationship with Washington while maintaining a peaceful one with Beijing"(親美、和陸 qin mei, he lu).

June 2018 ECFR/262 Su Chi, "變了形的大小三角" (The changing "Big 58 Triangle" and "Small Triangle"), 11 March 2018, available at https://udn.com/news/story/7339/3024122.

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© ECFR June 2018

ISBN: 978-1-911544-62-3

Published by the European Council on Foreign Relations (ECFR), 4th Floor, Tennyson House, 159-165 Great Portland Street, London London W1W 5PA, United Kingdom

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