

## CHAPTER 10

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# The United States in 2016: Security Developments & Implications for Defense Policy, the Security Sector and Asia-Pacific Security Cooperation/Coordination

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### Major Security Policy Developments for the United States in 2016

The most important security policy developments for the United States in 2016 were the presidential and congressional campaigns and elections. President Trump's election and a Republican-controlled House and Senate are the *key* but not the only variables likely to shape U.S. defense policy and the security sector as well as prospects for Asia-Pacific security policy cooperation and coordination. Other variables include the senior officials appointed to the Trump Administration, the foreign policy and defense bureaucracies including the military services, and other relevant elements of the U.S. government. Responses to traditional "threat" developments during 2016 are likely to be heavily shaped by the major political changes in Washington and less by the nature of the threats themselves.<sup>1</sup> And of course, the potential for unanticipated events to change the calculus of security policy—as 9/11 most recently did—are ever-present as in any year.

Several remarkable global as well as Asia-Pacific regional security developments in 2016 will individually and cumulatively bear on the new administration and on congress' approach to security policy. Overall, today, a general sense of uncertainty, danger, great power rivalry, and erosion of global order prevails—and this sense pre-dates the 2016 elections. In June, in a surprise outcome, the United Kingdom voted to leave the European Union, creating uncertainties about the future of the EU and Trans-Atlantic relations. In July, a coup attempt was thwarted in Turkey, complicating an already complex Middle East situation most especially in Iraq and Syria. In September, Russia intervened militarily in Syria, leading to the fall of Aleppo to government forces at the end of the year. In October, the Obama Administration publicly charged Russia with interfering in the U.S. election through cyber-hacking.

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<sup>1</sup> There are plenty of real, serious threats to be reckoned with. See Ralph Cossa, "What's the primary threat?" <https://www.csis.org/analysis/pacnet-4-whats-primary-threat>, January 11, 2017.

This led to the release of an unprecedented U.S. intelligence community report in early 2017, and an enormous, highly-charged debate is underway regarding U.S. policy regarding Russia. Throughout the year, terrorist attacks claimed by ISIL took place including in Nice, Belgium, and in the U.S. in Orlando, dove-tailing with candidate Trump's focus on the threats posed by ISIL and Islamic terrorism.

In the Asia-Pacific, North Korea conducted its fourth and fifth nuclear tests in January and September respectively. In South Asia, the year began with a terrorist attack that created fraught India-Pakistan relations throughout the year. In May, the Philippines elected President Duterte, leading to a series of comments and steps that have undermined U.S. confidence in the bilateral alliance. China continued to take assertive and consolidating actions in the South China Sea and East China Sea. Also in May, a new Taiwan government led by Dr. Tsai Ing-wen was inaugurated, leading to an increase in cross-strait tensions due to Beijing's response. And in mid-July, the Arbitration Court in The Hague ruled that China's "nine-dash line" has no basis in international law. In October, massive protests were launched against South Korea's President Park Gyun-hye for alleged crimes including corruption and she was duly impeached in December—awaiting a final ruling by the country's Supreme Court. Also in October, Thailand's long-serving King Bhumibol Adulyadej died and was succeeded by Crown Prince Vajiralongkorn. And in November, violence flared-up in Rakhine State, Myanmar, the opening to which has been hailed as an important achievement of the Obama Administration's rebalance to Asia.

Of these many developments, the following are likely to be especially important to shaping U.S. defense and security policy:

- **The Russian threat.** Not since the height of the Cold War has the Russian threat been seen to be so important. In his confirmation hearings to become the Secretary of Defense, Gen (ret.) Mattis referred to Russia as the primary threat and accused Moscow of seeking to "break the North Atlantic alliance." And Secretary of State nominee Rex Tillerson said during his confirmation hearings that, "our NATO allies are right to be alarmed at a resurgent Russia." However, President Trump has himself expressed mixed views on Russia and its leader President Putin—often at variance with senior leaders of Congress, including those in the Republican Party as well as his own nominees for key foreign, security and intelligence policy positions.

- **North Korea's nuclear and missile programs.** North Korea's early 2017 claim that it is close to testing intercontinental ballistic missiles, following on its 2016 two nuclear tests and missile tests, has exacerbated concerns about its threat. Media reports circulate that President-elect Trump requested and was most sobered by an intelligence briefing regarding North Korea. Publicly, President Trump has tweeted that, "It won't happen," in reference to North Korea's recent ICBM claim, and his key foreign policy, defense and intelligence nominees have shared a strong position on North Korea as a threat. Congress is of a near single-mind about the need for tough actions including tight sanctions. There is also a consensus that China can and should do more. Despite the seeming consensus on the nature of the threat and the necessary responses, how precisely the North Korean threat is to be addressed remains to be seen. Some of this uncertainty derives from President Trump's own statement during the campaign that he would be willing to have leader-to-leader talks with Kim Jong-un.
- **China.** China has received considerable attention from President Trump as both an economic and security challenge. Throughout his campaign he called attention to China as a currency manipulator and unfair trader. After his election, President Trump issued a series of tweets criticizing China for devaluing its currency, taxing American products entering China, building a "massive military complex" in the South China Sea, and not doing enough to help address North Korea's nuclear and missile threat. While there is a widespread sense about the challenges posed by China, what is not clear is whether China's economic policies or security policies or both will get high priority attention compared to issues such as Russia or Islamic terrorism.
- **ISIL and Islamic terrorism.** The threat posed by ISIL and Islamic extremism was *the* foreign policy theme of Mr. Trump's election campaign. Combined with ideas such as a halt to Muslim immigration to the U.S. and a possible Muslim registry, concerns about Islamic terrorism have been central to President Trump's foreign and domestic policy. And his key early appointments to White House positions, such as General (ret) Flynn as his National Security Advisor have been outspoken in their view of the challenge of Islamic terrorism.

The 2016 election debate itself,<sup>2</sup> occurring amidst these global and regional developments, was remarkable in several respects:

- First, **American global leadership**, normally a staple of presidential elections, and normally framed in the context of which candidate was *more* committed to it, was questioned by leading candidates such as Senator Bernie Sanders. Candidate Trump combined the slogan “Make America Great Again” with “America First,” and what one former high-level U.S. government official termed “isolationist messages”<sup>3</sup> creating uncertainty about the level of international engagement much less leadership under his administration.
- Second, **America’s alliances**, including NATO and alliances in Asia, became the subject of debate, primarily due to comments from then-candidate and now President Trump who insisted that allies do more to reciprocate American costs in maintaining security and overall regional stability or face American withdrawal.
- Third, **Free Trade** *generally* came under unusually intense pressure from a range of candidates—with only Governor Kasich supporting free trade generally, and President Trump, Secretary Clinton and Senator Sanders offering differing critiques. Mr. Trump also criticized alleged currency manipulation by leading U.S. trade partners—both allies and non-allies.
- Fourth, **Mr. Trump appeared out of step with the mainstream of both the Democratic and Republican parties** in his comments about key elements of U.S. foreign and security policy such as American leadership, alliances, and free trade. Combined with his unique background and style running against a conventional, well-known and experienced candidate as Secretary Clinton, this created an unusual amount of dissonance during the 2016 elections.

Specifically regarding Asia, several issues were “put into play” during the 2016 elections:

- **Trans Pacific Partnership (TPP)**. As the Obama Administration prepared for the end-game to get congressional approval for the TPP, major presidential

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<sup>2</sup> See Robert Sutter and Satu P. Limaye, *America’s 2016 Election Debate on Asia Policy and Asian Reactions*, East West Center, <http://www.eastwestcenter.org/publications/americas-2016-election-debate-asia-policy-and-asian-reactions>

<sup>3</sup> Jeffrey Bader, “U.S.-China Challenges: Time for China to Step Up,” January 12, 2017, <https://www.brookings.edu/research/u-s-china-challenges-time-for-china-to-step-up/>

candidates went on the offensive *against* the TPP—a position that *hardened* as election day neared and did not abate in the slightest after its conclusion. Candidates Trump and Sanders were consistently against the TPP but most dramatically, Secretary Clinton moved to withdraw and Senator Cruz to qualify his support. President Trump apparently plans to continue to oppose the TPP after taking office.

- **Asian Alliances.** As noted above, most candidates supported maintenance of U.S. alliances in Europe and in Asia. Indeed, if there was criticism regarding U.S. policy on alliances, it tended to be that the U.S., not allies, was not doing enough.<sup>4</sup> President Trump, during the campaign, opened a debate on alliances by questioning what Asian allies were doing to support the U.S., making no distinction between allies and China in terms of trade and currency behavior, and raising the prospect that the U.S. could withdraw if sufficient compensation for U.S. military commitments to allies was not forthcoming. Also, he floated the idea that in the event of U.S. pullback in commitments to allies, they could contemplate having nuclear weapons to ensure their security. Such a suggestion ran against conventional views against nuclear proliferation and raised questions about the credibility of extended deterrence.
- **North Korea.** General consensus prevailed among presidential candidates on the need to impose sanctions on North Korea and to get China to “do more” to halt the DPRK’s nuclear weapons program. Mr. Trump was particularly adamant, and has been even more since his election, that China has control over North Korea and could do more. Most dramatically, as a candidate, Trump broke from others in suggesting receptivity to meeting with the North Korean leader in order to stop North Korea’s nuclear program.
- **China.** U.S.-China relations have hardened over the past few years and strategic distrust has grown in the wake of China’s hacking, commercial policies, assertive behavior in the South and East China Seas among other factors. Every U.S. presidential candidate had a “tough” line on China. Mr. Trump primarily focused on the economic/commercial threats of China rather than the security threats though since his election his comments and those of his nominees suggest a tougher line against China’s security behaviors as well.

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<sup>4</sup> For example, Speaker of the House Mr. Ryan said “It’s not that America might go it alone. It’s that or allies might go their own way—because they’re losing faith in us.” Cited in Robert Sutter and Satu P. Limaye, *America’s 2016 Election Debate on Asia Policy and Asian Reactions*, East West Center, <http://www.eastwestcenter.org/publications/americas-2016-election-debate-asia-policy-and-asian-reactions>

The debates and uncertainties raised by the campaign continued into the interregnum between election day and inauguration due to the actions and comments of the president-elect as well as developments on the ground. A phone call with the Taiwan's President Tsai Ing-Wen and the subsequent tweet by the President-elect in response, raised concerns about the implications for U.S.-China relations. Also, the president-elect's tweets about specific U.S. military purchases as well as private sector companies were unprecedented.

## **Short and Mid-to-Long Term Implications for U.S. Defense Policy & Defense Sector**

As of this workshop, five days after President Trump's inauguration, with key officials yet to be named and/or confirmed, it is almost impossible to predict the precise outcomes for U.S. defense policy and the defense sector. Initial indications are:

- Both President Trump and the Republican-controlled congressional leadership will support an increased defense budget. According to media reports, Senate Armed Services Chair John McCain and House Armed Services Chair Mac Thornberry intend to push for a defense budget of about \$640 billion for FY 2018, an increase of about \$50 billion. The plan reportedly includes President Trump's plans for a 350-ship navy and an expanded Army and Marine Corps.<sup>5</sup>
- However, many issues related to the defense budget are simply unknown including such fundamentals as the relative priority of the defense budget among other fiscal priorities (e.g., infrastructure spending and tax cuts) both among the Trump Administration and Congress, the methods to overcome "caps" to defense spending under the Budget Control Act (BCA), and the specific weapons systems to be prioritized. Prior to inauguration, President Trump has criticized the costs of certain programs such as the F-35 and even Air Force One. "Wasteful" defense spending has also come under fire from congressional defense leaders such as Senator John McCain. Hence, even if a defense budget increase does occur, as is most likely, how it will be allocated remains to be seen.
- One area of the defense sector that may receive particular attention from the Trump Administration is government regulations that reportedly account for

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<sup>5</sup> Morning Defense, January 11, 2017.

significant shares of the high price of weapons systems. Loren Thompson, for example, has written in *Forbes* that, “If Boeing’s jetliner unit had to follow the thousands of regulations military contractors do in developing products, it would soon be out of business. Its prices would be too high.”<sup>6</sup> Given the incoming Trump Administration’s focus on changing and or eliminating regulations that they believe hamper U.S. economic growth, there is an expectation that a similar focus will apply to the defense sector.

## **Future Prospects for Regional Security Policy Cooperation and Coordination**

It is simply too early to say how much cooperation and coordination will characterize the Trump Administration’s approach to Asia-Pacific security affairs. It is possible to make some observations:

- First, President Trump has written about the need to incorporate deal-making as statecraft. This is a kind of cooperation and coordination, though it is a more transactional approach than has characterized U.S. cooperation/coordination to date.<sup>7</sup> If U.S. defense policy focuses on a deal-making/transactional approach to Asia-Pacific allies, partners, and challengers, then it can be expected that alliances, partnerships and multilateral institutions will not receive the focus that they have been receiving during the past seven plus decades.
- Second, and at divergence from the above, key Trump Administration nominees for foreign and security policy positions have spoken positively in their confirmation hearings about alliances and there is considerable support for an alliance based approach to Asia among key congressional leaders. This suggests that the President’s unique style of leadership is likely to be the deciding factor on whether a deal-making/transactional approach to cooperation and coordination or a more traditional alliance and partner-based approach will prevail.
- Third, even if an alliance and partner-based approach guides policy, the relative balance between economic/trade and security issues remains to be seen. It may well be the case that in some relationships (allied or not) trade and commercial issues will drive the relationship more than security factors. This may at first

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<sup>6</sup> Loren Thompson, “How Trump Can Fix the F-35 Program,” *Forbes*.

<sup>7</sup> See Uri Friedman, “Donald Trump’s Post-Cold War Vision of U.S. Foreign Policy,” December 20, 2016, *The Atlantic*, <https://www.theatlantic.com/international/archive/2016/12/art-of-the-foreign-policy-deal-trump-cold-war/510659/>

seem curious given the many military and retired military officers nominated for key security and defense positions. However, President Trump's strong focus on trade, currency manipulation, rebuilding America's manufacturing base, and increasing employment and domestic economic growth may be prioritized over more traditional foreign policy and defense issues in U.S.-Asia Pacific relations. During the campaign, for example, then-candidates Trump, Sanders, and even Clinton rejected the *strategic* benefits of bringing together allies and partners in the Trans-Pacific Partnership and instead highlighted the *economic* costs of the arrangement.

- Fourth, unlike in the Obama Administration's "rebalance to Asia era," it is difficult to envision a coherent, regional approach to Asia-Pacific cooperation and coordination. Rather, it seems a more "discrete" issue-based or "country-by-country" approach is likely to be the basis for U.S. policy. How individual country policies will be woven into a more holistic regional strategy remains to be seen.
- Finally, the preceding Obama Administration spent considerable effort attending and servicing regional multilateral efforts such as the Asia Pacific Economic Cooperation (APEC) grouping, the Association of Southeast Asian Nations (ASEAN), East Asia Summit (EAS), and other multilateral projects. At this time, and based partially on the comments above and President Trump's seeming dislike for multilateral negotiations, it appears doubtful that these multilateral organizations will receive much attention or U.S. policy direction.

This is the fifth day of President Trump's Administration. It is far too early yet to make firm assessments about defense and security policy directions, much less implications for cooperation and coordination, in the Asia-Pacific. President Trump ran one of the most, if not the most, unprecedented campaigns in American political history with one of the most surprising successful outcomes. His comments during the campaign and since have provided mixed signs about policy directions. Moreover, President Trump is aligned with key members of Congress and some of his top foreign and security policy nominees and appointees on certain issues, but there are also areas of divergence. Given this very complicated picture, policy analysts would do well to keep an open mind and prepare to be surprised.