



Preparing For Trump 2.0: Seeking Opportunities and Aligning Expectations in the Asia-Pacific

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Executive Summary

The year 2024 was bound to be pivotal for Northeast Asia with major elections in the United States and Taiwan. Changes in government in the Republic of Korea (ROK) and Japan were unexpected, but momentous, especially in the ROK. The Biden Administration made numerous strides in the Asia-Pacific, including the formalization of the U.S.-Japan-ROK trilateral, the establishment of the U.S.-Japan alliance as a Global Partnership, and more regular high-level engagement between the U.S. and China. However, uncertainties surrounding President-elect Trump have the region awash in palpable anxiety about U.S. policy over the next four years and beyond.

Following a December 2024 visit to Shanghai, Beijing, Taipei, Seoul, and Tokyo for in-depth meetings with officials and counterparts, the delegation from National Committee on American Foreign Policy's (NCAFP) Forum on Asia-Pacific Security (FAPS) presents the following conclusions and policy recommendations:

- Asian interlocutors remain highly uneasy over the trajectory of policy in the second Trump administration. Beijing is focused on protecting itself against potential economic warfare from the U.S., while Taipei anxiously seeks clarity regarding Trump's stance on security commitments to Taiwan. While South Korea grapples with both domestic upheaval and external threats from North Korea, it is concerned with maintaining stability and reputational credibility and whether the U.S. will continue upholding its security commitment on the Korean Peninsula. The ROK also faces heightened economic anxiety over high-tech supply chains and rising protectionism. The U.S.-Japan alliance is stronger than ever, though Japan is bracing for a sharp turn in U.S. international economic policy. Regional leaders hoped the incoming U.S. administration would continue strengthening alliances, maintain open channels of communication to avoid misunderstandings, and not

¹ This report reflects the notes and observations of the authors alone and is not a consensus document.

turn away from global leadership. They believed there could be new opportunities in Trump's unconventional approach to problems, but they worried about changing U.S. attitudes to global leadership and envisioned a difficult period ahead.

- Interlocutors in China wondered whether the new U.S. administration would seek to negotiate a deal that would benefit the U.S. or whether it was determined to isolate China and “decouple,” which would damage both countries. Trump's mixed messages on China have added to Beijing's preexisting worries over China's persistent economic troubles and the potential for resulting domestic instability. NCAFP advocated further progress on counternarcotics cooperation, which could be an early win for U.S.-China relations in the new administration.
- The Taiwan Strait remains a potential flashpoint, with Taipei, Beijing, and Washington all jockeying to drive the narrative of blame for tensions. Regional players are watching the escalating dynamics with concern. Washington continues to stress deterrence through beefed-up Taiwan military capabilities and other increases in readiness, with Beijing responding to unwanted moves with military and other pressure. Beijing and Taipei are both anxious about new dynamics with Washington and both hope for clear and regular communication channels with the Trump team.
- That said, the impression from discussions in both Beijing and Taipei was that both sides are generally seeking to reduce cross-Strait tensions, for now. This tactical stabilization is related both to uncertainty about the U.S. and to relevant domestic political factors in both Beijing and Taipei. The NCAFP delegation strongly advocated for opening more channels directly across the Strait, especially between designated representatives of authorities, but also by removing recently imposed obstacles to people-to-people exchanges.
- The recent change in all three administrations begs the question of whether the U.S.-Japan-ROK trilateral can continue to make headway. On a military and security level, the three governments should take renewed steps in institutionalizing information sharing, improving interoperability, and coordinating strategies for conflicts, given the potential for nuclear conflict on the Korean Peninsula and tensions with China and Russia. The U.S., Japan, and South Korea should also remain resolute in their commitment to address common regional and global challenges without allowing polarization from respective domestic politics to interfere in the process.
- The DPRK's nuclear capabilities have advanced, exacerbating fears of a regional arms race and anxiety among regional allies about the viability of U.S. extended deterrence. Furthermore, North Korea's dispatch of troops to Russia has alarmed its neighbors and expanded Russia's Ukraine war. Trump is likely to seek to reengage Kim Jong Un and follow up on the 2019 Hanoi Summit but has first promised to seek to end the war in Ukraine. ROK, Japan, and China should assist with U.S. preparations for a post-Ukraine cease-fire re-engagement with the DPRK to maximize the chances of tangible security gains for the U.S. and the region.

Trump 2.0: Opportunities and Anxieties in Northeast Asia

The election of Donald J. Trump as the 47th President of the United States prompted leaders and analysts in Northeast Asia to “plan for uncertainty” as they anticipate the changing global order and the regional impacts of a second Trump presidency. Most assessed that competition with China will remain at the forefront of Trump’s agenda and many surmised that there would be few institutional checks or constraints on his actions.

The main message from interlocutors in Beijing is that China hopes for improved relations with the U.S. and is focused on maintaining communication channels through the transition of administrations in the U.S. That said, interlocutors were realistic about the likely difficulties ahead and were most focused on ensuring that the Trump administration understood and respected Beijing’s bottom line regarding stability in policy toward Taiwan. This is most important, in their view, and key to averting conflict.

Chinese officials also stressed that economic warfare and decoupling of the two economies would be devastating for both and should be avoided. They hoped that the Trump administration would be interested in negotiations regarding economic issues, whereas they asserted that the Biden administration was only intent on pursuing containment with no negotiations. Beijing is expecting tariff increases but is looking to alternative markets and readying other strategies.

NCAFP sees it in Beijing and Washington’s best interests to establish regular and clear communication channels to avoid misunderstandings, but such channels should be productive and focused on publicly agreed goals. Chinese interlocutors saw Trump’s invitation to Xi Jinping to attend the inauguration as a good sign that the two leaders might be able to meet early on but noted that China would not “rush” such a meeting, which “should be well-prepared.”

Meanwhile, officials and scholars in Taipei mirrored some of the same concerns expressed in Beijing, from their own perspective. While quite satisfied with the support for Taiwan shown by the Biden administration, cross-Strait tensions remain high, and policy volatility may lead to new difficulties. NCAFP delegation members stressed the need for improved readiness for Taiwan contingencies, and Taiwan officials mentioned they are prepared to continue increasing their defense budget, which is set to reach a new high of 19.74 billion dollars in 2025.² In the turbulent global environment, Taiwan wants to position itself as one of the region’s stable democracies against complicated internal political dynamics among countries in the region. Nevertheless, political polarization is likely to dog the smooth functioning of the legislature and bears continued watching.

Concern over potential policy volatility during the transition in the U.S. appears to have spurred some restraint in cross-Strait relations; it behooves neither side to attract media headlines at the moment, and it will take time after President Trump’s inauguration to understand any change in approach. Beijing is preoccupied with its domestic challenges, foremost among them addressing its sluggish economy. Given this and the fact that legislative elections are not until 2026, Taipei

² Yimou Lee, “Taiwan’s defence budget will hit new record next year, president says,” Reuters, Aug 6, 2024, <https://www.reuters.com/world/asia-pacific/taiwans-2025-defence-budget-reach-new-high-1974-bln-president-says-2024-08-06/>.

can also use the time to focus on domestic concerns rather than cross-Strait issues. This tactical stabilization, however, is likely only temporary. It is crucial that remaining linkages across the Strait be maintained and that exchanges that have started to come back be promoted in deed as well as word by both sides.

Although Koreans were preoccupied with the unfolding political drama surrounding President Yoon Suk Yeol's declaration of martial law and subsequent impeachment during the NCAFP's visit, the institutional process was moving ahead, and the situation was calm. Sitting Korean officials unanimously affirmed that the situation would be handled expeditiously in accordance with the Constitution. Nevertheless, there was acknowledgment that the process of installing President Yoon's successor would take time and be a factor in the ROK's external relations in the coming period. The change of administration in the U.S. added to the domestic concerns of Korean interlocutors; from trade to defense burden sharing to possible negotiations with North Korea, Koreans are pressured on multiple fronts. Some voiced confidence that U.S.-Korea-Japan trilateral cooperation would continue, even if the Democratic Party took over the presidency, but Japan-Korea relations would likely cool.

Officials in Japan made clear that they continue to see the alliance with the U.S. as the bedrock of their approach to security and prosperity. Nevertheless, in the current uncertain environment, it is a time to "seek more friends." Japan is enhancing its autonomy and diversifying its external connections but is focused on "Plan A plus," maintaining the tight link to the U.S. while adding some resilience through enhanced regional and other ties. The U.S. alliance remains popular, although doubts about U.S. "commitment" persist. U.S.-related worries in Tokyo are focused on concerns such as specific economic measures and defense burden-sharing arrangements. More generally, Japanese interlocutors raised concerns about changes in global leadership, the perceived erosion of Western influence in the Global South, and China's increased weight there. Japan will try to expand its efforts in both regional economic leadership and public goods, according to its capacity. Tokyo continues to be committed to doubling defense spending by 2027, but domestic pressures will make this a significant lift. Interlocutors stressed that maintaining deterrence and peace in the Taiwan Strait is essential for the region and the world.

Many interlocutors in the region expressed anxiety over the regional and global economic picture, given rising protectionism. There is a clear need for a more robust strategic discussion of the future of global trade, especially technology trade. Many American officials seem to see a looming bifurcation in technology trade, but Northeast Asian interlocutors see a much more complex picture emerging.

Despite concerns over the future policy environment, interlocutors thought that Trump's unconventional approach also presents unique opportunities in several areas. On North Korea, Trump has shown both interest and a willingness to take risks. There was near-universal agreement, however, that a renewed approach to North Korea would need to follow efforts to end Russia's war in Ukraine, now that the DPRK is a direct combatant there. Nevertheless, Trump's second term brings a new opportunity to usher in improvements in regional security, if negotiations can take advantage of new political alignments and recalculations of costs and benefits. Players in the region do not want to be left out of these discussions, however, and

Trump's penchant for bilateral diplomacy will need to be tempered by coordination with others who will need to support any outcome.

Interlocutors were also hopeful about the prospects for increased diplomacy on the wars in Ukraine and the Middle East, although these were not seen as directly implicating players in Northeast Asia. Officials on all four stops, though, mentioned interest in helping support any political settlement in Ukraine and are watching to see how the new U.S. administration will tackle these issues. Beijing, in particular, had noticed Donald Trump's comment that "China could help" Ukraine; officials we met leaned forward on this issue, although it was not clear that Beijing would take any major steps or what those might be.

There was broad support for continued robust channels of communication with the U.S. administration. These channels were perceived to have been helpful during the Biden administration in explaining policy changes amid sometimes confusing rhetoric, polarization, and a rapidly changing international environment. Several interlocutors noted that the information environment exacerbated difficulties in sorting out realities from noise and that reliable private communication channels were more necessary than ever. They hoped the Trump administration would set up its own system of reliable, direct communication with other governments.

Despite uncertainties in the global political climate, significant opportunities remain for U.S. policy in Asia to foster cooperation, prosperity, and stability. By prioritizing alliances and partnerships, the U.S. can strengthen regional security frameworks to address shared challenges such as North Korea's nuclear ambitions, managing competition with China, and emerging economic disruptions. Redefining trade policy, investing in sustainable global practices, and promoting people-to-people exchanges can deepen ties with Asian nations while reinforcing the region's resilience. Leveraging proactive diplomacy can help the U.S. adapt to a rapidly evolving world and also lead efforts toward a more inclusive and secure Indo-Pacific future.

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The NCAFP's goal is to produce actionable and specific policy recommendations with particular focus on diplomatic strategies and efforts in the following areas under the Forum on Asia-Pacific Security:

- Focusing on tools of diplomacy and statecraft to resolve international conflict and supplementing military deterrence strategies with dialogue and engagement.
- Reducing miscommunication and miscalculation across the Taiwan Strait by providing an authoritative channel of security policy communication among scholars and officials from the U.S., Taiwan, and Mainland China.
- Understanding regional thinking on great power competition between the U.S. and China and how U.S.-China rivalry affects security, investment, and development needs.
- Addressing the North Korea nuclear issue in a multilateral context, discussing differences in the desired approach and end-state of denuclearization and peace regime talks.
- Visualizing institutional reform by addressing how the U.S. and Asia-Pacific countries can work together to address 21st-century economic, social, and political security challenges through existing multilateral institutions.
- The NCAFP is recognized as playing a unique and stabilizing role in navigating these complexities and fostering constructive engagement between nations.

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