

Center for Strategic and International Studies

“CSIS Press Briefing: President Trump’s Trip to Asia”

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H. ANDREW SCHWARTZ: Welcome, everybody. I'm not sure, can everybody hear me OK? You know, I'm going to come over here. Welcome, everybody. Are the microphones on? OK, great.

Welcome, everybody, to CSIS. Thank you for being here for our briefing before the president's trip to Asia. We're going to get going. We're going to start out with Dr. Michael Green, who's going to set the stage, and then we'll go on down the line. Amy Searight should be here soon. But we're going to – each of our – each of my colleagues are going to have some opening statements and then we're going to take your questions.

So thanks for being here this morning. I hope everybody got something to eat. And welcome to CSIS.

MICHAEL J. GREEN: Good morning. Thank you. I'm Mike Green from CSIS. I just came back from the region, actually, and got a bit of flavor of what expectations are.

We won't go through the detail of every aspect of the trip. You can get that from the White House. We'll try to give you some themes.

It is the longest trip by a president since President George Herbert Walker Bush went to the region in 1991. That was a grueling trip, and some of you may recall he got the flu and had a particularly embarrassing episode with the Japanese emperor. But we'll let you do the research, because it's breakfast time. (Laughter.)

The White House and the State Department have put forward an overall theme for the trip, which you heard in Secretary of State Rex Tillerson's speech here at CSIS two weeks ago. They're calling for a free and open Indo-Pacific. And this is a – this is a rather traditional strategic framework for American engagement in Asia. It's actually a Japanese idea, as I think the administration will tell you, which Prime Minister Abe developed – the idea being that Japan was going to anchor its strategy on India, Australia, the U.S., the big maritime democracies. So it has origins in that. But also it goes back to the 19th century and Alfred Thayer Mahan. So in some ways it's a very traditional maritime strategic framework for American engagement in Asia.

There are two questions that the free and open Indo-Pacific raises. The first, which Matt Goodman will say more about, is: How do you have a free and open Pacific if you don't have a concept for free and open trade in the Indo-Pacific? The administration's answer to that has been that in parallel with the free and open Indo-Pacific they're going to push for an American-first approach to trade relations. That's an approach that prioritizes reducing bilateral trade deficits. It's a somewhat zero-sum view of economic relations with countries in the region, and not really a view of setting rules and expanding the integration of countries into an open and free trading system. And I think Matt will say more about that. And that has friends and allies in the region a bit perplexed.

The other question it raises is: While the free and open Indo-Pacific leverages President Trump's very good relationships with Prime Minister Abe in Japan, Prime Minister Modi in India, and so forth, it doesn't give full explanation of what the approach will be to Southeast Asia, which Amy will speak to; and leaves questions about relations with the Republic of Korea, which are a little bit troubled compared to Japan and India. And I'll come to that in a second.

Polls about President Trump in Asia were very bad right around the election last year. A majority of people in Japan, Korea, and Australia said in polls that with a Trump presidency their countries should distance themselves from the United States. I can give you the citations, if you like, from those polls. Interesting, the same polling organizations in the last two months, when they asked about relations with the U.S. now that Mr. Trump has been president for nine months, the number of people who said they want strong U.S. relations with Japan/Korea/Australia is unchanged from a year or two ago. So the publics are disassociating what are clearly negative views from President Trump from their views of the United States as a strategic partner, but there are very vague – very negative polls in all – of all these – in all of these countries about the president himself.

In the U.S., the public remains very engaged, actually, and quite internationalist about Asia. The recent Chicago Council on Global Affairs poll is a very good one, very methodologically sound, very representative of where we are. Americans consider Asia the most important region in the world to the U.S. They favor free and open trade. They are strong supporters of alliances. And so the American public seems to generally get Asia, as the president heads off to the region.

The first stop will be Japan. I think it will be a good visit. Prime Minister Abe has cultivated a close relationship with Donald Trump. The first thing he talked about was golf, and they're going to play golf in Japan. The president has expressed a strong, muscular position on security issues. And for people around Prime Minister Abe, that's actually an improvement from what they saw in the last year or two of the Obama administration. Don't take my word for it. You can ask them. The president has expressed sympathy and will meet with the families of the Japanese abducted by the North Koreans.

But there is a(n) underlying element of anxiety in Japan, despite these positive developments. I just was in Japan. I brought show and tell. In the Diet, the national parliament gift shop, the top-selling rice crackers are the Shinchon (sp) Lucky Trump senbei. "Shinchon" (sp) is Abe and "senbei" are rice crackers, and it shows Donald Trump playing a game of trump with world leaders, including Abe. Then on the back, it has a picture of Abe's wife saying don't draw the joker, dear – (laughter) – in a game with President Trump. So there is an underlying uncertainty about a couple issues in Japan.

For one thing, despite winning two-thirds majority in the Diet in a huge victory in the lower house election, Prime Minister Abe's personal polls are not so strong and the underlying politics are not quite as favorable as might appear on the surface. The prime minister's favorability or support rating on North Korea policy is 34 percent, which is quite low, and that largely is because the public's uncertain where Donald Trump is taking North Korea policy and whether Abe-san is going along for the ride. In fact, I think behind the scenes the Japanese government is asking a lot of questions about the circumstances under which the U.S. might use force. But that's a variable the press and the public will be watching.

And the second one is trade. The administration wants a bilateral free-trade agreement with Japan. And Matt can say more to this, but the Japanese government is a bit perplexed what that means and why they should do it.

The next stop is Korea. The U.S.-Korea alliance, if you look at public opinion polls in both countries, if you look at our joint military exercises, is in quite good shape. But there are two irritants that could become more than irritants on this trip that are worth watching. The first, which Matt can speak more to, is the Korea free trade agreement, KORUS, which, unlike TPP, which the U.S. withdrew from, is already in force. So withdrawing from KORUS would have, like withdrawing from

NAFTA, an immediate and quite negative economic impact for major constituencies in the U.S., and of course in Korea. And while the two countries are negotiating it, it remains a target for the president.

And the other issue is how to handle North Korea and China. The administration has been trying to strengthen not only U.S.-Japan but also U.S.-Japan-Korea trilateral security cooperation with unprecedented exercises. But the South Korean government just issued a joint statement with China, which is raising eyebrows, and rightly so. In it, according to the Chinese side – the Korean statement is a little more vague – according to the Chinese side of the meeting, Korea agreed not to deploy any more THAAD, terminal high-altitude air defense, which China opposes, Korea agreed not to create a U.S.-Japan-Korea trilateral alliance, and Korea agreed not to join the U.S. missile defense system in Asia. And in fact, Korea hasn't technically done any of those yet. But ruling them out, if that's in fact what happened – and the Chinese side is famous for spinning meetings and agreements beyond what the other side intended – but if that's in fact what happened, it's going to undermine the Trump administration's effort to build solidarity among the U.S., Japan and Korea to put pressure not only on North Korea, but on China to do more on North Korea.

So those are some things to watch.

We're going to do this sequentially. I'm going to turn it to Chris next, because the next stop after Korea is China.

CHRISTOPHER K. JOHNSON: Great. Thank you, Mike.

Let me just add a few points. Like Mike said, I won't bother going through the schedule. That's available to all of you.

I think the most important factor here, obviously, is we just finished the Party Congress in China. President Xi will welcome President Trump certainly as the most powerful leader in China since Mao Zedong.

My own sense is that this has both benefits and risks for President Xi. On the benefit side, obviously he's in a very strong position with no visible or other domestic opposition, as compared to what best can be described, I think, as a challenged President Trump, whether it's Russia issues, tax-reform challenges, things of this nature. So that certainly gives Xi Jinping a bit of a leg up.

I think, on the reverse side, one down side of heavy consolidation of power is that there's no one else to blame inside your system, especially on trade policy and on North Korea policy. So if, in the past, as we've seen from Chinese government administrations past, if you want to say, well, I'd love to help you on trade but the state-owned enterprises are tough, or I'd love to help you on North Korea but my military won't let me, you know, it's a little difficult for Xi Jinping to be able to make that case after this really resounding victory he had last week at the Party Congress.

And I would expect President Trump to play that card in his discussions. I think the sense that one gets is that privately, most likely, although one never knows – (laughs) – he will effectively tell Xi Jinping I'm coming after you on trade especially. And I think the Chinese, because of that concern, are very eager to use the summit meeting to try to press the reset button on their relationship, post-Party Congress, really between the two presidents.

I mean, one of the things that's been interesting and somewhat dynamic about the relationship since President Trump came into power is that it's really the two presidents that are running the relationship. And that's sort of an unusual situation. Obviously our two presidents always have a big role in the relationship, but they're not generally running it day to day between state-leader interactions.

You know, obviously our Cabinet members have been doing their best and so on. But as we've seen repeatedly when they're engaging with China, sometimes the president, through tweets or other methods, undermines their position. The Chinese are very sort of concerned about this. They don't know who to listen to within the administration. Clearly their sort of Kushner-Ivanka strategy has been left a little wanting, and they're still trying to figure out, you know, who is a reliable interlocutor inside the system. And so I think that's important.

So how is China approaching the summit? You know, terms like state visit plus, which is an interesting way to characterize it, seem designed to play to what they believe is the president's susceptibility, I guess you could say, to being sort of wowed by the way China does a state visit, which they do very effectively. And they're good at, you know, sort of showing their guests 5,000 years of Chinese history. And there'll be a special banquet; you know, a lot of effort to sort of personalize the visit.

And I think that's a very important opportunity for the two leaders to continue the dialogue that they started at Mar-a-Lago. And I think it's striking that we saw on Monday the ambassador, Chinese ambassador here in Washington, Cui Tiankai, come out and say, you know, expect to have movement on both North Korea and trade. So, you know, that tells me that the Chinese are indeed sort of interested in trying to set the – push the reset button.

I think the real question as to whether they'll be successful in doing so or not is are whatever concessions they may be considering on those two subjects deemed sufficient by the administration? And when we look at trade in particular, when we had the comprehensive economic dialogue here between our two sides some months ago, the Chinese made an offer on steel overcapacity, but it was really the same deal that they had offered in the previous strategic and economic dialogue to the Obama administration; likewise, in the 100-day plan between our two governments, a lot of the so-called early-harvest items that they offered – beef imports, electronic payments – these are all things that had been raised with the previous administration in the IT negotiations.

So, you know, what will China put on the table that's new? I think this is quite striking. I think they're very concerned about a perception they have that USTR Lighthizer is now in the driver's seat with regard to U.S. trade policy. They don't like what they see there. And they're going to try to use this as an opportunity.

I think they also see opportunity in the notion that until a few days ago may still be in question. It wasn't clear from the administration's signaling either publicly or to the Chinese, was our economic effort at the summit going to be targeting at deal signing or at the market access issues, which are really, you know, the long-term challenge for U.S. economic viability. I judge from both Ambassador Cui's comments and the press conference that was held by the American Chamber of China – of Commerce in China, in Beijing, yesterday, to complain about the lack of focus on market access – (laughs) – that they're going to zero in on trade deals instead.

And, you know, the sense I get is China's willing to sign trade deals all day long, as long it stays away from industrial policy and the sort of market access issues that they're seeking to avoid. And we saw this in Ambassador Cui's comments, where he said, well, yes, in fact, trade deficits are bad for China's own economy in the long run, and so on. So I think that's really the challenge we face, is just a lack of clarity in general on the U.S. priorities going into this meeting. So I think China's approach will be to do enough on these critical issues of trade and North Korea to hopefully have this reset.

I mean, one of the things I find interesting is that they also seem quite confident, though, that if they're not able to push the reset button on the relationship, they're ready to turn in the other direction as well. When I was there recently one thing I heard a lot was that they've been willing to absorb a lot of what they considered to be less than friendly actions by the administration – such as, from their point of view, supporting the U.S. and the U.N. on North Korea and then secondary sanctions against one of their banks – in order to promote a stable U.S.-China relationship in the runup to the Party Congress.

The Party Congress is now over. And Xi Jinping, of course, has emerged much more powerful. So if they're not able to turn it around, I think we could see sort of a snarkier looking position from the Chinese on the bilateral relationship after the summit's over. So we'll have to see what comes out of it, but I think the Chinese feel very confident. And especially when you look at the other theatrics beyond the – beyond the bilateral summit.

You know, one thing that struck me in my most recent visit is it's the first time I've ever heard the Chinese, in many years, say they're actually looking forward to APEC. They don't typically look forward to APEC, because they do poorly there. But this time their view is, hey, it's a multilateral trade forum. Your guy doesn't like multilateral trade. And so we're going to be out there talking about RCEP and so on. And so – and likewise, the EAS absence of President Trump, I happen to think it's a little overblown, but I know my colleagues might have different views.

So let me stop there and turn it over to my neighbors.

AMY SEARIGHT: Well, Matt will tell you all about APEC. But the president will be in Vietnam and the Philippines at the end of the trip – at the end of a very long trip. In Vietnam, he will first be in Da Nang for APEC. And then he will travel to Hanoi to have a bilateral – well, to have a state visit with the Vietnamese leadership. And so there's going to be a special banquet with Prime Minister Phuc, President Quang and Communist Party General Secretary Trong. This will be the second time that President Trump will be meeting with Prime Minister Phuc, since he hosted the prime minister in the White House back in May.

So this really shows, I think, the importance – the strategic importance that the Trump administration has placed on a partnership with Vietnam, as the Obama administration did as well. They do see Vietnam as significant. And I suspect they'll be a lot of discussion on economic issues, particularly since Vietnam was a TPP member. And so the United States withdrawal from TPP has had serious implications for Vietnam. And there's been a lot of emphasis on economic deals and the relationship from the Trump administration.

So economics will be one big focus. And the other focus will be the strategic issues, especially the South China Sea. Vietnam has really led the charge on maintaining a strong voice within ASEAN on the South China Sea, and trying to be a little bit tough with China on those issues. So it's led the

charge within ASEAN on the South China Sea and trying to be a little bit tough with China on those issues. So it's led the charge within ASEAN. And they will likely talk quite a bit about that.

After Vietnam the president goes to Manila, where he will – the first evening will participate in a big gala dinner to celebrate the 50th anniversary of the Association of Southeast Asian Nations, or ASEAN. And he will also be meeting the following day in a U.S.-ASEAN summit which has become a regular meeting of the United States president and all 10 ASEAN leaders since President Obama first convened it in 2009, and so that's significant. And he will have bilateral meetings with President Rodrigo Duterte of the Philippines.

I'm told he's not expected to have other bilateral meetings on the margins of APEC or the U.S.-ASEAN summit and gala dinner with other Southeast Asian leaders, although he has met with several in the White House in recent months, as you're aware.

So I would say there's really two big takeaways from the Southeast Asia portion of the trip. The first is the fact that he is – the president is going to be skipping the East Asia Summit. And I do disagree with my colleague Chris. I do think from the region's, from the Southeast Asian, perspective, this is a really big deal. Ever since the United States joined in 2011, the United States has played a very strong role in the East Asia Summit, although President Obama also did skip one summit in 2013. But the fact that he's going to be in Manila and head home right before the summit I think is causing a lot of anxiety in the region because it really does raise questions about the president's commitment and focus on Southeast Asia.

And this concern, this anxiety has, of course, been exacerbated by the withdrawal of TPP and the lack of any replacement of this administration with a proactive trade policy or economic agenda. And in addition, if there's a lot emphasis on North Korea throughout the trip, I think that also may serve to heighten some concern among Southeast Asians that there's not that much focus of this administration on Southeast Asia.

The second big takeaway, I think, is that – the relationship with the Philippines, the bilateral relationship with the Philippines. President Trump's meeting with Duterte will be the first meeting between the two – the leaders of the two countries since President Duterte took office 15 months ago. And the Philippines, of course, is a treaty ally of the United States, one of two treaty allies in Southeast Asia. And it's strategically important to the United States given its location on the South China Sea, the quite active disputes it has had with China on maritime territories in the South China Sea and the enhanced access that the American military has gotten in recent years with the Philippines.

So the administration described President Trump's relationship with Duterte after several phone calls and some letters as very warm, which angered human rights groups that have been very concerned about the thousands of extrajudicial killings in the very brutal war on drugs that President Duterte launched when he came into office. And it's unlikely that human rights or rule of law or due process are going to be topics that President Trump will raise. So human rights groups, I think, will be quite disappointed by the visit.

I expect that President Duterte will really go out of his way to be very gracious to President Trump and will treat him very well in these meetings, because I do think President Duterte sees this as an opportunity to somewhat reset U.S.-Philippine relations. So this could potentially bolster the bilateral relationship, including in our security partnership, which Duterte has been much less enthusiastic about than his predecessors.

And it's also important to note that this backdrop – that this visit comes against a backdrop where there's been a significant slide in public opinion polls in the Philippines on views of favorability towards the United States. And you really see this across countries in Southeast Asia, that in the previous two or three years there's been a significant drop in favorability of the United States.

The Pugh Research poll last spring showed a 14-percentage-point drop in views of U.S. favorability in the Philippines compared to a 17 percent gain of favorability views towards China. So this effect has been driven both by President Duterte's outreach to Beijing and his distancing from Washington, but it's also been driven by a lack of support for President Trump in the Philippines. They give him pretty low marks compared to President Obama. So we'll have to watch to see if this visit and meeting will do much to turn that around.

MATTHEW P. GOODMAN: OK, thanks. Let me just make a couple of quick narrower – narrow points about APEC, and then I'll zoom back and talk more broadly about the economic component of the trip.

So the president will go to the APEC Leaders' Meeting in Da Nang, Vietnam, on November 10th and 11th. There will be the standard package of, you know, a gala dinner, some substantive sessions, business interactions – which is integrated into the APEC conversation – and then possibly one or two bilats, although, as Amy said, he's meeting most of the leaders in one place or another throughout this trip, so maybe a little less emphasis on bilateral meetings than usual.

The Vietnamese have laid out sort of a standard APEC agenda of trade and investment liberalization in the region, with an emphasis on inclusive and innovative growth I guess would be the best ways to sum it up. And the U.S. will, in a sense – when you get a briefing from the State Department, which leads the APEC work, you get a sense that there's a fairly conventional U.S. approach to this meeting in promoting priorities like digital trade, structural reform – they've laid out five priorities: digital trade, structural reform, trade facilitation, services trade competitiveness, and women's economic participation. And so, in some sense, this is going to be a fairly typical meeting if all of that stuff happens.

Oh, by the way, the Vietnamese will be issuing local shirts to the leaders. Whether President Trump will put on the shirt is another question, but that's always a question – an uncertain question at this stage. Until hours before the gala dinner, that question will hang out there.

But I think the obvious bigger questions around this meeting are what are interesting about this. Remember that it was in 1993 – APEC was created in 1989 as a foreign ministry meeting, and it was – the U.S. was one of the co-founders because we were trying to use economics as a – as a – trade and investment in particular as a – as a way of engaging in the region in a way that the region would want and value, and it would make us a legitimate player in the Asia-Pacific conversation. Because we're not an Asian country but we are a Pacific power, and we need to sort of prove ourselves through things like trade and investment. So APEC was critical as sort of a sharp end of the spear of our engagement in the region.

In 1993, it was elevated to leaders level by President Clinton. And ever since then, our president has gone to most of the meetings. There have been one or two that have been missed for unavoidable reasons, but in general he's gone. And so it's really been APEC that's been the reason for our leader to be out there in that region. The East Asia Summit was added in 2011, but I think it's

important to stress that this is sort of the organizing principle, in a way, of every president's trip out there.

And yet, this is the first time that you have a president who – he's going, so that's the good news. He's showing up, and as they say in Asia, 80 percent of life is showing up. But what exactly he's going to do there is still very much in doubt. And, you know, the range of questions range from is he going to say – is he going to emphasize the points that all of my colleagues have emphasized about trade deficits, about unfair trade practices? Is he going to take sort of an aggressive, assertive posture on those issues, which would be somewhat unconventional in an APEC context? And more importantly, whether he does that or not, is he going to lay out some sort of vision for U.S. economic engagement in the region that complements our security presence there? Because every president to date has done that, and particularly on their first trip to the region. And so that's what I think everyone's asking, what's he going to lay out.

And I think the – you know, he's obviously not going to endorse TPP. He's probably not going to endorse any of the broader regional agreements that are – that are going on in the region. And there are others like the Regional Comprehensive Economic Partnership or the broader APEC vision of a Free Trade Area of Asia-Pacific. But will he lay out some sort of broader vision in his speech at APEC – and he is giving a speech in Vietnam in which he's going to – we're being told he's going to flesh out this free and open Indo-Pacific. So I think everybody is waiting to see what that vision is going to be.

If it is a focus just on bilateral free-trade agreements, that's going to – that's going to leave questions hanging, including, well, who are we going to do bilateral FTAs with? Japan and Vietnam would be, you know, two of the countries that would be the biggest potential targets with whom we don't already have FTAs, because we already have several with Australia, Singapore and others; Korea, of course.

And – but there are a lot of questions about whether those bilateral FTAs are going to be – are going to be achievable in the near term, particularly because of the capacity constraints on the administration dealing with NAFTA, in particular, is their priority; and, you know, questions about whether you can get actually a better deal in a bilateral deal. It's questionable whether Japan is going to give more in a bilateral deal than they would have – than they had given in TPP.

And then there's the question of even if you get a few bilateral FTAs, is that all going to be stitched together into a broader – a broader regional approach? So a lot of questions.

And then, as my colleagues have already touched on, in each of the – at least the Northeast Asian stops, I think there are going to be questions about how assertive or what exact approach he's going to take to bilateral economic relations.

Interestingly, in their preview of the trip, the White House didn't mention economics in either the case of Japan or Korea in their sort of bullet points. So you wonder whether that's deliberate; they're going to downplay those issues and focus more on North Korea and other non-economic issues. But as Mike and – Mike really indicated, in those two countries there are issues about trade deficits, about the Korea FTA, the KORUS FTA, and whether he's going to say something that suggests that we might ultimately not only renegotiate, but possibly pull out of that deal.

In China, the pre-brief on China does talk about our problems with bilateral deficits with an unbalanced economic relationship. And it talks about some of the specific practices that are

problematic in the Trump administration's view and beyond the Trump administration – forced technology transfer and intellectual-property theft and so forth. So the question there is how much that's going to be a central part of the actual conversation between the leaders or the broader public announcements.

Again, like Chris, I think they seem to be putting an accent more on big signing ceremonies, or maybe not ceremonies but signings of deals to sell specific products and services. But whether they're actually going to go after some of the underlying issues that create the economic challenges between us – and this is, let alone, going after some of the bigger questions; for example, in China, the question of whether they're going to be getting back on the reform path post-Xi Jinping's sort of re-coronation, and – because that has – we have a big stake in that, whether they're going to move back on a path of real reform and opening and whether they're going to move towards a more consumption-led, domestic-demand-led economic model or not, because that is really what is fundamentally behind the trade imbalances. And so we have a big stake in that. But you don't hear much talk about a U.S. interest in those issues.

So I guess that is probably enough. Thanks.

MR. SCHWARTZ: Great. With that, we're going to open it up to your questions. We're going to get a transcript of this pretty quickly out, so if you can speak into the microphone, if you have a microphone near you, and identify your name and your news organization, that would be very helpful.

Right here in the back.

Q: Me?

MR. SCHWARTZ: Yeah. Yes.

Q: OK. Hi. My name is Sahar (sp) and I'm from the Voice of America, South Asia Division.

The main purpose of this trip is to basically pressurize North Korea. So do you think it's going to backfire, because pressurizing tactics do not always work?

MR. GREEN: I think one of the main purposes of the trip is to pressurize North Korea. But as you've heard, every president has gone to APEC. Few, as Matt said, have missed it, for reasons that were understandable in each case. So this is really about broader American interests in Asia that will endure well beyond the Kim Jong-un regime in Pyongyang. I just want to make that point first.

However, you're right. I mean, North Korea is going to be the question that is on everyone's mind. And that's in part because the North Koreans are rushing towards the end zone, towards the goal line of getting nuclear warheads that can be mounted on intercontinental ballistic missiles, launched at the U.S., survive reentry into the atmosphere, and then blow up somewhere. They're not there yet. The open, unclassified analysis suggests anywhere – they're anywhere from months to years away, and the administration's got some urgency because they want to stop North Korea from getting there.

I personally think that it is absolutely essential to put more pressure on North Korea. The North Koreans have not maintained or have not lived up to any agreement they've made with the international community for 25 years. Diplomacy is unlikely, very unlikely to yield a result, at least not any time soon. So it's all about changing the calculation in Pyongyang so that they move away from nuclear

weapons. That may take years. But in the meantime, it's also about deterring North Korea, demonstrating that even if they develop more nuclear weapons capability, they are not going to be able to intimidate the United States with a threat on the American homeland in a way that gets us to not defend Korea or Japan. And that is the main and immediate goal of the North Koreans: It's yes to get a negotiation with the U.S., but what they're really after is what's called decoupling, to get us to be so scared of an attack on the U.S. that we won't risk defending Japan and South Korea. So in that sense, the fact the administration is sending three carrier battle groups to the region, the fact that we've put on September 21st the most significant financial sanctions on North Korea in a generation – (inaudible) – absolutely necessary.

But to your question, my criticism would be this. There are three basic scenarios for war, for the U.S. deliberately starting war with North Korea. One would be to defend our allies or ourselves before attack. Nobody debates that. And the second would be to preempt North Korea if we believe they're about to attack us – for example, if they mount a nuclear weapon on a warhead and we know they're going to launch it. That's preemption, and that's because there's probable cause.

The third category is preventive war, where we launch a war to prevent North Korea from developing this capability, and that one is – that's the question mark. That's the controversial one. And I went through all of the statements that the administration has made on this, and they're kind of all over the map. The president and National Security Adviser McMaster have pretty strongly intimated that we're prepared for war if diplomacy doesn't work. That's preventive war. Secretary Mattis has never said that. He's always said we will – and same thing with the chairman of the Joint Chiefs, Dunford – they've always said we'll use force overwhelmingly to defend ourselves and our interests.

So one big question – I should have mentioned this at the beginning – one big question is how will the president articulate this. Will he talk about preventive war? We're going to attack North Korea because they're not negotiating? Will he talk about defending our allies? Will he keep it vague? We want some pressure. But – and then the question is, he may say something that's prepared in the National Assembly speech in Korea, but then he may tweet something else.

And like I said, we need to put more pressure on North Korea, but I'm not entirely convinced that Japan and South Korea, in particular South Korea, are ready to sign on for preventive war. The Japanese have been very careful not to show any daylight. The South Koreans have been a little less careful. And so to your point, overdoing this could start to highlight differences with allies, which could weaken our position. But we'll see. The most recent visit of Secretary Mattis was pretty prudent, pretty clear. We're going to use overwhelming force, we're going to keep the pressure on, but he didn't go all the way to saying we'll go to war if they don't negotiate.

Q: George Condon, National Journal.

President Obama frequently warned that if you rejected TPP, it would create an opening for China; China would come in and dominate. Has that happened?

And secondly, for six years at these briefings before APEC, all we talked about was the pivot to Asia. Has anything survived from that pivot, or is it completely gone?

MR. GOODMAN: Just start on the TPP one. Look, I think everybody up here has said, in one way or another, that the decision to withdraw from TPP was an unforced error. I mean, I – that's the

way I put it. I don't think we had a good reason for doing that. I think it did really set back our position in the region because we needed that U.S.-led high standard rules-based approach. And that was the thing we had invested in for seven years, and we walked away from it without a good – really, very good explanation. And the region, I think, is, you know, questioning our credibility and our commitment. China, understandably, has tried to step into that vacuum. And Xi Jinping gave a speech in Davos in which he claimed the mantle of leadership on globalization and trade, which is, you know, not particularly credible given China's practices, but it certainly got people's attention. And people are still talking about it here nine, 10 months later.

And in the region, they are, you know, trying to move forward. Actually, the way they are really putting their money down – and Chris can talk more about this – is in this infrastructure, this investing in roads and ports across the region under their so-called belt and road initiative. I think that's where they've really stressed their intense intent to show new leadership in region in the wake of the withdrawal of TPP. So it's left a big vacuum. The withdrawal from TPP has left a big vacuum. And I think that's why I emphasize that the region is looking for something from President Trump to fill that vacuum. Otherwise, I think China and others are going to move on.

MR. JOHNSON: I'll just sharpen that point a little bit by saying that, you know, I think if we can pin down a theme that came out of Xi Jinping's address to the Party Congress – and, you know, I mean, it's important for us to remember that these speeches are much more targeted at the domestic audience than they are at the international audience. But it's this notion of if there's no appropriate counternarrative out there to highlight the warts in China's system, then the narrative that they're painting – which is one of finding a middle road between socialism and capitalism and so on – becomes much more attractive.

And suddenly the Xi Jinping Davos speech, which he reiterated to some major U.S. business and other executives in Beijing on Monday, again, starts to sound much more reasonable because there's no counternarrative competing or, in this case, highlighting the deficiencies, which are significant, in their system. You know, to the degree that they've won or been successful, I think they feel that they are doing open-field running with no tackling – (laughs) – at this stage. But obviously there's still a lot of wariness, and Amy can speak to that, in the region.

MS. SEARIGHT: So there were – to your question about what has survived, has anything survived of the pivot, I mean, there were three basic pillars to the pivot. The first was security. And there are a range of security initiatives that are going forward, including the maritime security initiative to build capabilities, and maritime security, maritime domain awareness, a whole bunch of other initiatives we have for capacity building, training and exercises. Basically, more presence, more access in the region. So that's more or less going forward.

The second pillar was economic. That's gone with the withdrawal of TPP and nothing to replace it. A bilaterally focused, transactional, America-first economic policy is completely antithetical to what the Obama administration was trying to do, and what the region aspires for in terms of economic engagement. So I don't see any economic leadership emanating from this administration. So that's really gone.

The third pillar was a much more intensive focus on Southeast Asia, which includes – which included a real focus on ASEAN, including joining the East Asia Summit, and trying to build up partnerships, relationships, with individual Southeast Asian countries. Now, here, you know, we have seen a very mixed record so far, because on the one hand President Trump has met with four Southeast

Asian leaders in the White House, including last week with Prime Minister Lee from Singapore. Before that – starting with Prime Minister Phuc from Vietnam in May, Prime Minister Najib from Malaysia, Prime Minister Prayut from Thailand, and a lot of phone calls and a lot of outreach.

So there is a sense that there is – you know, there is a continuing interest in maintaining strong relationships with Southeast Asian countries. But, again, President Trump's absence from the East Asia Summit is going to go a pretty long way to undercut that kind of diplomatic momentum. I mean, the region is going to see that China is there and the United States is not. Now, it is true that China traditionally sends, and this year including, will send its prime minister not President Xi, as does Russia. Russia sends its prime minister, not President Putin. But because of that, that in the past has given the United States president a sort of outsized role in the East Asia Summit. And Secretary of State Rex Tillerson just cannot substitute for the President of the United States in that kind of meeting. And so American leadership will be noticeably absent.

MR. GREEN: So there was no pivot for 2011. The pivot was the phrase that Hillary Clinton had in her Foreign Policy article. And then the same month, November 2011, the president gave a speech in Australia about the rebalance to Asia. And the White House National Security Strategy in 2010 really had nothing about Asia. So it, you know, it was, you know, two years or so into the administration when they started putting together what Amy just described. And I only mention that because these trips are really important for new presidents, especially sort of antiestablishment presidents, to listen to the region.

I think President Obama's first trip in November 2009, you know, according to the people who worked in the administration, who were there, had a huge impact. I mean, President Obama didn't say much about trade either. He wasn't as negative, you know, and he heard from the Singaporeans and the Koreans. And the Japanese prime minister at the time was Hatoyama. I'm not sure he had much of an impact. But basically, it was a teachable moment, as our previous president would say, and that's the pattern. I think it was true for Bill Clinton, too.

So one of the other big questions I have on this trip is, how much will President Trump listen? You know, he listened to Shinzo Abe in Mar-a-Lago, and so I wouldn't completely rule out that the administration comes back from this trip and starts refining its Asia policy.

The one area where I'm skeptical, and I think all my colleagues are probably skeptical, is trade where the America First kind of transactional, you know, view of bilateral trade deficits as the enemy is so narrow and so transactional, but such a theme that I'm not sure he'll drop that, even after hearing from probably every leader except Xi Jinping that it's a problem for the U.S. and Asia.

But otherwise, I think, you know, presidents learn on these trips and they develop their policies and you see something different the next time.

MR. GOODMAN: Can I just – I'm sorry because we're all piling on here, but just to add one thing. I think Mike's right that this is actually one of the values of this first trip is to help get the new president sort of really focused on why Asia is important. And I think, hopefully, it will have that benefit. I think it's already, to some extent, that benefit.

One other thing that I'm concerned about that I don't think anybody has explicitly mentioned yet is that when Secretary of State Tillerson gave a speech here at CSIS a couple of weeks ago, he used the term "predatory economics" that got our boss's, John Hamre's attention. He asked about it as his

first question about – and I think the way Secretary Tillerson answered, it was about the way China’s rolling out this infrastructure plan with concessional finance that’s sort of undercutting international norms and so forth.

And the only issue is, I mean, there are things that the U.S. has an interest in in the Belt and Road. I think if we are implying on that issue or on other issues that our strategy is to kind of push back against what China’s trying to do in the economic realm, I think that would not be – I don’t think that’s what the region would be hoping for. And I think there would be some antibodies created there if that’s our strategy. So again, we’ll see when the president lays out his speech on the margins of APEC, but I think, you know, that by itself is probably not going to be a winning strategy.

Q: Thanks. Scott Horsley from NPR.

Could you just summarize quickly the distinction between ASEAN and the East Asia Summit, what their different focuses are supposed to be, the different geography and, again, just what the significance of doing ASEAN and not doing EAS?

MS. SEARIGHT: Sure. So ASEAN is 50 years old this year. It’s 10 – it is now 10 Southeast Asian nations. And ASEAN has put a lot of emphasis on providing the venue, the platform around which powers in the region engage. And so through various mechanisms, including the ASEAN Regional Forum and other groupings, ASEAN has sought to engage the United States, Japan, Korea, China, India, Australia, New Zealand in strategic and economic discussions.

The East Asia Summit was created in 2005 as a way to elevate ASEAN’s role as a convener of the region with these regional powers to discuss strategic issues. And the United States came onboard along with Russia only in 2011. So at the East Asia Summit, it’s leaders’ level. They discuss strategic issues, matters of importance to the region.

And so, you know, it’s great that President Trump is going to be meeting with the 10 ASEAN leaders and they can talk about how, you know, the United States supports ASEAN and Southeast Asia in various ways and hopefully come up with some new strategic initiatives, economic initiatives, perhaps other things. But the East Asia Summit is the table at which the region really convenes to talk about big issues like North Korea, the South China Sea and other big strategic issues.

Q: Hi. Noah Bierman with the Los Angeles Times.

I had a question. A lot of other experts in the area that I’ve spoken with have made the observation that China has flattered President Trump, as you talked about earlier, but gotten everything they want out of this administration. It sounds like your view is slightly different than that from what you said. And I’m interested in why and what they actually haven’t gotten out of the U.S. that they want.

MR. JOHNSON: I’m not sure that they don’t feel that they’ve been managing the relationship well. I think that what concerns them is the unpredictability that they see. You know, typically the Chinese, what they want most in the bilateral relationship is stability. They don’t need to like the U.S. president. They just need the person to be predictable. And they can have a combative, at times, relationship.

I mean, you know, certainly I think George W. Bush did this actually really, really well, which was to sort of set out certain areas where he wasn't going to compromise. And they respected that. And even though it was testy, they knew he was reliable, so they could take those, you know, concerns.

I don't think they see that with President Trump. And I think also they just don't like the general direction of the mood here with regard to China becoming a focus of concern, not just, you know, Peter Navarro and some people who have a very clear position on China, but they worry about Steve Bannon's emphasis. They think that this is now going to spread into, you know, U.S. congressional elections, which it will – (laughs) – in the midterms.

This theme is going to be around for a long time. So that's – it's more a worry about what's coming than a perception that they have somehow failed to manage the relationship well. So, you know, I find it striking that even though they arguably felt that they reset the relationship at Mar-a-Lago, they feel they need to reset it again, you know? And that says something about their concerns about the kind of up-and-down nature of our approach.

Q: Hi. Thanks. Howard LaFranchi, Christian Science Monitor.

Michael, I was wondering if you could go a little bit more into – we started off talking about the emphasis on the Indo-Pacific, and – but, you know, what that – I guess maybe what the administration is signaling with that. Kind of before it was always just the Asia-Pacific region. And so I'm wondering what that signals.

And you mentioned also that it actually goes back to the 19th century. And so is it, you know, further emphasis on the president's desire for focus on bilateral relationships, independent nation-states, thinking back to the 19th century, and also how that's being heard in the region?

MR. GREEN: So if you're going on the trip, I've published a 600-page history – (laughter) – of U.S. strategy towards Asia, the Pacific, that goes through all this in gruesome detail.

But the basic idea that I think the administration is trying to articulate in the free Indo-Pacific, free and open Indo-Pacific, is – as I said, it's not totally new. Prime Minister Abe of Japan has articulated this idea. It goes back quite a ways.

When I was in the Bush administration, for example, I was the senior director for Asia, but I had India and South Asia in addition to East Asia. And for the first time we did that in the Bush administration. And the reason was we wanted to conceive of India as part of the overall balance of power vis-à-vis China. It wasn't – nobody had an expectation that India was going to contain China. We just wanted an equilibrium that favored us.

And this is a debate. Some people in the Obama administration and the Bush and Clinton administrations, and in this administration, argue that to get Asia right, we've got to have a – some people say a G-2 or a strategic partnership with China, and then we'll sort things out before China and the U.S. come into conflict. You've heard of the Thucydides trap; you know, rising powers and status-quo powers inevitably fight. And so this is one line of thinking. We've got to get this locked in, get our deals now. And you've seen this. I mean, Chris mentioned briefly Jared Kushner, who has been, by all accounts, you know, a purveyor of this idea.

The other view is, no, no, the U.S. is a maritime power. We are not going to shape what happens in China. We should stick with our friends and allies who are maritime democracies – India, Australia, Japan. That also has its roots in previous administrations.

What's interesting is that this is coming from Secretary Tillerson and the NSC, but it's not coming from, as far as I can tell, the Stephen Miller part of the White House that articulates the, you know, sovereignty, carnage, America first vision you heard in the speeches in Europe or in the inaugural address. So you have two clashing themes here within the administration. Actually, three. One is the one that Rex Tillerson and the NSC are articulating, which emphasizes allies – India, Japan, Australia. You know, as a former George W. Bush guy, I kind of like it. The other is the dark sovereignty, America first transactional we only win when others lose perspective.

The third one, which Chris could speak to, which I think has now diminished, is the idea of a G2 or a strategic partnership with China. And you heard the president in the past express interest in that, and there is anxiety still in Tokyo and Singapore, in Delhi that the president might go to China and might be seduced by the military parades and might, you know, cut some big grand bargain. The administration tells us they are not going to do a joint statement. They are not going to do a communique. They're not going to fall for this. I think the foreign policy establishment is with the Indo-Pacific. But there is some question, I think, in the minds of our friends and allies of what happens in China. I bet against some grand vision. But, you know, because of the unpredictability that Chris mentioned, which has the Chinese a bit nervous, it also has friends and allies a bit nervous as well.

I don't know if you –

MR. JOHNSON: I just – two points quickly. I think, you know, the first one is I think our allies should calm down. I don't think this is going to happen. Not only have they told us they're not going to do it. They've said publicly they won't do a joint statement. They will be separate statements. And I think that's very important. I think, you know, what I read in that is a very clear recognition by the administration that they're neither staffed nor, you know, ready to engage in joint statement. You know, on the Chinese side they've got the same five guys in the back who've been doing it for 35 years, you know, and they know every word that's ever been exchanged. It's a losing proposition.

And then I guess I agree with Mike's point about the attractiveness of Indo-Pacific from allies' and partners' point of view. I guess the worrisome bit is what Matt highlighted, which is some undertone of we must overtly oppose what China's doing. You know, that's different. That's a different animal, and I think it's a loser – especially when it comes to things like the Belt and Road Initiative. You know, it's one thing to highlight the positive elements of a U.S. strategy, such as transparency in financing, a lot of, you know, private sector money that's ready to come in for good projects and, you know, things like this. It's another – you know, recall it was largely considered a snafu to have opposed the Asia Infrastructure Investment Bank. From my perspective, to the same degree that Belt and Road is a magnitude of order many times larger than AIIB, our error in overtly opposing Belt and Road would be of a similar magnitude.

MS. SEARIGHT: I would just add in terms of the Indo-Pacific – free and open Indo-Pacific concept, the signals that we've – the messages that we've heard from the administration so far, from Secretary Tillerson and from briefings from White House officials, also includes a lot of mention of a(n) open and inclusive architecture for regional and economic matters based on rule of law and openness and freedom. If that is a – you know, I think the reason we're very much watching to see how – if and how that's incorporated into President Trump's speech in Da Nang, at APEC. If it is, that

will be very reassuring, because, you know, I think one of the things that's really jarred Southeast Asians in particular is the rejection of multilateralism, not just the withdrawal of TPP but the withdrawal of Paris Climate Accord, which happened on the eve of the Shangri-La Dialogue, for example, and really left the region kind of very – you know, with a lot of high anxiety despite Secretary Mattis' terrific speech and his attempts to reassure the region that the United States was still engaged. You know, Southeast Asia is – there aren't many regions in the world that are more committed to multilateralism and using multilateral frameworks to engage each other and powerful neighbors, and so I think those kinds of signals will be very reassuring if they appear in President Trump's speech.

MR. GREEN: OK. So I think Secretary Mattis has been out – I've lost track of how many times. And with Japan and Korea, with Australia, and I think with Southeast Asia, he has, I think, laid the groundwork. I think the Defense Department, and Admiral Harris with the Pacific Command, has done as good a job as can be done in a new administration.

MR. SCHWARTZ (?): (Off mic.)

MR. GREEN: I know. I'm about to get to that. I just don't want to just – you know, I want to do a little glass half full before I get to the glass three-quarters empty. (Laughs.) And Matt can speak to Sue. I don't think Japan and Korea fully understand what the point of the KORUS renegotiation or TPP – excuse me – or a bilateral Japan-U.S. FTA are. There are sectoral issues that, for example, in Japan's case, the beef market, autos and auto parts, the price of drugs. And these are legitimate issues where U.S. companies, U.S. interests have some reason to want more market opening.

The administration argues, therefore, we need a bilateral free trade agreement with Japan that's ratified in the Senate and so on and so forth. I have trouble connecting these sectoral issues for the need for a massive bilateral FTA. And in the same way, I have trouble connecting – for the Koreans, there are also sectoral issues where U.S. companies, farm interests, have legitimate complaints. But why you need to threaten to throw out the Korea trade agreement at a time we're facing down the North Koreans is also very hard to understand.

So I don't think on the economic side that the administration has laid down the rationale for what they're doing with these governments. I'm not saying there are no issues. There are issues. But they haven't laid down their arguments. But they also haven't laid down the arguments for agricultural interests in the U.S. It's not just the Chamber of Commerce. It's pretty much every – or almost every agricultural association in the U.S., or members of Congress. And when you do free trade agreements – Matt and I have been involved in a number of them over the years – the most important thing you do in the negotiation is go in with your domestic interest groups lined up.

And that hasn't happened, as far as I can tell. So in that sense, I'm not sure they're going to get more than rhetorical responses or deals on trade, because the groundwork hasn't been done. But I mention the defense one, because there I think they are well-prepared.

MR. GOODMAN: No, I think I actually have very little to add to that. I think that's right. And I think that there are just mixed messages coming out on economics and trade specifically that are confusing people out there. Are we walking away from KORUS? If so, why? You know, do we have something to replace TPP. Are we going to, you know, complain about bilateral trade deficits which, you know, most – I mean, I don't – I think you'll be hard-pressed to find an economist outside of Peter Navarro who will make the case for bilateral trade deficits being something that, you know, we should be spending a lot of time on. But, so the region's confused about that.

You know, as Mike said, there are these problematic practices. And I think we do have a range of issues in trade. And, frankly, we have – I mean, Chris put it in a sort of – he hinted at some of the things that I think we do have a stake and an infrastructure investment in, you know, open procurement rules and debt sustainability. We don't want, you know, countries that are receiving this infrastructure to be put into hock. And China says they expect to be paid back. This is not charity. So there are questions there for us. There are social and environmental safeguards that have to be maintained. So I think there are a bunch of questions.

And when, you know, for example, Secretary of State Tillerson says that we're going to push back on predatory economics, he hasn't really defined those clearly and he hasn't really defined a counternarrative or a set of policy tools that we're going to use to respond to that or to offer some alternative. And so I think the region is just very confused. And going back to the original point, the region wants the United States engaged in Asia-Pacific affairs generally, but they don't want us only there as a military power.

They want us there engaged in all forms of affairs. And economics is critical to Asian-Pacific countries. And they want us to have some sort of vision. And they understand we're going to – we're going to raise difficult issues and challenges, or market access problems and so forth. But they want a vision. They want some sort of coherence to what we're doing out there on economics.

MR. SCHWARTZ: We have time for – (inaudible).

Q: Thank you. Chia Chang from United Daily News.

We know that the U.S. will focus on North Korea and trade when Trump visits China. But what about China's priorities? Would Taiwan be one of them?

And the second question is, you mentioned that China wants to reset the relationship. What actions may they possibly take to do so?

MR. JOHNSON: This is an opportunity for President Xi to sort of share his views on all these – the range of issues. You know, one of the things the Chinese media is saying he will do is to brief President Trump on the outcomes of the 19th Party Congress, and one of those factors is certainly sovereignty and Taiwan. And I think there's little doubt that the president will be treated to a very lengthy conversation with Xi Jinping about Taiwan.

I don't expect, as Mike alluded to earlier, that concerns in Taiwan about, you know, Secretary Tillerson having earlier referred to a 2049 or a 50-year plan or a fourth communique or any of these things, so these are not legitimate worries, I don't think, from a Taiwan perspective.

I guess one question that I have is, to what degree, though, will the president act positively on this? And you can make the case, this arguably, maybe less so now that Beijing is changing its tone on South Korea – this should have been done, you know, on THAAD as well – this notion of, you know, we see what you're doing on Taiwan and we don't like it, you know. In other words, it's one thing to absorb the discussion from the Chinese side, it's another thing to push back. And I don't have a feeling as to whether that will happen.

I'm sorry. Your second question again was?

Q: You said to reset the relationship –

MR. JOHNSON: Oh, the reset.

Q: – what can they take – yeah.

MR. JOHNSON: My sense is that, you know, Cui Tiankai has been sort of flagging this by saying look for concessions on trade in North Korea. And as I mentioned, I think the real question is, is it new stuff or is it stuff they've had in the bag for a while? You know, my sense is their desire, their eagerness to try to put some bounds on the relationship and get some stability going forward, especially as they move into a year where likely they are going to be tolerating slower growth, you know, working to rebalance the economy and so on. They might be willing to give a little bit more than, say, they did at the CED discussions earlier this year.

MR. GREEN: By the way, did I say Senate ratified earlier? I think I might have slipped. In any case, if there's an FTA it's the House that votes on trade. But, of course, the Senate's involved in the legislation, too.

So a congressionally approved FTA is what I meant. And it's important because I think the House and in the Senate, they don't know what the administration's trade strategy is either and they have constitutionally mandated prerogatives. And that's just another dimension that suggests that the homework hasn't been done, to clarify that.

Andrew asked me to call on one more, so please.

Q: Deputy Secretary of State Patrick Murphy said the other day that the South China Sea would be one of the key issues, priority issues for President Trump in ASEAN and EAS. So I'm wondering, do you think he will lean hard on this issue?

And the second one is about the Indo-Pacific. My impression is the Trump administration has pretty much made up its mind about its strategy. If you listen to Secretary Tillerson's speech, I think that's pretty clear. I'm wondering, if that's the case, what kind of impact it will have on the U.S.-China relations in the long term.

MR. SCHWARTZ: Could you say where you're from?

Q: Oh. Leah (ph) from Daily Mandarin.

MS. SEARIGHT: Yeah. No, that's a very good question. And I think it's difficult to know how – how – what kind of position President Trump is going to take on the South China Sea or how much he's really going to bring it up.

There have been a lot of confusing signals coming out of the administration so far on the South China Sea. On the one hand, there was a lot of tough talk about pushing back on China in the very early days of the Trump administration and confirmation hearings with Secretary Tillerson, for example. And Secretary Mattis' speech at Shangri-La Dialogue was pretty tough on China's behavior in the South China Sea. And the administration has executed a very consistent and regular freedom of navigations operation policy in the South China Sea. But on the other hand, you know, we're 10

months into the administration and it's very unclear what strategy, if any, the administration has on the South China Sea and on pushing back on Chinese assertiveness or supporting friends and allies in that space.

So this is an opportunity, both as Mike alluded to earlier for the president to listen and to hear how the region is thinking about these issues, and to articulate a message. I think, again, not participating in the East Asia Summit, which is the traditional venue where these issues are discussed, is going to be a big missed opportunity, and I think will, again, lead to a little more confusion about where the United States really stands.

I'd be very interested to hear how – if and how the president brings up South China Sea with his counterparts in Beijing, and I do expect it will be a big discussion in Vietnam. But I'm not sure President Duterte wants to raise it with President Trump. I don't think he wants to have any South China Sea discussion with President Trump at all. And so I also don't know whether President Trump is going to really forcefully raise that issue with the Philippines or not.

MR. GREEN: The South China Sea issue is at something of an impasse. China built these three military – major military airfields, and not much has happened since except further militarization of those airfields. And so the next – the next step or the next problem could be something like Beijing declaring an air defense identification zone, ADIZ, over the South China Sea, over its claimed Nine-Dash Line, the way it did in Northeast Asia; or something like beginning construction on Scarborough Shoals or in a new area. And, sorry – or drawing straight – getting rather technical, but drawing straight baselines and other things that Southeast Asia and the Pacific Command are all watching.

It will be really important that President Trump not signal we don't care. So even if you don't see it publicly, it's going to be really important to everyone in the region that he signal that would not be met with a passive response. I'm not talking about war. But I think there is nervousness that he'll just sort of say nothing and accidentally signal it's OK for China to take that next step.

MR. JOHNSON: I would just emphasize, too, especially in light of the fact that President Xi chose to highlight this in his speech to the Party Congress as an achievement of his first five years. You know, typically Beijing's policy on this island-building has been kind of a Nike strategy – you know, don't talk about it, just do it. But he chose to talk about it and to highlight it, and so I think all the more necessary, probably publicly rather than privately, that we – that we highlight, you know, that we're aware that that's an issue.

As to Indo-Pacific and, you know, the impact on U.S.-China relations, you know, China's already put out the appropriate, you know, don't try to contain us message. I think that's – I think that's to be expected. My guess is they feel that the Indians will let us down if that's our strategy, you know, as to think of India as the left arm to Japan's right arm in a democratic pincer movement to contain China. And so I don't think they're breaking a huge sweat about that. But, you know, it's – they have to come out and sort of make the obligatory statement, and they've done that, so. And I think also they're also watching, just like we are, to see how that strategy is further fleshed out, and what does it really mean.

MR. SCHWARTZ: I want to thank everybody for coming this morning. We will have a transcript up on our website shortly, at CSIS.org. Also, I urge you to visit some of our microsites – our microsite on the South China Sea, our microsite on reconnecting Asia, our microsite on China power, and so forth.

Thanks, especially, to the press here for coming today. And really, I know you guys don't get a lot of welcoming everywhere you go – (laughter) – but you're always welcome here.

(END)