

Center for Strategic and International Studies

TRANSCRIPT

Press Briefing

**“Previewing Biden’s Trip to Asia”**

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FEATURING

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Paige Montfort: Thank you, Operator, and welcome, colleagues. My name is Paige Montfort. I am the media relations coordinator here at the Center for Strategic and International Studies in Washington, D.C.

Today we have a great briefing lined up for you on Biden's first trip to Asia. This is the first briefing in a series of two briefings previewing the trip. The second will take place tomorrow at 9:00 a.m. Eastern. And you can use the same call-in information you used to access this briefing if you'd like to join us tomorrow. That briefing is going to focus a bit more on the Quadrilateral Security Dialogue, or Quad.

Today's briefing, however, will feature a trip overview as well as analysis from CSIS experts on Japan, Korea, the Biden administration's Indo-Pacific economic framework, and China. As a reminder, each expert will start with some brief remarks, and then we're going to open it up to your questions. We'll let you know how to queue up for that when it's time. And finally, there will be a transcript sent out to all of you within just a few hours after this call.

Now, without further ado, I will turn it over to Michael J. Green, CSIS senior vice president for Asia, Japan Chair, and Henry A. Kissinger Chair, to get us started and to introduce the rest of our expert panelists. Over to you, Mike.

Michael J. Green: Great. Thank you, Paige. And thank you all for joining us this morning, or this evening if you happen to be tuning in from the region. We're going to give you some initial comments on President Biden's trip to Korea and Japan.

I'll give you something of an overview of some of the big themes around the trip in terms of the larger chessboard, the Indo-Pacific and the ongoing war in Ukraine. I'll turn to my colleague Matthew, the senior vice president for economics, to talk about some of the economic discussions, particularly the new announcements that the president is expected to make on economic frameworks for the Indo-Pacific.

And then Scott Kennedy, who's joining us from Tokyo, our trustee chair in China and business and economic issues, has been doing a listening tour around the region on economic relations with China. So he'll give us that context. And then our colleague Victor Cha, senior vice president and Korea chair, will be joining us late we think for some more details on the stop in Seoul and also developments with North Korea.

So a lot to pack in and we look forward to your questions. By way of scene setter let me make a few points, and then I'll turn it over to Matt. This is President Biden's first trip to Asia as president. Of course, he made multiple trips as vice president and as a senator. He'll see the newly elected Republic of Korea president Yoon Suk-yeol in Seoul first, where he will be warmly

welcomed and hear from President Yoon's strong support, vibrantly and publicly, for the U.S. position in the Indo-Pacific for solidarity vis-à-vis North Korea and vis-à-vis China and Russia, which will be a theme that has been lacking with the outgoing Moon Jae-in government and one that I think the Biden White House will welcome.

He'll go on to Japan, where he'll meet with Prime Minister Kishida Fumio. And in Japan – he's met Kishida before; he knows him – he will discuss a number of things. Japan is preparing its new national security strategy. Within Washington, senior officials were in Washington earlier in May briefing the administration.

And this national security strategy will feature some new elements to Japan's profile on security policy in the region, including consideration of counterstrike capabilities, the development and deployment of missiles and other systems to hit potential launch sites or bases in China or North Korea potentially, so a very new development for Japan and an important topic; extended deterrence, particularly as North Korea's possible resumption of nuclear testing and ongoing missile deployments and developments raise questions in Japan about the nuclear umbrella; Japan's possibility of increasing defense spending – the ruling Liberal Democratic Party National Security Committee put out a statement proposing a doubling of defense in five years to 2 percent of GDP; semiconductors; and, of course, Ukraine and the global implications of the Ukraine war, including for Japan. Japan has been quite forthcoming on Russia and has broken its traditional efforts at dialogue with Putin; and then Taiwan, which is featuring more prominently in Japan's own discourse on security and in the bilateral alliance discussions.

In Japan, he'll – the president will hold a Quad summit of the U.S., Japan, Australia and India, emphasizing that as one of the cornerstones of the administration's strategy in the Indo-Pacific. The Quad is designed to provide public good. It began when Victor and I were in the White House as a task force for humanitarian relief after the massive tsunami of 2004, and more recently was responsible for providing vaccines across Asia.

But, of course, the subtext of the Quad is that this is a powerful alignment of maritime democracies concerned about security and stability and the balance of power as China asserts itself. And, as Matt will discuss, the president is expected to announce the Indo-Pacific economic framework, the first real vision for economic statecraft in the region since the Biden administration came to power.

I would say that overall the president is very well positioned to have a successful visit. I was in the White House, in the NSC, for five years planning trips like this. And the stars are aligning pretty well for President Biden. He will be able to demonstrate, just by his visit alone, that the administration

can focus on the Indo-Pacific while dealing with Ukraine. But he can also argue that only the United States could have pulled together the global coalition that imposed really unprecedented economic and geopolitical and diplomatic consequences on Putin for his invasion of Ukraine. And, of course, that's a global alliance of American alliances in Europe and Asia that has very, very important implications for the security of Japan, Korea, Taiwan, Australia in the Indo-Pacific.

And then the president's lucky in who he has as counterparts. I was doing the math on this, and it's been at least 20 years since an American president could travel to Japan and Korea and count on the leaders in both countries being so forthrightly pro-alliance. You know, President Bush had a very strong and supportive relationship with Prime Minister Koizumi, but he had in Korea President Roh Moo-hyun, who often campaigned against the alliance.

President Obama had an excellent relationship with Lee Myung-bak in Seoul, who was very strongly pro-alliance. But in Japan he had to deal with the unpredictable Hatoyama government.

And so now you have President Biden going to the meeting with really the strongest partners he could ask for in both Tokyo and Seoul.

On the negative side for the administration, as Matt will discuss, the Indo-Pacific Economic Framework is not going to be compelling. I think you'll see some negative press about it in the region. And the Quad is an important feature of Indo-Pacific security. But it'll be a bit of a subtext. Australia's election makes it uncertain who will attend from Canberra. And, of course, India is not onside in the Ukraine crisis, although they are in the Indo-Pacific.

So, with that as a scene setter, let me turn it to Matt to talk more about IPEF and economic issues.

Matthew P.  
Goodman:

OK. Thanks, Mike. Again, this is Matt Goodman, senior vice president for economics at CSIS, and happy to just add on to Mike's excellent framing of the trip.

I would say just on the bilateral parts of the trip – that is, Korea and Japan – you know, there will be, I think, a heavy economic component in addition to the sort of traditional alliance issues and North Korea and all the other important security issues.

I think economics will feature reasonably heavily, partly because of the Indo-Pacific Economic Framework, which I'll come back to, but also because both of these countries are a critical part of the effort to, you know, on the one

hand, obviously, deal with the Russia-Ukraine situation and ensure that we're – countries are aligned on sanctions and export controls and so forth, and partly because sort of beyond that both Korea and Japan are, you know, large economies – the second and third largest economies in Asia and, you know, with tremendous, you know, capabilities in advanced manufacturing, advanced technology, more broadly, and, you know, countries that share our kind of approach to rules, norms, standards of economic behavior or activity.

And so I think you'll see in the outcomes in Seoul and Tokyo probably statements that kind of echo the similar statements last year when former Japanese Prime Minister Suga came to the White House and then the following month in May 2021 former President Moon of Korea, and if you look at those joint statements you'll see kind of a bunch of these themes about working together on critical technologies, on ensuring resilient supply chains for things like semiconductors, batteries, and other sort of clean energy-related technologies and sort of digital cooperation, more broadly, including on, you know, sort of advanced telecommunications – 5G, 6G, and so forth – as well as, you know, research on quantum and other biotech and other new technologies.

You'll see kind of affirmation of, you know, interest in working together jointly with each of those countries so – and building on existing, you know, capacity that's already there. And just to say, I think, one more thing on the sort of – the bilaterals and the tech digital dimensions and those stops, I think you should look back to the – yesterday's joint statement between the U.S. and EU on the Trade and Technology Council – the TTC. Both – there's a long joint statement and then a fact sheet from the White House, which, I think, also are kind of clues to some of the things that are going to be echoed in the Korea and Japan statements about, you know, working together on many of the issues I've already mentioned. So look at that as well as clues.

And then just on the Indo-Pacific Economic Framework, briefly, first of all, as Mike said, it's going to finally be apparently rolled out in Tokyo, you know, early next week. It's the four leaders who were there for the Quad meeting – U.S., Japan, India, and probably Australia, although, you know, if – depending on how the election goes – will presumably be parties to this launch.

I think the intention of the White House is to also pull in a number of other countries that are interested in joining this framework. So, certainly Korea, probably Singapore, probably a few ASEAN countries as well – Southeast Asian countries. You know, maybe some mix of Malaysia, Philippines, Vietnam, maybe Indonesia, Thailand, and, you know, to express initial interest in joining this framework.

The framework, as you know, is going to revolve around four pillars of work: one on a set of trade issues run by USTR; and then three other pillars run by

the Commerce Department on supply chains, on clean energy, and on tax and anti-corruption, and, you know, all important issues for U.S. interests and, you know, a lot of interest in the region in those issues as well. And so, you know, there'll be interest in engaging on some of that.

The question that Mike is, really, raising about, you know, and expressing the skepticism that's going to be heard is sort of what's in it for us. I think a lot of partners are going to look at that list and say: That's a good list of issues. I'm happy to be involved. But, you know, are we going to get any tangible benefits out of participating in this framework? And the administration has made – Biden administration has made clear it's not going to include an offer of greater access to the U.S. market as part of this, would be part of a traditional trade agreement or trade negotiation.

And so if we're not going to offer greater market access to the largest economy in the world then, you know, what are we going to offer? That's what people are going to be looking for. And they'll be looking for, you know, targeted – not probably huge amounts of money, but money that supports capacity building, you know, supports the clean energy transition, you know, supports development of their digital economy, perhaps, and the broader infrastructure that they're interested in. You know, whether that's going to convince a lot of people this is worth a lot of time and energy is – I think remains to be seen. So I think that's the reason that Mike, I think rightly, said there could be, you know, some expressions of skepticism in the region from this initiative.

But, you know, I'd say, on the positive side, it is at least something. It's better than nothing. The U.S. is clearly – and the Biden administration has clearly indicated they're not going to rejoin the Trans-Pacific Partnership or anything like that. And so this is a recognition the U.S. has to have a credible and durable economic strategy in the region to complement, you know, it's security and diplomatic activities out there. So at least it's that. And I think, you know, it's a step towards, you know, a more enduring policy out there. But I think, you know, with a lot to be – a lot of questions to be answered.

So with that, I will pass it over to Scott.

Scott Kennedy: Thanks, Matt. And good talking to everybody. Hello from Tokyo. This is Scott Kennedy. I'm the trustee chair in Chinese business and economics. And I should be talking to you from quarantine in China, but China's not a really easy place to go to right now, to say the least, and not super comfortable. And so I reconfigured my trip, pivoted to other parts of Asia, and have spent the last five weeks traveling to Taipei, Seoul, and not Tokyo. And instead of looking at China from the inside, looking at China from the outside, and seeing how the region is looking at it.

And in some ways, it's fortuitous, given the president's upcoming trip. But also, as you know, the U.S. has struggled to develop a China policy. We've developed parts of it in fits and starts. We were going to be audience to Secretary of State Blinken's speech, and that was postponed at the very last minute, and I'm not sure if it's back on anytime exactly soon. Maybe my friends can answer that for us. But it seems that for the moment America's China policy is really allies policy. And so we're – not a lot that we can negotiate effectively with China, and so we're going to work as much as we can with allies in Asia, Europe, and elsewhere on building the kind of world that we want and deterring the kind of world that we don't want.

And so in my trip over the last five weeks, I've seen that there is – that the – that there is a significant amount of alignment between the United States and its friends in the region. But there's also some concerns. China's also watching the U.S. and its interaction with its neighbors quite carefully for signs of folks being in alignment or for cracks in the relationship that they could try to drive a stronger wedge through. And I would agree with what Mike said, that we've got a very positive atmosphere for a successful trip to the region by the president. U.S. actions in Ukraine I think have united lots of the West together in ways they weren't before February 24th.

The situation in China I think is about as bad as it's been in a very long time. Zero COVID is a disaster for their economy, let alone public support for the government. Not just folks who live in Shanghai and Beijing, but elsewhere watching this, or who have gone through it without as much of a lens focused on them. China's reputation in the region has suffered dramatically while the U.S.'s has improved significantly. And we have a new government in South Korea that's much more pro-U.S. and pro-alliance. And the president just successfully hosted a successful U.S.-ASEAN Summit, so the wind is at his back.

And I think we should consider what was achieved in Seoul and Tokyo to be potentially the high-water mark for what the first-term Biden administration could achieve with allies in the region given these stars being in alignment. That said, I've been trying to identify potential differences of opinion in each of the stops with regard to our bilateral relations, but also in the context of what it means for dealing with China.

And let me point to three areas where there's some differences of opinion, and which may end up constricting not necessarily how much is achieved in the next week, but how much can be achieved in the days and weeks and months and years afterward. So, we might end up with some excellent press releases and photographs, but still face significant hurdles in implementation.

Let me start most broadly. Decoupling from China, that is the dominant narrative in conversation in Washington, and certainly that is – you know, the Biden administration is not outwardly advocating it, but the Biden administration does seem to feel that one of the big challenges we have in our relationship with China is that we are too vulnerable. There are too many risks that we face from being so interdependent, and that a significant task is to reduce those vulnerabilities as much as possible.

I think in the region there also is agreement that we need to expand defenses, individually and collectively, to protect technology, talent, and you know, our financial systems, access to raw materials and many things. But it'll be much harder to find folks in Taipei, Seoul and Tokyo who believe in decoupling, either full or even partial. There's some who believe in partial or what they call smart or limited decoupling.

But it's a much more open conversation here than in Washington. I think people are looking to how can we increase our defenses against China and have a significant economic relationship with them, so it's an issue of and here and or in Washington, D.C.

And so, I think there needs to be that kind of conversation. It's not something one's going to set policy on immediately, but it's I think part of the strength – part of the goals of the United States in providing leadership is trying to get folks as much on the same page as possible about how to think about dealing with strategic competition with China.

The second is with supply chain resilience, and I'll start with Taiwan. And I think the definition of what counts as resilience is different here than in Washington. Here – and let me just start in Taipei, where I spent three weeks and talk about the semiconductor industry.

The way the Taiwanese talk about supply chain resilience and semiconductors is let's first diversify where semiconductors are built and manufactured in Taiwan, spread it to multiple cities. Let's expand the number of electrical engineers available in Taiwan. Let's make sure there's enough electricity, enough water, chemicals, gases, all the inputs to make semiconductors in Taiwan. It's about making production in Taiwan more resilient.

And in South Korea it's a very similar kind of conversation. When the United States talks about a resilient semiconductor industry, they're talking about moving a significant portion of that capacity that's in Asia to the United States, or elsewhere, outside the range of Chinese missiles.

We're going to have to figure out how to bridge those differences because it's unrealistic to assume there's going to be a significant movement of capacity

here, even though we've got the investment from TSMC in Arizona and in Japan. We shouldn't expect a fundamental realignment of global supply chains and semiconductors and other advanced technologies.

And so, there needs to be a lot more coordination, and there can be through IPEF, through working groups of the quad, through other arrangements. And of course, to be seriously effective, they have to have some way to include the Taiwanese given how important they are in that sector.

I think with IPEF – just to foot stomp what Matt and Mike said – what I've found everywhere I've gone is not what's in it for me, but what is it – the first question they're trying to get the answer to – and then, what's in it for me? And then, how long will this last? Will it be enduring? And why is it – why should we spend more time on this than on TPP? And of course, the Taiwanese are not being invited to the party and they think, well, jeez, how come that's the case given how important we are in the region? In terms of what type of benefits, what I've heard is similar to what Matt has heard is, you know, ASEAN is looking for some types of commitments with investment in the region, in the areas that he mentioned. I think this is going to be a significant point of discussion.

Lastly, I'll just say the Chinese are looking at all of this to see if there are discernable steps with the alliance really coming together and solidifying in ways that they need to really be worried about, or what fissures still exist that they can drive further wedges in between. I think the U.S. and its allies are in a really good position to make that a very difficult chore for the Chinese, but it's not an airtight case in the least; there's a lot of work that needs to be done between now and when the president steps back on Air Force One to come home and then afterward.

So let me stop there, turn things back over to Mike.

Dr. Green: Thank you. I'm going to turn it right to Victor for an opportunity to pick up the trip in Seoul and talk about North Korea.

Victor Cha: Thanks. Can you hear me?

Dr. Green: Yes. Yep. You're good.

Dr. Cha: Oh, great. OK. Thanks, everyone. Sorry to be late; I'm actually in a car on the way to the airport in New York, so I apologize for that.

So as I – I joined the call late but I did hear a couple times that people talked about the new South Korean president being very pro-U.S., and I think that's right. But it's not just pro-U.S., it's more broadly supportive of Korea pivoting from the past five years, which has been an obsession with North Korea, to a

much more regional and global role, including support of the liberal international order. So it's a broader shift, very much grounded in the United States but grounded in both values and in taking on responsibility as a player on the international stage in a way that we haven't seen in the past, so that's all good, at least from my perspective.

It's an important meeting for the new president, Yoon, absolutely; it's only 10 days after his inauguration. Like I said, it's the core of his foreign policy. And he has the lowest approval rating of any president starting out in the job and he has local elections for governors and mayors on June 1st. So this – having a good meeting and then doing better than expectations in the local elections politically is very important for him, so this is a very important meeting for the newly elected president.

On North Korea, I think we're going to see a return – obviously tight alignment in terms of being a return to CVID, a return to complete, verifiable and irreversible denuclearization of North Korea, which was not the formulation that we've used in the past. It was more broadly denuclearization of the Korean Peninsula, so going back to that sort of formulation, which has significance. It means the two sides really are in alignment. I think we'll continue to see an emphasis on sanctions being important to apply as long as North Korea continues on the path that it's on – no unilateral lifting of sanctions, no unilateral offering of a peace declaration. I think President Yoon has said that a peace declaration is the exit point, not the entry point for North Korean diplomacy.

And at the same time, I don't expect – I think we'll see an alignment – a restatement of policy positions. I don't expect that we'll see any new policy or initiatives coming out of this meeting, except the standard line of being open anywhere, anyplace to diplomacy.

The one wildcard here is worth mentioning is, you know, possibly a statement by the U.S. and the South on the COVID situation in North Korea. President Yoon has already said that he's going to provide vaccines to the – to the North Koreans. The United States, I think, has been looking into it. I don't think they've made any decisions, but they've been looking into it. I don't think we would actually do it bilaterally. They would probably do it through the COVAX solution or some sort. But that'll be the one piece there that might be new.

Aside from the nuclear issue, the other, I think, main theme of the meeting will be on strengthening the alliance and strengthening extended deterrence. I think very strong statements from Biden about reaffirming, you know, extending deterrence, securing commitments to the South. It'll be interesting to see whether Yoon talks about his plans for missile defense. During the campaign he talked about South Korea having an additional THAAD battery

in Seoul as well as early deployment of a Korean Iron Dome system. We'll see if these things come up on the Quad. Yoon has made very clear that he wants to work with the Quad, contrary to the previous five years where the Moon government was not interested in working with the Quad.

I think eventually they'd like to be a member of the Quad, but they're not going to push it at this point and can participate in working groups. They have a lot to offer the Quad in terms of supply chain systems, and memory chips, and global health, and electrical batteries. And they do have a lot to offer. And I think there'll be a huge statement from them on that. The other piece, related to supply chains and global health, is the South Koreans are quite interested in becoming a production hub for antivirals, with a licensing agreement with Pfizer. I don't know what state that is out right now. I know that they've been trying. I know that they've tried when the senior envoy first came to Washington, D.C. That would be a moment, again, where South Korea wants to play a larger role.

There'll probably be some deliverable on tech cooperation. As you know, the May 21 summit had a lot of stuff including investment from LG, SK, and Samsung in terms of (founding ?) plants, which normally – (inaudible) – battery production. I would imagine that there'd be something along those lines because this is an important area.

Nuclear energy is another important area. The Yoon government has said very clearly they're going to restart nuclear energy production. They're restarting plants three and four in South Korea, and I think they're going to continue to work on exports as well. And that's an area that we could see a lot (as one ?) for cooperation between the U.S. and South Korea.

On Japan, trilateral cooperation is important. They're going to emphasize it. We at CSIS are doing a trilateral cooperation dialogue. Everybody's doing it. Wendy Sherman is probably going to do one after the summit in the region. So there's a lot of focus on this. The Yoon government really wants to improve the relationship with Japan, not just for reasons of bilateral improvement but for trilateral coordination and the broader regional strategy of Quad and FOIT (ph) and these other things, of which Japan is a very central player.

And then in China, you know, I would imagine that they're going to – any statements that were made about Taiwan, I don't know if they're going to improve on them. That came out of the May 21 summit with Moon. And that would be something else to watch for.

So, Mike, why don't I just leave it at that and turn it back to you?

Dr. Green:

Great. So, Paige, I understand now we're open for Q&A.

Ms. Montfort: Yes. I'm going to briefly turn it back over to our moderator to let everyone know how to join the queue, and then we'll get started with questions.

Operator: (Gives queuing instructions.)

And we have Aamer Madhani with AP. One moment. You're open.

Q: Thank you.

So the president is also expected to have a bilateral sit-down with Modi and the Australian election winner. I was wondering, particularly with Modi, can you talk a little bit about the message Biden will be coming with? And then, secondly, with these two new leaders in Japan and South Korea on the scene, any expectations, or what you – and what the dynamic you expect between Biden and these two leaders will be like stylistically? How close or how different? How will they contrast with both Biden's previous relationships with Moon Jae-in and Prime Minister Suga in Japan?

Thank you.

Dr. Green: So it's Mike, and I'll start. And it's a really interesting question because, as Victor knows from these trips working in the NSC, when you brief the president of the United States, usually what you're most focused on is the personal chemistry and dynamic, particularly if it's an ally, with the president's counterpart.

And on the Modi visit, you know, the India relationship is complicated for the administration, in part because of Ukraine, where the Indian government, and the Indian media and populace to a large extent, have been at most neutral. There's the historic ties between Moscow and Delhi in terms of weapons procurement for the Indian military, which is significant, billions of dollars a year. India can't just turn that off.

And there is clearly some sympathy in the media and the political classes for Putin, because to some extent, in India and other countries, which is surprising to Americans and Europeans and Japanese and Australians, you know, to some extent this is portrayed as the West versus Putin. You've had – Putin has had some success with that narrative.

My understanding is that privately Modi and the Indian government have indicated they understand quite well the geopolitical implications of what's happening and that you are going to see a reduced dependence on Moscow. But that's not going to happen quickly. So that's complicated.

And then the other complicated factor is for President Biden, who emphasizes democracy, who emphasizes opposing authoritarianism and nativism – you know, many critics of the Modi government see strong elements of that in – (inaudible) – and in the way he’s handling the Muslim minority.

But overall, it appears pretty clear the Biden administration is not looking for trouble with India and that most of these difficult conversations will be in private. And then publicly they’re going to very much emphasize, for geopolitical reasons, and because of the trendlines, longer-term trendlines of India, that we’re on side. And the Quad will show that.

And Kishida, you know, is a good match for Biden. He’s a genuine, you know, nice guy, Kishida. He, unlike previous Japanese prime ministers, really agrees with Biden’s emphasis on democracy. It’s one of the reasons Kishida has stepped up so forthrightly on the Ukraine crisis. And he and his ruling party have campaigned on making the alliance stronger.

But again, as Matt pointed out, I think privately you’ll – can expect that Kishida is going to be pretty firm with the president about wanting more on the economic front and more to get the U.S. back in the game at a time when China’s asking to join CPTPP; is in RCEP, the regional agreement we’re not in; and is stepping up economic engagement with Southeast Asia. So I think privately Kishida also will have something to say about American economic policy.

And Yoon, I think, is going to get along well. But I’ll let Victor speak to the Yoon-Biden relationship.

Dr. Cha: Yeah, this Victor.

So the first thing about Yoon is that, as all of you know, he’s never held a publicly elected office before. He has zero foreign-policy experience. He has a very good team of people around him. And based on the statements that he has made, during the campaign and elsewhere, he seems to be very focused on democracy, liberal international order, the U.S. alliance essential to that.

So I expect that that’s a very good foundation for them to have a relationship. If I were doing this, as Mike said, I would recommend they talk about baseball, because both of them are big baseball fans. And to the extent that President Biden has any interest in cooking, he should talk about cooking, because President Yoon apparently is a very big culinary aficionado. And he lights up when he starts talking about cooking.

So I think the personal relationship will be good. But I also think it’s – you know, substantively they’re on the same wavelength. So I expect that it’ll go

very well. And I know that they're working on trying to do things where they can spend time together that's not just work, but there's other things that they can do together.

Dr. Green: And dogs. President Biden's got – you know, is into pets and Yoon, I'm told, is going to have three pet dogs running around the Blue House, which is kind of unusual for a Korean president. So yeah, there's lots for them to bond over.

Ms. Montfort: Great. Thank you. Let's go to the next question.

Operator: Steven Overly, Politico. You're open.

Q: Hi. Thank you for taking questions. I had a couple of quick follow-ups on the Indo-Pacific Economic Framework, which Commerce Secretary Gina Raimondo has now confirmed is launching in Japan.

I guess, to start off with, you know, there was some mention of the skepticism around how effective that agreement will be without market access provisions. I wonder if you might share some thoughts on what the U.S. could include in that framework to incentivize countries to participate, you know, in the absence of lowering tariffs.

And, additionally, I just – you know, India has been mentioned and, obviously, you know, there's a lot of questions about whether India can meet certain commitments that IPEF might ask. You know, I wonder if you might weigh in on any role you see for India, you know, in that framework.

Dr. Green: Matt and Scott, do you want to pick that up?

Mr. Goodman: Yeah. I'll take a crack. This is Matt Goodman.

So, yeah, I think that the – first of all, I think that there will be sort of more willingness to participate in this framework than, you know, is merited based on the actual, you know, view about, you know, what substantively is going to be in it for people – for these countries.

So, in other words, for example, to take India or some of the Southeast Asian countries, I think they will want to be part of this launch if it's just indicating, you know, interest in having conversations about these topics, which, again, I think they all agree are important to them – you know, trade, supply chains, clean energy. Everybody is interested in those issues and I think they're going to want to be part of the party.

But then when you get – so I think you'll have, you know, a much larger number of countries that, I think, was initially anticipated when the Biden administration was signaling that it was going to have very high standards

for participation at even the launch event and without offering, you know, more market access on the U.S. side. There was an expectation that you might just get the usual suspects, meaning, you know, Japan, Korea, Singapore, Australia, and so on and so forth.

But now I think, you know, the administration is signaling that it's willing to, you know, have people come to the launch party without necessarily, you know, committing to – up front to the kinds of high standards that we're looking for on, you know, trade, labor, environment, digital economy, on, you know, the other issues. And so I think more countries are willing to participate.

But at the end of the day, I think, as I said and you sort of suggest in your question, you know, everybody wants to engage with the United States because of our large market and the fact that we have a large consumer demand for their products and services, and so that's the kind of first and foremost thing people are looking for, and if the U.S. is not willing to offer that today, which, clearly, the Biden administration is not, then they're going to be asking for other things and I think it's going to boil down to, you know, support – not necessarily huge amounts of money but money – significant amounts of money to support capacity building in these countries so they can – you know, so they can, you know, help encourage their own development, support their own development to, you know, support the clean energy transition, you know, perhaps, to support supply chain, you know, relocation or other forms of resilience in these countries.

I think that's what people are going to be looking for, at least signals that the U.S. is ready to do those things. I wouldn't expect huge dollar number announcements on any of that but I do think that's what people will be asking for.

And just final word on India. You know, I think – in fact, as I sit here right now, I'm not a hundred percent sure that India is going to fully sign on to this. You know, they probably will for the reasons I stated. They'll want to be part of the party. They're in Tokyo anyway. Modi is in Tokyo. But you know, frankly, I think from India's perspective, based on their track record, it feels like India is willing to join because they don't have to really make any significant commitments on, you know, economics or trade, which historically they've been very reluctant to do. They haven't been willing to participate.

For example, you know, they were participating in the Regional Comprehensive Economic Partnership, and they pulled out of it and didn't sign onto the ultimate agreement last year because they felt, you know, they were being asked to do too much to open up their market for trade and investment. And so I suspect that, you know, India's not going to be willing to

make some really deep and substantial commitments, but is going to be willing to, you know, have a conversation about the set of topics that have been raised in the framework. So I suspect they probably – Modi probably will, you know, sign onto the initial launch party.

Q: And if my line's still open, can I ask one quick follow up of you? And that's just you mentioned earlier also the necessity of having an economic strategy in order to kind of achieve the security and diplomatic strategies. I wonder if you can just elaborate a bit on that in terms of just how essential is a framework that countries respond positively to. You know, how essential is that to achieving some of the other ambitions that the U.S. has in the region?

Mr. Goodman: Well, I think my colleagues have more credibility on that because I think they're going to tell you that it's absolutely critical.

But let me just say from my point of view as the econ guy I would say it is absolutely critical that the U.S. have a credible economic strategy. You know, we are – you know, to use the sort of soundbite, we're a Pacific power but not an Asian country. And to be considered, you know, a real partner and player in the region, we have to engage on all levels. And it's not just about our military or our diplomatic capabilities. You know, we have a large economy and we need to be seen to be willing to sort of offer that economy, you know, in engaging in the region. It's critical, and every administration going back to Nixon and arguably to George Washington has recognized that and in some way has engaged economically in the region. So it's absolutely critical. But I'm sure Mike, you know –

Dr. Green: Yeah. Scott, did you want to – or, well, let me answer that, Scott, quickly, and then I'll turn it to you.

Dr. Kennedy: Yeah, go ahead.

Dr. Green: So Ash Carter, when he was secretary of defense when – in the Obama administration, he said publicly that TPP was worth at least a carrier battle group to him for the geopolitical and security importance of the pact. And this is the case because the Chinese strategy in the Indo-Pacific is try – to try to pull smaller countries in Southeast Asia into their orbit using economic agreements but also dominance of infrastructure, of Huawei and so forth, and as much as possible to neutralize U.S. allies – Japan, Korea, Australia – who have larger trade relationships.

(Background noise.) Can someone mute? Somebody's got their mute off and we hear the train or something. It might be you, Victor.

But so the strategy's – Beijing's strategy has been to try to neutralize Australia, Japan, and Korea, our core allies. They have larger trade

relationships than we do. We have far larger security and FDI relationships. So if the U.S. doesn't have a – for the first time really in our postwar history if we don't have an economic strategy to continue integrating our economies and writing the rules for things like state-owned enterprise and digital trade – if we don't have that, that cedes the field to China to start defining economic relationships and economic rules that essentially start pulling even our closest allies towards a more neutral position and gives China much more sway to coerce/cajole/intimidate countries and assert hegemony.

Now, two things are undermining that strategy for China. One is they've overplaying their hand and countries are rushing to the U.S. – and you'll see that in Japan and Korea – for stronger security ties. And the other is our economy's in relatively stronger shape. We're attracting FDI. But it's a matter of time, and so it's really quite crucial.

And if I could really quickly say on the political piece of this, what I think is happening in the administration is the USTR position – U.S. trade representative's position – and the position of some in the White House is that there is no national security role for trade agreements; that it is purely about workers' rights and environmental standards. And this is the first administration – certainly since the late '80s, when the Omnibus Trade Act was passed, this is the first administration to have the argument within USTR that trade agreements are not about geopolitics or security.

And so USTR has been insisting that in IPEF the digital trade discussions be matched by very high standards of – (inaudible) – for labor and environment. I think – I think they're losing ground politically because when the president goes to the region he's increasingly going to Europe with his counterparts and it is geopolitically critical, and so this is going to be a trip where this debate over IPEF and digital trade and standards is going to be very much in flux, in my view. That's what I'd really be looking for. I don't think the administration is going out with these debates at all resolved and the interactions with Kishida, with the Australian prime minister, whoever it is, will be an important input.

So, thanks. Over to you, Scott.

Dr. Kennedy:

Sure, thanks. I'd just say, from the region's perspective, you know, the deep anxieties the United States feels about globalization, and that has led to a big turn in our foreign economic policies, aren't as fully understood in the region where you have smaller countries that depend on global markets to succeed and to drive them to innovate and improve and where they've figured out ways to manage their employment and manufacturing sectors in ways that haven't made them suffer as much from globalization in the way that it's affected the United States.

You know, the backdrop, really, behind IPEF is the CPTPP, which Japan really picked up when the U.S. stepped out, and the region really wants to – they wish that was what – that the U.S. would come back to TPP and they know that that is impossible now because of American domestic politics and the criticism that TPP and anything that smacks of globalization gives. And so one of the reasons they're interested in going along with IPEF, at least right now, is just in the way that we've talked about international trade liberalization in the past; like riding a bike, you know, you keep pedaling so it doesn't fall over. They want to keep the U.S. interested in international economic cooperation and framework building, even if they're not convinced IPEF is the wave of the future, that at least get through this trough in the American political psyche about its relationship with the world, so that maybe, at some point down the road, whether it's IPEF or TPP or something else, the U.S. is still in the game. They all desperately believe it's critical for the U.S. to be involved in the region and globally in building the international rules of the global economy. And so they're willing to make some adjustments in their – what they want to achieve in the short term to make sure that the U.S. stays involved in the region.

Operator: And next we have George Condon, National Journal. You're open.

Q: Great, thanks. I had two questions. Does Biden still benefit from the fact that he's not Trump, not the president who questioned both alliances and ended the joint exercises, that he's a known commodity? And the follow-up on that is, after Obama's pivot to Asia and Trump's talk about Indo-Pacific, is Biden seen in the region too much as an Atlanticist preoccupied by NATO and Russia?

Dr. Green: Let me start, George, by pointing to surveys we did in 2020 at CSIS, and there were other surveys around the world that showed the same thing. Before the election, half of Indian respondents, close to half of Taiwanese, a majority of Vietnamese, and, you know, a fifth of Japanese said that Trump would actually be better than Biden at dealing with China in the Indo-Pacific, so there was some concern because these countries, all of which are kind of on the front lines of Chinese coercion, had some mixed feelings about the Obama administration. But I think now, with the Biden administration's embrace of allies, you know, frankly, on economic policy almost really tougher on China than Trump had been, and then elevating the Quad from a foreign ministers meeting to a summit, initiating AUKUS, the Australia-U.K. trilateral security partnership, I mean, I think Biden's gone a long way towards reassuring. And so in many parts of the region he will benefit from not being Trump, and for parts of the region that were nervous about aspects of the Obama administration, I think he's gone a long way towards reassuring.

He suffered a very large credibility or trust wound, very deep damage, from the withdrawal from Afghanistan. I was part of a delegation dispatched to Taiwan after the Ukraine invasion, where we heard loud and clear that the Taiwan withdrawal had done real damage to American credibility in Asia. But what we also heard in Taipei, and what you'll hear, you know, from senior officials in Japan, and Korea, and Australia and elsewhere, is the way the administration's rallied global democracies to counter Putin in Ukraine has more than restored credibility for American global leadership. So he's going in on the back of a pretty high wave in that sense, I think.

Dr. Cha: This is – this is Victor. If I could just add that, from a Korean perspective, you know, the first summit between Biden and the previous president in May of 2021, the front page of all the major newspapers in Korea were – talked about sort of returning to normal. So there is clearly a sign of relief after Biden came to the region and talked about alliances in a language that allies understood. They just didn't understand, did not comprehend what Trump had been saying. So in that sense, I still think he does ride that wave.

And, as Mike said, I think on Ukraine the – what allies take – what allies take away from that is the ability of the democracies of the world to sort of unite and come together. NATO, and the U.S. and even countries in Asia come together to deal with this war. And at least from a Korean perspective, one thing that I would look for, and I didn't mention in my earlier comments, is what the Yoon government is going to do on Ukraine. Because the previous government was quite slow and late in the process. And Yoon has talked about doing more.

So it'll be interesting to see whether Korea does more in terms of combat equipment, or ammunition, or other things beyond humanitarian assistance. So I do think that he still benefits from that. I mean, it wasn't too long ago, right? A little over a year ago. So the memory of Trump has certainly not faded yet.

Dr. Green: There is a subtext, though, that's been – that the administration is worried about and that Biden will address when he talks about extended deterrence and defense commitments. And that is, even though the governments across the region, our allies, are stepping up on Ukraine and clearly articulating how impressive and important it is that the U.S. is leading this global coalition, if you look at some opinion polls, like, in Taiwan or if you look at editorials, there is nervousness – especially in Taiwan and in Japan to some extent – about whether the U.S. can handle two major contingencies.

Can we handle, you know, Ukraine and if Taiwan were suddenly a crisis, handle that at the same time? Do we have the bandwidth? And that's a subtext that has the administration a little bit worried. And I think you'll see some statements from the president that go right at that little bit of

uncertainty about our ability to – not our intentions, really, but our ability to handle, you know, major challenges in Europe and Asia at the same time.

Dr. Cha: Yeah. I would agree. It's Victor, again. I would agree with that. I mean, I would agree with that. And I think that, I mean, they can look at Ukraine in one of two ways. Allies or the general public in allied countries, to see it as, you know, the United States being able to, with NATO countries, bring together this coalition. But that it also preoccupies a lot of U.S. attention and probably makes them less capable in coming to the defense of allies. The other way they could also look at it is that the United States has played this role of bringing everyone together, but it has not engaged militarily in the Ukraine, which could be seen as a sign that the United States understands where its primary challenge is and, in that sense, is keeping its powder dry.

So I guess part of it depends on who you ask. But I agree with Mike. I think in this trip in the region in general, particularly in bilaterals, I would expect to see some very strong messages, and follow on. Not just messages and statements, but follow-on work in terms of reassuring allies and the credibility of the deterrent.

Ms. Montfort: Thank you. We're coming right up here on noon. Mike, I defer to you if you want to take a few extra questions or if we should wrap up and have folks that are still in the queue reach out to me for follow-ups. Mike?

Dr. Green: Sorry, I was on mute. I'm happy to stay on a few more minutes. Colleagues from CSIS, stop if you need to. Maybe let's take two quick questions back to back and we'll try to wrap up with those, Paige.

Ms. Montfort: Great. That sounds good to me.

So, Moderator, I believe we have someone from Voice of America and someone from Kyodo News next in the queue, if we could take both of those questions.

Operator: Thank you. Patsy Widakuswara, Voice of America, you're open.

Q: Yeah, thank you.

Thank you. This is Patsy Widakuswara. Thanks for doing this call.

I have a quick follow-up on Ukraine. I'm gathering that in this trip the issue or the focus on Ukraine will be more than, I guess, what come out of the – what had come out from the ASEAN summit last week. And the signaling from the administration is that they don't want what happened in Ukraine to ever happen in the Indo-Pacific. So I'm thinking what can you say in terms of

what they may be either signaling or actually formally announcing in terms of Taiwan? That's number one.

And then, just to follow up on the IPEF, how much infrastructure is on offer and whether it will be linked to the Build Back Better World? As I understand, there haven't been much of a focus on Southeast Asia and Asia-Pacific overall on the program. They've been focusing more, or at least Daleep Singh has been traveling more to Middle East and Africa and Latin America, as I understand.

Thank you.

Dr. Green: Paige, can we do the next question? Then we'll try to wrap up.

Ms. Montfort: Yes, absolutely.

Can we also take the question, operator, from Miya Tanaka at Kyodo?

Operator: Miya, you're open.

Q: Hello. Thanks for doing this. I'm Miya Tanaka from Kyodo News.

So I have another question on the Indo-Pacific Economic Framework. So, given that luring the Southeast Asian countries – (background noise) – sorry? Given that –

Dr. Green: Just go ahead. Whoever's on – yeah.

Q: OK. (Laughs.) Given that luring the Southeast Asian nations to the framework is important, I think such an announcement could have been made on the occasion of the U.S.-ASEAN summit. But why does the announcement have to take place in Japan? What is the significance of making the announcement in Japan, which is a country that wants the U.S. to actually join the TPP rather than IPEF? Thank you.

Dr. Green: Matt, you want to start with IPEF, if you're on?

Mr. Goodman: Yeah, sure. The two questions – and Patsy, you're welcome to follow up with me, or Miya, either one of you – but just to say quickly, I think infrastructure will probably feature as a kind of topic among the things that were discussed. It's part of the IPEF in the third bucket with clean energy.

I think, you know, I would not expect any particular initiatives or numbers to be announced in – you know, on this trip. But I think the notion of trying to seed or catalyze private investment in infrastructure, particularly in clean-

energy-related infrastructure, I think, will feature, as it did in the ASEAN joint statement.

And so, you know, I think you'll be – you'll see references to that and to mobilizing, you know, the Development Finance Corporation and other tools the U.S. has to try to mobilize private capital. That's a bet, you know, that may or may not pay off. But that's, I think, what the offer is going to be. It's not going to be some huge new Belt and Road Initiative or something.

The Build Back Better World may be alluded to. That's the G-7 initiative on infrastructure. But I wouldn't expect a lot of detail. As you say, there hasn't been a lot of follow-on on that in the last few months, although Daleep Singh did go to Southeast Asia as well. So I think he has – and I think there's an upcoming trip from senior people to the region from Commerce which will touch on infrastructure.

And then the simple answer on the Tokyo rollout is I think it would have been awkward to roll out IPEF at the ASEAN summit because not all of the ASEAN members are going to be included in the launch of that, particularly the smaller members like Cambodia, Laos, Brunei. And so it would have been awkward to talk about this.

There's some passing reference to frameworks or something, which hints at the IPEF, in the ASEAN statement. But I think that's why; and Tokyo, only because it happens to be a place that four of the relevant leaders are going to be meeting, and they want to get this out, you know, as soon as they can. If they didn't do it in Tokyo, I think it would drift sort of into, you know, June and beyond without any clear sort of rationale for launching it. So I think it's just a hook.

Dr. Green:

Well, on the Taiwan and Ukraine questions, I think the administration was happy with their ASEAN summit, and rightly so. Their strategy for ASEAN is not to expect that ASEAN is going to put out statements or global or even regional security issues beyond Southeast Asia. And if you've read the Indo-Pacific strategy put out by the White House, it's all about convincing Southeast Asians that the U.S. is looking to their resilience and deepening our ties with the region. And I don't think that the administration has an expectation to get any particularly robust statements about Ukraine, or Taiwan, or broader regional issues, because there just isn't consensus within ASEAN. And the regional association is struggling with their own internal problems – with Myanmar, for example, and so forth.

So we will be satisfied. But with the meetings in Tokyo and Seoul, I think we will see a pretty clear narrative on Taiwan because when Prime Minister Suga came to Washington and President Moon Jae-in for their first meetings with President Biden, both included really unprecedented statements about

the importance of Taiwan, which Beijing didn't like. So that's now out there. The precedent is set. And I think you'll hear President Biden and the other leaders talking about Taiwan. The Quad? That's a good question, because then you have to be more careful on the Taiwan question than Japan or Australia. And for more on that, you can tune in tomorrow when Rick Rossow and Charlie Edel and other colleagues will dive deep into the Quad.

Unless there's any other observations from colleagues, Paige, I think we probably can wrap up. But thank you.

Ms. Montfort:

Great. Thank you so much to all our experts for joining us today. As Mike said, we will be having another call tomorrow more focused on the Quad with four more experts from CSIS at 9:00 a.m. Eastern. You can use the same exact call-in information you used to join today. And I will be sending the transcript for this call out to all of our lists, directly to all of those of you in attendance who RSVPed, and it will also be posted to our website. So thanks again for joining us. Have a good afternoon/evening, depending on where you are. And thank you very much.