

Is Trump's Asia policy working?

Against all expectations, Trump's China policy has reduced regional tensions while prying markets open for US companies.

by Salvatore Babones

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When President [Donald Trump](#) followed through on his campaign promise [to pull the United States out of the Trans-Pacific Partnership \(TPP\)](#), the global foreign policy establishment was appalled. Pundits accused the president of abandoning [Asia](#), and many predicted that [China](#) would quickly fill the gap left by a retreating [America](#).

Australian Prime Minister Malcolm Turnbull went so far as to [publicly invite](#) China to take America's place in the agreement. China did not respond. And [Japan](#) declined to go ahead with any agreement that did not include the US. Japan's President Shinzo Abe [said that](#) a TPP without the United States would be "meaningless".

So much for Asia being "pulled into Beijing's orbit" [as a result](#) of Trump's policies.

Four months later, political pundits have shifted from arguing that Trump's hostility toward China could lead to a full-scale Pacific war to worrying that Trump is too close to China. They fret that Trump's Asia policies are sowing "anxiety and confusion" in the region, undermining American credibility and calling into question long-standing commitments.

Is Trump abandoning US allies or courting World War III? As with everything Trump, the truth can be hard to find behind all the smoke and mirrors. Only this time the confusion isn't coming from the president's Twitter account. It's coming from Trump's critics. They don't seem to be able to accept the possibility that Trump's Asia policy may be working after all.

Better Together

The US-China relationship is the single most important international relationship in the world. Together the US and China [make up](#) 36 percent of the world's economy, and American supply chains are deeply embedded in China. In a real economic sense, China isn't in the far east at all. It's in the far west of an integrated Pacific world.

Though many Asians have concerns about China's aggressive [geopolitical manoeuvring](#) in the South China Sea, no one in Asia wants conflict between China and the US. After all, when elephants fight, it's the grass that gets trampled. And that holds for economic conflict every bit as much as for a shooting war.

Thus Asia breathed a sign of relief on May 11 when the Trump administration announced a wide-ranging deal to unclog many of the sticking points in the US-China economic relationship. At first glance the deal [appears underwhelming](#): it covers a seemingly random set of issues ranging from chicken and beef to credit cards and rating agencies to genetically modified seeds. In return the US at long last has accepted China's "[One Belt, One Road](#)" Asian infrastructure initiative.

When Xi travelled to Mar-a-Lago in April, he was playing a high-stakes game in Trump's house, and a any casino owner knows, the house always wins. Against all expectations, Trump's Asia policy is work. It's time for the pundits to admit it.

Dig down into the details, and it becomes clear that the deal focuses on practical bread-and-butter issues that matter to US companies. It is nothing like the TPP, a mammoth trade and investment treaty that was designed to set the terms for the 21st-century Pacific economy. Trump's China deal sticks to [expanding opportunities](#) for big American companies to make money in China.

That may disappoint [human rights](#) activists, who want the United States to apply pressure on China to improve its abysmal human rights record, but it is likely to please America's Asian partners, who prize stability above all else. There is little appetite in the region for tension between the United States and China.

China's ambassador to the United States, Cui Tiankai, traces [all of this](#) to [Trump's meeting with Xi](#) at the Mar-a-Lago resort in Florida in April. He's probably right. In just two months, Trump and Xi have settled a host of long-festering trade issues, swept aside tensions over One Belt, One Road, and come to terms on North Korea. So much for World War III.

The Korean Conundrum

Just before the Mar-a-Lago summit, Trump [famously warned](#) that "if China is not going to solve North Korea, we will". He went on to explain that "trade is the incentive. It is all about trade." Two months later we have a quiescent [North Korea](#) and a US-China trade deal. It seems Trump was playing it straight all along.

China continually [urges restraint](#) in responding to North Korea's provocations, and it now seems clear that China is working behind the scenes [to ensure](#) that the North Korea issue does not spiral out of control. China's levers of influence over North Korea are opaque but very real. If there was a deal between Trump and Xi to keep North Korea quiet, Xi certainly seems to be holding up his end of the bargain.

When Xi traveled to Mar-a-Lago in April, he was playing a high-stakes game in Trump's house, and as any casino owner knows, the house always wins. Against all expectations, Trump's Asia policy is working. It's time for the pundits to admit it.

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