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U.S., China Coordinated Policy Reversal

Trump pledges to honor longstanding policy not to recognize Taiwan diplomatically

WASHINGTON — President Donald Trump's decision to back down on his threat to overturn a cornerstone of U.S.-China relations was made before his call this week to counterpart Xi Jinping, part of a move toward continuity in Washington's approach to Asia.

Mr. Trump and Mr. Xi weren't five minutes into their phone call Thursday night when the issue of the new administration's threat to tear up the longstanding U.S. agreement with China to withhold diplomatic recognition of Taiwan was put to rest, said a senior U.S. official.

"I would like you to uphold the 'One China' policy," Mr. Xi said to Mr. Trump in a scripted exchange.

"At your request, I will do that," replied Mr. Trump, the official said.

Mr. Trump had just come from dinner with Republican donor Sheldon Adelson, Secretary of State Rex Tillerson and Nikki Haley, the U.S. ambassador to the United Nations.

White House officials declined to specify what if anything Mr. Trump got out of relenting on the One China policy. China's Foreign Ministry spokesman Lu Kang didn't directly address a question about whether China had had to make any concessions in return.

For Mr. Trump, it marked a significant retreat, but also presented an opportunity to press ahead with negotiations on economic and security issues that will be critical to his administration's policy in the region.

The two leaders went on to have a 45-minute discussion about issues ranging from trade to personal lives, spouses and families, the senior U.S. official said.

"It really was an opportunity to make sure relations with China were reset," the official said.

It was also an opportunity for Mr. Trump to speak in person with Mr. Xi. The White House team had worked for several days to arrange the call, which came weeks after Mr. Trump's December conversation with the president of Taiwan, a call that broke with decades of protocol in which the U.S. has agreed not to recognize Taiwan diplomatically.

For Mr. Xi, the moment reflected how China's wait-and-see approach to the new U.S. president paid off. Beijing had made clear to the Trump administration that U.S. adherence to the "One China" policy was an inviolable precondition for relations.

Beijing praised Mr. Trump's shift on the One China policy. Mr. Xi expressed his appreciation during the call, according to the state-run Xinhua News agency. A senior U.S. official said Mr. Xi took time to praise Mr. Trump for his election victory, which the new president appreciated.

For Mr. Trump, it was part of a broader message to the region this week and came a day his White House meeting with Japanese Prime Minister Shinzo Abe on Friday.

After his Oval Office meeting with Mr. Abe, Mr. Trump at a news conference reassured Japan and other Asia-Pacific nations that he would not unravel decades of American foreign policy by scaling back the U.S. military presence in region. Allies feared he would do so after he questioned the buildup and suggested during his campaign that countries like Japan and South Korea may need to acquire nuclear weapons.

“We are committed to the security of Japan and all areas under its administrative control and to further strengthening our very crucial alliance,” Mr. Trump said at a joint news conference with Mr. Abe. “The U.S.-Japan alliance is the cornerstone of peace and stability in the Pacific region.”

He said his conversation with Mr. Xi and close U.S. relations with China will benefit Japan.

“It was a very, very warm conversation. I think we are on the process of getting along very well,” Mr. Trump said of the phone call with Mr. Xi. “I believe that that will all work out very well for everybody, China, Japan, the United States and everybody in the region.”

Chinese analysts said Mr. Trump’s change in rhetoric was inevitable.

“Some things you don’t need to be anxious to respond with titts-and-tatts for,” said Zhang Ruizhuang, professor of international relations at Nankai University in Tianjin. “Instead, give him some time, and let him slowly realize things on his own.”

Yet some observers were disappointed.

“I guess I always knew President Trump would eventually reaffirm our One China policy, but I was at least hoping for a more open, frank discussion on its origins and continued relevance before doing so,” said Sean King, an Asia specialist and senior vice president at consulting firm Park Strategies.

Mr. King said the turnaround would hurt Taiwanese President Tsai Ing-wen.

Mr. Trump’s call with Ms. Tsai had sparked both celebrations and anxiety in Taiwan, including fears that the island might become a chess piece in U.S.-Chinese relations. China has considered Taiwan a breakaway province since Chiang Kai-shek’s Nationalists set up a government there in 1949, after years of civil war.

Mr. Trump’s agreement to uphold the One China policy marks one in a series of stances toward Asia that he’s tempered since taking office. He had brushed off his call to Ms. Tsai as of little consequence, and vowed to use the One China policy as leverage in negotiations with China on contentious security and economic issues.

Mr. Trump also had threatened during his presidential campaign to slap a 45% trade tariff on Chinese goods and promised to declare China a currency manipulator on his first day in office.

But he backed off of that pledge, telling The Wall Street Journal in an interview before taking office last month that he wanted to speak with China first.

On Friday Mr. Trump promised there would soon be “a level playing field” on currency valuation when asked whether he would continue to press Chinese leaders about their past practice of devaluing their currency.

“That’s the only way that you can fairly compete in trade and other things,” Mr. Trump said, without elaborating.

A senior U.S. official said the issue came up in their phone call in the context of economic issues but was not a substantial point of discussion.

David Lampton, a professor at Johns Hopkins School of Advanced International Studies, said China might be willing to do a few things to try to move the relationship in a more positive direction, such as increase some pressure on North Korea over its nuclear threat or advance talks on a bilateral investment treaty.

“If I were China I would welcome the recent statement but I would not take it for granted,” he said. “This may open up the possibility for modest progress in other areas but over the long haul, this policy is subject to adjustment as the two countries interact.”

Eswar Prasad, a former China expert at the International Monetary Fund and a professor at Cornell University, said the move could have a salutary effect on U.S. businesses.

“This cools off the political as well as economic tensions, which are certainly tied together in this environment,” Mr. Prasad said.

In recent days, the Trump administration had sought to clarify its approach to Asia. Last week, U.S. Defense Secretary Jim Mattis paid visits to U.S. allies South Korea and Japan to reassure them that the U.S. plans to continue stationing troops in both countries, following suggestions by Mr. Trump that their presence— which serves as a bulwark against military incursions by Beijing and Pyongyang— was too costly for the U.S.

Similarly, prior to his confirmation as Mr. Trump’s secretary of state, Rex Tillerson walked back previous statements that the U.S. might block China’s access to islands it has built in the South China Sea, saying that the U.S. should be “capable” of limiting such access, should a contingency occur.

In written answers provided to the Senate, Mr. Tillerson also indicated he intended to adhere to the “One China” policy, saying Taiwan “should not be treated as a bargaining chip.”

Mr. Tillerson was on hand for Thursday’s call.