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Special Issue: How Southeast Asia is Sizing Up Trump's Election Victory

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EXECUTIVE SUMMARY

- Donald Trump's success in US presidential elections is unsettling for Southeast Asia because little is known about his views on Asia. What is known of his opinions on free trade agreements (FTAs) and Islam is disconcerting.
- The Trans Pacific Partnership (TPP) signatories (Malaysia, Singapore and Vietnam) were understandably concerned about US' withdrawal from the 12-nation economic pact. However, the Southeast Asian signatories still harbour guarded optimism that Trump will not dismiss the TPP in its entirety.
- Trump's inward turn to strengthening the US would deprive the region of an important means of balancing its relations with China. The TPP setback is viewed as early signs of US "disinterest" in the region.
- Trump's victory has seen the weakening of regional currencies. His "America First" focus has raised fears of less US trade and investment in the region. The Philippines is especially concerned with a slow-down in the business process outsourcing (BPO) sector. At the same time, it has been pointed out that US firms are not sensitive to political factors and the weakened regional currencies may in fact make Southeast Asia more attractive for US investments.
- The new administration is expected to adopt a "transactional" approach to regional affairs, putting human rights and democracy on the backburner. Downplaying these divisive issues would provide an opening for improving US relations with the Philippines and Thailand.
- Trump's strident views on Islam will complicate US ties with Indonesia and Malaysia, and undermine popular support of the US in these two Muslim majority nations.

INTRODUCTION¹

Every four years, Southeast Asia finds itself spellbound by the US presidential elections. This year's election, which ended just a few weeks ago, was especially captivating for its political twists and turns. In the wake of the 8 November elections, Southeast Asia's sights shifted from the intrigues of US political drama to grappling with the uncertainties of policies and strategic outlook of the 45th President of the United States of America.

Going by the adage that "when America sneezes, Asia catches a cold," the incoming administration will have a big influence in the region's unfolding story. For starters, the US-led Trans Pacific Partnership (TPP) is in tatters as its 11 signatories scramble to salvage what was once touted as the "gold standard" of free trade agreements.

This has sent shockwaves throughout the region, which has grown accustomed to taking US engagement as a given. For a great many, the prospect of an inward-looking and protectionist America is not only unthinkable but also irrational. It might do irreparable damage to US' long-standing and deep interests in the region, ranging from trade to security.

To be sure, US engagement in Southeast Asia is not without its detractors, and like all relationships, it does suffer the occasional hiccups. However, on balance, Southeast Asia prefers an engaged partner to a distant and disinterested US as evident in this Special Issue of ISEAS Perspective covering official views and media reports from Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. These snapshots which cover the responses in the first two weeks following the US presidential elections also speak to the diverse views and concerns vis-à-vis US' regional role, ranging from the economy, democratisation, China, Islamophobia, and counter-terrorism.

INDONESIA: CONCERNS OVER HOSTILITY AND UNCERTAINTY

Ulla Fionna²

The victory of Donald Trump over Hillary Clinton for the US presidency ignited reactions in Indonesia, which can generally be summarised as concerns over hostility and uncertainty. Both the media and the people voiced the same sentiments, conveying anxieties about what Trump administration would do, and how that would affect Indonesia overall, its economy, and Muslims in general.

At the diplomatic level, efforts were being made to maintain the good relations that the two countries enjoyed during Obama's presidency. While Indonesia would have preferred Clinton as Obama's successor, President Joko Widodo (Jokowi) was quick to congratulate

¹ This special issue was edited by Daljit Singh, Coordinator, Regional Strategic and Political Studies Programme, and compiled by Tang Siew Mun, Senior Fellow, Regional Strategic and Political Studies Programme. at ISEAS-Yusof Ishak Institute.

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Trump on his victory, saying “On behalf of the Indonesian government and all the people, I convey my congratulations to president-elect Donald J. Trump”. Although Trump’s policies was the lesser-known of the two candidates’, Jokowi added that Indonesia was nonetheless ready to continue mutual cooperation with the US.³ Anxieties over his possibly hostile policies towards Muslims – which featured in his campaign – were quickly addressed by the foreign ministry which hastily encouraged Indonesians living in the US to show respect for the new president.⁴ US representatives to Indonesia were also swift in reassuring that relationship with Indonesia would be well-maintained.⁵

Beyond what transpired at the official level, there were concerns over what kind of president he would be, and how his administration would affect Indonesia. In particular, as its third largest export market, Trump’s possibly more protectionist US trade policies would have some effects on Indonesia. While analysts were quick in raising concerns over the decreasing demand for goods from Indonesia if the US were to push its own manufacturing and cut corporate tax,⁶ others were quick to assuage the alarms, by pointing out that Indonesia would be much less affected compared to its regional peers, particularly as “trade is no longer a main source of growth”.⁷ Still, others have argued that China will be an important factor, as lower demand for China’s goods will also reduce China’s demand for raw materials from Indonesia.⁸ Yet overall, there is a consensus that Indonesia’s economy would be affected in some ways if the US implements more inward-focused economic policies.

Beyond possible impacts on the economy, Trump personality is viewed in a negative light by Indonesians. In the world’s largest Muslim country, his election as a leader of the free world has created a strong sense of animosity towards Muslims in general. Indeed, what has attracted a lot of attention in Indonesia was some of his campaign rhetoric which included a ban on foreign Muslims entering the US and a sense that Muslims would face hard times

³ “Jokowi congratulates Trump”, *The Jakarta Post*, 9 November 2016, (<http://www.thejakartapost.com/news/2016/11/09/jokowi-congratulates-trump.html>), accessed 18 November 2016.

⁴ Safrin La Batu, “Indonesians in US told to honor next US president”, *The Jakarta Post*, 10 November 2016, (<http://www.thejakartapost.com/news/2016/11/10/indonesians-in-us-told-to-honor-next-us-president.html>), accessed 18 November 2016.

⁵ “US pledges to maintain relations with Indonesia”, *The Jakarta Post*, 9 November 2016, (<http://www.thejakartapost.com/news/2016/11/09/us-pledges-to-maintain-relations-with-indonesia.html>), accessed 18 November 2016.

⁶ Fiki Ariyanti, “Donald Trump Jadi Presiden, Ekspor ke AS Bakal Suram”, *liputan6.com*, 9 November 2016, (<http://bisnis.liputan6.com/read/2647894/donald-trump-jadi-presiden-ekspor-ke-as-bakal-suram>), accessed 21 November 2016.

⁷ Anton Hermansyah, “Trump’s protectionism will have limited effect on Indonesia: UOB”, *The Jakarta Post*, 10 November 2016, (<http://www.thejakartapost.com/news/2016/11/10/trumps-protectionism-will-have-limited-effect-on-indonesia-uob.html>), accessed 18 November 2016.

⁸ “Trump Menang, China Kena Imbas Pertama, Indonesia berikutnya”, *Kompas.com*, 10 November 2016, (<http://bisniskeuangan.kompas.com/read/2016/11/10/073000026/trump.menang.china.kena.imbas.pertama.indonesia.berikutnya>), accessed 21 November 2016.

under his presidency.⁹ Already, he has called for Muslims to be registered,¹⁰ prompting concerns over other possible policies that would stymie Muslims' rights and civil liberties, and how the US would deal with Islam and Muslim countries. A leader of Indonesian Ulema Council (MUI) has stated that "Trump will create new problems" due to his anti-Islam campaign oratory.¹¹

Similar concerns are also apparent amongst Indonesians who are in touch with world politics, as some have voiced anxieties that the US will be suspicious and hostile towards Muslim countries and Muslims. As Indonesia has had a history of animosity with the US over its Middle East policy, Trump's presidency may see a rise of an anti-US sentiment in the country. Indeed, the warm relationship enjoyed during Obama, who had some personal ties to Indonesia – would seem difficult to replicate. Thus, the US' overall image amongst Indonesians is also in danger of deteriorating with the new US president.¹²

Despite the overall negative perception and alarms, some analysts have also pointed out that Trump's campaign rhetoric may be just that. His actual policies are still unknown and that he will have certain framework and limitations in which he can build them.¹³ One thing is for sure, Indonesia will keep a critical watch over him, with particular attention on his economic policies and approaches towards Muslims in general. While officially the two countries may do well with keeping a friendly outlook, Indonesian media and people have already made up their minds that Trump is not Obama.

⁹ Safrin La Batu, *op. cit.*

¹⁰ See for example "Donald Trump Says He'd 'Absolutely' Require Muslims to Register", *NY Times*, 20 November 2016, (http://www.nytimes.com/politics/first-draft/2015/11/20/donald-trump-says-hed-absolutely-require-muslims-to-register/?_r=0), accessed 21 November 2016. It should be noted that the same initiative was in place during George W. Bush's presidency.

¹¹ "MUI: Trump Bakal Menimbulkan Masalah Baru", *Jawapos.com*, 10 November 2016, (<http://www.jawapos.com/read/2016/11/10/63366/mui-trump-bakal-menimbulkan-masalah-baru>), accessed 21 November 2016.

¹² Personal e-mail communication with international relations specialists in Indonesia, November 2016.

¹³ "Indonesia Diharap Tak Reaktif Sikapi Terpilihnya Donald Trump", *Kompas.com*, Jumat, 11 November 2016, (<http://nasional.kompas.com/read/2016/11/11/21540081/.indonesia.diharap.tak.reaktif.sikapi.terpilihnya.donald.trump>), and I Gede Wahyu Wicaksana, "Indonesia shouldn't worry about Trump leadership", *The Jakarta Post*, 15 November 2016, (<http://www.thejakartapost.com/academia/2016/11/15/indonesia-shouldnt-worry-about-trump-leadership.html>), accessed 21 November 2016.

MALAYSIA: SIGNS OF GUARDED OPTIMISMMustafa Izzuddin¹⁴

Taking to his Facebook page, Malaysia Prime Minister Najib Razak congratulated Donald Trump on his “extraordinary victory.” Najib also added that “I think the partnership with the US would remain because he too needs the partnership with Malaysia and other countries.”

Najib’s conciliatory message of cautious optimism set the tone for others in government responding to Trump’s win. Deputy Prime Minister, Ahmad Zahid Hamidi followed suit by congratulating Trump on his Twitter with this message: “May your victory mark a new beginning, further strengthening Malaysia-US relations.” Concurrently, the Foreign Ministry, through an official statement, also congratulated Trump and called for the Comprehensive Partnership on a wide range of areas of cooperation including politics, economy, security and defence, signed in 2014 under President Obama, to continue under a Trump presidency.

Defence Minister Hishammuddin Hussein believed that existing defence relations between Malaysia and America, such as the purchase of military equipment, joint military exercises, and counter-terrorism cooperation, will remain intact. Hishammuddin cautioned against knee-jerk reactions as it would be more sensible to await Trump’s foreign and defence policy to take shape.

Trade minister Mustapa Mohamed sought to assure businesses that there will not be a radical shift in US-Malaysia economic relations, given that America is now Malaysia’s third largest trading partner. Mustapa felt that the negative perception of Trump has improved of late in Malaysia because he has softened his bigoted rhetoric after winning the elections.

Despite Trump’s opposition to the Trans-Pacific Partnership (TPP), Najib has not given up on the TPP as he believes Trump may still change his mind, and feels protectionism can only harm trade and the global economy. He even lobbied Japanese Prime Minister Shinzo Abe to persuade the president-elect on the merits and strategic importance of the TPP.

Reactions from Malaysians on the ground towards Trump can be divided to three groups. The first group, fuelled by Islamic conservatism, considers Trump to be an Islamophobe, given his anti-Muslim bigotry. Echoing such sentiments were politicians from the Pan-Malaysian Islamic Party (PAS) whose views were captured by the PAS-owned *Harakah* newspaper. For them, anti-Muslim bigotry was the hallmark of Trump’s presidential campaign, and the antidote was Islamic revivalism, with the key cornerstone being the formation of an Islamic state and the attendant imposition of Islamic law. Many other Malays, not necessarily supporters of PAS may also view Trump unfavourably because of his stances towards Muslims.

¹⁴ Mustafa Izzuddin is Fellow at ISEAS-Yusof Ishak Institute.

The second group, informed by liberal progressive values, views Trump with contempt, not least for his xenophobic and misogynistic remarks. This group transcended race and religion, and even included those Muslims who wanted Islam to be reformed in keeping with the 21st century. This, however, placed them at loggerheads with the more conservative Muslims in Malaysia.

The third group, which wants the Najib government removed from power believe that the one lesson that can be drawn from Trump's win is that the 'Trump effect' could dawn on Malaysia. Their hope is that if enough of downcast and discontented Malaysians came out to vote in droves for the political opposition, Najib's ruling United Malays National Organisation (UMNO)-led Barisan Nasional (BN) coalition would lose a general election. Not surprisingly, this group has tended to align themselves with the opposition, with several politicians from the Democratic Action Party (DAP) calling for the 'Trump effect' to dislodge Najib and his coalition from government.

As for the Malaysian print media, the English and Malay-language mainstream papers took the cue from Najib and the Ministry of Foreign Affairs in responding to Trump's victory. The common thread running through *The New Straits Times*, *The Star*, *Borneo Post*, *Berita Harian* and *Utusan Melayu* was that despite Trump's anti-Muslim rhetoric, the hope is that it will not impede US-Malaysia relations given Malaysia's status as a Muslim majority country. The Malaysian leadership may be more cautious when dealing with the new US administration if Washington is perceived to take a harder line against Muslims.

However, the Malaysian online media, namely *Malaysiakini* and *Free Malaysia Today* as well as many notable blogs and websites critical of Najib and his government such as the Sarawak Report, have been more vociferous in their criticism of not just Donald Trump but also of Najib's response to a Trump victory. Without exception, the online media centred the criticism of Najib on the 1MDB controversy even when discussing Najib's response to a Trump victory. Simply put, they saw Najib as downplaying his criticism of Trump in the hope that the Trump administration would end US efforts to investigate the 1MDB scandal.

Good economic growth, based on trade and investment, is crucial for Najib as it enhances his legitimacy to govern the country, and augments the chances of his coalition being returned to power in the next election likely to be in the middle of 2017. The US is a key export market for Malaysia, worth RM73.7 billion in 2015 and a more protectionist trade policy in the US would hurt Malaysia economically and could make it tilt more towards China with which it already has a strong economic relationship. Like other countries, Malaysia would wait and see how the Trump Administration policies evolve, hoping that the US-Malaysia relationship will remain largely unscathed, given the long history of economic and security cooperation and the strategic importance of Malaysia in relation to the South China Sea and the Straits of Malacca.

MYANMAR: OVERCOMING SHOCK AND CONNECTING WITH TRUMPYe Htut¹⁵

Secretary Hillary Clinton was the darling of the Myanmar media, which covered the Democratic presidential nominee's campaign extensively throughout the recently concluded US presidential elections. Even the National League for Democracy (NLD) party spokesperson Win Htein remarked to the media that his party supports Clinton and her victory would improve bilateral ties. In contrast, all the editorials in the mainstream media were dismissive of Donald Trump's presidential prospects and reprinted international news articles critical of his policies. Very few people supported Trump's policy on immigration and radical Islam, but the few that did so conveyed their support using social media, mostly through Facebook. The media and the Myanmar people were caught off-guard by Trump's unexpected ascendancy.

After Trump's victory, President Htin Kyaw and State Counsellor Aung San Suu Kyi congratulated President-elect Trump and expressed their desire to promote bilateral relations. Aung San Suu Kyi, who has a close friendship with Clinton, extended her best wishes to Trump "for all success in the discharge of your new responsibilities as the 45th President of the United States." She also said that she looked forward to "working closely with [Trump] to further strengthen the existing friendship, cooperation and partnership between our two countries."

Presidential Office spokesperson Zaw Htay expressed his confidence that US policy towards Myanmar will not change much under Trump. He pointed out that the Republicans were historically ardent supporters of Aung San Suu Kyi and democracy in Myanmar. With Republicans controlling both houses in Congress, Trump will not have a free hand to reverse the US' Myanmar policy. With regards to the prospects of US investment in Myanmar, Zaw Htay said that Myanmar would value the US more for political support than investment, and that South Korea, India and China will play a larger and more active role in the country's economic development.

The main opposition party Union Solidarity and Development Party (USDP), formerly led by President Thein Sein who started the rapprochement with US, also congratulated Trump. The new party chairman Than Htay said that Trump's win was historic and reflects the American people's confidence in Trump's strategic leadership. He expressed USDP's desire to enhance its relationship with the Republican Party.

Another political party delighted by Trump's victory is the ethnic Rakhine party, the Arakan National Party (ANP). Against the backdrop of the deteriorating state of security in Rakhine State following the 9th October terrorist attacks on police camps, ANP Chairman Aye Maung congratulated Trump in a letter on 9 November and said, "being engulfed in Islamisation and illegal immigration problems, we the Arakanese people look up to you as

¹⁵ Ye Htut is Visiting Senior Fellow at ISEAS-Yusof Ishak Institute.

a new world leader who will change the rigged system being infested with jihadi infiltrators.”

Overall, Myanmar’s media were surprised by Trump’s victory over Clinton. The newspapers did not publish any editorials on US election results. However, the Myanmar politicians, businesspersons and scholars who were interviewed by the media all expressed their concerns about Trump’s nationalist and isolationist tendencies. Some of these opinion leaders hoped Trump will appreciate Myanmar’s strategic dilemma of being sandwiched between the two major powers of China and India.

Coverage of the US elections by the local media were mostly translations of international news items. This limited coverage was selectively biased against Trump, and highlighted the protests against Trump’s victory, the negative impacts on stock markets and the US dollar and the Clinton concession speech. Trump’s victory speech were mentioned only in passing.

The only newspaper which took a different perspective was *Eleven* daily. Its editorial concluded that Trump’s victory represented the American people’s rejection of its corrupt political elite and “establishment” politics. It even interpreted Trump’s victory as an indirect warning to the NLD. The paper quoted Trump’s speech in New Hampshire: "Do you want America to be ruled by the corrupt political class, or do you want America to be ruled again by the people?" Three days after the US election, the CEO and Chief Editor of the paper was arrested on defamation charges surrounding the paper’s criticism of alleged corruption within NLD government. Their article “Myanmar, one year after the Nov 8 polls” on 5 November was widely reprinted in Asian newspapers, including Singapore’s *The Straits Times*.

As Myanmar recovers from the initial shock of Trump’s unexpected victory, it now anxiously awaits the new president’s foreign policy. Myanmar would have to build new bridges to connect with the Trump administration. The task is not impossible but it will be more challenging given Myanmar’s close relations with the Obama administration and Clinton.

THE PHILIPPINES: CHANCE FOR A RESET?

Malcolm Cook¹⁶

Three emotions capture the predominant Philippine reactions to Donald Trump’s election victory: worry, hope, and vindication.

The Philippine peso has fallen to its lowest against the US dollar since the dark days of the US-centred Global Financial Crisis eight years ago. In the first ten trading days after the Trump victory, the peso fell each session. The Philippine Stock Exchange also fell sharply

¹⁶ Malcolm Cook is Senior Fellow at ISEAS-Yusof Ishak Institute.

for the first week, but has since recovered. In a November 10 note, Japanese financial firm Nomura identified Trump's victory as the "biggest risk to Philippine growth next year."¹⁷ Nomura focusses on three potential negative effects:

- Lower remittances from the United States due to tightened immigration laws. According to *Bangko Sentral ng Pilipinas* statistics, the United States accounted for over \$8 billion in remittances to the Philippines in 2015, about a third of total remittances inflows to the Philippines. Approximately four million Filipinos reside in the United States, some unlawfully.
- Slower growth in the booming Philippine business process outsourcing (BPO) sector due to higher offshoring costs from the United States. The United States' market accounts for over 70% of BPO exports from the Philippines. The Philippines is the world's largest BPO hub.
- Lower total exports. The United States is the Philippines' second largest export market after Japan. The United States' market accounts for over 15% of total Philippine exports.

The global property firm Colliers' Philippine office voiced similar concerns about Trump-related negative effects on remittances and the BPO sector. A 'wait and see' approach to new investment in the BPO sector could weigh down demand for office space while slower and more uncertain remittances growth could do the same for the private housing market.¹⁸

Other market watchers are more sanguine. Cielito Habito, a former head of the National Economic Development Agency and now columnist for the *Philippine Daily Inquirer*, notes that the Philippines does not have a free trade deal with the United States and is not a signatory to the Trans-Pacific Partnership, protecting the country from any Trump presidency moves against free trade deals.¹⁹ Like Habito, Credit Suisse warns against overreaction. In a November 17 report, the Swiss bank argues that foreign direct investment decisions by American firms, unlike Chinese ones, are not sensitive to political factors. This and the weakening peso could make the Philippines a more, not less, attractive destination for BPO investment from the United States.²⁰

On the diplomatic front, the surprise Trump victory triggered more positive responses. These responses were largely due to the sharp change in tone in Philippine-US relations since the coming to power of President Rodrigo Duterte at the end of June. President Duterte

¹⁷ "Trump 'biggest risk' to PH growth," *Inquirer.net*, 14 November 2016, (<http://business.inquirer.net/219395/trump-biggest-risk-to-ph-growth>), accessed 14 November 2016.

¹⁸ "Trump win a threat to BPO industry," *Inquirer.net*, 10 November 2016, (<http://business.inquirer.net/218668/trump-win-a-threat-to-bpo-industry>), accessed 11 November 2016.

¹⁹ "President Trump and our economy," *Inquirer.net*, 11 November 2016 (<http://opinion.inquirer.net/99143/president-trump-and-our-economy>), accessed 11 November 2016.

²⁰ "Philippines' China 'pivot' seen to add fuel to growth," *Business World Online*, 21 November 2016 (<http://www.bworldonline.com/content.php?section=TopStory&title=philippines-amp-china-amp-pivot-amp-seen-to-add-fuel-to-growth&id=136654>), accessed 21 November 2016.

has launched a number of personal tirades against President Obama, including advising President Obama on October 4 to visit hell.²¹ This sharp deterioration in bilateral diplomacy underlines the fact that leaders and their views of each other matter. Trump's victory has provided hope that relations with the United States, the Philippines' most important security and economic partner, can improve without requiring President Duterte to change. President Duterte was one of the first leaders to congratulate President-elect Trump on his victory and has stated that he does not want to fight with Trump.²² President Duterte has gone further, noting the frequently commented upon similarities between Donald Trump and himself from profane language to "what we share in common is the passion to serve".²³

Ramon Tulfo, one of the best-known journalists in the Philippines, building on this sense that Trump and Duterte are similar, boldly predicts that the two will become friends and that under President Trump, the United States will treat the Philippines as an equal.²⁴ President Duterte has repeatedly criticized the United States and the current Obama administration for not doing so. It is widely expected that a Trump presidency will focus less on human rights concerns overseas. This would help soothe a major irritant for President Duterte, who started lambasting President Obama after the State Department and the president expressed concern over President Duterte's violent war on drugs. The incoming Trump president offers the opportunity for the Duterte administration to reset diplomatic relations with the United States.

The Trump victory and his revisionist rhetoric on American trade and security policy is being read by many in the Philippines and beyond as vindication for President Duterte's call for a more independent foreign policy and a more distant relationship with the United States.²⁵ The Eurasia Group's Ian Bremmer, in an interview with *Nikkei Asian Review*, summed this view up:

²¹ "Duterte to Obama: Go to hell," *Rappler.com*, 04 October 2016, updated 10 October 2016, (<http://www.rappler.com/nation/148225-duterte-obama-go-to-hell>), accessed 14 November 2016.

²² "Duterte to Trump: Mabuhay ka!," *ABS-CBN News*, 09 November 2016, (<http://news.abs-cbn.com/news/11/09/16/duterte-to-trump-mabuhay-ka>), accessed 11 November 2016.

²³ "Duterte on Trump: We share common passion to serve," *ABS-CBN News*, 11 November 2016, (<http://news.abs-cbn.com/news/11/11/16/duterte-on-trump-we-share-common-passion-to-serve>), accessed 11 November 2016.

²⁴ "My bold prediction about Trump and Duterte," *Inquirer.net*, 12 November 2016 (<http://newsinfo.inquirer.net/843559/my-bold-prediction-about-trump-and-duterte>), accessed 21 November 2016.

²⁵ "Digong, Donald seen hitting it off," *Inquirer.net*, 11 November 2016, (<http://newsinfo.inquirer.net/843235/digong-donald-seen-hitting-it-off>), accessed 21 November 2016.

“I think that you're going to see more leaders like [Philippine President Rodrigo] Duterte who went to China and basically said, "We're going to separate ourselves from the United States." A lot more countries in Asia are going to do that. I mean, Duterte looks smart now. I think that Duterte got it right. It looks like he made the right call.”²⁶

The Philippines has the deepest, most complex, and most volatile relationship with the United States among Southeast Asian countries. This enduring fact at the core of the Philippine identity is reflected in the Philippine reactions to the impending political change in the United States.

SINGAPORE: PRAGMATIC WAIT FOR CLARITY

Daljit Singh²⁷

Singapore, a small open economy for which trade is its life-blood, naturally showed much concern about Donald Trump's trade protectionist stance during his presidential campaign. This has been clear from the speeches of Prime Minister Lee Hsien Loong during the APEC Economic Leaders' Meeting in Peru. Even before the US election, he warned of the dangers of protectionism and of failure to ratify the TPP, which is also valued for strategic reasons since it is an important component of the US rebalance to Asia. There were hopes that the experience of office and the realities would help moderate Trump's attitude to the TPP, especially since the Republican party leadership is close to American businesses and essentially supports free trade. However, Trump poured cold water on such notions by his pronouncement that he would scrap the TPP on his first day in office. Still, Singapore and some like-minded countries would ratify the TPP and may try to have an 11-country arrangement without the US in the hope that the US might be able to join later on when it is ready.

In his congratulatory message to President-elect Trump on 9 November 2016, Prime Minister Lee highlighted both the shared strategic interests and the extensive economic and commercial ties of the two countries. He said the relationship has long benefited both Singapore and the US, implying that Singapore was no free rider, and that the US had also greatly benefited from the relationship. The Prime Minister pointed out that the US had consistently maintained a trade surplus with Singapore, which now stands at US\$20 billion a year, while Singapore investments in the US together with US exports to Singapore have created 240,000 jobs for American workers. Singapore, he added, has also long supported US presence in the region as essential for peace and stability. Though the Prime Minister did not say so, in fact, Singapore has gone out on a limb for many years to publicly support the US military presence in the region and to facilitate it through use of facilities in

²⁶ “So long, Pax Americana, you've been Trumped,” *Nikkei Asian Review*, 13 November 2016, (<http://asia.nikkei.com/Politics-Economy/Policy-Politics/So-long-Pax-Americana-you-ve-been-Trumped>), accessed 14 November 2016.

²⁷ Daljit Singh is Coordinator, Regional Strategic and Political Studies Programme at ISEAS-Yusof Ishak Institute.

Singapore. In doing so, Singapore incurred the displeasure of neighbouring countries in the earlier years and of the contending great power more recently.

Defence Minister Ng Eng Hen made a similar point. In response to a question by a journalist on 13 November 2016 whether Singapore would have to shoulder a greater burden of defence responsibilities under President Trump, he said Singapore's relationships with other countries were premised on mutual benefit and Singapore was "doing a lot" with the US and for the US. He cited how American ships and planes, including the P-8 surveillance planes, transit Singapore naval and air bases. Also, the Singapore Armed Forces had served in Afghanistan, and the two countries were working closely to diminish terrorism. As such, he did not expect the defence relationship with the US, which has a historically "strong institutional" basis, to decline under the Trump Administration.

Nevertheless, there is the sense in Singapore, like in other regional countries, of much more uncertainty following Trump's election victory. As former Foreign Ministry Permanent Secretary Bilahari Kausikan said in a commentary published in the *South China Morning Post* on 13 November, Trump's victory had enhanced global political and economic uncertainties and "increased the risks for everyone." He also said that, under Trump, human rights may be put on the back burner, and his approach would be "more business-like" and "highly transactional," that is, "an immediate reward for an immediate action." On how Singapore would deal with the Trump presidency, he said "we will deal with it the way we deal with every new development: Pragmatically ... we do not waste time wringing our hands in despair over a new reality. You adapt and you deal with it."

The English language press highlighted the shock of Trump's victory and its huge implications for Asia and the world. The heading of *The Straits Times* editorial of 10 November was "When disruption trumps the old order". It said that America has been the great internationalist – "is that self-perception destined to run smack into a wall...of Mr Trump's America First worldview?" So much was riding on America's leadership, it continued, that a drastic change in course "would mean reassessments by many countries that could play out in a number of uncomfortable ways." *The Business Times* editorial of 10 November was headlined "America's political earthquake and the uncertain future of a Trump regime."

Singaporean public intellectuals like Tommy Koh, Kishore Mahbubani and Chan Heng Chee provided their analyses of the causes of Trump's victory in the local English language press. Prominent among them were the failure of domestic government policies in the US to address the plight of those left behind economically by globalisation and the backlash on the part of significant sections of the white community against the demographic and social changes in the country, with a nostalgia and yearning for an America of decades past, less complex and predominantly white.

Characteristically, Singapore's public intellectuals and the media sought to draw lessons for Singapore from the US election results. The three prominent lessons highlighted in *The Sunday Times* of 13 November were government policies must not leave anyone behind economically; the need to stay clear of racist politics and rhetoric; and the dangers of populism. The Prime Minister has himself highlighted these points.

While the official reaction in Singapore to Trump's victory was restrained and cautious, there was considerable uncertainty and unease about the sort of policies the new Administration would pursue. Overall, a wait and see attitude seemed to inform official and non-official circles.

THAILAND: CAUTION, UNCERTAINTY, GLEE AND INSPIRATION

Michael J. Montesano²⁸

General Prayut Chanocha, head of Thailand's ruling National Council for Peace and Order (NCPO) junta, reacted to news of Donald Trump's election victory promptly and correctly. Noting that Thai-US relations dated back more than 180 years, he offered his congratulations to Mr Trump and emphasised the ability of Thai diplomacy to accommodate change in the international arena.²⁹

Other Thai reactions to Mr Trump's election were more concrete. Among these reactions, some focused on the protectionist views that the US President-elect had frequently expressed during the campaign and on their implications for Thailand. While affirming Thailand's interest in joining the Trans-Pacific Partnership (TPP) if the US ratified it, Deputy Prime Minister Somkid Jatusripitak nevertheless said that the death of the proposed agreement would be a net positive for Thailand. He noted that the TPP's China-backed rival, the proposed Regional Comprehensive Economic Partnership (RCEP), in any case represented a viable means of fortifying Asia's position in global trade.³⁰ Other observers noted that Thailand would need to monitor the President-elect's success in erecting barriers to imports into the US and perhaps to cultivate new export markets for Thai goods. The country also faced the more general risk of international economic instability resulting from the unpredictability of a Trump presidency.³¹

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²⁹ “นายกฯ ยินดีผู้ชนะเลือกตั้งประธานาธิบดีสหรัฐฯ” [Prime minister welcomes winner of United States presidential election], Thai News Agency, 11 November 2016 (<http://www.tnamcot.com/content/591450>, downloaded 19 November 2016), and “Press Releases: Prime Minister Sent a Congratulatory Message to the President-elect of the United States, Mr. Donald J. Trump”. Ministry of Foreign Affairs, Thailand, 15 November 2016 (<http://www.mfa.go.th/main/en/media-center/14/72556-Prime-Minister-sent-a-congratulatory-message--to-t.html>), accessed 17 November 2016.

³⁰ “Scrapping of TPP May Help Thailand”, *Bangkok Post*, 17 November 2016 (<http://www.bangkokpost.com/business/news/1137173/scrapping-of-tpp-may-help-thailand>), accessed 21 November 2016.

³¹ Trump Policy Predictions Divide Thai Business Opinion, *Bangkok Post*, 10 November 2016 (<http://www.bangkokpost.com/business/news/1131361/trump-policy-predictions-divide-thai-business-opinion>) and “Markets Dip After Trump Victory”, *The Nation*, 10 November 2016 (<http://www.nationmultimedia.com/news/business/macroeconomics/30299627>), accessed 17 November 2016.

Commenting on the implications of Donald Trump's election victory in areas outside those of trade and the economy, some Thai observers noted that his administration was likely to take little interest in their country. On the one hand, this meant that Bangkok's relations with Washington might no longer provide it with a means of balancing its ties with Beijing. On the other, human rights and the state of Thai democracy would not figure prominently among the new American administration's concerns.³²

This latter view shaded in some reactions into *Schadenfreude*, giving rise to sentiments that the meddling US had now been taught a lesson of its own in what damage a simplistic commitment to electoral democracy might do to a country.³³ In other words, Thais on the Yellow end of the spectrum felt some measure of glee in America's predicament.

A contrasting view found inspiration, notwithstanding the outcome of the Trump-Clinton race, in the election's openness and competitiveness, in the freedom of expression on display throughout the contest, and in the dignity with which President Barack Obama committed himself to an orderly transition to the presidency of Mr Trump.³⁴ Contrasting Thailand and the US in a similar way were those Thai commentators who stressed that Americans had elected such a polarising figure as Mr Trump without succumbing to the political conflict and chaos in which polarisation over the figure of Thaksin Shinawatra had resulted in their own country. The situation in the US thus underlined, from this point of view, how far Thailand, currently under military rule, had in fact fallen.³⁵ Nevertheless, it was still early days, and Thailand's divided state ought to serve as a warning to the US, should it fail to heal the wounds that Mr Trump had opened.³⁶

US-Thai relations suffered difficulties during the Obama years. But the election to America's presidency of a man marked by an outlook diametrically opposed to that of the outgoing president and determined to reverse his predecessor's achievements has left Thai elites more cautious and uncertain than relieved or reassured. Above all when it comes to economics and trade, the prospect of a Trump presidency confuses them, even as their reactions to it reflect their frustrations with the state of their own politics.

³² Pravit Rojanaphruk, "Thailand Can Expect Less Interest from President Trump, Academics Say", *Khaosod English*, 9 November 2016 (<http://www.khaosodenglish.com/politics/2016/11/09/thailand-can-expect-less-interest-president-trump-academics-say>, downloaded 17 November 2016), and "The End of the Liberal Democracy Project?", *The Conversation*, 9 November 2016 (<http://theconversation.com/donald-trump-wins-us-election-scholars-from-around-the-world-react-68282>), accessed 17 November 2016.

³³ Kong Rithdee, "Exactly Who is Funnier, Us or The Donald?", *Bangkok Post*, 12 November 2016 (<http://www.bangkokpost.com/opinion/opinion/1133313/exactly-who-is-funnier-us-or-the-donald>), accessed 17 November 2016.

³⁴ Anchalee Kongrut, "The Valuable Lessons from US Election", *Bangkok Post*, 14 November 2016 (<http://www.bangkokpost.com/opinion/opinion/1134649/the-valuable-lessons-from-us-election>), accessed 17 November 2016.

³⁵ Kong Rithdee, *op. cit.*

³⁶ Umesh Pandey, "Time for All Americans to Come Together", *Bangkok Post*, 11 November 2016 (<http://www.bangkokpost.com/opinion/opinion/1132385/time-for-all-americans-to-come-together>), accessed 17 November 2016.

VIETNAM: STRIVING FOR CONTINUITYLe Hong Hiep³⁷

Donald Trump's victory caught many Vietnamese observers by surprise. Prior to the elections, public opinion and the media predicted a victory for Clinton, who was the favoured candidate expected to pursue policies favourable to Vietnam.

The elections were widely covered by Vietnamese media outlets, some of which provided expert analyses and live TV coverage. However, after the results came out, most of the major media official outlets, such as the *Nhan Dan* (People's Daily), Vietnam News Agency, and Vietnam Television, remained rather neutral by reporting the election outcomes without commenting on the implications of Trump's victory.

On 9 November 2016, after it became clear that Donald Trump won the race, Vietnamese President Tran Dai Quang and Prime Minister Nguyen Xuan Phuc jointly sent a letter of congratulations to the US President-elect. Part of the letter reads:

Viet Nam has always highly valued the friendly and cooperative relations with the US. We hope that the two countries will keep on deepening the comprehensive partnership in a practical, stable, sustainable and long-standing manner, especially in terms of economic cooperation, trade, investment, science and technology, education and training, defence and security, as well as the cooperation in regional and international issues.³⁸

It is noteworthy that in the letter, the two leaders invited Trump to visit Vietnam during the APEC Economic Leaders' Meeting to be hosted by Hanoi in 2017. However, the invitation was not mentioned in media reports or the Ministry of Foreign Affairs' press release. This is probably because Vietnamese officials wanted to avoid embarrassment in case the new US President follows through on his isolationist foreign policy platform and fails to show up at the meeting.

In the days following the elections, Vietnamese officials and scholars began to discuss the implications of Trump's victory for Vietnam. Most of the analyses focused on how the Trump administration will deal with the TPP as well as the rebalancing strategy.

On 17 November 2016, answering a question from a member of the National Assembly, Prime Minister Nguyen Xuan Phuc noted that as the Trump administration is unlikely to have the TPP ratified, there was "not enough basis" for the Vietnamese government to submit the agreement to the National Assembly for ratification yet. However, he mentioned that even without the TPP, Vietnam would be committed to deepening international

³⁷ Le Hong Hiep is Fellow at ISEAS-Yusof Ishak Institute.

³⁸ Ministry of Foreign Affairs, "Viet Nam's comment on the fact that Mr. Donald Trump has become the United States President-elect", undated, (http://www.mofa.gov.vn/en/tt_baochi/tcbc/ns161114113919), accessed 16 November 2016.

economic integration through other means, including the twelve free trade agreements (FTA) that Vietnam had concluded. At the same time, Phuc also expressed confidence that Vietnam's relations with the US would further improve (under the Trump administration).³⁹

Speaking to reporters on the sidelines of the National Assembly on 10 November 2016, Minister of Industry and Trade Tran Tuan Anh said that it was still too early to assess the impact of the US elections, especially on the fate of the TPP. He also emphasised that even if the TPP fell through, Vietnam's policy of international economic integration would remain unchanged, and the country would turn to other FTAs to compensate for the loss of the TPP.⁴⁰

Commenting on the impacts of the TPP's possible collapse on the Vietnamese economy, economists Ngo Tri Long and Pham Si An acknowledged that Vietnam's economic performance would suffer, not least because the country's reform momentum may slow down.⁴¹ However, some officials and scholars expressed optimism that, despite Trump's protectionist rhetoric during his election campaign, the TPP may still have a chance.

For example, the Deputy Chair of the National Assembly Committee on Economic Affairs, Nguyen Duc Kien, believed that there may be a gap between Trump's campaign rhetoric and his actual policies once he takes over the presidency. Similarly, Nguyen Duc Thanh, Director of the Vietnam Economic and Policy Research Institute (VEPR), opined that it would not be easy for Trump to abandon the TPP as there would be resistance from the bureaucracy as well as the Congress. He added that the TPP "will not depend on Trump or any other US presidents", because the US still needs the trade deal to support its broader foreign policy goals. He asserted that even if the TPP were dead, another "even stronger arrangement" led by the US would likely emerge to replace it.⁴²

Meanwhile, Tran Viet Thai, the Deputy Director of the Centre for Diplomacy and Strategic Studies of the Diplomatic Academy of Vietnam, commented that the TPP would face major obstacles under the Trump administration, which would negatively impact other member countries, including Vietnam. However, as the TPP is an "important process" for both

³⁹ "Thủ tướng: 'Tôi tin chắc quan hệ Việt - Mỹ sẽ tốt hơn'" [I'm confident Vietnam – US relations will improve: PM], *VnExpress*, 17 November 2016, (<http://vnexpress.net/tin-tuc/thoi-su/thu-tuong-toi-tin-tuong-quan-he-voi-my-se-tot-hon-3500149.html>), accessed 18 November 2016.

⁴⁰ "Bộ trưởng Công Thương: 'Ông Donald Trump trúng cử, còn quá sớm để nói về TPP'" [Mr. elected, but still too early to talk about the TPP: Minister of Industry and Trade], *VnExpress*, 10 November 2016, (<http://kinhdoanh.vnexpress.net/tin-tuc/vi-mo/bo-truong-cong-thuong-ong-donald-trump-trung-cu-con-qua-som-de-noi-ve-tpp-3497235.html>), accessed 10 November 2016.

⁴¹ "Cải cách sẽ chậm lại nếu TPP tắc trở" [Reform will slow down if TPP stalled], *Radio Free Asia*, 10 November 2016, (http://www.rfa.org/vietnamese/in_depth/the-tendency-of-anti-tpp-may-affect-reform-process-in-vn-nn-11092016203641.html); and "Thị trường tài chính Việt Nam sẽ ổn định" [Vietnam's financial market will remain stable], *Thời báo Ngân hàng [Banking Times]*, 14 November 2016, (<http://thoibaonganhang.vn/thi-truong-tai-chinh-viet-nam-se-on-dinh-55933.html>), 14 November 2016.

⁴² *Ibid.*

America and the Asia-Pacific, he believed that Washington would seek to modify the agreement rather than abandon it altogether.⁴³

Commenting on Sino-US relations under Trump, Thai held that the overall framework of bilateral ties would be maintained, but frictions between the two powers may intensify, especially in trade, international law and order, and maritime security. He further posited that Trump's America would maintain its engagement in the South China Sea disputes as the issue is related to its broader rebalancing strategy and reflects its commitment to the Asia-Pacific as well as its allies. However, he opined that while the US' principles may remain unchanged, Trump's approach to the issue might be different from that of the Obama administration. On US-Vietnam relations, he hinted at the possible continuity in US policy towards Hanoi by mentioning that both the Democratic and Republican parties have agreed to further promote bilateral ties.⁴⁴

CONCLUSION

Southeast Asia is coming to grips with President-elect Trump as it braces itself for what many fear to be a retreat from Obama's rebalance strategy. Not much is known of Trump's views on Southeast Asia and ASEAN, which heightens uncertainties and anxieties over his administration's approach and engagement with the region. To be sure, the US can ill-afford to disengage from the region but what is less clear is how Trump's purported "transactional" approach will play out in the region.

President-elect Trump's public announcement of US's withdrawal from the TPP is viewed with disappointment in the region, especially among its Southeast Asian members, as a harbinger of his "America First" approach which may have a negative knock-on effect of regional economies. This sense of trepidation spills over to the political-strategic sphere, with concerns that the rebalance strategy may go the way of the TPP. A scaling down of US presence and engagement in the region will constrain and limit Southeast Asia's strategic options vis-à-vis China. Can the US continue to be counted at the strategic level to keep China's regional ambitions in check? This sense of anxiety is heightened in recent weeks with Trump's nomination of senior Cabinet positions (Secretary of Defence, UN Ambassador and National Security Advisor) with little Asian experience. His controversial views on Islam will also not play well in Muslim majority countries, Indonesia and Malaysia.

Trump's transactional and less ideological approach may reap the unexpected fruit of improvement of bilateral ties with the Philippines and Thailand. These are still early days. The full picture of Trump's Asia policy will only come into view when he completes the

⁴³ "Bằng hữu Mỹ - Trung dưới thời Tổng thống Donald Trump" [US-China relations under President Donald Trump], *Vietnamnet*, 9 November 2016, (<http://vietnamnet.vn/vn/tuanvietnam/tieudiem/bang-huu-my-trung-duoi-thoi-tong-thong-trump-338797.html>), accessed 10 November 2016.

⁴⁴ *Ibid.*

full roster of cabinet appointments. He will also have the opportunity to signal continued US engagement with the region with an early commitment to attend the East Asia Summit and hold its first meeting with ASEAN Leaders in November 2017. As the region looks forward to signs of re-assurance, it also hopes that Sino-US relations will not descend into public grandstanding and animosity.

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