

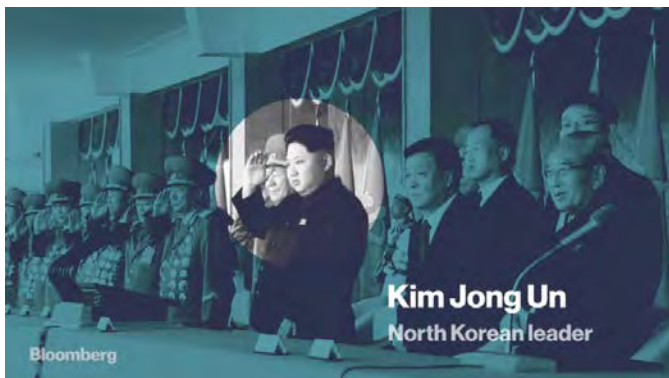
# Xi, Abe Get Phone Calls From Trump as Asian Tensions Rise

*www.bloomberg.com*

*Andy Sharp*

North Korea's nuclear ambitions dominated phone calls between Donald Trump and the leaders of Japan and China, as the U.S. president's tougher stance on Kim Jong Un and pressure on nations in North Asia over trade sparks renewed tensions.

The separate chats with Japanese Prime Minister Shinzo Abe and Chinese President Xi Jinping preceded Trump's expected meetings with the leaders of Asia's two biggest economies at the Group of 20 nations summit in Germany this week. They came against the backdrop of a freshly strident tone from the Trump administration about China's need to rein in Pyongyang, and on Japan and South Korea over trade imbalances with America.



<https://www.bloomberg.com/news/videos/2017-05-31/north-korea-isn-t-backing-down-video>

"The recent actions show Trump is not happy with China and other Asian countries," said Song Guoyou, an international relations professor at Fudan University in Shanghai. "The businessman wants better deals. Now everyone just has to return to the negotiating table."

Trump and Abe agreed on the need for China to be firmer with North Korea, Japan's Chief Cabinet Secretary Yoshihide Suga told reporters on Monday. Kyodo News said the chat was a prelude to a planned meeting in Germany between the leaders of the U.S., Japan and South Korea. In his call with Xi, Trump also repeated his desire for more balanced ties with America's trading partners, according to a White House statement.

After Trump enlisted Xi's help in April to press Kim to curtail his nuclear weapons and missile programs, the U.S. president dialed back his public criticisms of China. That tone has changed in recent weeks: Trump now says China isn't doing enough to help on North Korea and the U.S. slapped sanctions on Chinese companies for doing business with the isolated regime. The administration also announced a \$1.3 billion arms sale to Taiwan.

## **'Negative Elements'**

The U.S. Navy conducted another "freedom of navigation operation" in the South China Sea on Sunday, a U.S. official said. The U.S. has previously sailed warships close to reclaimed reefs China claims as its territory in the disputed waters, as well as features claimed by the likes of Vietnam and Taiwan. China's Foreign Ministry protested the "trespassing" by the U.S. Navy and said it had dispatched military vessels and planes in response.

On the call, Xi told Trump that the "relationship had been affected by some negative elements," state broadcaster China Central Television said. He urged his U.S. counterpart to uphold the "consensus we reached at Mar-a-Lago," in a reference to the warm first encounter between the two leaders at Trump's Florida resort in April.

The biggest danger if Trump runs out of patience with China is that his threats to take unilateral action against North Korea escalate. North Asian nations have warned a military strike on the regime could be disastrous for the region given Kim's ability to hit Japan and South Korea with missiles.

## **Giving 'Gifts'**

"Right now, U.S.-China relations are not as good as China thinks they are, nor as bad as they could be with a president as volatile as Trump," said Susan Shirk, a former deputy assistant Secretary of State for East Asia. "The common threat of a nuclear North Korea has brought the two leaders together, but the honeymoon period is likely to be short, as it becomes clear that the Chinese government doesn't want to cut off Kim Jong Un."

Trump has also adopted a more strident tone on trade. In his first meeting with new South Korean President Moon Jae-in last week, he demanded a "fair shake" for U.S. automakers in the country and called for a halt to exports of "dumped steel." Meanwhile, U.S. Trade Representative Robert Lighthizer stressed concern in a meeting with Japanese Trade Minister Hiroshige Seko over a decades-old trade deficit with Japan.

Shirk and other analysts said the best way for leaders to manage their ties with Trump is to provide him with small "gifts" that enable him to claim victories that appeal to his domestic audience.

## **Japan Trade**

Ralph Cossa, president of the Pacific Forum CSIS in Honolulu, said there was some fear before Moon's meeting with Trump that the U.S. president would threaten to walk away from the U.S.-South Korea free-trade agreement.

"Instead, all they talked about was correcting a few 'unfair' practices at the margins," Cossa said. "I did not hear any reference to 'renegotiate' or 'scrap' the agreement, but only to small potential side deals that would allow Trump to declare a 'win' without undoing an important agreement that has benefited both sides."

So far, the attacks on South Korea over trade have been harsher than on Japan. But Trump has singled out Japan before: When he pulled the U.S. out of a Pacific trade pact in January he criticized Japan for failing to buy American-made vehicles. The U.S.'s trade shortfall with Japan was almost \$69 billion last year, more than double the \$27.6 billion deficit with South Korea, according to U.S. Census Bureau data.

Abe responded by launching a charm offensive with Trump, spending five hours on the golf course with him during a two-day visit to the U.S. in February. But their relationship could be tested if Trump attacks the country over trade or the weakness of the yen against the dollar.

The Pacific Forum CSIS's Cossa said that "flattery goes a long way" in dealing with Trump.

"Contrast the way our Asian friends and allies, especially Prime Minister Abe but also President Xi and now Moon, have approached Trump with the way many European leaders have approached him," he said. "Moon expertly set the stage for the meeting by stressing all the areas of agreement with Trump and using Trump's words to make his own points."