

Despite fiery talk, pundits say Trump unlikely to harm Malaysia-US ties

KUALA LUMPUR, Nov 10 — For all his wild remarks in the run-up to winning the US presidency yesterday, Donald Trump will likely take a pragmatic approach in foreign relations, including with Malaysia, regional analysts said.

Ooi Kee Beng of the ISEAS-Yusof Ishak Institute in Singapore said that while it was still too early to call on what the US foreign policy will look like under Trump, he believed Malaysia's bilateral ties with the world superpower will largely remain unchanged.

“There will be more continuity than one would assume from listening to Trump's speeches, due to systemic constraints and habits. So, there is no need to expect radical changes in bilateral ties,” the deputy director of the Singapore institute told *Malay Mail Online* when contacted yesterday.



US President elect Donald Trump speaks at election night rally in Manhattan, New York November 9, 2016. — Reuters pic

The Institute of Strategic and International Studies Malaysia's senior analyst Shahrman Lockman said Trump's inconsistency made it hard to predict how the president-elect would act when it came to policy decisions for the entire country.

“Will Trump's campaign tirades be translated into actual policy? We won't know until the implementation stage – when the rubber hits the road,” he said.

However Shahrman noted that Malaysia-US relations “pretty much runs on autopilot”, with the work on the US side carried out by officials such as those in the US State Department and the Pacific Command, rather than the US president and his Cabinet secretaries.

“Whether it’s implementing the details of the Malaysia-US Comprehensive Partnership or holding military exercises, these will continue to go on as usual. So I don’t foresee a big change in the day-to-day aspects of bilateral ties,” he said.

The bigger concerns for Malaysia, he said, would be how Trump will approach our country with regards to five key issues: international trade, the rise of China, the US alliance system in Asia, US relations with the Muslim world, and human rights.

“Mix these together and you’ll get the broad outlines of how the US will relate to Malaysia,” he added.

Oh Ei Sun from Singapore’s Nanyang Technological University (NTU) believes that the US under Trump will likely be more “reclusive” towards other countries.

But at the same time, the senior adjunct fellow in the NTU’s Institute of Defence and Strategic Studies said the new Trump administration will also be more pragmatic and be “willing to cut painful deals in international affairs”, which would then translate into “less pressure on Malaysia to improve various records or choose sides”.

Prof William Case from the City University of Hong Kong said Trump has little knowledge and interest in South-east Asia, adding that the incoming US president’s personal views on Muslims may push Malaysia closer to China.

“But with respect to Malaysia, his generalised anti-Muslim vitriol will further alienate the Malays from the United States. And his neglecting trade and security ties will drive Malaysia deeper into the arms of China.

“The US State Department can only try to manage the weakening in relations that results,” he said when contacted.

Case, who is attached to the university’s Asian and international studies department, also noted Trump’s protectionist views on trade.

“US export markets will, of course, when protected by new tariffs, grow much harder to access. And so, Malaysia’s progress along the new Silk Road will accelerate. And as China’s investments mount, US investment in Malaysia will be vastly overshadowed,” he said.

Economic relations and trade barriers

Wan Saiful Wan Jan who heads local think-tank Institute for Democracy and Economic Affairs also noted Trump’s protectionist attitude towards the US economy and said the US administration under the Republican maverick’s helm “might not be so passionate on creating a free trade”.

“Trade relationship between both countries will still need to continue but there may be barriers created by the US, such as reducing access to the American market,” he said.

Weighing in on US investment levels in Malaysia, Oh said: "US investment in Malaysia has remained stagnant over the past years, and will remain so as long as US economy is still tanking."

The US is a key trade partner of Malaysia, with Malaysia External Trade (Matrade) data showing total trade between the two growing in 2015 by 10.5 per cent to RM129 billion, while Malaysia's exports to and imports from the US last year grew to RM73.67 billion and RM55.33 billion. Malaysia's total trade with all nations in 2015 was RM1.466 trillion.

As of September 2016 where Malaysia's total trade with all nations have already hit RM1.077 trillion for the first nine months, its total trade with the US in the same period rose by 7.6 per cent to RM100.69 billion.

The US remains among the top 10 countries that Malaysia exports to and imports from for the January-September 2016 period at RM59.35 billion and RM41.34 billion respectively.

In a special report by Deutsche Bank after the US election results, it said Trump may try to build figurative walls around the US against Asian trade.

"He may impose higher tariffs on Asian exports to the US, though it is not assured. And it seems even less likely that any new trade agreements involving the US are signed in the coming years. Asia would, therefore, benefit less from a faster pace of US growth than it would have otherwise," it said in the report.

According to Deutsche Bank, this external shock to growth in Asia could result in a weaker currency as a natural response for the region, adding that Asia may even seek further internal integration - which would both "encourage and be encouraged by a strategic retreat by the US from Asia".

The US embassy's Charge d' Affaires to Malaysia Edgard D. Kagan told a news conference here yesterday that there would inevitably be a change in US foreign policy with a new president but assured Malaysians that the amiable bilateral ties "will not change".

Prime Minister Datuk Seri Najib Razak also said yesterday that he believed that Malaysia's partnership with the US would remain as the superpower also needs the partnership of other countries, adding that Trump is likely to use methods which can promote cooperation with all nations.