



The Asian Art of Hedging in the Time of Donald Trump

Tan See Seng



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By Tan See Seng

SYNOPSIS

For a long time now, Asia has perfected the art of living dangerously through carefully treading between the rival behemoths, America and China. What Asia has done well, it must now do even better amid the challenging conditions set by US President Donald Trump.

COMMENTARY

On May 31, delegates at the Shangri-La Dialogue 2025 in Singapore will hear what United States President Donald Trump wants to say to Asia, as delivered by his defence secretary Pete Hegseth.

In February at the Munich Security Conference, Mr Trump's vice president, JD Vance, shocked many by dismissing the risk of Russian political interference, [instead directing scathing criticism at European leaders](#). At the same event, [then Singapore defence minister Ng Eng Hen](#) described America's image as having morphed "from liberator to great disruptor to a landlord seeking rent" in Asia's eyes.

In its 100-plus days in office, the second Trump administration has sought to remake the world by upending the United States' traditional role as the guarantor of world order. But when Mr Hegseth made his first visit to Asia back in March, he sought to reassure Indo-Pacific allies and partners of the US commitment to their security and to the region, amid lingering concerns over China's growing assertiveness.

As Mr Hegseth put it, "America First does not mean America alone" – presumably because America still needs the cooperation of Asian friends if its China strategy were to succeed.

Engaging Trump's America

But what precisely does America's reassurance, limited and conditional as it appears, entail for Asia?

Like everywhere else, Asia has been hit by US tariffs, with China's as high as 145 per cent, Vietnam's at 46 per cent and Singapore's at 10 per cent (despite the island's trade deficit and zero-tariff policy under a free trade agreement with the United States).

Mr Trump's levies are aimed at provoking Asian countries to renegotiate their extant trade deals with America, while using tariff concessions as pressure to curb their trade with China.

For the man who wrote *The Art Of The Deal*, Mr Trump's reassurances are somewhat disingenuous and are better understood as purely Shylockian deals with their requisite pounds of flesh.

Granted, America under Mr Trump's predecessor was also transactional, although Joe Biden's, as Singapore's former top diplomat Bilahari Kausikan has observed, was of the "polite" variety in contrast to Mr Trump's "in-your-face" version.

And anyone who fails to appreciate and accept this does so at their own peril.

Unsurprisingly, it is Asia's vaunted pragmatism that best furnishes a way forward. What Asia has done well, it must now do even better amid the challenging conditions set by Mr Trump. In this respect, three road-tested strategies come to mind.

Quid Pro Quo

The quid pro quo, or something given in exchange for something, is the foundation of transactional agreements and contracts.

During Mr Trump's first presidency, his long-held bugbears against Asians – their purported failure to fulfil their alliance commitments or to trade fairly with America – were seemingly assuaged when Asian countries reciprocated by buying more US products or providing goodwill services to the Americans.

For example, Singapore has systematically bought more from America than it has sold and actively facilitated the US military presence in the Indo-Pacific – a strategy that has hitherto worked for Asian countries that can afford to do so.

That the United States, in its dealings with China, requires the support of the region now more than ever underscores the need for America and Asia to cooperate to each other's mutual benefit. It is rather telling that, other than China and India, none of the Asian countries responded with retaliatory levies against the United States.

Arguably, such goodwill gestures and incentives, if pursued quietly without grandstanding and pontificating, could elicit the requisite quid pro quos for Asia – much like how, during the Trump 1.0 years, America responded with its Asia Reassurance

Initiative Act, which authorised US\$1.5 billion annually in support of Mr Trump's Indo-Pacific strategy.

Granted, relying on the quid pro quo can be risky, so long as one side refuses to play by the rules.

Appeasing Trump may not work for Asia today as it did during Trump 1.0. Given the undue influence enjoyed today by Trump's MAGA (Make America Great Again) base in policymaking, some believe that America has gone beyond the pale.

But as the constant flip-flopping of his tariff policy or his minerals agreement with Ukraine suggests, there might well be a method to Mr Trump's madness where a logic of reciprocity still applies.

True to his salesman instincts, he is still looking for the best deal in town – or at least the one he can sell as a win. This is where non-US alternatives could prove significant.

Walking Among Giants

For a long time now, Asia has perfected the art of living dangerously through carefully treading between the rival behemoths, America and China.

Far from neutral, Asian countries effectively take positions on issues that either see them variously siding with Washington or Beijing – what behaviour academics call “hedging” – but which realistically reflect what those countries deem as best for themselves.

Hedging is not for the fainthearted because it can provoke harsh reactions from big powers that feel slighted or betrayed. But it creates the necessary strategic space that smaller states otherwise would not have if they were to hew too closely to any one great power.

Asian countries would do well to de-risk themselves from America by engaging other powers. This refers not only to China but also to Australia, India, Japan, and Europe (which have their own challenges with Mr Trump).

Indeed, dependence on China carries its own risks – as the Philippines discovered when former President Rodrigo Duterte's courting of Beijing failed to produce the desired economic and security outcomes for Manila.

Between Power and Principle

It was not long ago when pundits debated whether Asia would be better off with a US-led liberal order or a China-led authoritarian one. With its rejection of liberal values, globalism and even multilateralism, Mr Trump's America, in baldly privileging power over principle, has basically rendered that discussion moot.

Does Asia's pragmatism automatically denote a default vote for power rather than principle? Not necessarily so, for a pragmatic course implies taking the middle path between the two.

But why should Asia – a region unlikely ever to be accused of being liberal – adopt the *via media* rather than just embracing the new normal of unbridled power politics, perpetrated by the former paragon of principle, and fatalistically accepting its consequences?

Bluntly put, with America having cast aside its global leadership role, Asia must do all it can to preserve the rules-based order in the Indo-Pacific – without which the dire prospect of Asia becoming like the Ukraine of today (as the Japanese Prime Minister Shigeru Ishiba recently warned) would only increase.

How Asia responds to Mr Trump's America will shape the security, stability, and prosperity of our region. There is no greater urgency than the present, where Asia must exercise its agency with all the prudence, discretion and creativity that Asians can muster. The onus for the future of this region is ours to bear.

Tan See Seng is the president and chief executive of International Students Inc in the United States, concurrently research adviser for the S. Rajaratnam School of International Studies (RSIS) and senior associate at the Centre for Liberal Arts and Social Sciences at Nanyang Technological University (NTU). This commentary was published in [Channel News Asia](#) on 29 May 2025. It is republished here with permission.

S. Rajaratnam School of International Studies, NTU Singapore
Block S4, Level B3, 50 Nanyang Avenue, Singapore 639798

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