

## **How to View U.S. and International Situation under Next Trump Administration**

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On December 4, the Institute of Energy Economics, Japan, held the 83rd IEEJ Energy Webinar under the title “The Result of the U.S. Presidential Election and its Key Points for the Future.” In this webinar, Fumiaki Kubo, president of the National Defense Academy and a professor emeritus at the University of Tokyo Graduate School of Law and Politics, gave a keynote presentation on the topic of the title, followed by a comment by Jun Arima, a project professor at the University of Tokyo Graduate School of Public Policy, on the energy and climate change policies of the incoming Donald Trump administration and their impacts. Later, I moderated a panel discussion with Kubo and Arima and a question-and-answer session with webinar participants.

As known well, Kubo and Arima are Japan's foremost experts on U.S. politics and climate change and energy issues, respectively. In a situation where the United States and the rest of the world were expected to inevitably be greatly affected by the next Trump administration to be inaugurated in January next year, the timeliness and importance of this webinar made it an extremely interesting one, in which nearly 800 people participated on a registration basis. In the following, I would like to summarize what I learned from the webinar and what left a strong impression on me.

First, I would like to point out that I was reminded of the extremely serious division and polarization within the United States. Trump's landslide victory in the election seems to have toned down interest in the issue of serious division and polarization in the United States. In addition to the traditional and multi-layered divisions between the North and the South, between the haves and have-nots, between the white and the non-white, between WASP (White Anglo-Saxon Protestant) and the rest, and between Democrats and Republicans as pointed out by Kubo, however, the divisions clarified through the presidential election between the globalists and anti-globalists and between elite and anti-elite ideologies have become more complex and deeper.

Before the election, there were even serious concerns that if Harris won, Trump would refuse to admit defeat, plunging the United States into civil war chaos. However, the latest U.S. presidential election left no problem in that sense, as Trump won and Kamala Harris conceded defeat. However, we should continue to recognize that the reality in the United States is that the polarization within the country is extremely serious.

The fact that the superpower United States, which exerts the greatest influence on the international situation, continues to face serious domestic division and polarization cannot be underestimated. The United States has played an overwhelming role in emphasizing the values of liberalism and democracy and maintaining a world order based on the rule of law since the end of World War II. The current situation, where the United States is plagued with domestic division and polarization as a serious problem, leads directly to the serious fluctuations and destabilization of the world order itself. I have reaffirmed that we would have to be prepared to see if the United States may fail to remain the protector or center of the world order in traditional domains such as international

politics, diplomacy, and security, or becoming a destabilizing factor.

The United States' domestic division and polarization is an important problem for the world order from the perspective of how to protect global interests in energy and environmental issues such as climate change and the stability of the international energy market. The world will remain very susceptible to the impacts of the divided or polarized United States' domestic and foreign energy and environmental policies.

Given the premise of division and polarization, we would also have to be prepared for extremely large swings in U.S. policy. In the latest presidential election, Trump won key battleground states for a landslide victory against the background including the deterioration of living and economic conditions under inflation, discontent with the deterioration, and criticism against and dissatisfaction with the Biden administration over illegal immigration, Ukraine, and the Middle East and other issues. However, it is impossible to predict what will happen to U.S. politics in the future.

It will be interesting to see how the Democratic Party will rebuild itself based on the latest election results. It will also be important to see what kind of results the next Trump administration will achieve. Under the premise of division and polarization, the world needs to be prepared for the possibility that a change of government will occur and trigger significant U.S. policy swings that may help reduce the presence of the United States as the center of gravity of the world order.

Second, what left a strong impression on me through the webinar was the question of how the next Trump administration will be the same as and different from the first one. In the webinar, it was confirmed that the next Trump administration, in the same way as the first one, will thoroughly implement its "America First" principle on major policy fronts in pursuit of the "Make America Great Again" slogan and subsequently emphasize "energy dominance" in the energy domain in a manner to greatly reduce interest in climate change policy. On the other hand, it is worth noting that far more preparation has been made for the second Trump administration than for the first one, as symbolized by Trump's swift nomination of cabinet secretaries and key policy staff, which has attracted global attention. Although some personnel nominations have been revised due to nominees' reported personal problems, the overall nomination has been promoted more quickly than for the first Trump administration. Furthermore, there is a strong impression that the second Trump administration will be supported by those who are loyal to Trumpism.

It is also interesting to note that think tanks (such as the America First Policy Institute) have been launched to support Trumpian policies, conduct policy analysis, and make policy recommendations in a new development that was not seen for the first Trump administration. In this way, it can be seen that the next Trump administration is steadily making preparations even before its inauguration. With this in mind, what should be paid particular attention to maybe what the next Trump administration will focus on and where it will place its top priorities in policy implementation. As pointed out in the webinar, Trump will focus much attention on policy challenges he sees as top priorities among those left from his first administration in consideration of the current situation in the United States and the rest of the world. Moreover, it is likely that Trump will strongly drive his top priority policies from the beginning of his second administration. He has a good chance to intensively implement priority policies in the next two years under a unified government where Republicans will control the White House, the Senate, and the House of Representatives before the next midterm elections. The world will be greatly shaken by Trump's policies, which will be powerfully driven from next year onwards.

In this regard, energy and climate change issues are likely to fluctuate significantly. A significant decline in interest in climate change issues could lead to a drop in the momentum of global climate change negotiations, as well as an intensification of the North-South confrontation over climate change, a decrease in the influence of developed countries, and an expansion of China's presence. With regard to energy issues, how far U.S. oil and gas production would actually increase under Trump's policy of emphasizing fossil fuels may attract attention. Other potential grave impacts of Trump policies on energy issues include the impact of hardening U.S. policy towards Iran on the Middle East situation, the impact of U.S. policies towards Russia and China on the energy market, and linkages between trade disputes and U.S. energy trade. It will be important for Japan to develop domestic and foreign policies and strategies based on the trends of the next Trump administration, which is expected to powerfully drive important policies from its beginning.

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