

國學院大學学術情報リポジトリ

The US Foreign Economic Policy and Expansion
of the American Model :

特集アメリカ福祉国家とグローバル化(3)

メタデータ	言語: English 出版者: 公開日: 2023-02-06 キーワード (Ja): キーワード (En): 作成者: 河崎, 信樹 メールアドレス: 所属:
URL	https://doi.org/10.57529/00001029

The US Foreign Economic Policy and Expansion of the American Model¹⁾

■ Nobuki Kawasaki

► Abstract

This paper researches the role of the foreign economic policy of the United States in expanding the American model, which consists of the US democratic and market economy systems. In particular, it focuses on the foreign assistance policy of the United States. This paper analyzes it and raised the three points. First, this paper provides an overview of the foreign military and economic assistance of the United States between World War II and the Obama administration's era. And it shows that the United States has tried to expand the democracy and the market economy system through military and economic assistance. Second, It compares the US foreign assistance policy with the Chinese foreign assistance policy in the 21st century. The principles of China's foreign assistance policy are very different from those of the United States. China prefers non-interventionism. So, China aids a recipient country without any conditions. On the other hand, the United States requests a recipient country to introduce the American model. Therefore, from the US's side, Chinese foreign assistance policy hinders the expansion of the American model. Third, I would like to raise a point concerning the relationship between China and the United States from the perspective of the foreign assistance policy after the establishment of the Trump administration. The US foreign assistance policy will change during the Trump administration's era. The amount of the international assistance budget will decrease and the Trump administration will not try to impose the democracy and the market economy system on foreign countries. As a result, it is possible that the US foreign assistance policy will become similar to China's foreign assistance policy. And the conflict between the US and China will become more complicated.

1) This paper was written to comment on the paper by Wan (2018), which was presented at the international seminar at Kansai University on January 9, 2018 and was included in this journal. This paper and the international seminar were supported by JSPS KAKENHI Grant Number JP15K03592. I would like to thank Editage for English editing.

Introduction

This paper focuses on the role of the foreign economic policy of the United States in expanding the American model. The American model includes the US democratic and market economy systems based on the principle of liberalism, and it is also the process by which the US is attempting to create a thorough American model. Because there is a gap between this ideal state and its reality. Therefore, the US is moving toward making the American model thorough, to fill this gap²⁾.

The American model is not only spreading in the United States but it has also expanded throughout the world through foreign economic policies, such as the trade policy, the international monetary policy, and the foreign assistance policy. By exporting the American model, the United States secures its national security by spreading democracy. Regarding economic policy, the US also establishes favorable circumstances – the liberation of the flow of trade and capital – to active its corporate and financial aims. After World War II, the United States became a hegemonic country. All countries had to build their own economic model by accepting or rejecting the export of the American model from the United States. In particular, with globalization led by the United States, how to respond to the claims for the liberalization of the trade and capital flow is the most important issue for a state's foreign economic policy.

Meanwhile, China has embraced globalization and made great economic growth. China, which has promoted its economic power, is exerting its foreign economic policy aggressively. Thus, its economic conflict with the United States resembles Japan's during the 1980s³⁾. Whether China will export to promote its China model or not, which is the economic and social model in China, is the important issue.

In this paper, after having in mind the above problems, I provide an overview of the foreign economic policy of the United States, especially focusing on the foreign assistance policy. I want to show the characteristics of the expansion of the American model. Additionally, I would like to raise a point concerning the relationship between China and the US from the perspective of the foreign assistance policy.

In the following section, I first outline the viewpoint of the US foreign assistance policy. Next, in the second section, I provide an overview of the historical and contemporary background of US international assistance and discuss its features. In the

2) My understanding of the American model is based on Shibuya (2010).

3) For more details, see Kawasaki (2014).

third section, I discuss the Chinese foreign assistance policy and highlight future issues of the relationship between the US and China.

1. The Logic of the Taxpayer and the Ideal of the Foreign Assistance Policy⁴⁾

International aid by the United States is divided into military and economic assistance. Military assistance ensures the national security of the United States through the strengthening of its allies, and it supports the global deployment of US forces. Providing weapons and training for an ally are the main tools of military assistance. Economic assistance aims to assist developing countries. The goals of economic assistance are wide-ranging. They include development support, the construction of social infrastructure (such as education and health care), and humanitarian assistance. When we analyze the US foreign assistance policy, we should focus on the “Logic of the Taxpayer,” which is based on the American model.

Free and autonomous individuals support the economy and society based on the American model. Therefore, it is very important for American people to establish their economic foundation through their work in the market economy system, because they cannot become free and autonomous individuals without an economic base.

And they, as taxpayers, participate in the democratic political process and check and control the spending and policy of the government. The basis of their own decision-making is the American model. If government spending and policy deviates from the principles of the American model, the people will not support the government agenda, which will then have to adapt or cease. The role of taxpayers in such a system is called the “Logic of the Taxpayer.”

Naturally, international aid is also checked by taxpayers. Military assistance has a clear objective of ensuring national security. However, the goal of economic assistance is vague, and hence the reasons behind foreign assistance policies are questioned more severely. For taxpayers, the most important factor of the ideal of foreign assistance is whether the government can contribute to strengthening national security and promote the economic interests of the United States through expansion of the American model. Economic assistance is not supported only by the ideals of foreign assistance policies that expand the American model because it always has to align with national

4) This section is based on the Introduction Section of Kawasaki (2012).

security and the economic interests of the United States.

2. Overview of US Foreign Assistance⁵⁾

2-1. Cold War Era

During World War II, US international assistance began as military assistance. The United States defined the Axis countries – Japan, Germany, and Italy – as fascist countries opposed to democracy, and the US implemented the Lend-Lease Acts in 1941 to support the Allies (such as the UK and the Soviet Union) that fought the Axis powers. This was the starting point for international assistance by the United States. In this case, the purpose of the foreign assistance policy was in protecting democracy and the national security of the United States by supporting the Allied countries and defeating the Axis.

Therefore, when World War II ended, Lend-Lease also ended. International assistance by the United States was reduced to only humanitarian relief for war damage. However, following World War II, confrontation with the Soviet Union increased international assistance policies of the United States again.

The conflict between the United States and the Soviet Union intensified following the end of the war. In 1947, the relationship between the United States and the Soviet Union was the worst since the war, because their ideologies conflicted over communist regimes in the Eastern European countries, and the postwar occupation policy toward Germany, etc. As a result of these circumstances, the United States announced the Truman Doctrine.

President Harry Truman insisted that Greece and Turkey were threatened by Soviet communism and urged the Congress to authorize international assistance to support them. At that time, Truman's speech in Congress arguing for this was called the Truman Doctrine.

In the speech⁶⁾, President Truman stated that "One of the primary objectives of

5) The data on US foreign aid is based on the US Agency for International Assistance (USAID), Foreign Aid Explorer: the official record of U. S. foreign aid (<https://explorer.usaid.gov/aid-dashboard.html>). Accessed November 9, 2017.

6) Harry S. Truman: "Special Message to the Congress on Greece and Turkey: The Truman Doctrine," March 12, 1947. Online by Gerhard Peters and John T. Woolley, *The American Presidency Project*. <http://www.presidency.ucsb.edu/ws/?pid=12846>. Accessed December 17, 2017. The following citation of the Truman Doctrine is based on it.

the foreign policy of the United States is the creation of conditions in which we and other nations will be able to work out a way of life free from coercion.” He argued that every country had to choose between supporting democracy and the market economy system, or allowing the growth of communism. He compared both regimes:

“One way of life is based upon the will of the majority, and is distinguished by free institutions, representative government, free elections, guarantees of individual liberty, freedom of speech and religion, and freedom from political oppression.

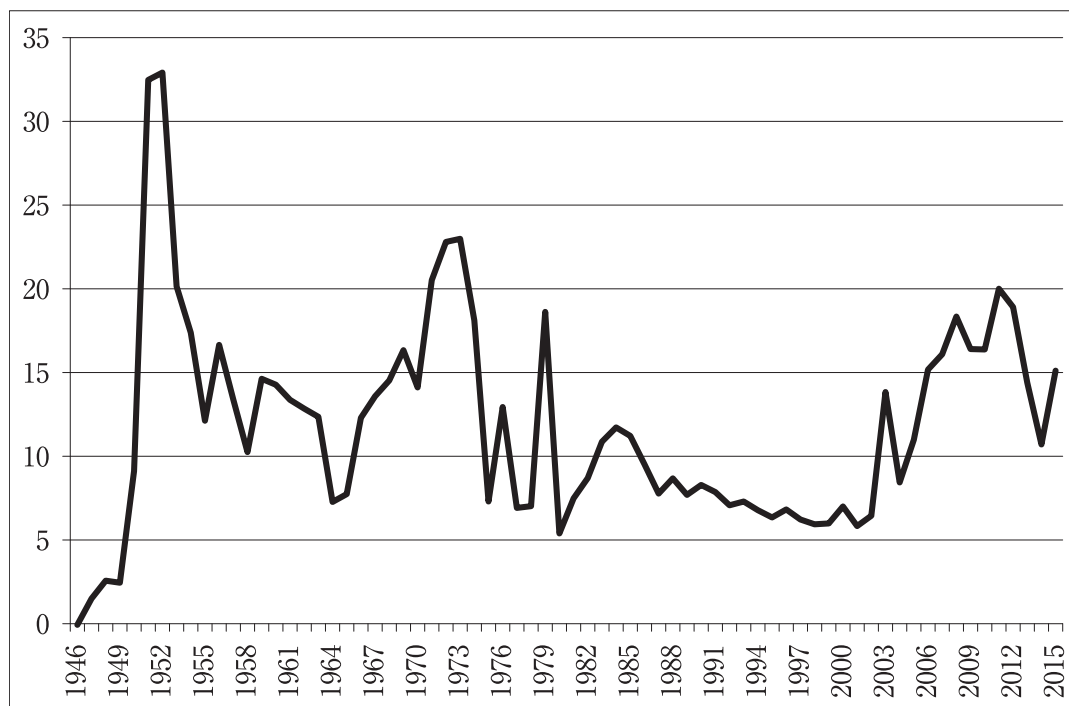
“The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections, and the suppression of personal freedoms.”

Truman believed that the United States should support the former side (in the case of Greece and Turkey). He argued, “I believe that we must assist free peoples to work out their own destinies in their own way.” And “if we falter in our leadership, we may endanger the peace of the world ----- and we shall surely endanger the welfare of our own nation.”

In other words, President Truman argued that, unless the US opposed communism, and maintained and expanded democracy and the market economy system, ultimately US national security would be compromised. This shows that President Truman recognized that the expansion of democracy and the market economy system was firmly linked to US national security.

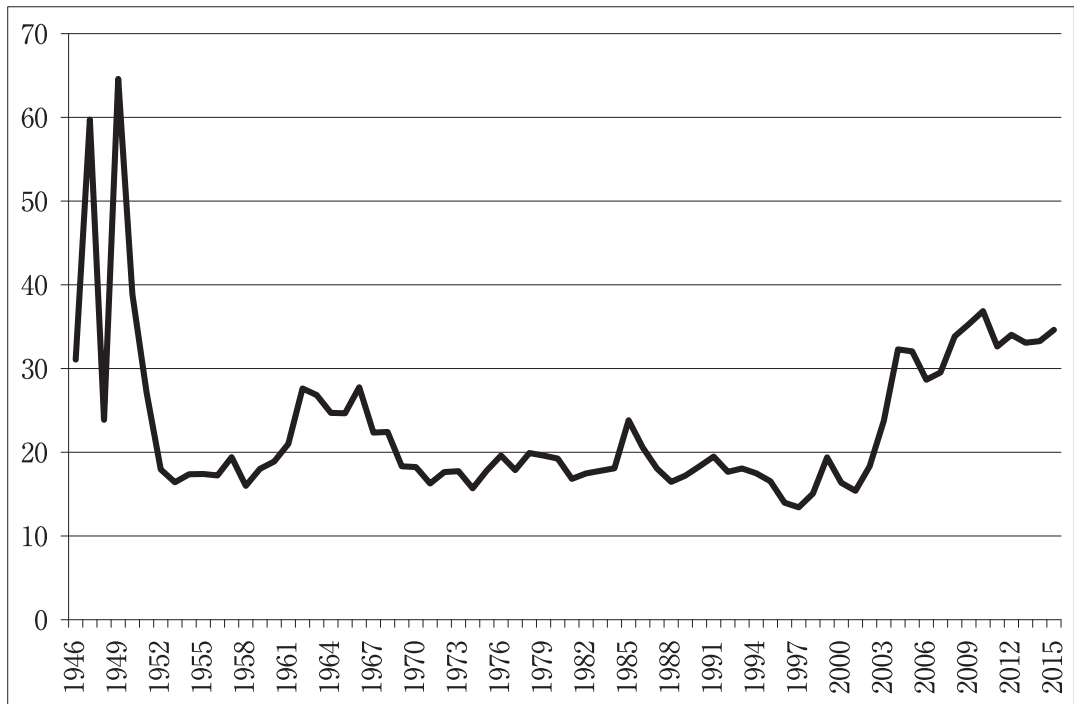
International assistance to Greece and Turkey, based on the ideal of the foreign assistance policy presented by the Truman Doctrine, was approved and legislated in Congress. Following this, the conflict between the United States and the Soviet Union intensified, beginning with the Cold War and involving European countries. These countries were divided into Eastern Europe (Soviet allies) and Western Europe (US allies). Subsequently, the Cold War spread beyond Europe to other parts of the world. As a result, US international assistance also expanded to the worldwide stage. The philosophy of the foreign assistance policy of the US during the Cold War period was almost the same as that implemented by the Truman Doctrine. The US sought to contain communism and to secure their own national security by maintaining and expanding the American model. Next, I look at the features of international assistance.

To begin with, I consider the characteristics of military assistance. Figure 1

Figure 1 The Trend of the Military Assistance, FY 1946–2015 (billion \$, constant 2015 U. S. dollar)

Source: The US Agency for International Assistance (USAID), Foreign Aid Explorer: the official record of U. S. foreign aid (<https://explorer.usaid.gov/aid-dashboard.html>). Accessed November 9, 2017.

shows an overview of the trend of US military assistance from the Fiscal Year 1946 to 2015 (constant 2015 U. S. dollar). Its characteristics in the Cold War period are as follows: first, assistance increased in conflicts during the Cold War. These were the Korean War (1950–1953), the Vietnam War (from the full intervention in the latter half of the 1960s to withdrawal in 1973), and the Soviet invasion of Afghanistan (1979). Military assistance to allies and neighboring countries was initiated. Second, military assistance had declined from the late 1980s. One reason was that the US was not involved in a large-scale war. More importantly, reconciliation between the US and the Soviet Union was underway. Mikhail Gorbachev became the General Secretary of the Communist Party of the Soviet Union in 1985, and he adopted an appeasement policy toward the US. As a result, the Cold War was headed toward its conclusion, and the importance of military assistance was declining. Third, the main targets of military assistance changed. This large structural change began in the 1970s. Until then, the main targets were those countries which directly faced the threat of communism, such as South Korea, Taiwan, etc., and major allies of each region (for example, Brazil in Latin America). However, military assistance to Israel – the major US ally of the Mid-

Figure 2 The Trend of the Economic Assistance, FY 1946-2015 (billion, constant 2015 U.S. dollar)

Source: The US Agency for International Assistance (USAID), Foreign Aid Explorer: the official record of U.S. foreign aid (<https://explorer.usaid.gov/aid-dashboard.html>). Accessed November 9, 2017.

dle East region – increased rapidly because of the conflict in the Middle East in the 1970s, and, in 1979, after a peace treaty was concluded between Israel and Egypt, both countries began to receive about half of all military assistance. After the end of the Cold War, this trend increased by more than 70% under the Clinton administration.

As important as the military assistance programs of the US, I will now discuss policies of economic assistance. Figure 2 shows the trend of US economic assistance from the Fiscal Year 1946 to 2015 (constant 2015 U.S. dollar). Its features are as follows: first, the large amount of economic assistance just after World War II reflected postwar reconstruction assistance, such as the Marshall Plan. This assistance aimed to show the superiority of the American model, and contain the Soviet Union. Second, the increase between 1961 and 1968 reflects the increase in aid to Latin America. President John F. Kennedy opposed Latin American communism. To contain communism, he advocated the “Alliance for Progress” and increased economic assistance. Third, the amount of economic assistance decreased to below \$ 20 billion from the late 1960s to the 1970s, because skepticism regarding the Vietnam War and the decline of the US

economy negatively impacted US taxpayers. However, the Soviet invasion of Afghanistan showed the threat of communism again for US taxpayers. In response to this incident, President Ronald Reagan raised the idea of a “Strong America” and emphasized that the most important issue was to bolster national security of the United States by containing communism and defending democracy and the market economy system. Consequently, Reagan increased military expenditure to strength the US Military⁷⁾. Additionally, the amount of economic assistance increased once more. This reached the 20-billion-dollar level in 1985. Fourth, like military assistance, economic assistance began to decline in the late 1980s. The reconciliation between the United States and the Soviet Union proceeded gradually; on the other hand, the threat of the Soviet Union to national security had also decreased. Thus, the ideal of foreign economic assistance during the Cold War period diminished for taxpayers and, thus, actual economic assistance decreased. Figure 2 shows that the amount of economic assistance decreased gradually from \$ 24 billion in 1985, and in the 1990s (after the end of the Cold War in 1989) the amount fell below \$ 20 billion. It was \$ 13.5 billion in 1997, the lowest level after World War II.

The end of the Cold War implied the victory of the American model; conversely, the ideal of the foreign assistance policy during the Cold War period was lost. Therefore, unless a new ideal is established, the amount of economic assistance from the US will continue to decrease. The Clinton administration could not find a new justification for the foreign assistance policy. As a result, the amount of economic assistance continued to decrease in the 1990s. The US foreign assistance policy had been drifting.

2-2. September 11 Attacks and the Expansion of International Assistance

The September 11 attacks became an opportunity to reverse the decreasing trend of US economic assistance. The George W. Bush administration gave top priority to the national security of the United States and promoted the “War on Terror.” To win this war, it was not sufficient to destroy the terrorists militarily. It was also necessary to tackle the problem of how terrorists were produced. The Bush administration believed that the cause of terrorism was a lack of political freedom and poverty in weak states and among state sponsors of terror. By expanding the American model through eco-

7) Schaller (2011).

conomic assistance, these problems would be solved. Democracy would bring about the expansion of political freedom and the market economy system would become the foundation of economic growth. Thus, the Bush administration showed the new ideological path of the foreign assistance policy that secured US national security by expanding the American model to the weak states and the state sponsors of terror⁸⁾.

American taxpayers accepted this new ideal. Figure 2 shows this acceptance. The amount of economic assistance from the US was 15.5 billion dollars in 2001, but it increased rapidly from the next fiscal year and reached 34 billion dollars in 2008. The Obama administration also continued the same foreign assistance policy as the Bush administration and instituted economic assistance programs. During the Obama administration, the amount of economic assistance was almost stable at the level of 320 to 350 billion dollars.

The Millennium Challenge Account (MCA), which the Bush administration had established, shows the character of the economic assistance program after the September 11 attacks very well. The MCA is an economic assistance program only available to countries that meet the eligibility criteria set by the United States. The Millennium Challenge Corporation (MCC) manages this program.

Table 1 lists the eligibility criteria for fiscal year 2018. The 20 eligibility criteria are divided into three areas: "Ruling Justly," "Encouraging Economic Freedom," and "Investing in People." These items are clearly linked to the expansion of the American model.

In order to receive economic assistance from the US, it is necessary to clear the following criteria:

"Passed at least 10 of the 20 indicators, with at least one in each category.
Passed either the Political Rights or the Civil Liberties indicator.
Passed the Control of Corruption indicator⁹⁾."

8) The most typical logic is shown in *The National Security Strategy of the United States of America*, September 2002.

9) "Report on the Criteria and Methodology for Determining the Eligibility of Candidate Countries for Millennium Challenge Account Assistance for Fiscal Year 2018", September 27, 2017. <https://www.mcc.gov/resources/doc/report-selection-criteria-methodology-fy18>. Accessed December 17, 2017.

Table 1 Indicators of Policy Performance in MCA for Fiscal Year 2018

Indicators	Source
Ruling Justice	
Political Rights	Freedom House
Civil Liberties	Freedom House
Freedom of Information	Freedom House/Center for Law and democracy
Government Effectiveness	Worldwide Governance Indicators (World Bank/ Brookings)
Rule of Law	Worldwide Governance Indicators (World Bank/ Brookings)
Control of Corruption	Worldwide Governance Indicators (World Bank/ Brookings)
Encouraging Economic Freedom	
Fiscal Policy	IMF, World Economic Outlook Database
Inflation	IMF, World Economic Outlook Database
Regulatory Quality	Worldwide Governance Indicators (World Bank/ Brookings)
Trade Policy	The Heritage Foundation
Gender in the Economy	International Finance Corporation
Land Rights and Access	The International Fund for Agricultural Development and the International Finance Corporation
Access to Credit	International Finance Corporation
Business Start-Up	International Finance Corporation
Investing in People	
Public Expenditure on Health	WHO
Total public Expenditure on Primary Education	The United Nations Educational, Scientific and Cultural Organization and National Governments
Natural Resource Protection	The Center for International Earth Science Information Network and the Yale Center for Environmental Law and Policy
Immunization Rates	WHO and the United Nations Children's Fund
Girls Education	United Nations Educational, Scientific and Cultural Organization
Child Health	The Center for International Earth Science Information Network and the Yale Center for Environmental Law and Policy

Source: Report on the Criteria and Methodology for Determining the Eligibility of Candidate Countries for Millennium Challenge Account Assistance for Fiscal Year 2018.

[https://www.mcc.gov/resources/doc/report-selection-criteria-methodology-fy 18](https://www.mcc.gov/resources/doc/report-selection-criteria-methodology-fy-18)), Accessed in December 10, 2017

A country that has passed the above conditions can submit a plan that will be implemented with economic assistance from the US. Usually, this plan, which is for 5 years, is made in consultation with the MCC, and a candidate country must adhere to the above-mentioned conditions. Once the plan has been accepted by the US and the contract has been finalized, a country can receive greater economic assistance from the US for 5 years than the amount of assistance that they received from the US earlier. In this way, the MCA encourages a recipient country to make efforts to adopt the American Model. This shows the typical characteristics of economic assistance after the September 11 attacks.

There has been a new trend in the military assistance programs. The amount of military assistance also increased in response to the “War on Terror.” However, most of this support was directed toward Iraq and Afghanistan because both countries were the main battlegrounds of the conflict. The most military assistance was offered to Egypt and Israel since 1979. This system changed. Four countries—Egypt, Israel, Iraq and Afghanistan—received the most assistance after the September 11 attacks. This is the characteristic of the US military assistance in the 21st century.

3. The Rise of China and the Future of the US Foreign Assistance Policy

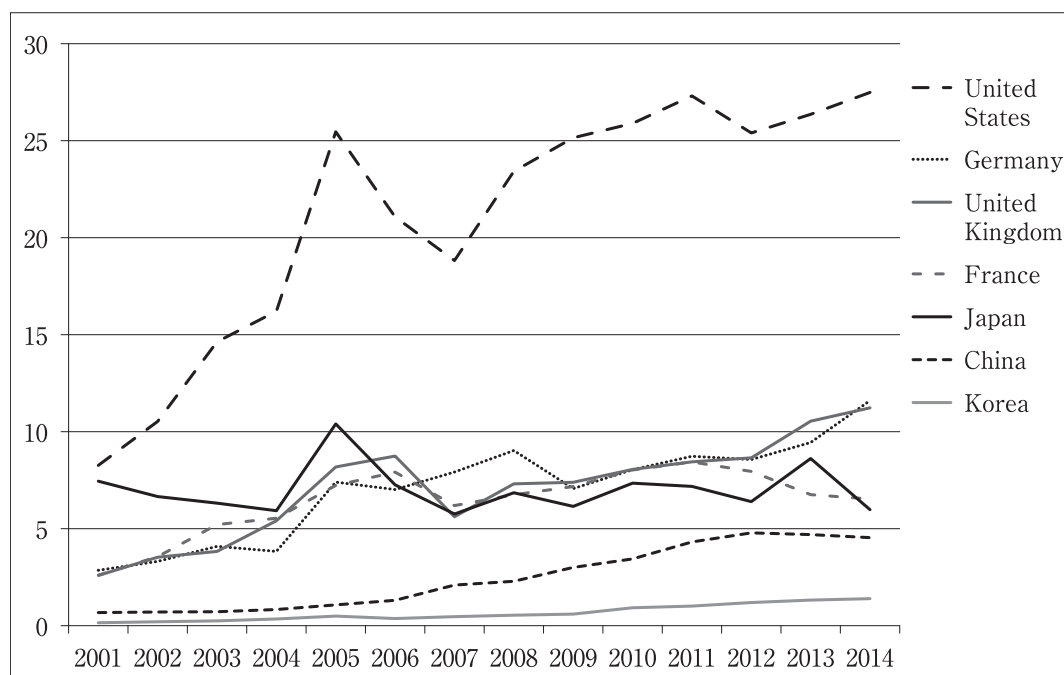
Within a system of globalization promoted by the United States, the Chinese economy is growing rapidly. The rise of China has impacted the US domestic economic structure through the influx of a large number of Chinese products¹⁰⁾. The same is true in the field of international assistance. In recent years, China has been expanding its economic assistance, especially in Africa¹¹⁾, with the objective of acquiring natural resources for further economic growth and supporting its own global businesses¹²⁾.

However, the actual state of economic assistance by China is not clear. Here, it relies on estimates by Kitano (2016). Kitano re-calculated China’s economic assistance with the standard of the Official Development Assistance (ODA), and allowed comparison with other countries. According to Kitano, economic assistance (net-based) was

10) For example, see the website by the research group, The China Trade Shock (<http://chinashock.info>). Accessed December 17, 2017.

11) According to the White Paper of Chinese foreign aid (Information Office of the State Council (2011) (2014)), the allocation for Africa was 45.7% in 2009 and 51.8% from 2010 to 2012.

12) For more details, see Shimomura and Ohashi ed. (2013).

Figure 3 Comparison of DAC member's net ODA and China's net Foreign aid, Bilateral (Billion \$)

Source: Kitano (2016), p. 32.

about \$ 700 million in 2001 and doubled in 2006. From 2012 to 2014, it reached around 5 billion dollars. Compared to the 34 countries that are members of the Development Assistance Committee (DAC) in the OECD, this figure is located ninth in the total amount, and sixth in the case of bilateral assistance. Figure 3 shows the trends of economic assistance (net-based, bilateral) by the representative DAC countries and China. The US is the top donor country in the 21st century. In 2014, the amount of ODA was about 2.5 times that of the second donor country, the UK. And China is emerging as one of the major donor countries.

The features of China's economic assistance have been shown in the guideline "Eight Principles for Economic Aid and Technical Assistance," which was announced by the Chinese Premier Zhou Enlai in 1964¹³⁾. The following two points are the most important. The first is "the principle of equality and mutual benefit." In other words,

13) "The Chinese Government's Eight Principles for Economic Aid and Technical Assistance to Other Countries," January 15, 1964, History and Public Policy Program Digital Archive, Zhonghua renmin gongheguo waijiaobu and Zhonggong zhongyang wenxian yanjiushi, eds., Zhou Enlai waijiao wenxuan (Selected Diplomatic Papers of Zhou Enlai) (Beijing: Zhongyang wenxian chubanshe, 1990), p. 388. <http://digitalarchive.wilsoncenter.org/document/121560>. Accessed December 7, 2017. The following citations are based on it.

“The Chinese Government always bases itself on the principle of equality and mutual benefit in providing aid to other countries. It never regards such aid as a kind of unilateral alms but as something mutual.” China and a recipient country are in an equal position, and both countries have to make a profit. This means that China’s economic assistance will attract investment from China, the economic infrastructure of a recipient country will be improved, and economic growth will be promoted. Also, Chinese companies can profit from building infrastructure through investment opportunities and natural resources. Thus, most of China’s economic assistance is in tied aid. The second principle is non-intervention. Namely, “in providing aid to other countries, the Chinese Government strictly respects the sovereignty of the recipient countries, and never attaches any conditions or asks for any privileges.” China’s economic assistance only supports the self-help efforts of a recipient country while respecting its sovereignty. Thus, China does not require a recipient country to change its laws, institutions, or systems¹⁴⁾.

These principles of China’s economic assistance are very different from those of the United States. Specifically, the United States requests a recipient country to introduce democracy and the market economy system through economic assistance like the MCA. On the other hand, China aids a recipient country without any conditions, besides their agreement with the One China Principle. Further, recipient countries are likely to expect improvement in their infrastructure and increase in direct investment from China. Additionally, China announced the concept of “One Belt, One Road” in 2013. This is an ambitious plan to promote infrastructure development and increase trade and investment, mainly through two routes. The first route is from China to Europe via Central Asia, and the second route is from China to Southeast Asia (via the Indian Ocean to the Middle East). China established the Asian Infrastructure Investment Bank in 2015 as an international development bank for the Asian region¹⁵⁾, and the Silk Road Foundation in 2014 as the investment fund for Central Asia. As a result, China’s economic assistance is expected to become more prevalent.

Unlike the United States, China, which prefers non-interventionism, currently does not intend to expand the Chinese economic society model (i.e., the “China model”), which is characterized by the combination of an authoritarian regime and a mar-

14) For more details, see Kawasaki (2015).

15) For more details about the AIIB, see Wan (2016).

ket economy system. However, China offers other options to a recipient country instead of the United States. Thus, it is possible that the number of recipient countries that accept the American model decreases and its expansion is stymied. For example, Weston, Jonathan, Campbell, and Koleski (2011), who were staff researchers in the US-China Economic and Security Review Commission (USCC) that was established by Congress in 2000, are concerned. Weston et al. (2011) evaluated China's economic assistance, stating that it "could potentially undermine key goals of US development aid, including promoting democratic governance and market-oriented economic reforms¹⁶⁾." In other words, they position China's economic assistance as an obstacle to the export of democracy and the market economy system by the US because China's economic aid is to give a recipient country alternative options for economic and social infrastructure development. As mentioned above, China's economic assistance is based on non-interference as an important philosophy, and a recipient country can receive assistance without the conditions requested by the US. Therefore, from the US's side, China's economic assistance hinders the ideology of its own foreign assistance policy.

On the other hand, US international assistance will change during the Trump administration. Already, the Trump administration has proposed to decrease the amount of international assistance in the Fiscal Year 2018 budget request for Congress. The amount of the Basement Budget, which was requested by the Obama administration for the Fiscal Year 2017, was about 39 billion dollars. The Trump administration's request was only about 28 billion dollars¹⁷⁾. Based on the "American First" principle, the Trump administration believes spending on foreign countries should be reduced and the money instead spent on US citizens. The foreign assistance policy will be subordinate to "America First." For President Trump and his supporters, the ideal of the foreign assistance policy, which was established by the Bush administration, is meaningless. No longer will most taxpayers support the ideal. More importantly, the Trump administration does not want to expand the American model. On the basis of Trump's speech at the United Nations General Assembly on September 19, 2017, Wan (2018) indicated that the Trump administration would not impose democracy on foreign countries. Naturally, this big change will have great impact on the US foreign assistance policy under the Trump administration.

16) Weston et al. (2011), p. 14.

17) Collinson (2017).

With these developments in the US and China, what kind of change is expected? I raise two points.

First, the role of US foreign assistance policy will change. It will not expand democracy and the market economy system. So far, US international assistance has created positive circumstances—the rule of law, protection of direct investments, open markets, and so on—that US companies and financial institutes can develop in foreign countries, and it has led the wave of globalization. But the Trump administration does not believe that globalization is good for the American people. Rather, it requests US companies to come back to the US. Hence, good circumstance, which I mentioned above, for US companies in the world market is not important for the Trump administration. More important for the Trump administration is the “deal” that is connected with US economic interests more directly. Further, the role of the foreign assistance policy will change and seek good “deals” for the US economy; for example, the amount of tied aid may increase. This will become similar to China’s foreign assistance policy.

Second, the conflict between the US and China will become more complicated. So far, the US sought to expand the American model and regarded China’s foreign assistance policy as an obstacle—causing conflict. But now the Trump administration is not interested in expanding the American model. Rather, if the Trump administration aims to profit from foreign assistance policy directly, it will clash with China’s foreign assistance policy over investment and trade opportunities, and the natural resources in developing countries. On the other hand, they may be able to cooperate to get more profit, for example in Africa. Thus, we need to focus on future conflicts and cooperation.

Reference

- Collinson, Erin (2017), “President Trump’s First Budget Slashes Foreign Aid”, May 24, 2017, Center for Global Development. <https://www.cgdev.org/blog/president-trumps-first-budget-slashes-foreign-aid> (Accessed 17 December, 2017).
- Information Office of the State Council, The People’s Republic of China (2011), “China’s Foreign Aid”, April 2011, Beijing.
- Information Office of the State Council, The People’s Republic of China (2014), “China’s Foreign Aid”, July 2014, Beijing.
- Kawasaki, Nobuki (2012), *The Foreign Assistance Policy of the United States*, Nihonhyornsha (in Japanese).

- Kawasaki, Nobuki (2014), “The Historical Development of U.S. Trade Policy toward Japan and its Legacy: Implications for TPP Negotiations”, *The Journal of Policy Studies* (Kansai University), No. 7, March 2014.
- Kawasaki, Nobuki (2015), “A Comparative Study between the US and China over the Foreign Aid: the Conflictive Point and Future Oevelopment”, *The Kokugakuin University Economic Review*, Vol. 63-3・4 (in Japanese).
- Kitano, Naohiro (2016), “Estimating China’s Foreign Aid: 2014 Update”, JICA-RI Working Paper No. 131, June 2016.
- Schaller, Michael (2011), *Ronald Reagan*, Oxford University Press.
- Shibuya, Hiroshi (2010), “Analytical Perspective for the Globalization and American-Model Principle” in Shibuya Hiroshi ed., *Globalization and American-Model Principle I*, Showado (in Japanese).
- Shimomura, Y. and H. Ohashi eds. (2013), *A Study of China’s Foreign Aid: An Asian Perspective*, Palgrave Macmillan UK.
- Wan, Ming (2013), *The China Model and Global Political Economy: Comparison, Impact, and Interaction*, Routledge.
- Wan, Ming (2016), *The Asian Infrastructure Investment Bank: The Construction of Power and the Struggle for the East Asian International Order*, Palgrave Macmillan.
- Wan, Ming (2018), “The U.S. versus China Models: An Evolutionary Perspective”, *The Kokugakuin University Economic Review*, No. 67-1.
- Weston, Jonathan, Caitlin Campbell, and Katherine Koleski (2011), *CHINA’S FOREIGN ASSISTANCE IN REVIEW: IMPLICATIONS FOR THE UNITED STATES*, U.S.-China, Economic and Security Review Commission, Staff Research Backgrounder, Updated September 1, 2011.