The United States: An Increasingly Incidental Provider of Regional Stability in the Asia-Pacific? US and Southeast Asian Responses

Piper Anne Wind Campbell

June <mark>2024</mark>





ASIA PACIFIC LEADERSHIP NETWORK

### **ABOUT THE AUTHOR**



Ambassador (retired) Piper Campbell is inaugural Chair of the Department of Foreign Policy and Global Security at American University's School of International Service. She teaches graduate courses on disputes and diplomacy in East Asia and the Indo-Pacific and is Chair of the ASEAN Studies Initiative. She also coordinates "Thinking Globally" and "Mongolian Area Studies" for the U.S. Department of State. Having served as Head of the U.S. Mission to ASEAN (2018) and Ambassador to Mongolia (2012-2015), her areas of expertise include working with multilateral organizations and navigating U.S.-China competition. Ambassador Campbell left government in April 2019, after a thirty-year diplomatic career, with the rank of Minister Counselor.



apln.network

@APLNofficial

@APLNofficial

The Asia-Pacific Leadership Network for Nuclear Non-Proliferation and Disarmament (APLN) is a network of political, military, and diplomatic leaders from countries across the Asia-Pacific tackling security and defence challenges with a particular focus on addressing and eliminating nuclear weapon risks. © 2024 Piper Anne Wind Campbell

This report is published under a 4.0 International Creative Commons License.

This publication was made possible by a grant from Carnegie Corporation of New York.

The views represented herein are the author's own and do not necessarily reflect the views of affiliated institution(s), nor that of APLN, its staff, board, or funders.

#### Please direct inquiries to:

Asia-Pacific Leadership Network APLN Secretariat 4th floor, 116, Pirundae-ro Jongno-gu, Seoul, ROK, 03035 Tel. +82-2-2135-2170 Fax. +82-70-4015-0708 Email. apln@apln.network

This publication can be downloaded at no cost at **www.apln.network**.

# **APLN**

**Cover Photo:** US President Joe Biden poses on stage with leaders of ASEAN states, 12 May 2022. White House, Wikimedia Commons.

### **Executive Summary**

The countries of Southeast Asia and its two most consequential interlocutors, China and the United States, have differing definitions and priorities regarding regional stability. For the United States and China, engaged in a strategic competition, some of these priorities are in direct opposition: what one gains, the other loses. However, there remains a limited set of conditions related to stability in Southeast Asia where the United States and China have compatible interests – or at least might agree that compromising on some interests is better than losing all. This report argues that countries of Southeast Asia should drive a discussion towards a limited set of commitments that actors could make to help maintain peace and stability in their region.

There have been two shifts in US foreign policy thinking over the last ten years, which have altered American views about the intrinsic value of regional stability in the Asia-Pacific: the United States today is predominantly concerned with (1) maintaining its economic access to the Indo-Pacific region, (2) ensuring US freedom of movement within and across the region, and (3) not ceding the region to China. While the first two goals are measurable and relatively near-term, the third is vaguer both in means of measurement and timeframe. It is the third, ambiguous goal, however, which represents the area of greatest opportunity for establishing mutual understanding and commitments to regional stability.

This report provides recommendations on how the United States, countries of Southeast Asia, and the broader Indo-Pacific might pursue regional stability, and how countries of Southeast Asia can engage US officials to broaden their perspective. The report also proposes a mapping of possible convergence (or nondivergence) of interests. Recommendations include:

- The United States should support balancing strategies. It is in the US interest that the countries of Southeast Asia individually and collectively believe that there is space to pursue balancing strategies.
- The United States should pursue minilateral cooperation only when it is clearly additive. The State Department approach of "building a latticework of interlocking relationships" can preserve the space Southeast Asian countries need, but such a strategy must be internally coherent and externally predictable.

The United States should support ASEAN in a pragmatic and measured way. The United States needs to limit its expectations of ASEAN to specific, achievable goals. For those goals, the United States should work within ASEAN structures, so that those structures develop capacities.

As the United States competes with China for influence, it should avoid selfinflicted wounds. In Southeast Asia, unforced diplomatic errors have been all too common over the last few administrations. The countries of the region want a strong economic relationship with the United States, partly because economic cooperation is a significant aspect of their relations with China.

The countries of Southeast Asia should examine US and Chinese goals for the region. To maintain individual agency and some additional strength and coherency through association, they should examine what goals for the region are held by the United States and China individually; determine where these goals align, or at least do not directly conflict; and build support for what may be a new, limited definition of regional stability.

- Southeast Asian countries must find new ways to communicate to US officials their worries of abandonment or being forced to choose sides. American policy makers, engaged on a bi-partisan basis, need to be convinced that it is in the long-term interest of the United States for the countries of Southeast Asia to have room to maneuver even as US-China competition expands. This engagement needs to include widespread and substantive liaison with the US legislative branch. Congress especially needs to be convinced that it is in the US interest for the foreign policy independence of countries of Southeast Asia to be preserved, as opposed to expecting closer alignment with the United States.
- ASEAN member states should strengthen internal work towards ASEAN's own goals. The countries of Southeast Asia should not stop with a limited, US-and-China accepted set of goals. ASEAN should continue its work within ASEAN mechanisms towards its self-defined goals for a region of "lasting peace, security and stability, sustained economic growth, [and] shared prosperity and social progress."
- Scholars and policymakers should map possibilities for a limited agreed understanding of regional stability. There are multiple ways to define regional stability, and different countries may attach different priorities to the attributes associated with the term. Scholars should ask whether there are attributes of the current regional stability that China, the United States, and Southeast Asian countries all wish to preserve – or fear to disturb. Resolving this question will be crucial to developing a 'next-best' scenario, one which is not the best scenario for the United States, China, or Southeast Asian countries, but which constitutes an acceptable compromise.

<sup>1 &</sup>quot;Charter of the Association of Southeast Asian Nations," ASEAN, 2, <u>https://asean.org/wp-content/uploads/images/archive/</u> publications/ASEAN-Charter.pdf

### The United States: An Increasingly Incidental Provider of Regional Stability in the Asia-Pacific?

US and Southeast Asian Responses

### **Piper Anne Wind Campbell**

Pundits talk of 'regional stability' as if there were one agreed definition of the term. While a truism globally, this tendency is particularly acute in the Asia-Pacific – a geographic area increasingly redefined to the broader term 'Indo-Pacific.' In this area, both 'region' *and* 'regional stability' are debated.

After examining differing views on what 'regional stability' entails, this report addresses destabilizing trends across three differently sized regions. The report's primary focus is how these trends challenging stability play out in and impact the region of Southeast Asia (essentially the geographic area occupied by the ten countries of the Association of Southeast Asian Nations (ASEAN)). The Indo-Pacific, defined by the author as the area from roughly India and Sri Lanka eastward to the Pacific Islands and, at least in theory, the Pacific coast of the United States, is also considered, with the author noting that the United States identifies as an Indo-Pacific country.<sup>2</sup> The third region, defined here as the 'Asia-Pacific' – the Asian landmass south and east of the Himalayas and the Pacific Ocean up to Hawaii – is addressed less in this report.<sup>3</sup>

This report posits that countries of Southeast Asia and its two most consequential interlocutors, China and the United States, have differing priorities regarding regional stability. For the United States and China, some priorities are in direct opposition; in a geopolitical fight for influence, what one gains, the other loses. Such 'realpolitik' thinking has gained policy prominence in both countries.

<sup>2</sup> See for example US Department of State, "The United States' Enduring Commitment to the Indo-Pacific: Marking Two Years Since the Release of the Administration's Indo-Pacific Strategy," Fact Sheet from the Office of the Spokesperson, February 9, 2024, <u>https://www.state.gov/the-united-states-enduring-commitment-to-the-indo-pacific-marking-two-years-since-the-release-of-the-administrations-indo-pacific-strategy/</u>. For alternate framings of the Indo-Pacific region, see for example Rory Medcalf, "Indo-Pacific Visions: Giving Solidarity a Chance." *Asia Policy* 14, no. 3 (07, 2019): 79-95. <u>https://www.proquest.com/scholarly-journals/indo-pacific-visions-giving-solidarity-chance/docview/2275866323/se-2</u>.

<sup>3</sup> Organisations such as the Asia-Pacific Leadership Network (APLN) favor the 'Asia-Pacific' term, see four sub-regions within it, and identify significant overlap between the Asia-Pacific and the Indo-Pacific terminology. Chung-in Moon and others question whether the distinction between the Asia-Pacific and Indo-Pacific is less about geographical boundaries, and more a question of different paradigms about how the area should be ordered or conceived. Chung-in Moon, "Asia-Pacific vs. Indo-Pacific: Paradigm Shift or False Choice" *Global Asia*, September 2023 (Vol.18 No.3). In framing this discussion, I have also considered points made by Paul Evans and Cheng-chwee Kuik in the same volume.

The United States has explicitly framed the relationship as one of strategic competition. China rejects that framing in official rhetoric but appears to have accepted it in practice – and in some policy circles.<sup>4</sup>

There are, however, a limited set of goals individually held by each country for the region which align, or at least do not directly conflict. Such goals include some baseline level of continued regional economic growth, mitigation of climate impacts, and possibly food security.<sup>5</sup> The countries of Southeast Asia, which have the greatest interest in preserving stability in their region, should drive a discussion that explores whether such goals could yield a limited set of commitments contributing to peace and stability. This effort would support rather than undermine the hedging strategies of those countries,<sup>6</sup> and as such, not threaten their highly valued foreign policy independence. In addition to helping them maintain their individual agency, such an initiative could generate some additional strength and coherence for the Association of Southeast Asian Nations (ASEAN).

Malaysian scholar Cheng-chwee Kuik has posited on Southeast Asian countries' hedging strategies that:

Enabling Southeast Asian states to hedge is good for all powers. Southeast Asian hedging means that no state wants to side with one power against another. This helps ensure ASEAN neutrality, maintain Southeast Asian autonomy and prevent regional polarisation, keeping the space for countries of diverse interests to continue forging inclusive, region-wide cooperation. This is not an ideal situation for any of the giants. But precisely because this is not the best scenario for any of the rivalling powers, it is the next-best scenario for all under the current circumstances.<sup>7</sup>

<sup>4</sup> The White House, "National Security Strategy of the United States of America," December 2017, https://trumpwhitehouse.archives. gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf. Chinese participants at the May 2024 APLN conference in Jakarta argued that China does not see itself as in strategic competition with the United States. However some statements by senior Chinese officials adopt the framing, see for example Stephanie Christine Winkler, "Strategic Competition and US-China Relations: A Conceptual Analysis", *The Chinese Journal of International Politics*, Volume 16, Issue 3, Autumn 2023, Pages 333–356, <u>https://doi.org/10.1093/cjip/ poad008</u>.

<sup>5</sup> Projects such as the joint Brookings-Center for Strategic and International Studies "Advancing Collaboration in an Era of Strategic Competition" are working to identify issues of shared importance. See for example "The Case for U.S.-China Cooperation on Climate-Smart Agriculture," May 7, 2024, <u>https://www.csis.org/analysis/case-us-china-cooperation-climate-smart-agriculture</u>.

<sup>6</sup> In International Relations theory, "hedging" describes acts countries-under-threat take to protect themselves by diversifying their positions, offsetting risks, and avoiding taking sides. It is often explained in terms of developing insurance. See for example, Cheng-Chwee Kuik's Hedging in Post-Pandemic Asia: What, How, and Why?, ASAN Forum, June 6, 2020, <u>https://theasanforum.org/hedging-in-post-pandemic-asia-what-how-and-why/</u>.

<sup>7</sup> Cheng-chwee Kuik, "Southeast Asia hedges between feasibility and desirability", East Asia Forum, July 2023, <u>https://eastasiaforum.</u> <u>org/2023/07/04/southeast-asia-hedges-between-feasibility-and-desirability/</u>.

In essence, this report asks: "how do the countries of the region acting with the United States and China bring about this next-best scenario?" Such a 'next-best scenario' is not a fixed end state as Southeast Asia and the Indo-Pacific are dynamic regions and the world continues to change. Rather, it is about asking *how* countries of the region, the United States, and China can identify and work towards a limited set of aligned-or-not-conflicting goals. The institution and goals of ASEAN – whose Treaty of Amity and Cooperation was signed by both the United States and China – might provide a forum for some actions. At the same time, it is important to note that the points of opposition described above and current patterns of behavior of both the United States and China have contributed to weakening ASEAN as an institution,<sup>8</sup> which makes this proposed course more challenging.

#### Is there agreement on what regional stability means?

My colleague at American University Amitav Acharya was one of the first to focus on the question of regional order in Southeast Asia. He described Southeast Asia as a "pluralistic security communit[y] among independent states,"<sup>9</sup> referencing Emmanuel Adler and Michael Barnett who defined a security community as "a transnational region comprised of sovereign states whose people maintain dependable expectations of peaceful change."<sup>10</sup> Acharya identified two essential features of such a security community: the absence of war and the absence of significantly organized preparation for war against any other member.<sup>11</sup>While Acharya's focus was on the states within the security community, i.e., ASEAN, absence of war and absence of preparation for war provide a baseline understanding of what is required for regional stability.

In a 2016 paper on regional stability presented at a joint conference of the Korea Research Institute for National Strategy and the Brookings Institution, Jonathan D. Pollack noted that the concept of stability is "often utilized far too uncritically in policy assessment, and should not be code language for sustaining the status quo."<sup>12</sup> Drawing on the work of Hedley Bull, Pollack suggested the following systemic attributes of stability (the first and second echoing Acharya): the absence of major war; avoidance of the excessive concentration of power in any one state; the upholding of the political independence and territorial integrity of extant

<sup>8</sup> Likewise, ASEAN's inability to achieve its own goals and to regulate internal problems such as Myanmar damage both its credibility and its ability to lead. See for example Marty Natalegawa's Does ASEAN Matter?, (CSIS, Jakarta, 2018).

<sup>9</sup> Amitav Acharya, *Constructing a Security Community in Southeast Asia : ASEAN and the Problem of Regional Order*, (London: Taylor & Francis Group, 2009). Accessed April 29, 2024. ProQuest Ebook Central.

<sup>10</sup> Adler and Barnett as cited in Acharya, Constructing a Security Community in Southeast Asia.

<sup>11</sup> Ibid.

<sup>12</sup> Jonathan D. Pollack, "Changes and Prospects for the Structure of Regional Stability in East Asia," Brookings (commentary), January 25, 2016, <u>https://www.brookings.edu/articles/changes-and-prospects-for-the-structure-of-regional-stability-in-east-asia-a-u-s-perspective/</u>.

actors within the system; and concurrence with agreed upon rules and norms within a distinct international system or subsystem. Pollack noted that the last attribute "presume(s) restraint in the unilateral exercise of power."<sup>13</sup>

Pollack had previously served as chairman of the Asia-Pacific Studies Group at the Naval War College and with the RAND Corporation, and his views echo those of many in the US national security space. A close read of documents like the Biden Administration's US Indo-Pacific Strategy reveals these same views, with particular emphasis on upholding political independence and following existing rules and norms.

When Biden administration officials speak about the Indo-Pacific region (and by extension their understanding of regional stability), the emphasis on independence and rules is not restricted to the security space. Instead, they describe the ability to make free choices in the fields of economics, culture, and diplomacy, speak of the full scope of rules, norms and institutions of the current international order, and connect those rules, norms, and institutions to the economic growth and peace countries of Southeast Asia have enjoyed. The implication, sometimes explicit, is that maintaining the current (and, many would say, US-led) international order is the path to regional stability.

However, staying on this path is becoming harder (both for countries of the region, and for the United States and China) as more areas become contested. Cold Rivals, a 2023 compilation of US and Chinese authors reflecting on the new era of US-China strategic competition, edited by former National Security Council Director Evan Medeiros, frames the Asian region (whether described as the Asia-Pacific or the Indo-Pacific) as "the geostrategic epicenter of US-China multifaceted interactions (military, commercial, cultural, diplomatic)."<sup>14</sup> David Shambaugh, who authored one of the compilation's chapters, notes that US and Chinese presence and activities in these realms were not necessarily viewed as explicitly competitive in the past, but now are.<sup>15</sup>

John Mearsheimer provided a different, but complementary perspective in his 2014 update of *The Tragedy of Great Power Politics*. There, he examined the question of whether China could rise peacefully and sought to define a theory of international politics explaining how China, as a rising power in Asia, was likely to act and how other states in the Indo-Pacific system were likely to react. Like many others over the last decade, Mearsheimer grappled with the question of whether stability could be maintained in the Indo-Pacific region. From his offensive realist perspective, Mearsheimer argued that there was never any reason to expect that

15 Ibid. 373

<sup>13</sup> Ibid

<sup>14</sup> David Shambaugh, "Parsing and Managing U.S.-China Competition", in Evan Medeiros (editor) Cold Rivals: The New Era of US-China Strategic Competition, (Georgetown University Press: Washington 2023).

China would show restraint unless it were constrained by the United States, allies and the region.  $^{\rm 16}$ 

The definitions and approaches to regional stability in US policy discourse vary, but all contain the idea that there are attributes of the current regional stability that China, the United States, and Southeast Asian countries all might wish to preserve – or fear to disturb. However, it must be recognized that domestic shifts in both the United States and China, as well as structural shifts in both countries' thinking about national interests, has made it more difficult to highlight those attributes. As Medeiros writes, "the few remaining arenas of seeming compatibility are crowded out by the growing number of differences."<sup>17</sup>

#### Shifts in US thinking

Two shifts in US foreign policy thinking over the last ten years have altered America's leaders and foreign policy elites' thinking about the intrinsic value of regional stability in the overlapping areas of Southeast Asia/Asia-Pacific/Indo-Pacific.<sup>18</sup> One of the changes is innately linked to the region: that is the increasing US perception of China as its preeminent strategic competitor. The second shift is within the United States itself, where successive administrations have increasingly viewed foreign policy through a domestic lens, demanding that America's foreign policy prioritize "making America great" and meeting the needs of America's middle class.<sup>19</sup> The idea of foreign policy designed for the common good has declined, with trade deals taken off the table and foreign commitments justified explicitly by what they can provide to the American people.

These changes have significantly re-shaped US approaches towards Southeast Asia (and been the cause of the US shift from Asia-Pacific to Indo-Pacific), and have region-specific, as well as global, ramifications. The United States today is predominantly concerned with maintaining its economic access to the Indo-Pacific; ensuring US freedom of movement within and across the region; and not ceding influence to China. For domestic audiences, US actions with allies, friends, and partners in the region are often framed as means to these ends – even while in diplomatic conversations, shared values and shared destiny are emphasized and the conversation about freedom of movement is rooted more firmly in norms (customary law) and the UN Convention on the Law of the Seas (UNCLOS).

17 Medeiros, 2

<sup>16</sup> John Mearsheimer, The Tragedy of Great Power Politics, Updated Edition. (WW Norton: NY, 2014).

<sup>18</sup> My thinking about leaders and foreign policy elites in this paper was heavily influenced by Elizabeth Saunders' recently published book *The Insiders' Game: How Elites Make War and Peace*, (Princeton: Princeton University Press, 2024).

<sup>19</sup> Trump "Make America Great", and Biden "Foreign Policy for the Middle Class" both discussed in "Tracking Biden's Progress on Foreign Policy for the Middle Class", Carnegie, April 2021, <u>https://carnegieendowment.org/2021/04/06/tracking-biden-s-progress-on-foreign-policy-for-middle-class-pub-84236</u>

The United States' redefinition of the region from Asia-Pacific to Indo-Pacific has been interpreted by China as attempted encirclement, while Southeast Asia (and ASEAN) sometimes chafes at being described as the "center of the Indo-Pacific."20 The wording of published US government documents regarding the Indo-Pacific masks the magnitude of this transformation, even while certain national security documents and statements more baldly present the changes as a response to China's emergence as a near-peer adversary with the intent to change the international system. Not surprisingly, this divergence sometimes confuses Indo-Pacific interlocutors, particularly in Southeast Asia, who struggle to predict US behavior, most especially in determining the level of US commitment to the region. This struggle to understand and predict is particularly consequential for Southeast Asian leaders who, individually, hope to keep the United States invested in their region and increase their countries' abilities to pursue balancing or hedging strategies. Collectively, these leaders also hope that the United States will continue to support regional institutions, most particularly ASEAN, seeing this support as intrinsically tied to regional peace and stability.

#### The Pax Americana

There has long been a presumption in Southeast Asia, and more broadly in the Asia-Pacific, that regional stability is a public good – not only for the states of the region but for the United States as well. Then-Singapore Prime Minister Lee Hsien Loong's 2020 article published in the American journal *Foreign Affairs* (clearly targeted at US audiences) frames the United States as a "resident power" with "vital national interests in the region." The United States is the provider – out of "enlightened self-interest" – of the *Pax Americana* which has allowed the region to prosper.<sup>21</sup>

This presumption is reinforced, in part, by US statements and strategies, including Indo-Pacific strategy documents released respectively by the administrations of Donald Trump and Joe Biden. The November 2019 State Department report *A Free and Open Indo-Pacific: Advancing a Shared Vision*, for example, describes the United States as having "a fundamental interest in ensuring that the future of the Indo-Pacific is one of freedom and openness rather than coercion and corruption."<sup>22</sup> Similar language and framings of the United States having a fundamental interest in the Indo-Pacific's future also appear in earlier

<sup>20</sup> State Department Under Secretary Elizabeth Allen, Remarks at the Opening of the US-ASEAN Center, December 14, 2023, <a href="https://www.state.gov/remarks-at-the-opening-of-the-u-s-asean-center/">https://www.state.gov/remarks-at-the-opening-of-the-u-s-asean-center/</a>

<sup>21</sup> Lee Hsieng Loong, "Endangered Asian Century", Foreign Affairs, July/August 2020. <u>https://www.foreignaffairs.com/articles/asia/2020-06-04/lee-hsien-loong-endangered-asian-century</u>

<sup>22</sup> A Free and Open Indo-Pacific: Advancing a Shared Vision" State Department report, November 4, 2019, <u>https://www.state.gov/wp-content/uploads/2019/11/Free-and-Open-Indo-Pacific-4Nov2019.pdf</u>

iterations of Trump administration thinking about the Indo-Pacific.<sup>23</sup> The Biden Administration's February 2022 *Indo-Pacific Strategy of the United States* similarly opens with the statement, "the future of each of our nations – and indeed the world – depends on a free and open Indo-Pacific enduring and flourishing in the decades ahead."<sup>24</sup>

Such US framings of the importance of regional stability in Southeast Asia (and the newer and broader geographic construct of the Indo-Pacific) could lead one to conclude that Americans broadly, and decisionmakers specifically, see Southeast Asian regional stability as a public benefit. Following this line of reasoning, one might presume US willingness to invest in perpetuating this stability. However, as described above, US officials increasingly focus not on (international) public benefits but rather, more narrowly on what is good for the United States. While most US officials would today affirm that stability in Southeast Asia is good for the United States, they would limit the areas and extent of interaction justified to pursue and maintain that stability.



Rendering of satellite image of Southeast Asia. iStock.

<sup>23</sup> Examples include President Donald Trump's November 2017 statement at the APEC CEO Summit, in Da Nang, Vietnam, see: https://trumpwhitehouse.archives.gov/briefings-statements/remarks-president-trump-apec-ceo-summit-da-nang-vietnam/; Secretary of Defense James Mattis's June 2018 speech at the Shangri-La dialogue, in Singapore, see: <a href="https://www.defense.gov/News/Transcripts/Transcript/Article/1538599/remarks-by-secretary-mattis-at-plenary-session-of-the-2018-shangri-la-dialogue/">https://www.defense.gov/News/Transcripts/</a> Transcript/Article/1538599/remarks-by-secretary-mattis-at-plenary-session-of-the-2018-shangri-la-dialogue/; Secretary of State Mike Pompeo's July 2018 speech on America's Indo-Pacific Economic Vision, delivered in Washington, DC, see: <a href="https://2017-2021.state.gov/americas-indo-pacific-economic-vision/">https://2017-2021.state.gov/americas-indo-pacific-economic-vision/</a>; and Vice President Mike Pence's November 2018 remarks at the East Asia Summit Plenary, in Singapore, see: <a href="https://trumpwhitehouse.archives.gov/briefings-statements/prepared-remarks-vice-president-pence-east-asia-summit-plenary-session/">https://trumpwhitehouse.archives.gov/briefings-statements/prepared-remarks-vice-president-pence-east-asia-summit-plenary-session/</a>

<sup>24</sup> US White House, "US Indo-Pacific Strategy" February 2022. <u>https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf</u>. Curiously, the Indo-Pacific strategy document indicates that President Joseph Biden initially said these words at a leaders'-level meeting of the Quadrilateral Security Dialogue (Quad), with India, Australia, and Japan in 2021.

#### **America and Americans First**

In his 2022 book *Elusive Balances: Shaping US-Southeast Asia Strategy*, Prashanth Parameswaran documents and then tries to determine "what accounts for the ebbs, flows and imbalances in the shaping of commitment to Southeast Asia in US strategy."<sup>25</sup> Parameswaran details the traditional arguments for why the United States should be engaged with the region: the fight to stem communism's rise, with the corresponding loss of American lives in the Korean and Vietnamese wars; support for democratic principles; US treaty obligations; and US geographic connections to the region as a Pacific power.

Parameswaran also details the increased economic connectivity of the United States and Southeast Asia – a theme which can easily be expanded to the larger Indo-Pacific. Over time and with shifts in US thinking, it is this economic connectivity, along with a US sense that the Indo-Pacific is a primary theater of US-China competition, that has driven US policy. This focus on the Indo-Pacific has carried through both the Trump and Biden administrations.<sup>26</sup>

The US Strategic Framework for the Indo-Pacific – approved in 2018 and declassified in 2021– provides one of the clearest examples of this focus.<sup>27</sup> Rather than stressing stability, the emphasis is on access and US growth and security. The document finds that "US security and prosperity depend on free and open access to the Indo-Pacific region, which will remain an engine of US, regional, and global growth."<sup>28</sup> The Strategic Framework is unusual both for its directness and for the timing of its release. Lightly redacted and released in the final days of the Trump administration, it is widely seen as the Trump administration's staking of a position known to have wide-scale political support, to limit the room for maneuver of the incoming Biden administration.

The Biden administration's approach to "the world's most dynamic region" had been foreshadowed by a fall 2019 essay "Competition without Catastrophe" published in *Foreign Affairs* by Kurt Campbell and Jake Sullivan, later Deputy Assistant to the President/NSC Coordinator for Indo-Pacific Affairs and Biden's National Security Adviser respectively.<sup>29</sup> The Campbell-Sullivan article reveals the more transactional and domestic-based approach the Biden administration

<sup>25</sup> Prashanth Parameswaran, Elusive Balances: Shaping US-Southeast Asia Strategy, (Palgrave MacMillan, 2022).

<sup>26</sup> Given that Biden and Trump are candidates for President in the 2024 election, this commonality of thinking across their prior administrations suggests this trend will continue.

<sup>27</sup> National Security Advisor Robert O'Brien issued an unusual statement explaining the decision to declassify and release the Framework, White House statement, January 12, 2021, <u>https://trumpwhitehouse.archives.gov/briefings-statements/statement-national-security-advisor-robert-c-obrien-011221/</u>

<sup>28</sup> US White House, "US Strategic Framework for the Indo-Pacific (declassified)", White House Archive accessed January 26, 2021, https://trumpwhitehouse.archives.gov/wp-content/uploads/2021/01/IPS-Final-Declass.pdf

<sup>29</sup> Kurt M. Campbell and Jake Sullivan, "Competition Without Catastrophe." Foreign Affairs, July 1, 2019. <u>https://www.foreignaffairs.</u> com/china/competition-with-china-catastrophe-sullivan-campbell

would carry forward from the Trump Administration. For example, it explicitly speaks of the long-term harm which would be done to US workers, businesses, and allies if the Indo-Pacific were ceded to China.<sup>30</sup>

The ideas of maintaining the United States' economic access to the Indo-Pacific region; ensuring US freedom of movement within and across the region; and not ceding influence to China come through clearly in the Sullivan-Campbell article, as well as in early Biden administration statements. Furthermore, these concepts are enshrined in the Biden Administration's *Indo-Pacific Strategy of the United States*. "The Indo-Pacific," that document says, "is the most dynamic region in the world, and its future affects people everywhere."<sup>31</sup> The administration's goal, therefore, is to "anchor the US more firmly in the region and strengthen the region in the process."<sup>32</sup>



2019 Garuda Shield US and Indonesian military officers attend an opening ceremony in Dodiklatpur, Indonesia. US Army, Ezra Camarena

#### 30 Ibid

31 US White House, The U.S. Indo-Pacific Strategy, February 11, 2022. <u>https://www.whitehouse.gov/wp-content/uploads/2022/02/US-Indo-Pacific-Strategy.pdf</u>

32 US White House, Fact Sheet on the Indo-Pacific Strategy, February 11, 2022. <u>https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/02/11/fact-sheet-indo-pacific-strategy-of-the-united-states/</u>

The Biden Administration's strategy document, and subsequent actions, emphasises other principles that are important to the countries of the region: working with allies and friends and strengthening partnerships; looking beyond security to new challenges, such as climate change and pandemics; working collaboratively – including with regional institutions – and advancing common solutions; and maintaining space for governments [of the region] to make their own choices. However, the priority of *strengthening* the United States (especially vis-à-vis US-China competition) comes through quite clearly in the document. As the fact sheet, perhaps unintentionally, highlights, "the region is strengthened *in the process* [emphasis added]."

It is important to stress that in their presentations of policy to the American people, the administrations of Donald Trump and Joe Biden have not framed themselves as providers of regional stability in the Indo-Pacific for the purpose of regional stability. Instead, successive administrations consistently emphasise the benefits to the United States, primarily in the economic realm, of the Indo-Pacific region being stable. The "incidental" nature of this framing has been noted by interlocutors from Southeast Asia and the Indo-Pacific more broadly and may undercut the effectiveness of US engagement in the region. In an April 2024 conversation, a Vietnamese scholar downplayed the real significance of the United States and Vietnam having signed a comprehensive strategic partnership, noting that there is still an issue of trust.

Southeast Asian views of US reliability also are shaped by how the US responds to ongoing crises. Negative views on the Biden administration's handling of the Israel-Gaza crisis, for example, come through in the ISEAS Yusof Ishak Institute's *State of Southeast Asia survey*.<sup>33</sup> In the survey, that conflict is characterised as "the region's top geopolitical concern" and could impact Southeast Asian views of the US as a partner.<sup>34</sup> Broader uncertainty about US intentions comes through in other analysis from the region.<sup>35</sup> Such uncertainty may also have played a role in the survey outcomes.<sup>36</sup>

<sup>33</sup> ISEAS Yusof Ishak Institute, ASEAN Studies Centre website, accessed May 31, 2024. <u>https://www.iseas.edu.sg/category/centres/asean-studies-centre/state-of-southeast-asia-survey/</u>

<sup>34</sup> S. Seah et al., "The State of Southeast Asia: 2024 Survey Report" (Singapore: ISEAS - Yusof Ishak Institute, 2024) <u>https://www.iseas.</u>edu.sg/category/centres/asean-studies-centre/state-of-southeast-asia-survey/

<sup>35</sup> Cheng-Chwee Kuik, East Asia Forum, July 4, 2023. <u>https://eastasiaforum.org/2023/07/04/southeast-asia-hedges-between-feasibility-and-desirability/</u>

<sup>36</sup> Uncertainty over US intentions was also a central theme of discussed in depth during APLN's May 2024 conference in Jakarta. It was noted however that the ISEAS survey might be subject to sampling bias, and that other regional surveys do not display such a dramatic shift in perceptions of US reliability.

#### Anything but trade

As US administrations tell the American people, the Indo-Pacific is economically important. The East-West Center (based in Washington and Hawaii) regularly produces the document *Asia Matters for America/America Matters for Asia* and a counterpart edition for ASEAN which catalogue the economic benefits that the United States derives from engagement with the region.<sup>37</sup> Within the Indo-Pacific, Southeast Asian countries are significant economic partners of the United States. These markets have long enjoyed high economic growth, making them attractive to US companies. They have become even more important in recent years as US and multinational businesses try to build more resilient supply chains and seek business alternatives amid tensions with China.

Bilateral trade between the United States and ASEAN countries has more than doubled in the last decade. The ASEAN countries together are America's fourth largest export market, with US\$107 billion of US merchandise sent to the region in 2023. US service exports to the region in 2022 were nearly US\$49 billion, and the region hosts US\$359 billion in US direct investment. However, for domestic political reasons, both the Trump and Biden administrations have declined to engage substantively on US market access (primarily achieved via trade agreements), despite clear interest from the countries of Southeast Asia and the broader Indo-Pacific – which see enhanced trade as directly related to regional stability.

This divergence between regional countries' views on the importance of the economy driving regional stability and US administration policy emerged early in the Trump Administration, when the United States withdrew from the Trans-Pacific Partnership (TPP). The Biden administration later made clear it would not seek to (re)-join TPP's successor, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The 2023-2024 failure to advance in the trade pillar of the Biden Administration's alternative approach – the Indo-Pacific Economic Framework (IPEF) – further highlights a US inability, or lack of willingness, to build towards what many in the region perceive to be one of the primary categories of mutually beneficial, regional 'public goods.'

#### How to balance when the United States and China compete?

The United States and China each blame the other for the increasingly negative state of affairs between them. Delivering remarks during a February 2024 conference, Daniel Kritenbrink, Assistant Secretary of State for East Asia and the Pacific, said that the United States was in "intense strategic competition" with a China that is "advancing an alternative vision for global governance... that represents a departure from many of the principles that lie at the heart of

<sup>37</sup> Asia Matters for America/Matters for Asia, 4th edition, 2022, <u>https://www.eastwestcenter.org/publications/asia-matters-america-matters-asia-0</u>

the international system."<sup>38</sup> Chinese writers in *Cold Rivals* detail how, since the election of Donald Trump, Beijing has been resisting malign US political-strategic intentions.<sup>39</sup> Contributor Wu Xinbo argues that Beijing is merely responding to U.S. policies aimed at thwarting China's rise. He cites rhetorical attacks, tariffs and sanctions on Chinese firms, and US involvement in domestic issues as provocations.<sup>40</sup> Contributor Li Chen notes that China's response to US strategic pressure intensified in 2019-2020 and proposes that Beijing take steps "to offset the US-led international mobilization against China."<sup>41</sup>



Daniel Kritenbrink, then-US Ambassador to Vietnam, speaks to service members prior to a repatriation ceremony in DaNang Vietnam, May 22, 2019. US Navy, Seth Coulter.

Within this rivalry, China is pressing its neighbors to choose sides, sometimes implicitly, sometimes explicitly — as, arguably, the United States is doing as well.

<sup>38</sup> Katherine Walla, "Inside the US Plan to Compete with China in the Global South" Atlantic Council blog February 23, 2024, <a href="https://www.atlanticcouncil.org/blogs/new-atlanticist/inside-the-united-states-plan-to-compete-with-china-in-the-global-south/">https://www.atlanticcouncil.org/blogs/new-atlanticist/inside-the-united-states-plan-to-compete-with-china-in-the-global-south/</a>

<sup>39</sup> Medeiros, Cold Rivals.

<sup>40</sup> Review of Cold Rivals in Asia Quarterly Review, 236, 251-252.

<sup>41</sup> Asia Quarterly Review, 236, 251-252.

As China tells its Asian neighbors, "Asia is rising" or, sometimes, more directly "China is rising." This invitation (or threat, depending on one's viewpoint) comes through in China's vision of a "global community of common destiny" and a cultural narrative increasingly emphasizing China's deep-rooted connections to its Southeast Asian neighbors. As the Vietnamese scholar quoted above said, Vietnam is reminded that "it is a small state living next to a giant who is rising ... and not necessarily rising peacefully anymore." In forging closer connections with the United States, this scholar continued, "we need to be sensitive to the context - not about influence, but about [China's] likely reaction and response." Likewise, a Filipino mayor interviewed in May told a US journalist about the Chinese, "They treat you well if you treat them well — if you go against them, like is happening now, they will not treat you well."42 Officials at China's Ministry of Foreign Affairs interviewed for the same article reportedly said that the United States is "triggering tensions in the region and jeopardizing regional peace and stability." They ominously continued, "the Philippine side should recognize the situation clearly and should not sacrifice its own security interests for the sake of others, thereby jeopardizing its own interests."43

For his part, Kritenbrink said that "We [the United States] don't want countries to have to choose between us and [China] ... But we want to help ensure that they have a choice and that they can make their decisions free from coercion."<sup>44</sup> Kritenbrink and other US officials talk about how the United States is building an interlacing "latticework" of connections across the Indo-Pacific to support allies, partners and friends.<sup>45</sup> However, across the Indo-Pacific and specifically within ASEAN states, there is concern both about the intent and impact of this latticework, which is often perceived as consisting of ad-hoc mechanisms.<sup>46</sup>

<sup>42</sup> Peter Martin, "China Woos Philippine Elites Near Base US Needs to Defend Taiwan," Bloomberg, May 10, 2024. <u>https://www.bloomberg.com/news/features/2024-05-10/china-woos-philippine-elites-as-washington-manila-military-ties-grow-stronger</u>

<sup>43</sup> Ibid.

<sup>44</sup> Atlantic Council conference, February 2024.

<sup>45</sup> Daniel Kritenbrink, remarks at the Brookings Institution, May 14, 2024. <u>https://www.brookings.edu/events/two-years-into-the-biden-administrations-indo-pacific-strategy-a-conversation-with-assistant-secretary-daniel-kritenbrink/</u>; Susanna Patton , "Biden's 'lattice' Asia policy not meshing," United States Studies Center, December 3, 2021, <u>https://www.ussc.edu.au/bidens-lattice-asia-policy-not-meshing</u>

<sup>46</sup> This point was stressed by Southeast Asian participants at the APLN May 2024 conference in Jakarta.

### Recommendations: Differing Capabilities, Differing Approaches

Writing for the Wilson Center in December 2023, Parameswaran delineated US and Chinese capability differences of relevance to Southeast Asia, given ongoing competition and various pressures to choose. Among US strengths, Parameswaran included the US allied and partnership network, free media environment, and innovative companies.<sup>47</sup> As limitations, he identified the lesser weight given to diplomatic resources relative to the military, as well as the difficulty of crafting a clear narrative that sustainably aligns diverse domestic stakeholders in areas such as advancing a more active trade policy.<sup>48</sup> Like this author, he also identified the challenge for the United States of crafting policies that are attractive to Southeast Asia and can be sustained over time in the US domestic context.



ASEAN Secretariat, Jakarta, Indonesia.

48 Ibid

<sup>47</sup> Prashanth Parameswaran, "Southeast Asia and the US-China competition: Contours, Realities and Implications for the Indo-Pacific" Wilson Center Insight and Analysis, December 21, 2023, <u>https://www.wilsoncenter.org/article/southeast-asia-and-us-china-competition-contours-realities-and-implications-indo-pacific</u>

Economic ties between the region and the United States continue to grow. However, the absence of new trade negotiations with the United States coupled with the success of regional agreements such as the Regional Comprehensive Economic Partnership (RCEP) and Chinese financial instruments such as the Belt and Road Initiative (BRI) and Asian Infrastructure Investment Bank (AIIB) loan programs pushes countries of the region towards China for economic engagement. This push has not been without its downsides, as wary Southeast Asians observe China's use of economic tools and tourism to punish their countries for foreign policy choices and complain about an influx of Chinese laborers competing for blue-collar jobs.<sup>49</sup>

The situation presents a significant quandary for the countries of Southeast Asia, and the Indo-Pacific more broadly. Many of these countries do not want to bandwagon with either the United States or China. As Singapore Foreign Minister Vivian Balakrishnan said in Manila in April, "one thing that unites [the countries of ASEAN] is the fact that no member-country wants to play 'proxy' or 'vassal' of either of the world's superpowers China and the United States."<sup>50</sup> Balakrishnan, accompanied by Philippines Foreign Minister Manolo, described the risks to ASEAN countries of a conflict in the South China Sea, explicitly making the connection between freedom of transit in that area, regional peace, and the economic growth the citizens of ASEAN countries seek.

That said, many Southeast Asians believe they can successfully "manage" the dynamics of US-China competition and preserve their interests. As a former senior Singaporean diplomat said at a conference in spring 2024, "East Asian countries will work with China when it meets their interests; with the United States when it meets their interests; and will find their own way, when that suits their interests." A Filipino academic at the same conference characterized Southeast Asian countries as engaged in "fifty shades of hedging" – and enjoying the attention. Separately, a former Indonesian Finance Minister described countries of the region as having the wherewithal to deal with multipolarity while maintaining the region's innate peace and stability.

As Paremeswaran has detailed, ASEAN countries and others within the broader Indo-Pacific use a broad range of strategies – going beyond the traditional categories of bandwagoning, hedging and balancing. Paremeswaran identifies other approaches, including bargaining, synching, diversifying, reinforcing, insulating, and – very occasionally – pathfinding.<sup>51</sup>

<sup>49</sup> Joanne Lin, CNA Commentary, April 5, 2024, <u>https://www.channelnewsasia.com/commentary/china-asean-southeast-asia-influence-choose-sides-4242511</u>

<sup>50</sup> Malou Talosig-Bartolome, "Singapore FM: No ASEAN Member Wants to be a Proxy" Business Mirror (Philippines), April 16, 2024, https://businessmirror.com.ph/2024/04/16/singapore-fm-no-asean-member-wants-to-be-proxy-of-us-or-china/

<sup>51</sup> Parameswaran, "Southeast Asia and US-China Competition: Contours, Realities, and Implications for the Indo-Pacific," Wilson Center, December 21, 2023, <u>https://www.wilsoncenter.org/article/southeast-asia-and-us-china-competition-contours-realities-and-implications-indo-pacific</u>

Actors with whom interact	General Purpose	Traditional IR (looks primarily at state-to-state interactions)	Paremeswaran's terminology	Description
Directly with the US and China	Communicate/ negotiate Shaping the wider environment / setting context	Bandwagon Hedge Balance	Bargaining	Increase leverage through engagement and negotiation
Interaction with a broader set of countries and institutions			Synching	Reframe competition by connecting geopolitics to regional/ national priorities
			Diversification	Cultivate wider alignments to maximize flexibility and transcend bipolarity
			Reinforcement	Build up neighbourhood capabilities to offset great power influence
			Pathfinding	Undertake innovative or experimental international initiatives
Domestically	Change internal dynamics		Insulation	A set of domestic actions to adjust the internal landscape in order to be better shielded from competition

**Table 1:** Derived from Prashanth Parameswaran, "Southeast Asia and the US-China competition: Contours,

 Realities and Implications for the Indo-Pacific" Wilson Center Insight and Analysis, December 21, 2023.

Bolded boxes indicate the approaches aligned with this report's recommendations.

While each concept deserves attention from policy practitioners and scholars, this report advocates particular attention to pathfinding, whereby the countries of the region delineate a process, communicate a vision of the way forward, and persuade others (the United States and China) that it is in their interest to join along. One could define the iterative process of creating ASEAN and welcoming dialogue partners as pathfinding. The recommendations in this report envision space for further Southeast Asian-led efforts to identify the "next best" way forward. Former Singaporean Prime Minister Lee's *Foreign Affairs* article was an early harbinger of this idea that countries of the region could show the path, survive, and even thrive despite US-China rivalry, as long as the United States and China are both persuaded to engage with them.<sup>52</sup>

<sup>52</sup> Some, such as Cheng-Chwee Kuik, question whether hedging and balancing will remain feasible for the countries of Southeast Asia long-term.

### Recommendations

The United States should support balancing strategies. It is in the US interest to that the countries of Southeast Asia individually and collectively believe that there is space to pursue balancing strategies. On the political side, such balancing strategies have provided Southeast Asia nations a crucial sense of regional agency, which reassured countries (such as Vietnam, and increasingly the Philippines) that wanted to push back on Chinese pressure, that there was room to do so. Economically, these regional dynamics have pressed the countries closer together, creating a more efficient trade bloc and a freer flow of people and commerce.

The United States should pursue minilateral cooperation only when it is clearly additive. As noted previously, State Department officials such as Assistant Secretary Kritenbrink have referred to this approach as "building a latticework of interlocking relationships."<sup>53</sup> A multi-pronged strategy can preserve the space Southeast Asian countries need, but such a strategy must be internally coherent and externally predictable. Even before US-China competition heated up, Southeast Asia already had a complex regional architecture including the US hub and spoke of military alliances; ASEAN and its bodies and partners; and various sub-regional bodies such as the Mekong-US partnership.

The United States should support ASEAN in a pragmatic and measured way. A former US diplomat joked that reference to ASEAN centrality was a way to defuse ill feelings, but this only works if the United States has a clear sense of what is meant by this phrase and takes steps to support that idea with actions. The United States needs to limit its expectations of ASEAN to specific, achievable goals. For those goals, the United States should work within ASEAN structures, so that those structures develop capacities. While ASEAN should not aspire to be NATO or the European Union, its existence as a convenor and coordinator supports US goals for the region – and regional stability. ASEAN may be a useful mechanism to tackle some of the regionally important issues that are not seen through a US-China prism, which range from climate change to cyber security.

As the United States competes with China for influence, it should avoid selfinflicted wounds. Sending Vice-President Harris to the 2023 East Asia Summit in critically important Indonesia, only to have President Biden travel to Vietnam days later, is an example of how not to build a sense of regional cohesion and

<sup>53</sup> Daniel Kritenbrink, "Two years into the Biden administration's Indo-Pacific Strategy: A conversation with Assistant Secretary Daniel Kritenbrink", Brooking Institution, May 14, 2024, <u>https://www.brookings.edu/events/two-years-into-the-biden-administrations-indo-pacific-strategy-a-conversation-with-assistant-secretary-daniel-kritenbrink</u>

US partnership. Sadly, in Southeast Asia, such unforced errors have been all too common over the last few administrations. Similarly, CPTPP and RCEP were signals to the United States that the region will not wait on the United States to move forward with trade integration. The countries of the region want a strong economic relationship with the United States, partly because economic cooperation is a significant aspect of their relations with China.

The countries of Southeast Asia should examine US and Chinese goals for the region. Hoping to maintain individual agency and some additional strength and coherency through association, they should examine what goals for the region are held by the United States and China individually; work to determine where these goals align, or at least do not directly conflict; and build support for what may be a new, limited definition of regional stability. Even if the process is open-ended and frustrating, as, for example, the long-running negotiations on a Code of Conduct for the South China Sea have been, there is a benefit to the countries and institutions of the region to actively and explicitly engage both the United States and China, in formats such as a single dialogue; simultaneous but separate track discussions; or an iterative process.

The institution and goals of the ASEAN – whose Treaty of Amity and Cooperation has been signed by both the United States and China – might provide a forum for these discussions, *if* the countries of the region push for more honest and robust conversation.

Southeast Asian countries must find new ways to communicate to US officials their worries of abandonment or being forced to choose sides. American policy makers, engaged on a bi-partisan basis, need to be convinced that it is in the long-term interest of the United States for the countries of Southeast Asia to have room for maneuver even as US-China competition expands. This engagement needs to include widespread and substantive liaison with the US legislative branch. Congress especially need to be convinced that it is in the US interest for the foreign policy independence of countries of Southeast Asia to be preserved, as opposed to expecting closer alignment with the United States.

Some interpret the most recent ISEAS Yusof Ishak survey as suggesting that, if forced, most countries of Southeast Asia will choose China.<sup>54</sup> It is geographically too close and economically too omnipresent to do otherwise, they say. But, as Philippines President Marcos did with his apparently successful April visit to Washington, DC, Southeast Asian countries can make clear to US policy makers in both the executive and legislative branches that this choice is not their preferred outcome. Southeast Asians must communicate that they need, and want, the United States in the region to give them space to balance.

<sup>54</sup> Joanne Lin, "Navigating China's influence and expanding role in Southeast Asia", CNA Commentary, April 5, 2024, <u>https://www.channelnewsasia.com/commentary/china-asean-southeast-asia-influence-choose-sides-4242511</u>

ASEAN member states should strengthen internal work towards ASEAN's own goals. The countries of Southeast Asia should not stop with a limited, US-and-China accepted set of goals. They should continue their own work, including within ASEAN mechanisms towards *their* defined goals for a region of "lasting peace, security and stability, sustained economic growth, [and] shared prosperity and social progress."<sup>55</sup> As the ASEAN charter notes, such regional coherence would allow the countries to promote their vital interests, ideals and aspirations. This work could help the countries of Southeast Asia to stay focused on the goals and hopes that connect them.

Scholars and policymakers should map possibilities for a limited agreed understanding of regional stability. There are multiple ways to define regional stability, and different countries may attach different priorities to the attributes associated with the term. For the United States, attributes of regional stability almost certainly include: the absence of major war; some commitment to uphold the political independence and territorial integrity of extant actors within the system; concurrence with some rules and norms - and some system or institution for monitoring and resolving disputes. While this discussion usually is confined to the security space, in Southeast Asia, regional stability has an economic component as well. Discussions of avoiding an excessive concentration of power in any one state and making a credible commitment to self-restraint must include the economic realm. While views vary on the plausibility of countries willingly restraining themselves,<sup>56</sup> China and the United States should fear jeopardizing the regional economic growth so important to both countries (economically and politically). They can be persuaded that the risks of unrestrained behavior are too great, and the question then becomes what systems or commitments might credibly and reassuringly constrain.<sup>57</sup>

Scholars should begin categorising areas where China, the United States and others might observe constraints. Another way to frame the question is whether there are attributes of the current regional stability that China, the United States, and Southeast Asian countries all wish to preserve – or fear to disturb. Resolving this question will be crucial to developing the sort of 'next-best' scenario Cheng-chwee Kuik envisioned– one which is not the best scenario for the United States, China, or Southeast Asian countries, but which constitutes an acceptable compromise.

<sup>55 &</sup>quot;Charter of the Association of Southeast Asian Nations," ASEAN, 2, <u>https://asean.org/wp-content/uploads/images/archive/</u>publications/ASEAN-Charter.pdf

<sup>56</sup> Daniel Deudney and G. John Ikenberry, "Misplaced Restraint: The Quincy Coalition Versus Liberal Internationalism." *Survival* 63 (4): 7–32. 2021, doi:10.1080/00396338.2021.1956187.

<sup>57</sup> Some would argue that faltering existing institutions, such as the World Trade Organization, could be reinvigorated to play such a role, however, Duedney and Ikenberry cite Dewey as arguing that the scope of the challenge changes as technology develops, constantly requiring new forms of government and community. Starting with "ground zero" – the defined, limited region of Southeast Asia – might build some confidence in either approach.

For example, while China appears to want to change aspects of the current rules-based order *globally*, the Chinese leadership has domestic political considerations, most importantly an incentive to maintain high growth and to invest in further domestic development. The former is generally associated with peaceful conditions, while the latter becomes harder if China continues to divert funds into a militarised arms race with the United States while "tightening its belt" elsewhere.<sup>58</sup> These considerations could favor supporting the continued absence of conflict in Southeast Asia.

Table 2 (page 25) is the beginning of a mapping exercise to identify key components of the Southeast Asian regional system that may be relevant for identifying attributes of regional stability that all parties support. For each conceptual area, the general positionality of the United States and Southeast Asian nations (through ASEAN) would be detailed. After identifying conceptual areas, it may be feasible to drill down further into more specific attributes of regional stability within them. Where there is not sufficient commonality within ASEAN as to have an ASEAN position (as for e.g., economic interdependence), this would be identified and broken out further. The boxes of the table are filled with initial thoughts, to illustrate how this exercise might proceed, with current commitments or positions suggested in italics. This report has not made a detailed assessment of Chinese positions and commitments, and none have been included in this mapping exercise, but this report strongly recommends that such an assessment be considered for future studies.

Conceptual Area	Freedom of Navigation	Sovereignty	Institutional Respect for ASEAN	Economic Interdependence	Preservation of current rules- based order	Desire to avoid security/arms race
United States	High Seas Freedom of Navigation, as guaranteed by UNCLOS	Tempered by considerations of universal human rights and democratic values	The Indo- Pacific Concept with ASEAN at its center	Commitment not to punish regional countries for economic engagement with China	US has highlighted as a key goal of Indo-Pacific engagement	FOIP QUAD Latticework
ASEAN	"uphold the right of all states to freedom of navigation, and overflight and support the peaceful resolution of disputes in accordance with universally recognized principles of international law including UNCLOS"	Respect for sovereignty and non-interference	ASEAN Centrality	RCEP, ASEAN Digital Economy Framework – being negotiated	Bali Concord III	ASEAN Foreign Ministers' Statement on Disarmament and Non- Proliferation (2022) <sup>59</sup>

Table 2: Attributes of regional stability in Southeast Asia supported by the United States and ASEAN

<sup>58</sup> Kenji Kawase, "China Defense Budget Grows," Nikkei Asia, March 5, 2024. <u>https://asia.nikkei.com/Politics/China-People-s-Congress/</u> <u>China-defense-budget-grows-7.2-despite-other-belt-tightening</u>

<sup>59 &</sup>quot;ASEAN Foreign Ministers Statement on Disarmament and Non-Proliferation" (ASEAN, February 17, 2022), <u>https://asean.org/wp-content/uploads/2022/02/ASEAN-Foreign-Ministers-Statement-on-Disarmament-and-Non-Proliferation.pdf</u>

### Conclusion

This report has described two shifts in US foreign policy thinking over the last ten years that have driven a foreign policy change in the United States: increasing US-China competition and an increasingly domestic focus to foreign policy. This report has examined the relationship between these trends and the question of what 'regional stability' means in the context of Southeast Asia and the Indo-Pacific. In these regions, China and the United States have differing priorities regarding regional stability, some - but not all - of which are in direct opposition. This report recommends a clear-eyed, limited focus on those points where interests converge and tradeoffs can be made to allow multiple countries to meet key priorities. While no country would achieve all its desired ends with this approach, finding this "next-best" space allows for some progress while minimizing risks. This report has sought to outline how the countries of Southeast Asia might drive a discussion (or series of discussions) around a more limited set of commitments aimed at maintaining sufficient space for these countries to balance the two great powers, in way that would promote stability in the region. US policy makers today are predominantly concerned with maintaining US economic access to Southeast Asia, ensuring US freedom of movement within and across the region, and not ceding the region to China. The recommendations provided here, which are premised on greater sensitivity to Southeast Asian concerns over regional stability, would allow the United States to accomplish those goals.

## About APLN

The Asia-Pacific Leadership Network for Nuclear Non-proliferation and Disarmament (APLN) is a Seoul-based organization and network of political, military, diplomatic leaders, and experts from across the Asia-Pacific region, working to address global security challenges, with a particular focus on reducing and eliminating nuclear weapons risks. The mission of APLN is to inform and stimulate debate, influence action, and propose policy recommendations designed to address regional security threats, with an emphasis on nuclear and other WMD (weapon of mass destruction) threats, and to do everything possible to achieve a world in which nuclear weapons and other WMDs are contained, diminished, and eventually eliminated.

### APLN Asia Dialogue on China-US Relations

The Asia Dialogue on China-US Relations brings together senior experts and scholars from China, the United States, and the wider Asia-Pacific region to discuss China-US relations within a regional context. The project is made possible through the generous support of the Carnegie Corporation of New York.



ASIA-PACIFIC LEADERSHIP NETWORK



\_\_\_\_\_\_ @APLNofficial



an @APLNofficial