



# US Policy towards Southeast Asia under the Trump Administration

Piper Campbell

June 2026

*Page intentionally left blank*

# 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 courses on the Indo-Pacific and global diplomatic challenges and is Chair of the ASEAN and

IndoPacific Studies Initiative. Having served as Head of the U.S. Mission to ASEAN (2018), Ambassador to Mongolia (2012-2015) and Consul General Basrah/Iraq (2011-2012), her areas of expertise include navigating U.S.-China competition and managing national security challenges. After a thirty-year diplomatic career, Ambassador Campbell left government in April 2019.



@APLNofficial



apl.network



@APLNofficial



@APLNofficial

The Asia-Pacific Leadership Network (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.

© 2026 Piper Campbell

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

This publication was made possible by a grant from the Andrew Carnegie Foundation, formerly known as 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](mailto:apln@apln.network)

This publication can be downloaded at no cost at [\*\*www.apln.network\*\*](http://www.apln.network).



**Cover Page Photo:** 13th annual U.S.-ASEAN Summit leader photo, Kuala Lumpur, Malaysia, 26 October 2025. Courtesy: Posted by the White House on X/ Wikimedia Commons.

**Cover Design:** Prutha Kulkarni

# US Policy towards Southeast Asia under the Trump Administration

**Piper Campbell**<sup>1</sup>

Former US Ambassador and Hurst Senior Professorial Lecturer at American University.

## EXECUTIVE SUMMARY

In late Spring 2026, it is not a question if confidence in US commitments to East Asia has diminished – but rather whether any shreds of the past idea of a security guarantee remain. As described in this report, the statements, policies and actions of President Donald Trump and his administration have shaken countries across the Indo-Pacific to their core and cast into doubt foundational assumptions about how the region’s security architecture works. As a range of East Asian-focused surveys and reports demonstrate, both the United States’ standing in the region and the perceptions of its power have dropped.<sup>2</sup>

Other dynamics beyond the Trump administration including what Chinese officials regularly refer to as “the rise of China” and an evolving US-China relationship further contribute to this sense of seismic transition. Thus, the dominant question as 2026 nears its mid-point is: what will East Asian countries do about these changing dynamics? Within what timeframe will signs of a new (or renewed) architecture emerge? Using East Asia as the frame allows consideration of the People’s Republic of China both as a driver of change and as an actor within the system. While dynamics within the broader Indo-Pacific are treated at a strategic level, the primary focus of this analysis is likely actions of the countries of Southeast Asia, individually and as constituents, within the Association of Southeast Asian Nations (ASEAN).

The key question is framed as what will countries of Southeast Asia do about a perceived diminishment of a US security guarantee which regional leaders previously described as

---

*1 The Author would like to thank AU School of International Service graduate research assistant Stephanie Bulega-Nasuna who contributed substantially to this report. The author takes full responsibility for the originality of the entire written work. AI-assisted technology was used solely in the research stage to identify additional sources writing on Southeast Asia in order to ensure a broad range of views and disciplines were considered. Each source was personally verified before integration into research.*

*2 “Lowy Institute Asia Power Index”, Lowy Institute, 2025, <https://power.lowyinstitute.org/>; J. Lin et al., The State of Southeast Asia: 2026 Survey Report (Singapore: ISEAS - Yusof Ishak Institute, 2026), <https://www.iseas.edu.sg/wp-content/uploads/2026/03/The-State-of-Southeast-Asia-2026-Survey-Final-Single.pdf>*

vital?<sup>3</sup> Will their actions signal convergence towards a new regional strategy? Will the energy crisis besetting the region foster cooperation – as called for during the May 2026 ASEAN leaders’ meeting, or does the ‘every-country-for-itself’ approach seen during the 2025 tariff negotiations portend a weaker and more fractured region?

Contemplating the future, another key variable shaping Southeast Asian countries’ decision-making is identified. Over the next decade, the state of US-China relations will both drive and constrain Southeast Asian countries’ choice. Much has been written about how Southeast Asia serves as a primary site for contestation between the United States and China. Yet, at the other end of an imagined spectrum, if, over the next ten years, the United States and China develop a grand bargain on a set of rules and separate spheres of influence (described in the paper as a “G2 concert” akin to that reached by European states in the 1800s), the agency of Southeast Asian states could be impacted profoundly. Following President Trump’s May 2026 visit to China, discussion of such a concert has increased. In the paper, four theoretical scenarios are developed envisioning varying behavior by Southeast Asian nations in contexts featuring either concert or contestation between the United State and China. To emphasize the fact that these scenarios are abstract “ideal types” and to aid understanding of complex dynamics, each framework is associated with a classic East Asian film.

While the author agrees with analysts who see the most desirable conditions for the United States and China as some sort of “managed” competition,<sup>4</sup> through the scenarios and case studies, this report focuses on the question: what are the most desirable conditions for the countries of Southeast Asia?

According to academics and officials with whom this author spoke during the preparation of this report – including during an excellent late-April conference in Malaysia, organized by the Asia-Pacific Leadership Network - as well as survey data on perceptions, for the countries of Southeast Asia, conditions are optimized when they maintain space for individual and collective maneuver in the political, security and economic space; they’re able to hedge to insulate themselves from vulnerabilities; and when the norms of a rules-based order,

---

3 See for example Opening Remarks by Singapore’s Minister for Defense Dr. Ng Eng Hen at the 12th Aspen Security Forum, on 4 November 2021 in which Eng describes widespread recognition of the U.S. presence as “vital” and virtuous”; See also: Zhao Zhiwen, “Zelensky-Trump Clash Sparks Jitters in ASEAN Nations Over Reliability of US Commitments,” *South China Morning Post*, March 3, 2025, <https://www.scmp.com/news/china/diplomacy/article/3300878/zelensky-trump-clash-sparks-jitters-asean-nations-over-reliability-us-commitment>

4 Note: While an influential October 2024 report by the Carnegie Endowment for International Peace edited by Christopher S. Chivvis, “US-China Relations for the 2030s: Toward a Realistic Scenario for Coexistence” framed strategic competition as the middle possibility within three frameworks – coexistence, competition and containment – developments over the last two years have telescoped options to the point where managed strategic competition as advocated in David Lampton and Wang Jisi’s February 12, 2026 piece in *Foreign Affairs* may be the maximum possibility, <https://www.foreignaffairs.com/united-states/america-and-china-edge-ruin-lampton-jisi>

including around sovereignty and free trade, are preserved.<sup>5</sup> Even though countries of Southeast Asia differ substantially, including in governance structures, economic conditions and sense of priorities and vulnerabilities, these conditions are best attained when countries of Southeast Asia converge, including through regional mechanisms.<sup>6</sup> This report, thus, concludes with recommendations on how to steer towards that outcome while maintaining sufficient attention to the additional variables: the state of US-China relations and the aforementioned substantial differences. The recommendations focus on both internal and external steps that Southeast Asian nations can take, including through ASEAN and other Asian multilateral mechanisms.<sup>7</sup> Although ambitious, the recommendations also look at limits to what ASEAN members collectively have been able to achieve – including during the first half of 2026 in responding to the aforementioned energy crisis.

### ***Recommendations for Southeast Asian States:***

- Strengthen ASEAN internally by actively and intentionally prioritizing actions and programs that align with the region’s most important goals in the economic pillar. ASEAN member states should continue to build their region into one of the fastest growing and dynamic economic areas in the world. For the countries of Southeast Asia, building individual domestic economies provides less resilience and is less impactful than building an ASEAN economy. ASEAN member states should lean into actions that further strengthen connectivity across the region, support energy needs, remove non-tariff barriers, facilitate trade and the movement of people, and continue to grow and unite an ASEAN Economy.

### **Aligned with this recommendation:**

- Responding to pressing needs across the region following the US war with Iran, Southeast Asian nations should strengthen coordination and pursue practical, collective measures towards ensuring a stable energy supply at the regional level.
- Where they can, Southeast Asian nations should resist pressures to negotiate trade regimes bilaterally and look to address structural impediments to coordinating trade positions.

---

5 Private conversations conducted in Washington DC, Singapore and Malaysia. See also Cheng-Chwee Kuik, “Actively Choosing Not to Choose: Neutrality-Plus Agency in Southeast Asia,” IKMAS Working Paper 1/2026, February 2026, [https://www.ukm.my/ikmas/wp-content/uploads/2026/03/IKMAS-WP-20261\\_Kuik\\_Actively-Choosing-Not-to-Choose.pdf](https://www.ukm.my/ikmas/wp-content/uploads/2026/03/IKMAS-WP-20261_Kuik_Actively-Choosing-Not-to-Choose.pdf); and J. Lin et al, “The State of Southeast Asia: 2026 Survey Report,” ISEAS-Yusof Ishak Institute, April 7, 2026, <https://www.iseas.edu.sg/wp-content/uploads/2026/03/The-State-of-Southeast-Asia-2026-Survey-Final-Single.pdf>

6 Malaysian Professor Cheng-Chwee Kuik introduced this author to the idea of convergence versus coordination, as well as attention to shared *vulnerabilities* in addition to shared interests.

7 See: Kelly Grieco “Beyond Collective Balancing: A Typology of Asian Minilaterals and US Strategic Expectations,” *Asia-Pacific Leadership Network*, May 8, 2026, <https://www.apln.network/projects/asia-dialogue-on-china-us-relations/beyond-collective-balancing-a-typology-of-asian-minilaterals-and-us-strategic-expectations>. The report provides an excellent analysis of how (and why) Asian states organize themselves.

- As a focused and forward-looking ASEAN agenda is shaped, Southeast Asian leaders should highlight how these activities produce gains for, and investments in, the people of Southeast Asian nations. They can frame coordinated effort as helpful in tackling geopolitical & geoeconomic challenges emerging from outside the region.
- To effectively advance economically, ASEAN states need to get their house(s) in order individually and collectively. This includes resolving long-standing internal disputes over competing borders, ending the Thai-Cambodia conflict, and navigating a best-possible outcome on Myanmar. In the diplomatic sphere, the countries of Southeast Asia need both to support and ask more of each other.
- Strengthen ASEAN externally by continuing work to diversify economic partnerships, including with Canada, the European Union, and the Global South. Diplomatically, the countries of ASEAN should seek to make themselves an indispensable player in regional and global discussions, including about how middle powers can support the trade and legal regimes which have underpinned Southeast Asian countries' growth.
- Simultaneously, Southeast Asian states should continue actively engaging both China and the United States. As they do this, leaders should recognize that while the US and China may feel threatened by Southeast Asian cooperation, leaders can make the case that “choosing ASEAN” is (still) choosing the less bad option.<sup>8</sup>

**Aligned with this recommendation:**

- ASEAN countries should not rush to agree to a Code of Conduct (COC) on the South China Seas if the product undercuts international legal norms.
- Southeast Asian nations should not view President Donald Trump's administration as temporary or an aberration but rather work to understand how structural developments in the United States have changed US priorities.

---

8 See Cheng-Chwee Kuik, “Assessing Hedging in Trump 2.0: The Case of Malaysian Neutrality,” *Trends in Southeast Asia*, (ISEAS-Yusof Ishak Instituted), Issue 5, February 2026; and Cheng-Chwee Kuik, “Actively Choosing Not to Choose,” IKMAS Working Paper 1/2026, February 2026, [https://www.ukm.my/ikmas/wp-content/uploads/2026/03/IKMAS-WP-20261\\_Kuik\\_Actively-Choosing-Not-to-Choose.pdf](https://www.ukm.my/ikmas/wp-content/uploads/2026/03/IKMAS-WP-20261_Kuik_Actively-Choosing-Not-to-Choose.pdf)

## INTRODUCTION

In late Spring 2026, it is not a question if confidence in US commitments to East Asia have diminished – but rather whether any shreds of the past idea of a security guarantee remain. As headlines in 2025 detailed, jitters in Southeast Asian nations over the reliability of US security commitments<sup>9</sup> turned into alarm as the region was slammed by Liberation Day tariffs.<sup>10</sup> Then in the first half of 2026, US actions, such as the January raid on Venezuela, discussion of annexing Greenland, and March initiation of war with Iran unsettled the region, while policies put forth in documents such as the November 2025 National Security Strategy and January 2026 National Defense Strategy further deepened anxiety.

Statements and actions by President Donald Trump and his administration have shaken countries across the Indo-Pacific to their core and cast into doubt foundational assumptions about how the region’s security architecture works. At the strategic level, Trump’s NSS and NDS reframe America’s core interests and explicitly question both the reasons for and level of US commitments overseas.<sup>11</sup> This exacerbated “long-standing questions about the Trump administration’s intentions and expectations” towards friends and allies in the Indo-Pacific, as a Japanese analyst wrote.<sup>12</sup> The Lowy Institute’s 2025 Asia Power Index documents a diminishment of Asian confidence in the United States and a reduction in U.S. power, as does the ISEAS-Yusof Ishak 2026 State of Southeast Asia survey.<sup>13</sup>

At the organizational level, the 2025 restructuring of the US Department of State eliminated the office focused upon institutional interaction with the Association of Southeast Asian Nations (ASEAN)<sup>14</sup> and consolidated the two regional offices focused upon Southeast Asia

---

9 Zhao Ziwen, “Zelensky-Trump Clash Sparks Jitters in ASEAN Nations over Reliability of US Commitments” *South China Morning Post*, March 3, 2025, <https://www.scmp.com/news/china/diplomacy/article/3300878/zelensky-trump-clash-sparks-jitters-asean-nations-over-reliability-us-commitment>

10 Francesco Guarascio and Orathai Sriring, “Southeast Asian Nations, among Hardest-Hit by Trump Tariffs, Seek Talks,” *Reuters*, April 3, 2025, <https://www.reuters.com/world/asia-pacific/southeast-asia-nations-hit-particularly-hard-by-us-tariffs-prep-talks-with-trump-2025-04-03/>; Sebastian Strangio, “Southeast Asia Slammed by President Trump’s ‘Liberation Day’ Tariffs,” *The Diplomat*, April 3, 2025, <https://thediplomat.com/2025/04/southeast-asian-slammed-by-president-trumps-liberation-day-tariffs/>

11 “National Security Strategy of the United States of America,” The U.S. White House, November 2025, <https://www.whitehouse.gov/wp-content/uploads/2025/12/2025-National-Security-Strategy.pdf>; “2026 National Defense Strategy,” U.S. Department of War, January 23, 2026, 2026 National Defense Strategy.

12 Ryo Hinata-Yamaguchi, “What the Indo-Pacific Thinks of the New US National Defense Strategy” *Atlantic Council*, January 29, 2026, <https://www.atlanticcouncil.org/dispatches/what-the-indo-pacific-thinks-of-the-new-us-national-defense-strategy/>

13 Asia Power, “Lowy Institute Asia Power Index:2025”, Lowy Institute, 2025, <https://power.lowyinstitute.org/>; J. Lin et al., The State of Southeast Asia: 2026 Survey Report (Singapore: ISEAS - Yusof Ishak Institute, 2026), <https://www.iseas.edu.sg/wp-content/uploads/2026/03/The-State-of-Southeast-Asia-2026-Survey-Final-Single.pdf>

14 Steven Okun, “Rubio Eliminates ASEAN Office While Promising to Do More with ASE-AN”, LinkedIn, July 12, 2025, [https://www.linkedin.com/posts/stevenokun\\_rubio-eliminates-asean-office-while-promising-activity-7349652142497943553-XKs0/](https://www.linkedin.com/posts/stevenokun_rubio-eliminates-asean-office-while-promising-activity-7349652142497943553-XKs0/)

into one new office of Southeast Asian affairs.<sup>15</sup> In private conversation, State Department officials insist that the responsibilities of the multilateral affairs office have transferred to the new office and note the capabilities of the US Mission to ASEAN. However, the Congressional Notification explaining the restructuring re-assigns only responsibilities related to South China Sea coordination and “managing bilateral relations with ASEAN member states.”<sup>16</sup> The implication that the United States is moving away from institutional interaction and multilateral approaches in Southeast Asia is clear. And, Southeast Asians have noticed, with Singapore Defense Minister Ng Eng Hen making one of the earliest and most-noted comments in February 2025, as he characterized the United States as shifting from a country once perceived as a force of “moral legitimacy” to something akin to “a landlord seeking rent.”<sup>17</sup>

Other dynamics beyond the Trump administration further contribute to this sense of seismic shift. A 2024 report by this author, for the Asia-Pacific Leadership Network (APLN) described “destabilizing trends”<sup>18</sup> including Americans’ increasingly skeptical public opinion on the value of global engagement and benefits of trade; China’s view of itself as “rising” and its desire to create a global community of common destiny around a Sinocentric vision; and concern in Southeast Asia about being squeezed, or forced to choose, between the United States and China. As many scholars and analysts have noted, support for international and regional institutions and respect for international law have diminished. Writing in *Foreign Affairs* in January 2026, Oona Hathaway and Scott Shapiro describe an emerging “world without rules”<sup>19</sup> building on an earlier 2025 piece in which the two worried that the core principles of international law, including norms against the use of force and respect for sovereign equality, were eroding.<sup>20</sup> My distinguished colleague at American University, Professor Amitav Acharya, meanwhile, addressed these dynamics in his 2025 book *The Once and Future World* as well as in a January 2026 essay in *Foreign Policy*, “The World-Minus-One Moment” in which he discusses current challenges to maintaining global cooperation.<sup>21</sup>

---

15 “Full Text of State Department Restructuring Memo: Congressional Note 25-032,” *Archive.org*, 2024, [https://archive.org/stream/state-department-restructuringmemo/State\\_Department\\_Restructuring\\_Memo\\_djvu.txt](https://archive.org/stream/state-department-restructuringmemo/State_Department_Restructuring_Memo_djvu.txt)

16 “Full Text of State Department Restructuring Memo: Congressional Note 25-032.” *ibid*

17 Philip J. Heijmans, “Singapore Says Asia Now Views U.S. As a ‘Landlord Seeking Rent,’” *The Japan Times*, February 17, 2025, <https://www.japantimes.co.jp/news/2025/02/17/asia-pacific/politics/singapore-asia-us-landlord/>

18 Piper Campbell, “The United States: An Increasingly Incidental Provider of Regional Stability in the Asia-Pacific? US and Southeast Asian Responses,” *APLN*, June 2024, [https://cms.apln.network/wp-content/uploads/2024/06/Piper-Anne-Wind-Campbell\\_17th-June-1.pdf](https://cms.apln.network/wp-content/uploads/2024/06/Piper-Anne-Wind-Campbell_17th-June-1.pdf)

19 Oona A Hathaway and Scott J Shapiro, “A World without Rules,” *Foreign Affairs*, *ibid*.

20 Oona A Hathaway and Scott J Shapiro, “Might Unmakes Right,” *Foreign Affairs*, June 24, 2025, <https://www.foreignaffairs.com/united-states/might-unmakes-right-hathaway-shapiro>

21 Amitav Acharya “The World-Minus-One Moment,” *Foreign Policy*, January 5, 2026, <https://foreignpolicy.com/2026/01/05/world-minus-one-united-states-isolationism-multilateralism-global-power/>

President Trump's May 13-15, 2026 visit to China further signaled a changing US-China relationship and the possibility that the United States and China will use mechanisms such as a proposed Board of Trade to manage economic relations between them in ways which will redound across the region. Thus, the dominant debate in 2026 is what will East Asian countries do about these changing dynamics and within what timeframe will signs of a new (or renewed) architecture emerge? Using East Asia as our frame allows inclusion of the People's Republic of China into our considerations, both as a driver of change and an actor within the system. While dynamics within the broader Indo-Pacific are treated at a strategic level, the primary focus of this analysis is likely actions of the countries of Southeast Asia individually and as constituents within ASEAN.

So, the question is: what will countries of Southeast Asia do about a perceived diminishment of the US security guarantee – a Pax Americana which throughout the prior decades has been described as crucial to the region's peace.<sup>22</sup> Will they coordinate or act unilaterally? Over time, will these actions signal convergence towards a new regional strategy or are we more likely to see sporadic and disjointed actions and reactions? To develop these scenarios thoroughly and thoughtfully prescribe recommendations, it is critical to recognize that a second key variable will shape Southeast Asian countries' decision-making – and that is the state of US-China relations. If, over the next decade, we see the United States and China develop a grand bargain designating spheres of influence (described in the paper as a “G2 concert” akin to that reached by European states in the 1800s)<sup>23</sup> as some analysts predict,<sup>24</sup> the agency of Southeast Asian states will be profoundly impacted. Alternatively, pitched US-China contestation across multiple spectrums as previously described by current US Undersecretary of Defense Elbridge Colby shapes a different reality for Southeast Asians.<sup>25, 26</sup> At the most violent extreme, were the United States and China to go to war, countries of Southeast Asia could not avoid entanglement and would surely suffer. While this possibility is not negligible, this paper will narrow the spectrum from contestation to concert.

---

22 See for example Singapore FM Dr. Vivian Balakrishnan's interview with Financial Times Singapore Correspondent Owen Walker, April 7, 2025, <http://mfa.gov.sg/newsroom/press-statements-transcripts-and-photos/20250411-min-ft-interview-11-apr-2025/>; and Philippine President Ferdinand Marcos Jr's keynote address at the 2024 ShangriLa dialogue, <https://www.iiss.org/globalassets/media-library---content---migration/files/shangri-la-dialogue/2024/transcripts/final/keynote-address/ferdinand-r-marcos-jr-president-philippines--as-delivered.pdf>

23 See William Galston, “Redrawing Global Boundaries? The United States, China, and the Viability of Spheres of Influence in the 21st Century,” Brookings, February 18, 2026, <https://www.brookings.edu/articles/redrawing-global-boundaries-the-united-states-china-and-the-viability-of-spheres-of-influence-in-the-21st-century/>; and Christopher LaRoche, “Fear the Sphere,” *Foreign Policy*, January 15, 2026, <https://foreignpolicy.com/2026/01/15/spheres-of-influence-russia-putin-trump-venezuela/>

24 See William Galston, “Redrawing Global Boundaries? The United States, China, and the Viability of Spheres of Influence in the 21st Century,” Brookings, February 18, 2026, <https://www.brookings.edu/articles/redrawing-global-boundaries-the-united-states-china-and-the-viability-of-spheres-of-influence-in-the-21st-century/>; See also Christopher LaRoche, “Fear the Sphere” *Foreign Policy*, January 15, 2026, <https://foreignpolicy.com/2026/01/15/spheres-of-influence-russia-putin-trump-venezuela/>

25 Nancy A. Youssef, Jonathan Lemire, and Missy Ryan, “The Pentagon's Policy Guy Is All In on China” *The Atlantic*, July 28, 2025, <https://www.theatlantic.com/national-security/archive/2025/07/pentagon-china-elbridge-colby/683677/>

26 Geopolitika Writers, “US-China Relations 2025: Analysis and Washington's Containment Strategy.” Geopolitika. December 2, 2025, <https://www.geopolitika.it/en/us-china-relations-today-dynamics-confrontation-and-containment/>

Between accommodation (concert) and pitched but non-lethal competition (contestation), some US and Chinese analysts have identified a possible path of “managed competition”<sup>27</sup> or “stabilized rivalry”.<sup>28</sup> As described by Fudan University Dean Wu Xinbo in a December 2025 Foreign Affairs piece, this concept is characterized by “active coordination”, “managed economic competition” and “productive power sharing.”<sup>29</sup> David Lampton and Wang Jisi’s Spring 2026 Foreign Affairs piece explores something similar as a “last chance to step back from the brink.”<sup>30</sup> It is too soon to tell whether the idea of constructive strategic stability as described by US and Chinese officials following Trump’s May visit to Beijing aligns with these concepts.

According to academics and officials with whom who were consulted during the preparation of this report, including at an excellent APLN conference held in Malaysia in April 2026, as well as survey data on perceptions, conditions are optimized for the countries of Southeast Asia when they maintain space for individual and collective maneuver in the political, security and economic space; they’re able to hedge to insulate themselves from vulnerabilities; and the norms of a rules-based order, including around sovereignty and free trade, are preserved.<sup>31</sup> These conditions are better attained when countries of Southeast Asia converge, including through regional mechanisms.<sup>32</sup> This report, thus, concludes with recommendations on how to steer towards that outcome - while recognizing that this has not been an easy path for ASEAN countries to achieve. Indeed, as a former Southeast Asian Foreign Minister with whom I spoke reminded me, while the reasons for cooperation are clear, tensions between neighbors can make cooperation elusive.

---

27 Wu Xinbo, “The Case for a Grand Bargain between America and China,” *Foreign Affairs*, December 31, 2025, <https://www.foreignaffairs.com/united-states/case-grand-bargain-between-america-and-china>

28 Michael J. Mazarr, Amanda Kerrigan, and Benjamin Lenain, *Stabilizing the U.S.-China Rivalry*, (RAND, 2025), [https://crystalbook.ru/wp-content/uploads/2025/10/RAND\\_RRA3141-2.pdf](https://crystalbook.ru/wp-content/uploads/2025/10/RAND_RRA3141-2.pdf)

29 Wu Xinbo, “The Case for a Grand Bargain between America and China,” *Foreign Affairs*, December 31, 2025, <https://www.foreignaffairs.com/united-states/case-grand-bargain-between-america-and-china>

30 David Lampton and Wang Jisi, “America and China at the Edge of Ruin: One last chance to step back from the brink,” *Foreign Affairs*, March/April 2026, February 12, 2026, <https://www.foreignaffairs.com/united-states/america-and-china-edge-ruin-lampton-jisi>

31 Private conversations conducted in Washington DC, Singapore and Malaysia. See also Cheng-Chwee Kuik, “Actively Choosing Not to Choose: Neutrality-Plus Agency in Southeast Asia,” IKMAS Working Paper 1/2026, February 2026, [https://www.ukm.my/ikmas/wp-content/uploads/2026/03/IKMAS-WP-20261\\_Kuik\\_Actively-Choosing-Not-to-Choose.pdf](https://www.ukm.my/ikmas/wp-content/uploads/2026/03/IKMAS-WP-20261_Kuik_Actively-Choosing-Not-to-Choose.pdf); and J. Lin et al, “The State of Southeast Asia: 2026 Survey Report,” ISEAS-Yusof Ishak Institute, April 7, 2026, <https://www.iseas.edu.sg/wp-content/uploads/2026/03/The-State-of-Southeast-Asia-2026-Survey-Final-Single.pdf>

32 Malaysian Professor Cheng-Chwee Kuik introduced me to the idea of convergence versus coordination, as well as attention to shared *vulnerabilities* in addition to shared interests.

## PREDICTING THE FUTURE USING SCENARIOS AND CASES

To imagine what dynamics might be in play in the year 2035, four scenarios can be described based on high or low bloc-cohesion within Southeast Asia coupled with concert or contestation between the US and China. These variables align with conditions envisioned by serious scholars – meaning any of these four scenarios represent viable futures.

- **High bloc cohesion:** A 2024 analysis from Qiao-Franco, Karmazin & Kolmaš’s of the Indo-Pacific and what some new variation of ASEAN Centrality might look like, builds on the work of Cheng-Chwee Kuik and Evelyn Goh and posits that ASEAN may be able to “leverage its in-between position to help diffuse tensions so major powers have a stake in maintaining its centrality.”<sup>33</sup> These dynamics as well as increased economic cohesion and a shared risk assessment could lead ASEAN countries to converge.
- **Low bloc cohesion:** Wen Za’s excellent article on Southeast Asia amid Sino-US competition draws on a range of scholars to detail how an absence of intramural cohesion is the most important challenge facing ASEAN. As Wen Za details, ASEAN members’ hedging strategies may be individually successful but have a disintegrative effect on the organization.<sup>34</sup> Further, weak state capacity limits what can be achieved regionally.<sup>35</sup>
- **US-China “G2” Concert:** On October 30, 2025, President Trump reintroduced a concept dating back to the 1800’s Concert of Europe and subsequent centuries’ discussion of power-balancing via spheres of influence. Referring to an upcoming meeting with President Xi, Trump posted “THE G2 WILL BE CONVENING SHORTLY!” A prescient 2016 Global Asia article by Evelyn Goh tracked the beginning discussions of what a G2/power sharing bargain might look like and described “sea changes in attitudes and expectations on all sides” which would need to occur for any concert to be reached.<sup>36</sup> As a range of recent scholarship, including by the Quincy Institute’s Sarang Shidore details, the idea of spheres of influence has re-emerged – not always as a good thing.<sup>37</sup> During President Trump’s May 2026 visit to China, officials described a new framework for the bilateral relationship of *constructive strategic stability*.<sup>38</sup> However, it is too soon

---

33 Guanyu Qiao-Franco, Aleš Karmazin, and Michal Kolmaš, “The Indo-Pacific and the Next Phase of ASEAN Centrality,” *Journal of Current Southeast Asian Affairs* 44(3), December 24, 2024, pp: 413-435, <https://journals.sagepub.com/doi/10.1177/18681034241307658#con1>

34 Wen Zha, “Southeast Asia amid Sino-US Competition: Power Shift and Regional Order Transition,” *The Chinese Journal of International Politics*, 16(2), May 16, 2023, pp: 241–261, <https://doi.org/10.1093/cjip/poad006>.

35 Wen Za, *ibid*

36 Evelyn Goh, “Is a ‘Grand Bargain’ the Way Forward in Northeast Asia?,” *Global Asia*, December 2016, [https://www.globalasia.org/v11no4/cover/is-a-grand-bargain-the-way-forward-in-northeast-asia\\_evelyn-goh](https://www.globalasia.org/v11no4/cover/is-a-grand-bargain-the-way-forward-in-northeast-asia_evelyn-goh)

37 Sarang Shidore, “Spheres of Influence Are Not the Answer,” *The Quincy Institute for Responsible Statecraft*, May 28, 2025, <https://quincyinst.org/2025/05/28/spheres-of-influence-are-not-the-answer/>.

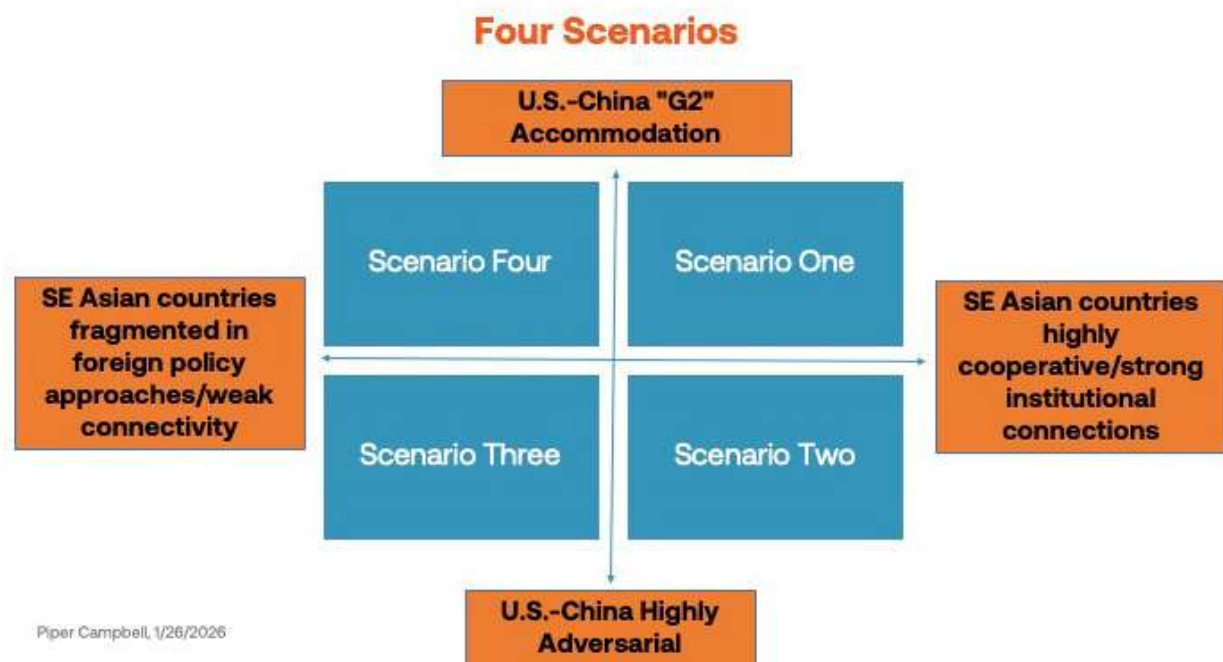
38 Wang Xiangwei, “Commentary: Few deals from Trump-Xi summit, but it’s the underlying shift that matters,” *CAN*, May 19, 2026, <https://www.channelnewsasia.com/commentary/trump-xi-summit-deals-g2-us-china-equals-6127961>

to determine whether the structured and qualified competition envisioned within this framework aligns with the concept of a concert.

- **US-China Contestation:** Elbridge Colby’s 2021 book *The Strategy of Denial* and Matt Pottinger and Mike Gallagher’s 2024 *Foreign Affairs* article are examples of the US China Hawk’s view that the US and China already are in a cold war and rather than denying the existence of the struggle, “Washington should own it and win it.”<sup>39</sup>

Graphing US-China Concert-to-Contestation as a variable on one axis and High-or-Low ASEAN Bloc Cohesion on the other, enables development of four distinct pictures of how the world of 2035 might look. While each axis actually represents a multitude of decision points and options beyond the poles chosen, focusing on the extremes helps identify salient differences.

**Image 1: Four Scenarios for Southeast Asia in 2035**



After elaborating the four scenarios, we examine current foreign policy and popular preferences of four Southeast Asian states to test how they might behave in the conditions envisioned by the scenarios. Our case countries are: the Philippines, currently especially aligned with their treaty ally the United States; Vietnam, a single-party communist state which has a complex history with both the United States and China and strong economic ties to both; Indonesia, which seeks to steer an independent and active foreign policy, with

<sup>39</sup> Matt Pottinger and Mike Gallagher, “No Substitute for Victory,” *Foreign Affairs*, April 10, 2024, <https://www.foreignaffairs.com/united-states/no-substitute-victory-pottinger-gallagher>

a thousand friends and zero enemies; and Cambodia, geographically and economically the smallest of the four, traditionally seen as hedging towards China, yet in late 2025 taking a range of steps to improve relations with the United States. The four cases provide variety in location, size (both population and economy), and governance.

**Image 2: Case Studies - Size of economy and population**



While the likelihood of conflict over Taiwan is much discussed by Asia analysts and could be a highly disruptive “wild card”, it is considered outside the remit of this analysis. This seems defensible, given that only 13 percent of analysts participating in a January 2026 Indo-Pacific Forecast<sup>40</sup> organized by the U.S.-based Center for Strategic and International Studies (CSIS), which I attended, assessed there to be a high likelihood (60 percent or above) of US-China conflict over Taiwan in 2026. That said, it is equally clear that confidence in the United States’s stance towards Taiwan is faltering, while at the same time consideration of military dimensions of a “Taiwan Contingency” shape how the U.S. engages with the region. Perceptions about Taiwan certainly shape countries’ confidence in US security guarantees and likely behavior across the Indo-Pacific, as do events in Venezuela and Iran.

## **BORROWING FROM CINEMA TO AID OUR SCENARIOS**

Some ten years ago, my colleague Professor Amitav Acharya introduced the term “multiplex” to international relations theory, inspired by the cinematic world. More specifically, as Amitav explains it, he was inspired by “the idea of a multiplex theater or cinema in which the audience can enjoy a variety of shows, actors, directors and producers, instead of a

40 CSIS Conference, “Indo-Pacific Forecast 2026,” January 14, 2026, <https://www.csis.org/events/indo-pacific-forecast-2026>

single show.”<sup>41</sup> Amitav’s purpose was to develop an easily accessible idea of the emerging world order that will be “more decentered and pluralistic in terms of its key ideas about and approaches to stability, peace and development, compared to the passing order of American or Western dominance.”<sup>42</sup> Using the cinematic idea in a slightly different way, I develop below various scenarios of what the world might look like in roughly ten years, with low or high bloc cohesions and strong or weak US-China competition. To emphasize that these are abstract “ideal types” and to aid understanding of complex dynamics, each framework is associated with a classic East Asian film - many of which turn out to be variations on the theme of a hero’s journey .

---

*In Akira Kurosawa’s 1954 epic, seven disparate samurai and a town of peasants are brought together by the combined external threats of marauding bandits and an unjust feudal system.*

---

### ***SCENARIO ONE: The Eleven Samurai – a new take on Akira Kurosawa’s Seven Samurai***

Following a common cinematic plotline in which an unlikely group of characters are brought together by aligned external threats, it is feasible to imagine that the world of 2035 sees high cooperation among Southeast Asian nations amidst a world characterized by a concert between the United States and China. Similar to the rag-tag samurai and peasants in Kurosawa’s classic, worried about losing agency as the great powers develop the contours of a grand bargain,<sup>43</sup> the countries of Southeast Asia realize they must stick together or fall apart.

Such an imagined future begins with dynamics present in early 2026, when both the United States and China signaled an interest in de-escalation and “great power competition” was deemphasized, including in the US National Security Strategy. <sup>44</sup> The direct relationship between Xi Jinping and Donald Trump – initially improved by their November 2025 meeting in Busan, South Korea – warmed further as President Trump visited China from May 13-15. Two to three subsequent meetings between the two leaders are envisioned this year. The focus of US-China diplomacy has been bilateral and economic. While the term “cooperation” has been stressed, particularly in Chinese coverage, the actual dynamic has been closer to “You stay out of my way, I’ll stay out of yours” – just as European countries managed their 1800s concert.

---

41 Amitav Acharya, “The Meanings of “Multiplex” and the “Multiplex World Order,” Multiplex World: The Once and Future World Order, February 8, 2015, <https://multiplexworld.com/2015/02/08/the-meaning-of-multiplex-and-the-multiplex-world-order/>

42 Acharya, *ibid.*

43 Hedley Bull, *The Anarchial Society: A Study of Order in World Politics*, (London: Macmillan Press, 1977).

44 Andrew Yeo, Aslı Aydintaşbaş, Caitlin Talmadge, Constanze Stelzenmüller, Daniel S Hamilton, Kari Heerman, Landry Signé, et al., “Breaking down Trump’s 2025 National Security Strategy,” Brookings, December 8, 2025, <https://www.brookings.edu/articles/breaking-down-trumps-2025-national-security-strategy>

As the 2025 United States National Security Strategy says, “the days of the United States propping up the entire world order like Atlas are over.”<sup>45</sup> However, both the United States and China recognize the importance to their countries of a politically stable and economically productive Southeast Asian region and have sought – outside of the US-China discussions – to pull southeast Asian countries further into their respective spheres of influence.

These dynamics are something which Southeast Asian nations traditionally have feared. As former Singapore PM Lee Kwan Yew famously (and repeatedly worried, “when elephants fight, the grass suffers. When elephants make love, the grass also suffers.”<sup>46</sup> More bluntly, as Hedley Bull classically argued, when great powers agree in concert to manage the international order, smaller states lose leverage.<sup>47</sup> Hedging becomes more difficult as decisions impacting their region are made over Southeast Asian heads.

For Southeast Asian nations, like the seven samurai and the peasants, they only preserve agency by working together. Lowering barriers to trade, commerce and movement with the ASEAN region; echoing and reinforcing common foreign policy points; and negotiating as a bloc are their best recourse. The eleven see greater utility in working within ASEAN as both a political-security and economic institution. Further, as the need for unified stances grows, ASEAN mechanisms support the necessary multi-sided internal consultation and provide opportunities for eleven-on-one (e.g., US-ASEAN, China-ASEAN) dialogues as well as chances to buttress ASEAN’s voice with the ROK and Japan and to develop region-to-region coordination, as for example ASEAN and GCC and ASEAN-EU.

Neither the United States nor China would be pleased with Southeast Asians coordinating in this way. Indeed, in 2025, the U.S. tried to dissuade ASEAN countries from any kind of joint negotiations on trade and tariffs. However, having advocated multilateralism and expressed

China’s commitment to working with all countries to advance world peace and development via a range of global initiatives, China would be ill-positioned to undercut ASEAN as it takes regional steps towards a convergence of interests (and a converged sense of threats to be protected against as well).

---

45 “National Security Strategy of the United States of America,” The U.S. White House, November 2025, <https://www.whitehouse.gov/wp-content/uploads/2025/12/2025-National-Security-Strategy.pdf>; see also the “2026 National Defense Strategy,” U.S. Department of War, January 23, 2026, <https://media.defense.gov/2026/Jan/23/2003864773/-1/-1/0/2026-NATIONAL-DEFENSE-STRATEGY.PDF>

46 I first heard this aphorism attributed to former PM Lee repeated by then FM Balakrishnan during the 2018 East Asia Summit. Lee included this idea in his book: Kuan Yew Lee, *From Third World to First: The Singapore Story 1965-2000: Memoirs of Lee Kuan Yew*, Vol. 2. (Marshall Cavendish, 2012).

47 Hedley Bull, Andrew Hurrell, and Stanley Hoffmann, “Chapter 5 – Great Powers and International Order,” *The Anarchical Society: A Study of Order in World Politics*, (Estados Unidos: Palgrave, 2002).

---

*Chinese director Zhang Yimou's 2002 classic tells a complex story of a small team who renounce the "easy" choice of joining the group in power and instead stand for what they see as right. Neil Burger's Divergent (2014) has a similar theme*

---

### **SCENARIO TWO: Hero**

In many ways, the idea that extreme competition between hyper-powerful cliques is likely to drive smaller parties to cooperate is the most common movie trope – and commonly reflected in IR theory as well. If the United States and China enter into a period of intense contestation across multiple realms, the incentives for the countries of ASEAN to work together in response are high. As a bloc, ASEAN's ability to negotiate gains and defend against an increasingly chaotic global system increases. It may mean balancing on a knife's edge, but individually and as a unit, the countries of Southeast Asia see their futures as entwined and balance necessary to avoid being further pulled into the Great Powers' competition.

As mentioned previously, scholars Cheng-Chwee Kuik and Evelyn Goh have detailed when and how ASEAN countries hedge. As the United States and China compete in ever more domains, the opportunities for ASEAN hedging are likely to increase.

---

*South Korean director Kim Jee-woon's 2008 action film ends with three dead protagonists who, despite having defeated armies and gangs, cannot conquer their mistrust of each other.*

---

### **SCENARIO THREE: The Good, the Bad, the Weird**

Authors of fiction and movies prefer to imagine scenarios where, faced with adversity or chaos, the small guys team up and win the day. However, darker plotlines such as those of "The Good, the Bad, the Weird" or later "Captain America: Civil War" explore a dynamic of external competition driving division and internal disintegration. This is a plausible scenario where intense US-China contestation across realms exists in parallel with a less coherent Southeast Asian system. Actions by the United States and China to attract or intimidate Southeast Asian countries may have directly contributed to the disintegration of ASEAN unity. Simultaneously, the leadership of various ASEAN countries may have made independent and diverse judgements as to what alignment was most likely to meet their nation's interests. Given geography and history, if China is deemed to have greater regional power projection capabilities and/or a higher interest in affairs of the region, something akin to a Tribute System 2.0 could emerge. Alternately, ASEAN states splinter into smaller groups,

possibly aligned with others within the Indo-Pacific.<sup>48</sup> The Philippines, for example, may be relying more on the Squad and/or alone among Southeast Asian countries standing with the United States, Taiwan, and Japan.

This is similar to the scenario which then-Prime Minister of Singapore Lee Hsien Loong warned about in his 2020 Foreign Affairs article, *The Endangered Asian Century*. Don't force Asia to choose, he warned, or "you will begin a course of confrontation that will last decades and put the long-heralded Asian century in jeopardy."<sup>49</sup>

---

*Kinji Fukasaku's 2000 movie, as well as Gary Ross's 2012 *The Hunger Games*, envisions a dystopian future in which tributes from poor districts fight each other to secure favor from the central powers.*

---

#### **SCENARIO FOUR: *Battle Royale***

Many dystopian plotlines imagine a fragmented future world of dominating empires and a dog-eats-dog mentality amongst the rest. Bringing this idea to international relations, as scholars and analysts from Amitav Acharya to Stephen Walt have described, strong coordination between the United States and China has the potential to splinter cooperation amongst the countries of Southeast Asia.

In this imagined future, the United States has taken a more "hemispheric" approach and focused upon homeland security while believing that peace through strength will meet its core national interests and allow it to avoid confrontation with China. An exaggerated form of the "Donroe doctrine" initially voiced by President Trump in early 2026 has built clear spheres of influence. There is a concert between the United States and China to such an extent that the two write the rules and other countries see little option but to fall in line. A revived "Asia for Asians" approach is bringing all southeast Asia within a Chinese sphere in something akin to President Xi Jinping's 2014 call for "the people of Asia to run the affairs of Asia."<sup>50</sup> The United States may have negotiated with China some level of access/influence in still-allied the Philippines as well as other sites within the first and second island chain, but its influence/presence has diminished. Guarantees about a continued ability to navigate key maritime passages, access to critical minerals, and Chinese-secured stability are accepted by the United States as sufficient to meet core US national interests in the Indo-Pacific as restrictively defined in US strategic documents.

---

48 See Kelly Grieco's APLN report on minilaterals.

49 Lee Hsien Loong, "The Endangered Asian Century," *Foreign Affairs*, June 4, 2020, <https://www.foreignaffairs.com/articles/asia/2020-06-04/lee-hsien-loong-endangered-asian-century>.

50 Dr. Joshua Eisenman and Dr. Scott Harold, "Asia for Asians," *American Foreign Policy Council*, 2015, <https://www.afpc.org/publications/policy-papers/asia-for-the-asians>

In this world, the countries of Southeast Asia have little room for maneuver. The United States has significantly withdrawn from the Indo-Pacific, leaving countries little ability to deploy balancing or hedging strategies. Absent a sense of competition incentivizing both the United States and China to engage, border confrontations between Thailand and Cambodia continue, the military dominates a restrictive government in Myanmar, and Laos and Timor-Leste struggle economically with limited actual development assistance and Chinese loans proffered with conditionality. As bigger countries and economies, Indonesia and Vietnam forge their own paths, fending for themselves. They see little-to-no value in coordination, as there are no real friendships in the Hunger Games. A decade-on, Chinese-led efforts such as the Global Governance Initiative launched in 2025 have supplanted ASEAN – at a minimum in real leadership terms, if not actually seeing ASEAN’s demise.

### ***Wrapping Up Scenarios and Introducing Case Studies***

The purpose of elaborating scenarios like the above is to aid one’s determinations about what would be the most desirable state-of-affairs in the Indo-Pacific and from whose perspective. One must also consider the relative likelihood of the various scenarios, to determine whether it is feasible to develop a strategy to achieve or defend against the particular developments most likely to lead to one outcome or another. To make our analysis more concrete, we now look at four case studies to determine whether signs in Spring 2026 seem to be pointing more towards one scenario or another.

In late Spring 2026, it is difficult to predict whether the United States and China will move forward with efforts to establish a concert (as hinted, for example in the NDS and reporting out of the Trump visit to Beijing) or fall back into another round of trade spats and contestation. As this paper goes to print, pundits are still divided.

However, as they watch these dynamics, Southeast Asian countries may increasingly remember Lee Kuan Yew’s maxim and see themselves as the unfortunate grass – likely to be trampled in either scenario. More plausibly, they will take steps within the areas they control to gamble on and/or guard against the outcome having the most negative consequence for them. To reiterate a point made at the paper’s beginning: what is known is that old presumptions about the United States as a guarantor of regional security and the durability of international laws, norms, and institutions has frayed. What is widely supposed is that by 2035 China will be the dominant power in the region. What is not known is how countries of Southeast Asia will choose to react to these new realities? Which ways will their strategic gambles go?

## FOUR CASE STUDIES

### *The Philippines*

Spring 2026 finds the Philippines, a close and committed ally of the United States, opening small channels aimed at restructuring its relationship with China (for example by allowing visa-free access) while simultaneously signaling that the country is all-in with the US.<sup>51</sup> As David Merkel writes for the National Interest, “The Philippines has moved decisively toward Washington. Facing daily confrontations with Chinese Coast Guard vessels in the South China Sea, President Ferdinand Marcos Jr. has reopened bases to US forces and reaffirmed the 1951 Mutual Defense Treaty. Manila has effectively stepped off the hedge, becoming a front-line ally in America’s Indo-Pacific posture.”<sup>52</sup>

Beyond relations with the United States, the two most important dynamics in the Philippines are domestic politics and mistrust of China, and the three topics shape each other in rapidly changing ways. Spring concerns about the domestic implications of escalating fuel prices, for example, spurred renewed suggestions of joint energy development with China – which would have been political suicide just months before.

As the Philippines chairs ASEAN throughout 2026, its goals<sup>53</sup> of creating peace and security anchors, prosperity corridors, and empowered ASEAN people are likely to keep the organization on a path of consultation and cooperation with both China and the United States – albeit via different ASEAN mechanisms. At the same time, the energy crisis hitting the region has both focused attention on what the region can do together and distracted from work in other areas. As just one example, domestic frustration over energy prices caused Malacañang to move online a number of ASEAN meetings.

The last two years have been difficult for the Philippine economy. While the Philippines’ initial “Liberation Day” tariff rate was set at 17 percent, after intense negotiations and President Marcos’s summer visit to Washington,<sup>54</sup> a 2 percent higher rate of 19 percent was announced in August 2025. The Philippines was forced to impose a zero percent rate on US imports, down from an average 8 percent, and demands including eliminating tariffs on

---

51 Philippine President Marcos notably framed a desire for a restructured Philippine-China relationship in March A January 2026 APLN paper explores what the Philippines can do with other middle powers: Dianne Despi, “Resolute, Prudent and Inclusive: A Philippine Perspective on Improving Stability in the South China Sea,” *Asia-Pacific Leadership Network*, January 19, 2026, <https://www.apln.network/projects/maritimeincidents/resolute-prudent-and-inclusive-a-philippine-perspective-on-improving-stability-in-the-south-china-sea>.

52 David A. Merkel, “Southeast Asia Can’t Hedge on the US-China Rivalry Forever,” *The National Interest*, December 21, 2025, [https://nationalinterest.org/feature/southeast-asia-cant-hedge-on-the-us-china-rivalry-forever?utm\\_source=chatgpt.com](https://nationalinterest.org/feature/southeast-asia-cant-hedge-on-the-us-china-rivalry-forever?utm_source=chatgpt.com)

53 As detailed on the Philippines ASEAN website, accessed April 27, 2026, <https://asean2026.gov.ph/about/>.

54 Charles Dantes, “Philippines Girds as 90-Day Pause on Trump Tariffs Nears Termination,” *Manila Standard*, July 2, 2025, [https://manilastandard.net/news/314610591/philippines-girds-as-90-day-pause-on-trump-tariffs-nears-termination.html#google\\_vignette](https://manilastandard.net/news/314610591/philippines-girds-as-90-day-pause-on-trump-tariffs-nears-termination.html#google_vignette)

US automobiles and increasing imports of soy, wheat and medicines.<sup>55</sup> The US Supreme Court's Spring 2026 decision struck down use of the International Emergency Economic Powers Act (IEEPA), but as the US Executive branch immediately resorted to alternate tariff mechanisms, the Philippines was left unsure of what would come next.

While shocked by Trump's tariffs and worried about US statements about freeloading allies, at both the government and popular levels, Filipinos believe US support for, and commitment to, them remains strong. U.S. statements and actions, including Secretary of War Hegseth's 2025 visit, joint exercises and military sales support this view. At the levels of both leadership and popular opinion, views range from skeptical to outright antagonism towards China. China's actions in the South China Seas are a primary driver of these conditions, but so too are its economic practices. A Foreign Policy Community of Indonesia (FPCI) survey found 51 percent of Filipinos characterizing China as the partner with the biggest hegemonic ambitions (as compared to 29 percent for the United States)<sup>56</sup> and 70.61 percent characterized China as the Least Trustworthy and Reliable Partner.<sup>57</sup>

## **Vietnam**

The Lowy Institute's 2025 Asia Power Index report notes Vietnam's strong positive trajectory in 2025 and predicts that it will overtake Thailand in power projection in 2026.<sup>58</sup> Vietnam seeks strategic autonomy via a cautious balancing path<sup>59</sup> and active engagement with both China and the United States – both of whom have comprehensive strategic partnerships with the country.

Vietnam's successful 14th National Party Congress, held in January 2026, put the country on a stable path, despite challenging external headwinds. Party General Secretary To Lam's unprecedented second term and his April 26 unanimous selection as President strengthens his control of the country's foreign policy and strategic direction.<sup>60</sup>

In Spring 2026, Vietnam became a founding member of the US-led Board of Peace and held bilateral talks with senior US officials including the Secretaries of State, Treasury, and

---

55 Felipe Jesus, "Tariffs and Scandals Tested Philippine Growth in 2025," *East Asia Forum*, January 29, 2026, <https://eastasiaforum.org/2026/01/29/tariffs-and-scandals-tested-philippine-growth-in-2025/>.

56 Foreign Policy Community of Indonesia and The Economic Research Institute for ASEAN and East Asia, "ASEAN Peoples' Perception Survey 2024 (APPS)," (Foreign Policy Community of Indonesia, 2024), [https://f78204f5-e0e9-4505-9655eeca30613b7f.usrfiles.com/ugd/f78204\\_3bc3ee9428374be882de105c640b8bef.pdf](https://f78204f5-e0e9-4505-9655eeca30613b7f.usrfiles.com/ugd/f78204_3bc3ee9428374be882de105c640b8bef.pdf)

57 "ASEAN Peoples' Perception Survey 2024 (APPS)," *ibid*.

58 Susannah Patton and Jack Sato, "2025 Key Findings Report," (Lowy Institute Asia Power Index, 2025), <https://power.lowyinstitute.org/report/>

59 David A. Merkel, "Southeast Asia Can't Hedge on the US-China Rivalry Forever," *The National Interest*, December 20, 2025, <https://nationalinterest.org/feature/southeast-asia-cant-hedge-on-the-us-china-rivalry-forever>

60 Sebastian Strangio, "Vietnam Communist Party Chief To Lam Appointed as State President," *The Diplomat*, April 7, 2026, <https://thediplomat.com/2026/04/vietnam-communist-party-chief-to-lam-appointed-as-state-president/>

Commerce as well as the US Trade Representative and Executive Council member Jared Kushner.<sup>61</sup> In those conversations, Deputy Prime Minister Bui Thanh Son reportedly conveyed To Lam's appreciation for President Trump's continued support for the development of Vietnam-US relations and "for a Vietnam that is strong, independent, self-reliant and prosperous." Extending an invitation for President Trump to visit Vietnam, the DPM and American Cabinet members also affirmed their commitment to advancing the Vietnam-US comprehensive Strategic Partnership substantively and reaching early agreement on reciprocal tariff negotiations.<sup>62</sup> These developments must be understood in the aftermath of Vietnamese shock and disappointment over the Liberation Day tariffs - despite which the Vietnamese economy did quite well in 2025.

Vietnam is actively balancing engagement with China as well as with the United States. As Xi Jinping reportedly conveyed during two congratulatory phone calls in January 2026, China is encouraging Vietnam to keep to its path and not sway in its commitment. Among other elements of the two communications, Xi reportedly proposed that the countries should unite and cooperate to promote development; work together towards a bright future; fend off and defuse various risks and challenges; jointly defend the cause of socialism; strengthen collaboration in international and regional affairs; and jointly oppose hegemonism and bloc confrontation. Coverage in Chinese sources emphasizes that To Lam's response included reference to promoting coordination in diplomacy, national defense and public security; enhancing coordination in a complex and changing international landscape; upholding multilateralism; and opposing protectionism.<sup>63</sup> In mid-2026, Vietnam still seems to believe that there is sufficient space to manage engagement in differing spheres with both the United States and China. Perhaps because of this belief, Vietnam has not leaned into ASEAN mechanisms for problem solving. For example, a Council on Foreign Relations piece reported that instead of supporting an ASEAN position on energy during the May leaders' meeting, Vietnam sought to negotiate a bilateral deal with Thailand.<sup>64</sup>

## ***Indonesia***

As Greg Poling and Andreyka Natalegawa describe in a December 2025 Center for Strategic and International Studies (CSIS) report entitled *Between Two Reefs: Indonesia's Strategic Culture in the Twenty-First Century*, Indonesia's first Vice President Mohammed Hatta is

---

61 Linh Pham, "Vietnam Joins Board of Peace on Gaza Conflict," Hanoi Times, January 23, 2026, <https://x.com/Hanoitimes2/status/2014987564550410273?s=20>

62 Hanoi Times, *ibid*

63 The State Council Information Office, The People's Republic of China, "Xi Holds Phone Talks with Vietnam's To Lam," Xinhua, 2026, [http://english.scio.gov.cn/topnews/2026-01/27/content\\_118301364.html](http://english.scio.gov.cn/topnews/2026-01/27/content_118301364.html); see also the Permanent Mission of the People's Republic of China to the UN, "Xi Jinping Sends Congratulatory Message to To Lam on His Election as General Secretary of the Communist Party of Viet Nam Central Committee," China-Mission.gov.cn, 2026, [https://un.china-mission.gov.cn/eng/zgyw/202601/t20260126\\_11845424.htm](https://un.china-mission.gov.cn/eng/zgyw/202601/t20260126_11845424.htm)

64 Joshua Korlantzick, "Even Amidst a Historic Energy Crisis, ASEAN fails Southeast Asians Once again," Council on Foreign Relations, May 12, 2026, <https://www.cfr.org/articles/even-amidst-a-historic-energy-crisis-asean-fails-southeast-asians-once-again>

credited with envisioning Indonesia as rowing between two reefs (mendayung antara dua karang), which has remained a guiding principle of Indonesian foreign policy in the decades since the country's independence.<sup>65</sup> As the world's third-largest democracy, the largest Muslim-majority nation, a founding member of the Non-Aligned Movement (NAM), and a leading figure within ASEAN, Poling and Natalegawa explain that Indonesia has been characterized as a rising middle power and a central player in the emergent Global South for some time now. They note analysts and policymakers describe Indonesia as pursuing a free and active (bebas aktif) foreign policy—free because the country does not side with world powers, and active because it does not take passive or reactive stances on global issues but does seek to operate in a diplomatic role.<sup>66</sup>

While the reefs Hatta envisioned in 1948 involved the communist and western worlds, Indonesia in 2026 seeks to navigate between the United States and China while maintaining maximum independence. Current President Prabowo Subianto inherited an economy deeply tied to Chinese trade and investment, while Jakarta's defense modernization depends on Western technology.<sup>67</sup> As reported in the *South China Morning Post* and *East Asia Forum*, in his annual New Year's foreign policy speech to the Ministry of Foreign Affairs (KEMLU), Foreign Minister Sugiono said Indonesia must build a "resilient" diplomacy to avoid being "swept away" in an increasingly "harsh, competitive and unpredictable" world.<sup>68</sup> Sugiono focused on Indonesian participation in multilateral forums such as BRICS and the G20, engagement with the Global South and the Islamic world. Taken together, he is reported as saying, these engagements would help Indonesia preserve its autonomy in what he described as a "multiplex world order", where major powers compete across multiple fronts and international cooperation has grown increasingly transactional.<sup>69</sup>

The aspiration of preserving autonomy by being a friend to all and an enemy to none was further highlighted by President Prabowo's remarks at the World Economic Forum (WEF), which came just days after Prabowo agreed with the United Kingdom to establish a strategic partnership covering economic ties, climate cooperation, defense & security, and development of human resources and communities. At WEF, Prabowo talked about maintaining friendships and avoiding even a single enemy by choosing well-calibrated policies to achieve unity over confrontation. Emphasizing how peace and stability support Indonesia's economy, Prabowo focused his remarks on Indonesia's future growth.

---

65 Gregory B Poling and Andreyka Natalegawa, "Between Two Reefs: Indonesia's Strategic Culture in the Twenty-First Century," Center for Strategic and International Studies, 2025, <https://www.csis.org/analysis/between-two-reefs-indonesias-strategic-culture-twenty-first-century>

66 Embassy of the Republic of Indonesia Washington, D.C., "Indonesia's Foreign Policy," Embassy of the Republic of Indonesia, Accessed April 1, 2026, <https://kemlu.go.id/washington/kebijakan/kebijakan-luar-negeri-ri>

67 Merkel, *ibid.*

68 Resty Woro Yuniar, "'Resilience' is Indonesia's new foreign policy buzzword, but is it just rhetoric?" *South China Morning Post*, January 25, 2026, <https://www.scmp.com/week-asia/politics/article/3341038/resilience-indonesias-new-foreign-policy-buzzword-it-just-rhetoric>; Norman Joshua, "The Limits of Indonesia's Resilience Diplomacy," *East Asia Forum*, February 17, 2026, <https://eastasiaforum.org/2026/02/18/the-limits-of-indonesias-resilience-diplomacy/>

69 *South China Morning Post*, *ibid.*



**Special Address by Prabowo Subianto, President of Indonesia session with Børge Brende, President and CEO, World Economic Forum, Switzerland; Prabowo Subianto, President of Indonesia; at the World Economic Forum Annual Meeting 2026 in Davos-Klosters, Switzerland, on 22/1/2026. © 2026 World Economic Forum / Jakob Polacek. Attribution: “World Economic Forum Annual Meeting” by World Economic Forum, CC BY-NC-SA 4.0.**

Indonesia is widely seen as Southeast Asia’s heavyweight and natural agenda-setter. A number of analysts, however, have critiqued Prabowo’s WEF speech, and indeed Indonesia’s foreign policy overall, as being overly focused on domestic social goals and inconsistently implemented. Here, analysts cite Prabowo’s announcement that Indonesia and China would jointly develop contested areas of the South China Seas and his decision to join President Trump’s Board of Peace as examples of an inconsistent, transactional bilateral approach.<sup>70</sup> Muhammad Wafaa Kharisma, a researcher with Indonesia’s Centre for Strategic and International Studies, assessed, “Indonesia’s strategy towards great powers is too survival-oriented. It seems defensive and not proactive in advancing its own agenda and encouraging major powers to play by the rules.”<sup>71</sup>

Across 2025, Indonesian officials in multiple private conversations described the challenges of navigating the Trump administration, particularly as regards tariffs. In remarks similar to what I heard from Vietnamese officials in July and August 2025. In November 2025, Indonesian officials expressed surprise that strong defense and strategic alignment, including through the US-Indonesia Comprehensive Strategic Partnership negotiated in 2023, did not cushion the relationship.<sup>72</sup>

---

70 South China Morning Post, *ibid.*

71 South China Morning Post, *ibid.*

72 Private conversation of the author with Indonesian officials, Washington, DC, November 2025.

A further concern voiced by specialists on Indonesia is what appears to be a de-emphasizing of ASEAN, shifting away from the country's traditional leadership role as a central political and intellectual pillar<sup>73</sup> within the organization. As former Indonesian trade negotiator Iman Pambagyo observed in a piece written for the East Asia forum in late January 2026, "ASEAN needs Indonesia but Indonesia needs ASEAN more."<sup>74</sup> Arguing that the United States, China, Japan and Europe no longer view ASEAN as a neutral forum, but as a contested arena for economic influence, technological standards and industrial positioning, Pambagyo asserts that if ASEAN can maintain unity and articulate common positions, it can help shape the global trading system to the benefit of Indonesia and other countries of Southeast Asia.

For Indonesia specifically, Pambagyo assesses, ASEAN can act as an extension of the domestic market, a magnet for investment and a bridge for technology and skills – and its importance will only grow. Pambagyo says that the global economy is entering an era in which data, artificial intelligence (AI) and digital technologies are integral to production and trade.

At the same time, President Prabowo is widely seen as having global (versus regional) ambitions. In Spring 2026 conversations, multiple interlocutors questioned not only whether Indonesia can row between the reefs of the U.S.-China relationship but whether it still wanted to play an intellectual and political leadership role within ASEAN. Given President Prabowo's focus on domestic social issues, his desire for a global profile, and documented Indonesian tendency to "see global and regional challenges as important goals, but.... a lower priority [to] them than domestic and trade-related concerns,"<sup>75</sup> adopting an ASEAN-oriented strategic direction<sup>76</sup> may face some headwinds.

## **Cambodia**

Cambodia has been one of the most surprising Southeast Asian countries in 2025-2026 across multiple spectrums. At the beginning of this period, among Southeast Asian nations, it was seen as one of the most strongly hedging towards China, if not a "Chinese satellite state."<sup>77</sup> At this time, the China Index tracker of countries influenced by China ranked Cambodia as globally the second-most-influenced.<sup>78</sup> The tracker's authors wrote that Cambodia remained deeply reliant and tied to China across nearly all industries, branches/

---

73 Iman Pambagyo, "ASEAN Needs Indonesia but Indonesia Needs ASEAN More," *East Asia Forum*, January 25, 2026, <https://eastasiaforum.org/2026/01/25/asean-needs-indonesia-but-indonesia-needs-asean-more/>

74 East Asia Forum, *ibid.*

75 Lowy Institute, "Indonesia Poll 2021: Indonesian Foreign Policy", 2021, <https://interactives.lowyinstitute.org/features/indonesia-poll-2021/topic/foreign-policy/>

76 Muhamad Chatib Basri and Evan Laksmana, "Active Alignment: How Indonesia Can Shape the U.S. China Strategic Competition," Harvard Kennedy School, The Belfer Center for Science and International Affairs November 20, 2025, <https://www.belfercenter.org/research-analysis/active-alignment-how-indonesia-can-shape-us-china-strategic-competition>

77 China Index, "Cambodia - China Index 2024", China-Index, 2024, <https://china-index.io/country/Cambodia>

78 *Ibid.*

levels of government, and portions of civil society, academia, and media.<sup>79</sup> They said that the extent of PRC influence across so many sectors raised the question as to whether Cambodia could move away from China even if it had the political will to do so.<sup>80</sup>

During “Liberation Day”, President Donald Trump threatened a whopping 49 percent tariff on Cambodia (second only to China. Further, the abolishment of the U.S. Agency for International Development (USAID) meant Cambodia lost some \$55M in new development funds while seeing other long-term projects and partnerships unilaterally terminated literally overnight. Calculating that the US had distributed \$371M of aid in the prior five years, advocacy groups warned that the suspension of US aid would “have widespread consequences, threatening Cambodia’s healthcare system, food security, landmine clearance efforts, and civil society.”<sup>81</sup> Particularly jarring for Cambodians was the freezing of demining programs focused on remnants of Cambodia’s tragic involvement in the US-Vietnam war. China’s February 2025 pledge of \$4.4 million in humanitarian demining rubbed salt in the wound.<sup>82</sup> While US demining programs would resume, Cambodian civil society and social sectors struggled without US funds.

Subsequently, Cambodia’s long-simmering feud with Thailand along the frontier near Preah Vihear temple reignited. In late July 2025, an exchange of gunfire escalated into shelling, airstrikes and rocket launches that killed at least 42 people and displaced more than 300,000.<sup>83</sup> By mid-summer 2025, the leaking of a private call between former Cambodian PM Hun Sen and then-Thai Prime Minister Paetongtarn Shinawatra discussing the border conflict caused Shinawatra’s removal and the positions of both sides hardened.

In a telling assessment of the negative impacts of this crisis, the Lowy Institute’s 2025 Asia Power Index notes that Thailand’s regional influence lessened and “it recorded big declines for regional and global leadership, likely reflecting negative expert opinion about its mismanagement of its relationship with Cambodia and subsequent border skirmishes that claimed more than 30 lives.” Strikingly, the Asia Power Index ranked Thailand just one place ahead of Cambodia for regional leadership, despite the latter’s much smaller size and more limited diplomatic resources.

Then, in mid-2025, the United States and Malaysia (then-ASEAN Chair) sought to calm tensions and negotiate a cease-fire. President Trump intervened directly, later describing

---

79 China Index, “Cambodia - China Index 2024”, China-Index, 2024, <https://china-index.io/country/Cambodia>

80 China Index, *ibid.*

81 Seoung Nimol, “Business and Human Rights Law Group Report: Cambodia Must Act Fast to Offset US Aid Cuts,” *CamboJA News*, February 18, 2025, <https://cambojanews.com/business-and-human-rights-law-group-report-cambodia-must-act-fast-to-offset-us-aid-cuts/>

82 Anton L Delgado and Janis Mackey Frayer, “Cambodian Demining Program Faces Crippling USAID Suspension,” *NBC News*, February 14, 2025, <https://www.nbcnews.com/news/world/usa-id-cambodia-demining-trump-cuts-funding-rcna192172>

83 Sui-Lee Wee, “Cambodia Nominates Trump for Nobel Peace Prize,” *The New York Times*, August 7, 2025, <https://www.nytimes.com/2025/08/07/us/politics/cambodia-nominates-trump-for-nobel-peace-prize.html>

engaging in diplomacy while on a golf trip to Scotland. The US-Malaysia efforts were somewhat successful, achieving a ceasefire agreement. Cambodia lauded Trump's efforts, nominating him for the Nobel Peace prize.<sup>84</sup> In October, with much fanfare, President Trump and PM Anwar Ibrahim served as witnesses as Cambodia's PM Hun Manet and Thailand's PM Anutin Charnvirakul signed what Trump called the Kuala Lumpur Peace Accord – identifying this conflict as the eighth which he had resolved since returning to the presidency. Simultaneously, Cambodia and the U.S. signed an Agreement on Reciprocal Trade providing Cambodia a significantly more advantageous tariff rate.<sup>85</sup>

On January 24, 2026, the USS Cincinnati docked at Ream Naval base (RNB), marking the first U.S. portcall at the controversial site.<sup>86</sup> Admiral Samuel Papparo, commander of US Indo-PACOM, visited and the two nations announced the resumption of the joint military exercise “Angkor Sentinel” (which had been on hiatus for eight years) and described deepening defense cooperation and a shared commitment to regional peace and stability.<sup>87</sup>

Some analysts see these developments as marking an adjustment in Cambodian strategy to increase their bargaining space by using regional and global contestation. Cambodia's Deputy Prime Minister Sun Chanthol described Liberation Day as “a wake-up call”, telling a Financial Times reporter that Cambodia was looking to reduce its reliance on China and shield its economy from the superpower rivalry between Washington and Beijing. Opining that Cambodia “cannot count on one country”, Chanthol warned that smaller countries “cannot afford to choose sides” in the US-China rivalry.<sup>88</sup> “When elephants fight, you better get out of the way,” he said. “Cambodia can survive by not choosing sides.”<sup>89</sup>

In conversation, Cambodian officials have been stressing a desire to recalibrate relations with the United States for some months. They expressed a hope that the Trump administration would move away from the moralistic tone of its predecessor and recognize shared US-Cambodian interests. Further, despite the depth of its economic ties to China, the United States has remained Cambodia's primary export destination and Cambodia's use of the dollar is yet another link between the countries.<sup>90</sup> Like the Philippines, Cambodian elite see China

---

84 Sui-Lee Wee, *ibid.*

85 U.S. White House, “Agreement between the United States of America and the Kingdom of Cambodia on Reciprocal Trade,” October 26, 2025, <https://www.whitehouse.gov/briefings-statements/2025/10/agreement-between-the-united-states-of-america-and-the-kingdom-of-cambodia-on-reciprocal-trade/>

86 Ben Sokhean, “Historic Ream Port Call Signals Renewed Cambodia-US Defence Partnership,” *Khmer Times*, January 26, 2026, <https://www.khmertimeskh.com/501834212/historic-ream-port-call-signals-renewed-cambodia-us-defence-partnership/>

87 Sebastian Strangio, “US Warship Pays First Port Call at Cambodia's Ream Naval Base,” *The Diplomat*, January 27, 2026, <https://thediplomat.com/2026/01/us-warship-pays-first-port-call-at-cambodias-ream-naval-base/>

88 A. Anantha Lakshmi, “Cambodia Looks to Reduce Reliance on China amid US Trade War,” *Financial Times*, January 14, 2026, <https://www.ft.com/content/83b1a456-630b-4089-a0dd-ab356e0eace4?syn-25a6b1a6=1>

89 Financial Times, *ibid.*

90 Toufic Sarriddine, “Phnom Penh Retrograde? Assessing Chinese Economic Hegemony in Cambodia,” *Journal of World-Systems Research*, Volume 31, number 2, September 15, 2025, <https://jwsr.pitt.edu/ojs/jwsr/article/view/1312/1690>

as the partner with the most hegemonic ambitions, according to the 2024 FCPI survey and the 2026 State of Southeast Asia survey tracks similar concerns. This may have been yet another factor in Phnom Penh’s maneuvering.

## ASSESSMENTS OF THE STATE OF THE REGION IN 2026

---

*But as US-China competition hardens into a strategic rivalry, that equilibrium is fraying. The space between Washington and Beijing, once wide enough for ASEAN states to maneuver, is narrowing fast. Hedging bets is getting harder, and the consequences of leaning too far to either side are growing sharper.*

*- David Merkel*

---

In a 2025 article for The National Interest, former Deputy Assistant Secretary of State, Deputy Assistant Secretary of Commerce, and director in the National Security Council David Merkel wrote, “The political and economic formula that once ensured Southeast Asia’s stability and prosperity between the United States and China is breaking down.”<sup>91</sup> Southeast Asian nations as having perfected the art of hedging - an approach discussed in my earlier APLN report.<sup>92</sup> ASEAN countries “cultivated China as an indispensable economic partner while relying on the United States as their ultimate security guarantor”, said Merkel. He assessed that this balancing act has allowed them to “extract dividends from both relationships: Chinese trade and investment for prosperity and the American military presence for stability.”<sup>93</sup> Merkel warned that as US-China competition hardens into a strategic rivalry, that equilibrium is fraying. The space between Washington and Beijing, once wide enough for ASEAN states to maneuver, is narrowing fast. Hedging bets is getting harder, and the consequences of leaning too far to either side are growing sharper.”<sup>94</sup> Merkel concludes that Southeast Asian countries are “exposed” to both protectionism and pressure.

As the editors of the East Asia Forum concluded in a January 2026 assessment of the state of the region, “For now, East Asia has resisted a swerve towards autarky and protectionism to

---

91 David A. Merkel, “Southeast Asia Can’t Hedge on the US-China Rivalry Forever,” *ibid.*

92 Piper Campbell, “The United States: An Increasingly Incidental Provider of Regional Stability in the Asia-Pacific? US and Southeast Asian Responses,” APLN, June 2024, [https://cms.apln.network/wp-content/uploads/2024/06/Piper-Anne-Wind-Campbell\\_17th-June-1.pdf](https://cms.apln.network/wp-content/uploads/2024/06/Piper-Anne-Wind-Campbell_17th-June-1.pdf)

93 Merkel, *ibid.*

94 Merkel, *ibid.*

cope with the insecurities unleashed by Trump 2.0 and broader US–China rivalry.”<sup>95</sup> They expressed concern, though, that this “consensus towards openness forged amid emergency conditions in 2025” was shallow.<sup>96</sup> It would only be solidified into something lasting if regionalism became a stronger core element guiding foreign policy decisions of Southeast Asian nations – and if the countries with resources and influence, like Indonesia, Vietnam and the Philippines, took the lead.

---

*“That will require the elevation of regionalism in the foreign policies of middle powers with the resources and agenda-setting influence to make a difference”*

*- East Asia Forum Editors*

---

A voice from outside the region, Canadian Prime Minister Mark Carney’s January 2026 speech at the World Economic Forum has received much attention in Southeast Asia as making the case for this approach. Recalling Thucydides’ aphorism that the strong do what they can, and the weak suffer what they must, Carney worried about countries’ tendency “to go along to get along, to accommodate, to avoid trouble, to hope that compliance will buy safety.”<sup>97</sup> Carney said this strategy will not work, but, “intermediate powers like Canada, are not powerless. They have the capacity to build a new order that encompasses our values, such as respect for human rights, sustainable development, solidarity, sovereignty and territorial integrity of the various states... In a world of great power rivalry, the countries in between have a choice – to compete with each other for favor or to combine to create a third path with impact.”<sup>98</sup> Calling for a coordinated approach, he continued, “collective investments in resilience are cheaper than everyone building their own fortresses.”<sup>99</sup>

Building on a similar theme of working together to preserve sovereignty and autonomy amidst changing conditions – particularly in trade, Indonesia’s Centre for Strategic and International Studies recently issued a policy brief arguing that Southeast Asia should “reaffirm multilateralism.”<sup>100</sup> Noting that ASEAN operates as a political and economic

---

95 EAF editors, “Asia’s Response to the Rupture of the Rules-Based Global Order.” *East Asia Forum*, January 25, 2026, <https://eastasiaforum.org/2026/01/26/asias-response-to-the-rupture-of-the-rules-based-global-order/>

96 “Asia’s Response to the Ruptures of the Rules-Based Global Order,” *ibid.*

97 World Economic Forum, “Davos 2026: Special Address by Mark Carney, Prime Minister of Canada,” January 20, 2026, <https://www.weforum.org/stories/2026/01/davos-2026-special-address-by-mark-carney-prime-minister-of-canada/>

98 Davos 2026: Special Address by Mark Carney, Prime Minister of Canada, *ibid.*

99 Davos 2026: Special Address by Mark Carney, Prime Minister of Canada, *ibid.*

100 Yose Rizal Damuri, “Reaffirming Multilateralism: A proposal for ASEAN Common Framework for Negotiating with the US,” Center for Strategic and International Studies, 2025, [https://s3-csis-web.s3.ap-southeast-1.amazonaws.com/doc/Policy\\_Brief\\_REAFFIRMING\\_MULTILATERALISM.pdf?download=1](https://s3-csis-web.s3.ap-southeast-1.amazonaws.com/doc/Policy_Brief_REAFFIRMING_MULTILATERALISM.pdf?download=1)

community rather than a single customs union, the brief posits that ASEAN member states “must navigate US bilateral [trade] negotiations individually”. However, “coordinated strategic response, based on common interests and upholding the WTO rules, can help minimize the risk from fulfilling the US requests. Harmonizing regulatory standards, export control regimes, investment screening, and procurement practices can allow ASEAN countries to maintain strategic neutrality while engaging constructively with US priorities.” In doing so, the Indonesia-CSIS drafters argue, “ASEAN can not only safeguard its economic prospect but also contribute greatly in shaping a fair global trade order.”<sup>101</sup>

---

*“ASEAN can not only safeguard its economic prospect but also contribute greatly in shaping a fair global trade order”*

*- Centre for Strategic and International Studies*

---

Towards the end of PM Carney’s Davos speech, he alluded to the power of legitimacy.<sup>102</sup> Lafayette College Professor Il Hyun Cho described legitimacy as the missing consideration in much analysis about how countries of Southeast Asia are – and should be – reacting the dynamics of the US-China relationship in a January 2026 *East Asia Forum piece*<sup>103</sup> and a longer *Pacific Affairs* journal article.<sup>104</sup> Drawing on Marxist theorist Antonio Gramsci (supported by later thinkers such as Robert Cox and Alice Ba), Cho posits that for either the U.S. or China to establish a durable hegemony in Southeast Asia, their material power needs to be reinforced by legitimacy.<sup>105</sup> And, Cho asserts, the legitimacy of both China and United States is not high at the moment. Cho’s assessment of the relative lack of legitimacy of China and the United States is supported by the ISEAS Yusof-Ishak State of Southeast Asia survey mentioned previously as well as the 2025 finding of Selina Ho and Terence Lee who looked at Southeast Asian elite perceptions of a possible Chinese-led order.<sup>106</sup>

Ho and Lee’s survey data “indicates that although most elites view China as influential and have a cultural affinity with it, they do not perceive China as having the authority to preside over the regional order. They do not identify with China’s political values and the normative

---

101 Yose Rizal Damuri, *ibid.*

102 Davos 2026: Special Address by Mark Carney, Prime Minister of Canada, *ibid.*

103 Il Hyun Cho, “Legitimacy Is the Missing Piece in US–China Rivalry for the Indo-Pacific” *East Asia Forum*, January 16, 2026, <https://eastasiaforum.org/2026/01/16/legitimacy-is-the-missing-piece-in-us-china-rivalry-for-the-indo-pacific/>

104 Il Hyun Cho, “Hegemony and Legitimacy: US-China Competition in a Contested Indo-Pacific,” *Pacific Affairs*, 98 (1), March 2025: pp: 5-28.

105 Cho, “Hegemony and Legitimacy” *ibid.*

106 Selina Ho and Terence Lee, “Elite Perceptions of a China-Led Regional Order in Southeast Asia,” *Journal of Current Southeast Asian Affairs*, 44 (1), November 15, 2024, pp: 148-173, <https://doi.org/10.1177/18681034241294093>

order it propounds.”<sup>107</sup> China’s economic retaliation against Japan in response to PM Sanae Takaichi’s statements on Taiwan occurred after Ho & Lee concluded their research. However, others, including Cho, speculate that Southeast Asian countries have taken note of China’s willingness to coerce – as well as what has been deemed a lukewarm U.S. response in support of its ally. Neither China’s nor the U.S.’s legitimacy has been augmented by these developments. Cho and Ho & Lee believe that leaning into ASEAN mechanisms provides an alternative approach for the region to navigate great power rivalry.

## **DESIRED OUTCOME AND RECOMMENDED COURSES OF ACTION**

Among the four scenarios developed earlier in this report, the most desirable for Southeast Asia and global stability would be a situation where the countries of Southeast Asia work more effectively as a bloc, including through ASEAN mechanisms, and where US-China competition, though intense, is managed. The two fight within the system, but without breaking the global system, to paraphrase Chinese scholar Ma Xiaolin.

The value of this approach to the region itself is well supported by the assessments cited above. The idea that “managed competition” between China and the United States is a desirable outcome has been much discussed by China experts.<sup>108</sup> However, there is fierce and ongoing debate as to the feasibility of this outcome – particularly taking into consideration the personal characteristics of both Xi Jinping and Donald Trump.

The recommendations below begin with the presumption that – unfortunately, given its profound impact on the region – realistically, there is little that Southeast Asian nations can do to shape the trajectory of US-China relations. Therefore, it behooves Southeast Asian nations to focus upon areas where they have agency and steps within their power. These recommendations begin by repeating and elevating a recommendation from my 2024 report.

### **Recommendations for Southeast Asian States:**

- Strengthen ASEAN internally by actively and intentionally prioritizing actions and programs that align with the region’s most important goals in the economic pillar. ASEAN member states need to continue to build their region into one of the fastest growing and dynamic economic areas in the world. For the countries of Southeast Asia, building individual domestic economies provides less resilience and is less impactful than building an ASEAN economy. ASEAN member states should lean into actions that further strengthen connectivity across the region, support energy needs, remove non-tariff barriers, facilitate trade and the movement of people, and continue to grow and unite an ASEAN Economy.

---

107 Ho and Lee, *ibid*.

108 Shambaugh and Jisi, *ibid*. Others opining as to whether managed competition is possible and/or desirable include including Elizabeth Economy, Scott Kennedy, Ryan Hass, and Sun Chenghao.

**Aligned with this recommendation:**

- Responding to pressing needs across the region following the US and Israel’s war with Iran, Southeast Asian nations should strengthen coordination and pursue practical, collective measures towards ensuring a stable energy supply at the regional level.
  - Where they can, Southeast Asian nations should resist pressures to negotiate trade regimes bilaterally and look to address structural impediments to coordinating trade positions
  - As a focused and forward-looking ASEAN agenda is shaped, Southeast Asian leaders should highlight how these activities produce gains for, and investments in, the people of Southeast Asian nations. They can frame coordinated effort as helpful in tackling geopolitical & geoeconomic challenges emerging from outside the region, as for example, the energy shock caused by the US and Israel’s war with Iran.
  - To effectively advance economically, ASEAN states need to get their house(s) in order individually and collectively. This includes resolving long-standing internal disputes over competing border, ending the Thai-Cambodia conflict, and navigating a best-possible outcome on Myanmar. In the diplomatic sphere, the countries of Southeast Asia need both to support and ask more of each other.
- Strengthen ASEAN externally by continuing work to diversify economic partnerships, including with Canada, the European Union, and the Global South. Diplomatically, the countries of ASEAN should seek to make themselves an indispensable player in regional and global discussions, including about how middle powers can support the trade and legal regimes which have underpinned Southeast Asian countries’ growth.
  - Simultaneously, Southeast Asian states should continue actively engaging both China and the United States. As they do this, leaders should recognize that while the U.S. and China may feel threatened by Southeast Asian cooperation, leaders can make the case that “choosing ASEAN” is (still) choosing the less bad option.<sup>109</sup>

**Aligned with this recommendation:**

- ASEAN countries should NOT rush to agree a Code of Conduct (COC) on the South China Seas if the product undercuts international legal norms.
- Southeast Asian nations should not view President Donald Trump’s administration as temporary or an aberration but rather understand how structural developments in the United States have changed US priorities.

---

109 See Cheng-Chwee Kuik, “Assessing Hedging in Trump 2.0: The Case of Malaysian Neutrality,” Trends in Southeast Asia, (ISEAS-Yusof Ishak Instituted), Issue 5, February 2026; and Cheng-Chwee Kuik, “Actively Choosing Not to Choose.”

## CONCLUSION

In Spring 2026, the forward direction of Southeast Asia is unclear. The region's future is intertwined with that of the United States and of China and the nature of the US-China relationship profoundly impacts Southeast Asia. However, another set of variables is the extent to which the countries of Southeast Asia choose to work together, or not. Having imagined four possible future scenarios, examined the current trajectories of Indonesia, Vietnam, the Philippines and Cambodia, and reviewed analysis from a range of experts, this report assesses that the most desirable among potential outcomes is one in which Southeast Asian countries work together. This assessment holds true regardless of whether the United States and China reach an accommodation – a so-called “concert” – or continue to compete intensely across various realms. The report briefly reviews analysis by some China experts who express the opinion that some form of managed competition is the most desirable possible state for US-China relations. The report provides recommendations for Southeast Asian nations. The author hopes that this work may both guide Southeast Asian nations' policy and help with the development of signposts and cautions to aid in further assessment as to whether the countries of Southeast Asia, along with the United States and China, are on the desired pathway.

*Page intentionally left blank*



# 13<sup>TH</sup> ASEAN - UNITED STATES SUMMIT

26 OCTOBER 2025, KUALA LUMPUR, MALAYSIA

## About APLN

The Asia-Pacific Leadership Network (APLN) is a Seoul-based organisation and network of political, military, and 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.



ASIA-PACIFIC LEADERSHIP NETWORK



[apln.network](http://apln.network)



[@APLNofficial](https://www.facebook.com/APLNofficial)



[@APLNofficial](https://twitter.com/APLNofficial)



[@APLNofficial](https://www.linkedin.com/company/APLNofficial)