

# In an Age of Flux, Asia's Circles of Friends Are Expanding

By Kelly A. Grieco

**While Washington and Beijing might understandably assume that their growing rivalry forces countries in Asia into a binary choice, the reality is far more complicated.**

**The fact is that countries throughout the region have developed over many years a complex, layered and subtle mechanism of 'minilateral' arrangements that enable them to navigate that undesirable choice, provided they nurture those arrangements, writes Kelly A. Grieco.**

WHEN MALAYSIAN Prime Minister Anwar Ibrahim called the current moment “an age of flux,” he undoubtedly spoke for many in the region.<sup>1</sup> The sources of that flux are not hard to identify. Chinese economic and military power has grown steadily, reshaping the regional balance, intensifying disputes in the East and South China Seas, and giving Beijing greater capacity to translate its economic weight into coercive leverage. At the same time, the United States under President Donald Trump has injected additional uncertainty, questioning alliance commitments, imposing tariffs on allies and adversaries alike, and signaling that American engagement in the region is increasingly transactional and unpredictable. Taken together, these dynamics are producing a strategic environment more uncertain and contested than anything the region has faced since the end of the Cold War.

Asian states have responded by pursuing strategic diversification, actively building overlapping security and economic partnerships while fiercely preserving the flexibility that makes this possible. Minilateralism — small, flexible, issue-specific security groupings — has emerged as the primary instrument of this approach. As Singapore's Prime Minister Lawrence Wong put it in 2025, the imperative is to develop “more varied and deeper relations with multiple partners. Because the more connected we are, the more resilient we will be.”<sup>2</sup> Singaporean Foreign Minister Vivian Balakrishnan was more explicit still, describing a strategy of consolidating existing relationships and expanding “circles of friends.”<sup>3</sup>

But what do these expanding circles of friends

<sup>1</sup> Anwar Ibrahim, keynote address at the 36th Asia-Pacific Roundtable, Kuala Lumpur, Aug. 10, 2023, [www.pmo.gov.my/ms/ucapanterkini/keynote-address-by-yab-dat-sri-anwar-ibrahim-prime-minister-of-malaysia-at-the-36th-asia-pacific-roundtable-apr/](http://www.pmo.gov.my/ms/ucapanterkini/keynote-address-by-yab-dat-sri-anwar-ibrahim-prime-minister-of-malaysia-at-the-36th-asia-pacific-roundtable-apr/)

<sup>2</sup> Lawrence Wong, “PM Lawrence Wong at the S Rajaratnam Lecture 2025,” Prime Minister's Office of Singapore, April 16, 2025, [www.pmo.gov.sg/newsroom/pm-lawrence-wong-at-the-s-rajaratnam-lecture-2025/](http://www.pmo.gov.sg/newsroom/pm-lawrence-wong-at-the-s-rajaratnam-lecture-2025/)

<sup>3</sup> Vivian Balakrishnan, “Speech by Minister for Foreign Affairs Dr

Vivian Balakrishnan at MFA's Committee of Supply Debate,” Ministry of Foreign Affairs of Singapore, Feb. 27, 2023, [www.mfa.gov.sg/newsroom/press-statements-transcripts-and-photos/min-cos-2023-27-feb-2023/](http://www.mfa.gov.sg/newsroom/press-statements-transcripts-and-photos/min-cos-2023-27-feb-2023/)

<sup>4</sup> Kelly A. Grieco, “Beyond Collective Balancing: A Typology of Asian Minilaterals and US Strategic Expectations,” Asia-Pacific Leadership Network, April 2026, [www.apln.network/projects/asia-dialogue-on-china-us-relations/beyond-collective-balancing-a-typology-of-asian-minilaterals-and-us-strategic-expectations](http://www.apln.network/projects/asia-dialogue-on-china-us-relations/beyond-collective-balancing-a-typology-of-asian-minilaterals-and-us-strategic-expectations)

look like in practice, and what does this dense and varied web of security arrangements contribute to regional security? In a recent report for the Asia-Pacific Leadership Network (APLN), I mapped 32 non-US, non-Chinese Asian minilaterals and found that how states use these arrangements — and the security purposes they serve — varies enormously.<sup>4</sup> Some arrangements manage neighborhood instability through hierarchical co-ordination. Others seek to counter Chinese influence through asymmetric co-operation. Still others build trust among potential rivals or signal that peer-based deterrence remains a credible option. Each type contributes something distinct to regional security, addressing different needs across the region.

## MANAGING THE NEIGHBORHOOD

The first type organizes co-operation among neighbors to manage instability in the immediate neighborhood, with a larger power providing the resources and co-ordination that smaller states cannot supply individually. These arrangements — which I term “spheres of influence” — constitute 25 percent of Asian minilaterals, clustering in two subregions: South Asia, where India leads five arrangements, and the Pacific, where Australia anchors three.

India's Colombo Security Conclave (CSC) illustrates this model. What began in 2011 as a trilateral dialogue among India, Sri Lanka and the Maldives has since expanded to include Mauritius, Bangladesh and the Seychelles. India provides maritime patrol aircraft, satellite surveillance, coastal radar systems and coast guard training. In return, member states contribute access to exclusive economic zones, port facilities and diplomatic support. The arrangement deliberately avoids explicit anti-China framing, even as Chinese port investments in the Maldives and Sri Lanka remain an implicit concern. This ambi-

guity allows members to maintain economic ties with Beijing while reassuring India that their territory will not be used against its interests.

As the dominant partner, India sets priorities, supplies capabilities and shapes the terms of co-operation. But its leadership is continually negotiated, not automatic. Weaker members hedge, push back and extract concessions. The Maldives, for example, has periodically campaigned against India's military presence in the country, but the CSC framework provides channels for continued dialogue and co-ordination, helping India to manage relations with its neighbor. Likewise, Bangladesh has continued to participate despite strained bilateral relations. In this way, India's material advantages generate leverage but not control. To sustain co-operation, New Delhi must continually demonstrate the benefits of alignment and accommodate the preferences of smaller states. India exercises influence through meetings, joint exercises and capacity-building initiatives that reinforce its role as the central provider of regional maritime security. This co-operation endures only insofar as it delivers practical security benefits to its neighbors alongside advancing India's strategic interests.

Australia performs the same function in the Pacific. Its arrangements with Indonesia and Papua New Guinea (PNG) are oriented toward managing instability, building security and sustaining order in a neighborhood where ungoverned spaces and weak governance have historically created openings for outside interference. In December 2025, the three countries held their inaugural trilateral Defence Ministers' Meeting in Port Moresby. Australian Defence Minister Richard Marles captured the logic of neighborhood management, noting that having Indonesia and PNG “around the table with us is hugely significant in terms of providing security across our northern approaches for Australia, and that goes

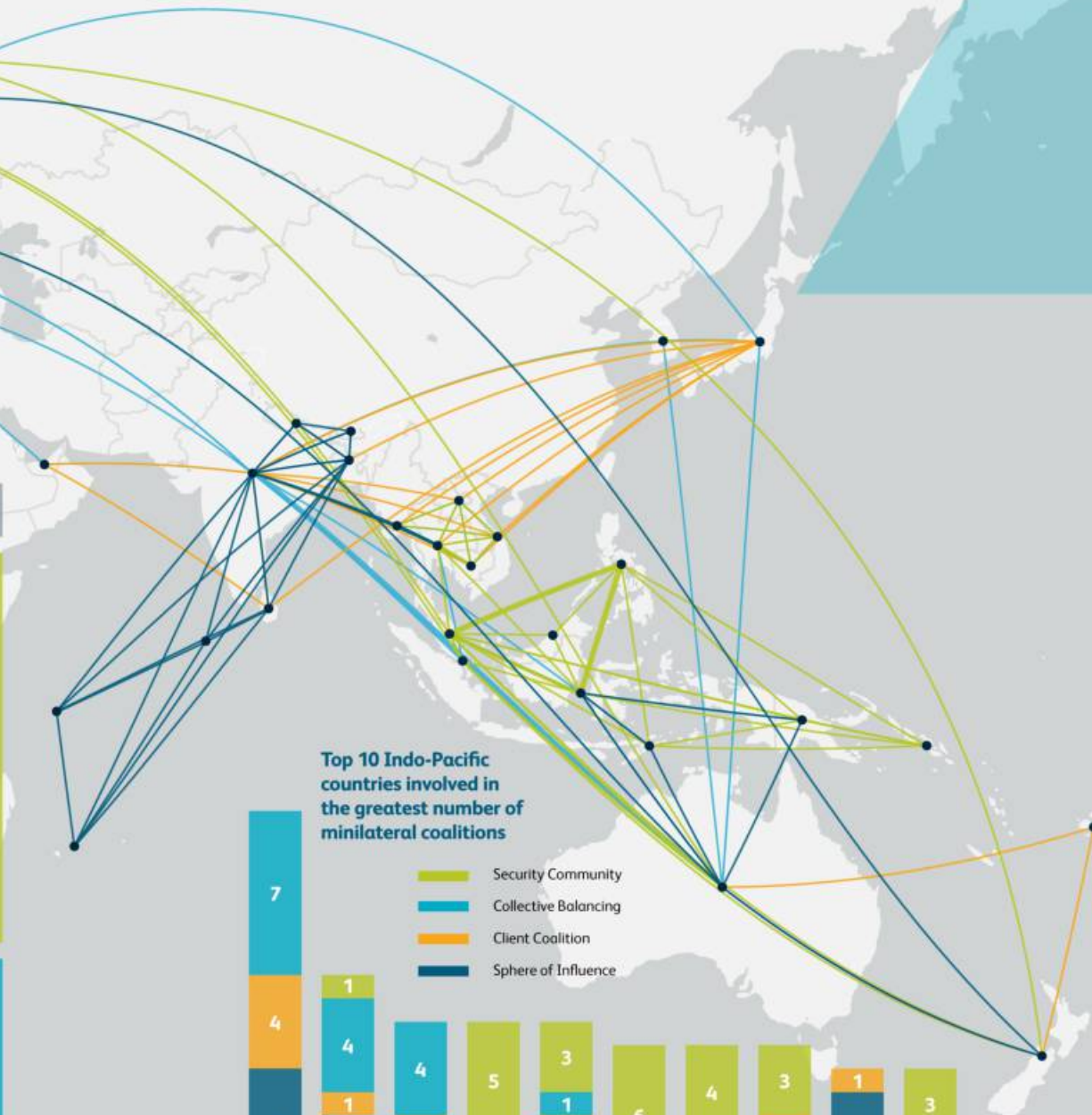
FIGURE 1 ALL INDO-PACIFIC NON-MAJOR POWER MINILATERAL PARTNERSHIPS  
Source: Author

Minilateral Partnerships by Type

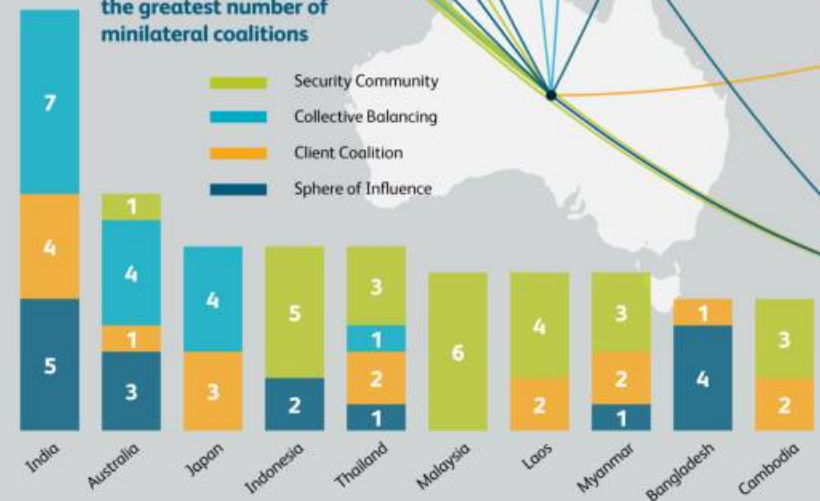
- Sphere of Influence
- Security Community
- Client Coalition
- Collective Balancing

List of Minilateral Partnerships

	ASYMMETRIC	SYMMETRIC
INTERNAL MANAGEMENT	<b>Sphere of Influence</b> India - Sri Lanka - Maldives (Colombo Security Conclave) India - Bhutan - Bangladesh Nepal - India - Bangladesh India - Myanmar - Thailand (IMTTH) BBIN Initiative (Bangladesh - Bhutan - India - Nepal) FRANZ Arrangement Timor Leste - Indonesia - Australia (TIA-GT) Australia - Indonesia - Papua New Guinea (PNG)	<b>Security Community</b> Indonesia - Malaysia - Philippines Trilateral Cooperative Arrangement (TCA)/ Indomalphi Indonesia - Malaysia - Thailand Growth Triangle (IMT-GT) SIIORI Growth Triangle (Singapore - Johor - Riau) Brunei - Indonesia - Malaysia - Philippines East ASEAN Growth Area (BIMP-EAGA) Coral Triangle Initiative on Coral Reefs, Fisheries, and Food Security (CTI-CFF) Five Power Defence Arrangements (FPDA) Cambodia - Laos - Vietnam Development Triangle (CLVDTA) Thailand - Laos - Myanmar Ayeyawady - Chao Phraya - Mekong Economic Cooperation Strategy (ACMECS) Cambodia - Laos - Myanmar - Vietnam (CLMV)
	<b>Client Coalition</b> India - Japan - Sri Lanka India - Japan - Bangladesh Australia - Fiji - New Zealand India - Sri Lanka - UAE Mekong - Ganga Co-operation Japan - Mekong Partnership Program	<b>Collective Balancing</b> India - Japan - Australia India - Japan - South Korea Japan - South Korea - Australia Australia - India - Indonesia India - Australia - France India - France - UAE Singapore - India - Thailand Maritime Exercise (SITMEX) India - Italy - Japan
EXTERNAL BALANCING		



Top 10 Indo-Pacific countries involved in the greatest number of minilateral coalitions



5 Billy Joseph, Richard Marles, and Sjafrie Sjamsoeddin, "Opening Remarks, Australia-PNG-Indonesia Trilateral Defence Ministers' Meeting," Department of Defence of Australia, Port Moresby, Papua New Guinea, Dec. 3, 2025, [www.minister.defence.gov.au/transcripts/2025-12-03/opening-remarks-defence-ministers-meeting-port-moresby/](http://www.minister.defence.gov.au/transcripts/2025-12-03/opening-remarks-defence-ministers-meeting-port-moresby/)

6 Kei Koga, "The Emerging Power Play in the Mekong Subregion: A Japanese Perspective," *Asia Policy* Vol. 17, No. 2 (2022), pp. 28-43.

7 Tamotsu Fukuda, "Managing the Security Dilemma in East Asia: The Potential and Performance of Confidence Building Measures", Australian National University, Strategic Defence Studies Centre, Research School of Pacific and Asian Studies, Canberra, December 2002, [openresearch-repository.anu.edu.au/server/api/core/bitstreams/f269a32b-1217-48bd-80f9-a960971877b4/content](https://openresearch-repository.anu.edu.au/server/api/core/bitstreams/f269a32b-1217-48bd-80f9-a960971877b4/content)

**Asian states are not just diversifying their partners, they are also diversifying how they co-operate. That distinction matters. Different security challenges require different organizational solutions, particularly in a region where neighborhood instability, intraregional disputes and economic coercion are as pressing as balancing against China. No single organizational form can address all of this, and Asian states are not trying to make it do so. Organizational diversity, instead, is the strategy.**

to the very heart of our nation and the very security of our continent."<sup>5</sup> Put differently, Australia is not organizing its neighbors to explicitly balance against China, but it is stabilizing a region where instability would otherwise create openings that Chinese diplomacy could exploit.

Yet Australian authority in this neighborhood is not simply assumed. Indonesia adheres to a non-aligned foreign policy, maintains active defense engagement with China and Russia, and retains a strong commitment to strategic autonomy. Australia must therefore continually earn Indonesia's co-operation within the limits of its strategic autonomy while also navigating PNG's domestic politics and security priorities. Because neither side can take these relationships for granted, all have an incentive to keep investing in them, making co-operation more durable over time.

These arrangements contribute to regional security in ways that are often overlooked. By managing instability where regional powers are both willing and able to act, they reduce openings for external influence that local crises would otherwise generate. India and Australia understand their immediate neighborhoods bet-

ter than any distant power can, and that local advantage strengthens their ability to sustain stability and order.

#### CONTESTING CHINESE INFLUENCE

A second type of minilateral — referred to here as client coalitions — mobilizes asymmetric partnerships to contest specific dimensions of Chinese influence without requiring formal balancing commitments. In these arrangements, the most powerful member provides resources, such as development financing, advanced technology and market access that partners lack. Client coalitions, organized primarily by Japan and India to contest Chinese infrastructure initiatives, constitute 22 percent of all minilaterals.

Japan's Mekong Partnership offers an example. Established in 2008 and expanded through successive co-operation strategies, it channels Japanese development assistance, digital investment and supply-chain financing toward Cambodia, Laos, Myanmar, Thailand and Vietnam. Tokyo frames the partnership around "quality infrastructure," a term widely understood in the region to mean an alternative to Chinese lend-

ing practices.<sup>6</sup> India's Mekong-Ganga Co-operation follows a parallel logic, directing approximately US\$1.76 billion in lines of credit toward the same five states. Neither arrangement names China as an adversary, but both client coalitions contest Chinese economic influence through targeted, asymmetric means. Chinese state media have criticized Japan's security-oriented assistance as a threat to regional peace, which is perhaps the clearest confirmation that Beijing views these efforts as effective.

Where projects require greater resources, Japan and India combine efforts. Japan-India-Bangladesh infrastructure projects link India's northeast through Bangladesh to Southeast Asian markets. A proposed India-Japan-Sri Lanka export-oriented industrial corridor aims to improve connectivity and supply-chain resilience across the Indian Ocean. Taken together, these arrangements address structural economic vulnerabilities that Chinese infrastructure financing has often exploited. By providing credible alternatives — including transparent financing, higher standards and supply-chain integration into non-Chinese networks — these minilaterals reduce Chinese economic leverage over critical trade and logistics routes while operating under regional leadership without requiring US resources or sustained American engagement.

#### MANAGING RELATIONS AMONG MEMBERS

The third type — security communities — is the most common Asian minilateral, accounting for 28 percent of arrangements. These are groupings among states with roughly comparable capabilities that focus on managing relations among member states rather than aggregating capabilities against external threats. They cluster in Southeast Asia, reflecting the region's deep preference for peer-based functional co-operation over explicit balancing. What makes these

arrangements work is sustained functional co-operation, which reveals information, reduces misperceptions and raises the costs of defection, thereby making conflict less likely over time.

The Five Power Defence Arrangements (FPDA), linking Malaysia, Singapore, Australia, New Zealand and the United Kingdom since 1971, illustrate this logic. The FPDA's core function has been managing what analysts once described as the most sensitive bilateral relationship in Southeast Asia: that between Malaysia and Singapore. At independence, the two states inherited competing territorial claims, asymmetric water supply dependencies, economic rivalry and deep ethnic tensions. Each therefore had strong incentives to interpret the other's defense modernization as potentially threatening. Left unmanaged, that dynamic risked an arms race and even preventive conflict.

The FPDA disrupted that dynamic through repeated interactions, transparency and trust building. The Integrated Air Defence System, which links the two air forces operationally, requires them to share real-time information on capabilities, movements and intentions. This sustained exposure made misperception progressively less likely. Regular exercises, beginning in 1972 and expanding over subsequent decades, provided each military with direct observation of the other's force posture, doctrine and training. As trust accumulated, interdependencies deepened. By the early 1990s, Singapore Prime Minister Lee Kuan Yew could propose mutual inspections of military facilities to demonstrate that Singapore's arsenal "was not offensive in nature," a gesture reciprocated by Malaysia.<sup>7</sup> Despite continued modernization and domestic political change, both sides have avoided an arms race, and the prospect of military conflict has become remote.

Indonesia-Malaysia-Philippines maritime patrols operate on a similar logic in the Sulu and

Sulawesi Seas, where overlapping sovereignty claims and maritime boundaries could otherwise fuel conflict among ASEAN members. The arrangement redirects potential rivalry into cooperative law enforcement against piracy, kidnapping and terrorism, channeling it into shared problem solving rather than competition. Economic-growth triangles across the Mekong region extend the mechanism further, building functional interdependencies that similarly make zero-sum competition less attractive than sustained co-operation.

The contribution of these arrangements is significant. Great-power competition is most dangerous when it intersects with unresolved local disputes that create openings for external intervention. Security communities are an underappreciated foundation of regional order-building in an era of intensifying US-China rivalry, when even local disputes can become arenas for broader strategic competition.

#### SIGNALING PEER DETERRENCE

Collective balancing attracts the most external attention but is among the least common forms of Asian minilaterals, accounting for only 25 percent of them. It is also the type that Washington most wants to see — and the least representative of how the region actually co-operates. These are arrangements in which peer states aggregate capabilities to counter a shared external threat. These minilaterals are overwhelmingly India-centric — five of the eight arrangements include India, reflecting New Delhi's unique position as a large and growing power with direct territorial disputes with China and no formal treaty allies. They concentrate on maritime security, with five of the eight prioritizing naval co-operation, freedom of navigation and maritime domain awareness.

Even under favorable conditions, collective balancing tends to remain shallow. The India-Japan-

Australia trilateral brought together three capable middle powers with overlapping concerns about Chinese power and some of the region's most capable navies. A decade later, it has produced no combined naval exercises, no shared intelligence mechanisms and no standing defense dialogue. Strategic differences are real and persistent, reflecting geography. Japan prioritizes the Chinese threat to Taiwan and East China Sea coercion; Australia focuses on the South China Sea and Pacific Island influence; and India concentrates on the Himalayan frontier and the Indian Ocean. These different geographic imperatives translate into differing strategic interests and operational priorities. No hierarchical authority exists to reconcile them, and symmetric peer arrangements lack the enforcement mechanisms to allocate burdens and hold members to commitments when interests diverge.

The US alliance system compounds the problem in a way that Washington rarely acknowledges. Treaty allies such as Japan and Australia already rely on asymmetric security guarantees that satisfy many of the security needs that might otherwise drive deeper peer-based balancing. The Quad's trajectory illustrates this dynamic. When the US elevated the Quad to leader-level summits in 2021, strategic co-ordination migrated to that framework, where American leadership absorbed the collective-action cost that the peer-based trilateral could not resolve on its own. The result is that the US alliance system, by resolving collective-action problems hierarchically, crowds out the independent peer-based co-operation it simultaneously claims to support.

Yet collective balancing arrangements are not without value. Even shallow co-ordination complicates Chinese strategic calculations by demonstrating that regional states have alternatives to bilateral ties with Washington and need not accept Chinese regional hegemony as inevita-

ble. The Singapore-India-Thailand and Australian-India-Indonesian trilaterals, for example, advance maritime domain awareness in ways that impose costs on Chinese gray-zone behavior without requiring formal defense commitments that most of these states are not prepared to make. The signal matters even when the capabilities remain limited, precisely because it reflects co-operation that Washington does not organize or lead. It demonstrates that regional states can co-ordinate among themselves, impose costs on Chinese behavior and hedge without fully aligning with either great power.

#### WORKING WITH THE ARCHITECTURE

Taken together, these four types of minilateral arrangements form a regional security architecture that is considerably more purposeful than it first appears. The same Asian states participate across multiple forms of co-operation, adopting different roles depending on the strategic function each arrangement serves. India and Australia manage instability in their immediate neighborhoods, reducing openings for external influence. Japan and India contest Chinese economic leverage through infrastructure financing and supply-chain alternatives. Southeast Asian states manage intraregional tensions through functional co-operation that helps remove flashpoints. Thus middle powers signal that peer-based deterrence is a credible option even without formal alliances.

Asian states, in other words, are not just diversifying their partners, they are also diversifying how they co-operate. That distinction matters. Different security challenges require different organizational solutions, particularly in a region where neighborhood instability, intraregional disputes and economic coercion are as pressing as balancing against China. No single organizational form can address all of this, and Asian

states are not trying to make it do so. Organizational diversity, instead, is the strategy.

The implication is clear: States should invest in the organizational forms that best match their strategic circumstances, and resist pressure to adopt explicit balancing orientations that undermine their effectiveness. Sphere leaders such as India and Australia should build the institutional depth to make functional co-operation more effective and neighborhood management credible over time. Client coalition leaders such as Japan and India should co-ordinate more systematically to identify coverage gaps, align standards and prevent duplication of effort. Security community members should maintain their inward functional orientation, resisting pressure from Beijing or Washington to engage in explicit balancing, to convert arrangements focused on managing intraregional relations into coalitions they cannot sustain without sacrificing what makes them work. And collective balancing participants should focus on discrete issues where shared interests are clearest, and governance costs are lowest, rather than attempting to build comprehensive peer coalitions that structural constraints make unsustainable.

Prime Minister Wong had it right. Asian resilience comes from connections. In Asia, those connections are layered, overlapping and tailored to specific problems. That is their strength. The challenge is not to redesign this architecture, but to understand it well enough to work with it.

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