

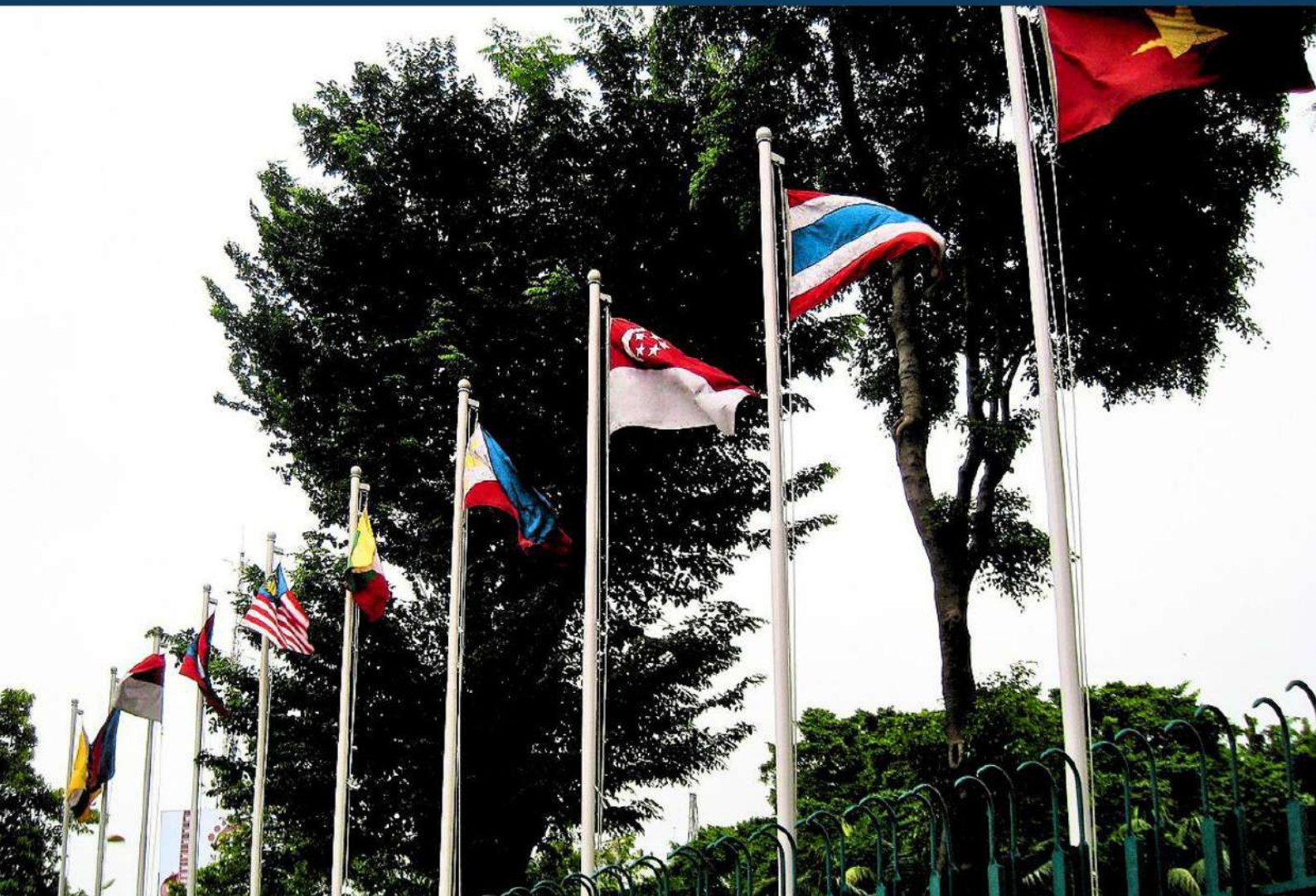


ASIA DIALOGUE POLICY BRIEF

Southeast Asia Multialignment Agency and Hedging Bets Beyond US-China Flux

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SOUTHEAST ASIA MULTIALIGNMENT AGENCY AND HEDGING BETS BEYOND US-CHINA FLUX

Prashanth Parameswaran

INTRODUCTION

In recent years, Southeast Asia has emerged as a key region where an intensifying US-China competition intersects with efforts to exercise agency. While facing intense structural pressures, regional actors are actively trying to reshape their relationships with both powers and their wider alignments. This intersection has potentially profound implications given Southeast Asia's significance as the world's fifth-largest economy; third-most populous actor; leading hub for critical sea lanes including the Malacca Straits and the South China Sea; and the main Indo-Pacific diplomatic convenor via the Association of Southeast Asian Nations (ASEAN).¹ As such, the alignment decisions of key regional states could affect a range of areas in the coming years. These include the geoeconomic trajectories of supply chains in sectors such as critical minerals or semiconductors, and the balance of US-China military power as it pertains to Taiwan and other potential regional flashpoints.

This policy brief explores Southeast Asia's specific approach to shifting alignments amid structural US-China competition and wider regional and global challenges. It is informed by conversations with policymakers from all eleven countries in Southeast Asia as well as field research trips to key Indo-Pacific capitals.²

The brief makes three main arguments. First, evolving geopolitical and geoeconomic dynamics are already affecting the relationships of Southeast Asian states across all five levels of alignments, namely the intrastate; interagency; interstate, interregional and intercontinental levels. Second, Southeast Asian states are adopting four different pathways for multialignments – which include groupings that feature the United States and/or China as members – represented in a “4R” framework: renegotiation; recalibration; reinforcement; and renovation. These pathways allow them to adapt their approaches to the United States and China; diversify their ties with a wider array of partners; and shape their domestic and global environment within existing constraints. Finally, Southeast Asian states can take steps on their own and with their partners to

¹ Data drawn from: ASEAN Secretariat, *ASEAN Key Figures 2025* (Jakarta: The ASEAN Secretariat, 2025), pg. 3 and pg. 35.

² Some of these engagements in Indo-Pacific capitals were strictly off the record and thus not citable due to sensitivities directly conveyed to the author; recent ones that can be mentioned here include those that occurred in Australia, Canada, France, India, Japan, Nepal, New Zealand and South Korea.

better navigate alignment dynamics across the DIME model of diplomatic, informational, military and economic policies. These actions can reinforce Southeast Asia's role as a global multialignment testbed in its own right, rather than simply being a China-US battleground.

SOUTHEAST ASIA MULTIALIGNMENT HEDGING BETS IN PERSPECTIVE

While looser alignments like strategic partnerships dominate Southeast Asia today, the region has also historically seen tighter alignments emerge during periods of intensified competition which exposed the risks and benefits of these tighter relationships. Examples of the latter include Thailand's short-lived World War II alliance with imperial Japan, or Indonesia's attempted China "axis" under Sukarno during the Cold War.³ Indeed, given this record of alignment diversity, the former permanent secretary of Singapore's foreign ministry Bilahari Kausikan has gone as far as to argue that amid a period of intensifying US-China competition over the past few years and the greater attention to regional alignments, it may be useful to think about countries pursuing a "mix of balancing, hedging and bandwagoning continually." This approach is preferable to describing states as pursuing "mutually exclusive alternatives" of balancing or bandwagoning with a rising power; hedging between competing powers; or non-alignment or non-choice between powers.⁴

Leaders themselves have also pointed to the fact that beyond the narrower prism of US-China competition, Southeast Asian states today also have to contend with a wider set of geopolitical and geoeconomic challenges at various levels. Prominent issues include growing domestic pressures to deliver economic growth and socioeconomic inclusion for their populations; stresses on subregional and regional institutions; and rising anxieties regarding the future of the rules-based international order including trade and rule of law. Malaysian Prime Minister Anwar Ibrahim has characterized the confluence of these challenges as an "age of flux" that includes not only intensifying major power rivalry, but also the rise of more "exclusionary" alignments at the expense of multilateral frameworks. These exclusionary approaches contribute to bifurcations across the trade and technology spheres; rising conflict dangers; escalating climate and ecological risks, rising costs in food, commodities and energy supply chains. They furthermore exacerbate discontent among Global South countries regarding the lack of inclusivity and equity as they witness the "cleaving" or fragmentation of rules and norms.⁵

³ Prashanth Parameswaran, "Explaining US Strategic Partnerships in the Asia-Pacific Region: Origins, Developments and Prospects," *Contemporary Southeast Asia*, Vol. 36, No. 2 (August 2014), pp. 262-289.

⁴ Bilahari Kausikan, "Dodging and Hedging in Southeast Asia," *The American Interest*, Volume 12, Number 5, January 12, 2017, <https://www.the-american-interest.com/2017/01/12/dodging-and-hedging-in-southeast-asia/>.

⁵ Malaysia Prime Minister's Office, "Keynote Address by YAB Dato' Sri Anwar Ibrahim Prime Minister of Malaysia at the 36th Asia-Pacific Roundtable," August 10, 2023,

Vietnam’s leader To Lam has said that countries must adjust to a world that is both “connecting deeper, dividing faster” and with a “new power race” expanding to cover more geoeconomic areas. In this context, the risk of local conflicts are feeding into reemerging pressures to “take sides and join allies to contain each other...in more sophisticated forms.”⁶

In line with these regional perceptions, situationally, this brief intentionally focuses on the observed, diverse behavior across the alignments of all eleven Southeast Asian states. The analysis includes their ties with China and the United States, but also goes beyond this to explore relations with their neighbors as well as other powers and institutions. The high levels of nuance and complexity in regional alignment behavior often transcend other perceived binaries policymakers point to in the region, even beyond the US-China lens. This context can produce regional caution regarding labeling their behavior (such as between minilateral vs. multilateral approaches; middle vs. major powers; or bipolar vs. multipolar futures).⁷

Following from this, a more granular focus on how the alignments of Southeast Asian states are evolving suggests that the chief tension is between the *incoming* structural pressures exerted by major powers amid shifting geopolitics and geoeconomics, and the *outgoing* agency efforts by these countries to adjust to these realities. That tension will arguably play out in terms of how countries connect their alignment actions across these multiple layers – that is, exercise multialignment – across five alignment layers: intrastate; interagency; interstate; interregional; and intercontinental. These layers correspond to subnational, national, subregional, regional and global levels resembling the circular “mandalas” dating back to precolonial Southeast Asia, which form looser governance models with power radiating from the center).⁸

The graphic below illustrates these dynamics. The Southeast Asian country is labeled as “A,” and the US and China are labeled as “B” and “C” respectively. The first letter of the description refers to the source of the initiative, and the second letter the target – so

<https://www.pmo.gov.my/ms/ucapanterkini/keynote-address-by-yab-dato-sri-anwar-ibrahim-prime-minister-of-malaysia-at-the-36th-asia-pacific-roundtable-apr/>.

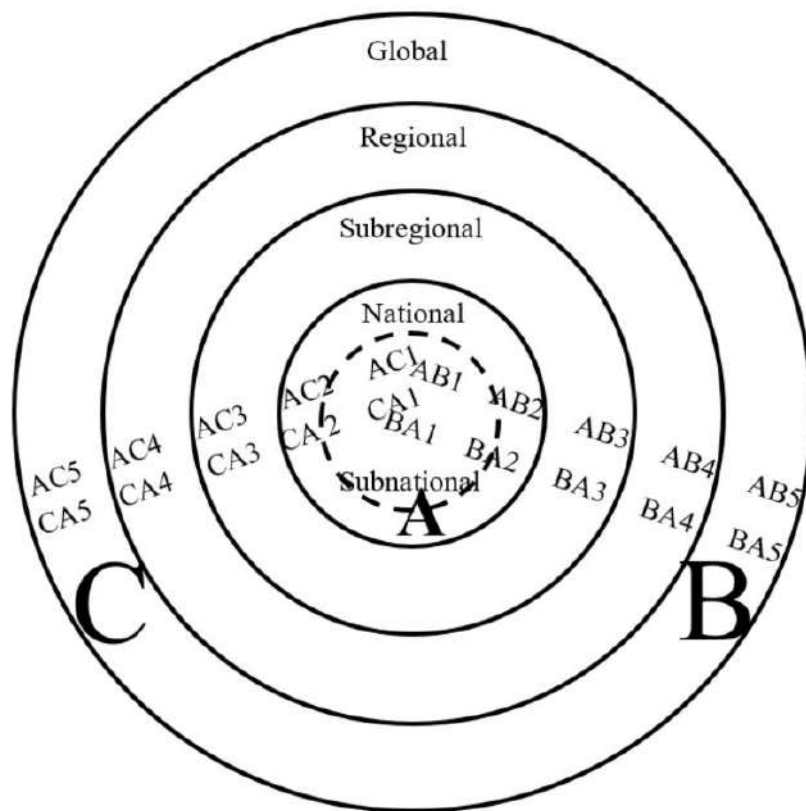
⁶ Vietnam Government Portal, “General Secretary To Lam’s Policy Speech at Oxford University,” October 30, 2025, <https://en.baochinhphu.vn/general-secretary-to-lams-policy-speech-at-oxford-university-111251030143844885.htm>.

⁷ Prashanth Parameswaran, “Minilateralism, ASEAN Centrality and Indo-Pacific Institutional Flux Amid Strategic Competition,” The Wilson Center, April 3, 2024, <https://www.wilsoncenter.org/article/minilateralism-asean-centrality-and-indo-pacific-institutional-flux-amid-strategic>; and “Military Exercises and Security Multialignment in Asia Amid US-China Competition,” Asia-Pacific Leadership Network, May 22, 2026, <https://www.apln.network/projects/asia-dialogue-on-china-us-relations/military-exercises-and-security-multialignment-in-asia-amid-us-china-competition>.

⁸ Prashanth Parameswaran, *Mandalas of Multialignment: Hedging Bets in Southeast Asia Grand Strategy Spheres, Foreign and Security Policy Webs, and Global Geopolitics and Geoeconomics* (Singapore: Palgrave Macmillan, 2026). As the book acknowledges, the mandala concept has origins extending beyond Southeast Asia as well, with a case in point being the application of the concept to statecraft and strategy in the ancient Indian treatise Arthashastra.

“BA” would indicate the effects of US structural pressure that the Southeast Asian state adopt a certain position, and “AB” would instead depict how that Southeast Asian state in question perceives impacts of its own actions with the United States across its alignment layers. The number following this dyadic letter combination would denote the specific alignment layer affected, with “1” at the subnational level gradually extending to “5” at the global level.

Figure 1: Visualization of Multialignment Dynamics Between Country A and Powers B and C



Recent developments have reinforced the importance of this alignment conception. Take for instance how Indonesia, as Southeast Asia’s largest state, managed its response to US pressures that it join the Board of Peace.⁹ In conversations the author participated in, Indonesian officials and diplomats stressed their need to think through impacts

⁹ Cabinet Secretariat of the Republic of Indonesia, “President Prabowo Signs Board of Peace Charter, Affirms Indonesia’s Active Role in Safeguarding Implementation of Two-State Solution,” January 22, 2026, <https://setkab.go.id/en/president-prabowo-signs-board-of-peace-charter-affirms-indonesias-active-role-in-safeguarding-implementation-of-two-state-solution/>.

across alignment layers (represented by BA1 to BA5) that factored into responses beyond just the US-Indonesia bilateral relationship. These included coordinating positions with key Middle Eastern states including at the United Nations at the global foreign policy level (BA5); interagency process work to manage the impacts of domestic criticism, partly related to past sensitivities on the Gaza conflict (BA2); and influencing views in ASEAN as a subregional institution within Southeast Asia (BA3) on issues including peacekeeper safety.¹⁰

Similar examples can be utilized to note how Indonesia thinks about impacts of its own initiatives toward the United States across its alignment layers (AB1 to AB5) or how actions by China can impact Indonesia (CA1 to CA5)

MULTIALIGNMENT PATHWAYS BEYOND THE US-CHINA PRISM

As Southeast Asian states continually exercise agency across all five of these alignment layers, a wide array of alignment shifts is likely to manifest amid evolving power dynamics. It can be challenging to capture the full spectrum of these changes, as other forecasting and scenario exercises have demonstrated.¹¹ Nonetheless, as a start, key alignment shifts can be categorized across four pathways that recognize the distinction between approaches where changes occur across single layers and those that extend across multiple layers (intralayered vs. interlayered); as well as those that are more directly focused on the United States and China and those that are more indirect, and which emphasize ties beyond these two superpowers and the wider domestic and international environment (direct vs. indirect).

This framework yields four ideal-types for how alignment change occurs: renegotiation; recalibration; reinforcement; and renovation (or “4R” approaches). These are displayed in the table below, before elaboration with illustrative examples.

¹⁰ Author conversations with Indonesian diplomats and officials, Washington, D.C. December 2025-April 2025; Republic of Türkiye Ministry of Foreign Affairs, “Joint Statement by the Foreign Ministers of Türkiye, Egypt, Indonesia, Jordan, Pakistan, Qatar, Saudi Arabia and UAE, 21 January 2026,” January 21, 2026, <https://www.mfa.gov.tr/joint-statement-by-the-foreign-ministers-of-turkiye-egypt-indonesia-jordan-pakistan-qatar-saudi-arabia-and-uae-21-01-2026.en.mfa>; Cabinet Secretariat of the Republic of Indonesia, “President Prabowo Subianto Engages National Figures on Foreign Policy,” February 4, 2026, <https://setkab.go.id/en/president-prabowo-subianto-engages-national-figures-on-foreign-policy/>.

¹¹ On an example of forecasting and regional scenarios, see for instance: Manpreet Sethi, Joel Petersson Ivre and Frank O’Donnell, “Regional End-States and Beyond: Asia-Pacific Views on the China-US Relationship and Regional Stability,” Asia-Pacific Leadership Network, Special Report, September 19, 2024, <https://www.apln.network/analysis/special-report/regional-end-states-and-beyond-asia-pacific-views-on-the-china-us-relationship-and-regional-stability>.

Table 1: “4R” Examples of Change in Key Alignment Pathway Types

	<i>DIRECT</i> <i>(direct changes with the United States and China)</i>	<i>INDIRECT</i> <i>(changes involving other powers and wider domestic and international environment)</i>
<i>Intralayered</i> <i>(changes in a single alignment layer)</i>	Renegotiation	Reinforcement
<i>Interlayered</i> <i>(changes across multiple alignment layers)</i>	Recalibration	Reconfiguration

Source: Generated by Author

Renegotiation

The first set of two multialignment pathways focuses on those that directly engage the United States and China. The first – which is the narrower of the two, relatively speaking, – is a direct, intralayered pathway which can be labeled as “renegotiation,” where a country seeks to bilaterally rework the terms of its engagement with a specific major power in ways that can maximize leverage to the best extent possible. A notable case in point was Malaysia’s renegotiation with China on the East Coast Railway Link (ECRL) in 2018. Following an unexpected change in its government, the project eventually resumed with changes.¹²

Recalibration

A second pathway – which is the broader of the two relatively speaking – is a direct, interlayered one which can be called “recalibration,” where a state shifts its approach vis-à-vis a specific power as part of a wider set of adjustments with respect to its alignment approach more generally. One notable case in point was Vietnam upgrading its ties with the United States in 2023. This came not as a standalone decision, but as part of a calibrated expansion and recalibration of its partnership hierarchy that included

¹² Joseph Sipalan, “China, Malaysia Restart Massive Belt and Road Project After Hiccups,” *Reuters*, July 25, 2019, <https://www.reuters.com/article/business/china-malaysia-restart-massive-belt-and-road-project-after-hiccups-idUSKCN1UK0DF/>.

a wider array of major powers and even neighborhood ties.¹³ As Vietnam’s former ambassador to the United States, Pham Quang Vinh, conveyed to the author, these multiple adjustments are critical in contexts where there is a need to reframe alignment decisions to get past binary perceptions. An example is when alignment shifts are being made with one power while also simultaneously conveying to another power that there is no definitive tilt toward the former.¹⁴

Reinforcement

The third and fourth multialignment pathways focus on indirectly addressing the flux in US-China relations and the global disorder, including through mechanisms like diversifying ties with countries beyond the two powers as well as attempting to shape the wider domestic and international environment. The third – which is the narrower one relatively speaking – is an indirect, intralayered pathway of “reinforcement,” where a country seeks to boost domestic capabilities to offset great power influence. For instance, Thailand has been among the subset of regional countries that has made some reforms to its electric vehicles (EV) policy framework. These are intended to manage what some have characterized as “overcapacity” due to surging Chinese investment, and competitive pricing amid wider concerns around Beijing’s impacts on the Global South and a so-called “second China shock.”¹⁵

Reconfiguration

The fourth pathway – which is the broader of the two – is an indirect, interlayered one of “reconfiguration,” where countries shift their underlying alignment approach to a particular issue or sector. For example, Singapore’s approach to artificial intelligence in the wake of global governance gaps and major power competition involves a broad series of steps. These can entail being an early adopter of national AI strategies; shaping international norms around areas like AI safety; signing new bilateral technology agreements with priority countries like the United States; and entering into coalitional arrangements such as Pax Silica on technology and supply chains.¹⁶

¹³ U.S. Mission Vietnam, “Joint Statement—Elevating United States-Vietnam Relations to a Comprehensive Strategic Partnership,” September 11, 2023, <https://vn.usembassy.gov/joint-leaders-statement-elevating-united-states-vietnam-relations-to-a-comprehensive-strategic-partnership/>.

¹⁴ ASEAN Wonk, “Podcast: Vietnam Foreign Policy Futures Amid Major Power Rivalry,” October 17, 2024, <https://www.aseanwonk.com/p/vietnam-foreign-policy-major-power-rivalry>.

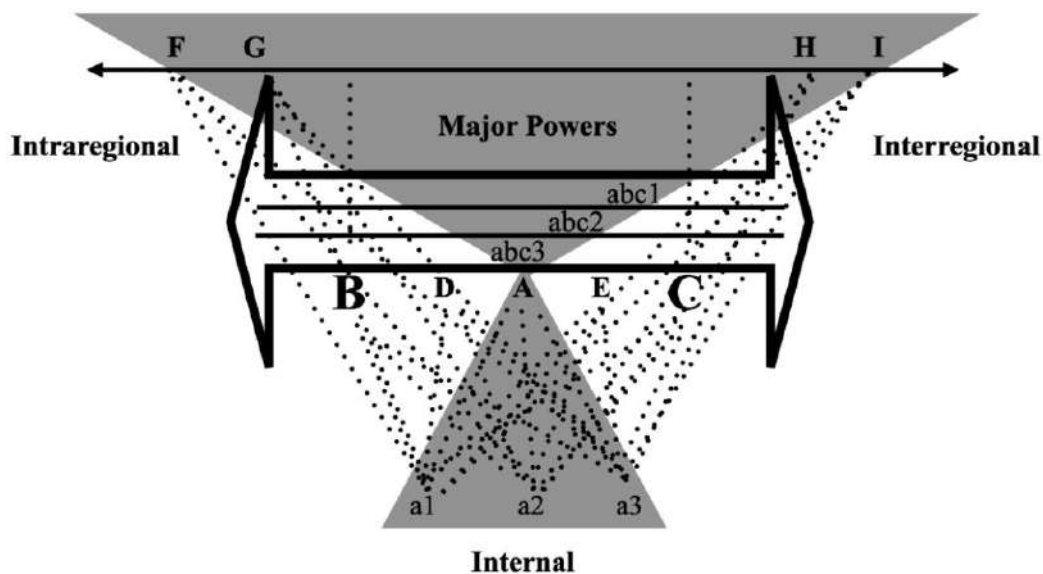
¹⁵ “Thailand Adjusts EV Policy to Head Off Supply Glut,” *Bangkok Post*, November 25, 2025: <https://www.bangkokpost.com/business/general/3144209/thailand-adjusts-ev-policy-to-head-off-supply-glut>; and “Thai Auto Groups Urge EV Rescue Plan Before 2027 Production Cliff,” *The Nation (Thailand)*, May 14, 2026, <https://www.nationthailand.com/business/automobile/40066208>.

¹⁶ Republic of Singapore, Ministry of Digital Development and Information, “Update to Singapore’s National AI Strategy: Refreshed Priorities to Harness AI for the Public Good,” May 20, 2026, <https://www.mddi.gov.sg/newsroom/update-to-singapore-s-national-ai-strategy--refreshed-priorities-to-harness-ai-for-the-public-good-factsheet/>; and *Singapore National AI Strategy: AI for the Public Good for Singapore and the World*, 2023, <https://file.go.gov.sg/nais2023.pdf>.

DEEPENING THE ANALYSIS: ALIGNMENT WEBS

It is worth emphasizing that state responses may also occur across a series of areas as countries shift alignment – or, to put it differently, “weave their own alignment webs” as part of a natural process of finding their own “North Stars” within their diverse alignment approaches. An emphasis on these diverse alignment webs is critical in order to appreciate Southeast Asia’s role as a global multialignment testbed in its own right, rather than simply being a China-US battleground. It also then affords an opportunity to examine how countries are conceptualizing priorities in terms of alignment floors (the minimum levels required to preserve relationships such as required agreements for military cooperation); ceilings (ambitious economic targets such as formally agreed trade volume benchmarks) or baselines (evolving perceived standards on alignment arrangements such as strategic partnerships regionally and globally).¹⁷ The figure below illustrates these web-weaving dynamics with respect to Country A, representing a Southeast Asian country for the purposes of analysis here.

Figure 2: Visualization of Nodes of Potential Multialignment Shift Activity



Source: Generated by Author

Seen from this perspective and as represented in the graphic, Country A alignment shifts may appear directly in ties with the two biggest powers Country B and Country C (as seen in the graphic’s depiction of where Country A lies relative to Country B and Country C).

¹⁷ Parameswaran, “Explaining US Strategic Partnerships in the Asia-Pacific Region,” pp. 262-289.

Country A alignment shifts may also appear indirectly with respect to four other areas. The first concerns other alignment layers of Southeast Asian states. Represented by F, G, H, and I in the graphic, these constitute intraregional and interregional actors such as neighbors and regional organizations *within* Southeast Asia like ASEAN; as well as other relationships and institutions that extend *beyond* Southeast Asia. An example of the latter is how the Pacific Islands Forum is reflected in the ASEAN Outlook on the Indo-Pacific).¹⁸

The second area, signified by D and E in the graphic, features significant powers other than China and the US, such as India, Japan and Australia. The third area captures individual actors within Country A, including different major government agencies involved in alignment decisions (a1, a2 and a3) such as the military, the foreign ministry or various economic-related agencies tasked with areas like trade or investment.

The fourth and final area concerns individual areas or issues of engagement with Country B and Country C in a more compartmentalized way (abc1, abc2 and abc3). These can include specific sectors (such as semiconductors or artificial intelligence) or particular issues (like the South China Sea disputes for claimant states or other interested parties).

To make this more tangible, take for instance if country A were the Philippines. This would include at least five pathways for the country's alignment webs: 1) responses related to the United States and China (which can be represented in the graphic as the position of A relative to B and C); 2) responses related to ties with its neighbors and regional institutions such as Malaysia or ASEAN as a grouping (which can be represented in the graphic as F and G respectively); 3) responses related to other powers beyond Washington and Beijing such as Japan or India (which can be represented in the graphic as D and E respectively, with a recognition that varying sizes of lettering can be mapped on to differences between superpowers relative to other major powers, middle powers or regional powers); 4) the role of domestic agency actors including the military and the foreign ministry in alignments (which can be represented in the graphic as a1 and a2 respectively); 5) key alignment issue areas such as critical minerals as they factor into US-China dynamics (which can be represented in the graphic as abc3).

The multialignment dynamics described above reflect a broader lens that focuses more granularly on how countries make hedging bets across their alignment layers beyond the two current global superpowers to minimize risks and maximize opportunities, including ties with their neighbors, institutions and a wider set of middle and regional powers. This facilitates analysis that aims to extend beyond the question of how

¹⁸ ASEAN Secretariat, *Overview of ASEAN-Pacific Islands Forum (PIF) Relations*, December 2025, <https://asean.org/wp-content/uploads/2025/12/Overview-of-ASEAN-PIF-Relations-December-2025-1.pdf>; and *ASEAN Outlook on the Indo-Pacific*, January 2021, https://asean.org/wp-content/uploads/2021/01/ASEAN-Outlook-on-the-Indo-Pacific_FINAL_22062019.pdf.

countries navigate between two major power centers on a single spectrum – this question has tended to be the primary analytic focus of other risk management conceptions such as hedging.

At the same time, an important caveat that bears explicit mention is that this does not mean that all alignment layers or options are treated equally (indeed, as noted above, components in Figure 2 can be adjusted in various ways including varying size of lettering to account for variations in the sizes of major and middle powers described). This recognition of asymmetries in alignment layers and options is crucial given the reality of capability differentials between actors.

A critical complement to this recognition of asymmetries is the reality that alignment options of Southeast Asian states are also dependent upon the varying strengths and limitations of particular powers. This applies even to the United States and China across the DIME framework.¹⁹ For instance, some Southeast Asian countries have been working with Washington on stepping up efforts to better leverage its strengths (including its alliance network and innovative companies) and manage its limitations (such as its geographic distance and frequent administration changes that can slow delivery on commitments). One example is the Luzon Economic Corridor in the Philippines, which one senior Southeast Asian diplomat described as an instance of Manila working with Washington to employ a “corridor” model that addresses “economic security” needs and explicitly aggregates efforts of US partners and American companies in recognition of the limits of US ability to compete with Beijing’s Belt and Road Initiative.²⁰

The same senior Southeast Asian diplomat also observed that the rise of new “3+3” dialogues between select regional states and China – which expands “2+2” engagements focused on foreign and defense ministries to also include public security ministries – reflected Beijing’s acknowledgement that it could address its relative lack of gains on in the military domain in areas like what is referred to as access, basing and overflight (ABO) compared to the United States.²¹ This broadened security conception would more tightly fuse internal and external security and connect this to regime security. Washington may struggle to replicate such an approach, given its traditional separation of external military and domestic law enforcement agencies and responsibilities.

¹⁹ Prashanth Parameswaran, *Elusive Balances: Shaping U.S. Southeast Asia Strategy* (Singapore: Palgrave MacMillan, 2022).

²⁰ Author conversation with senior Southeast Asian diplomat, June 2026; Ma. Teresa Montemayor, “Luzon Economic Corridor Expands as 7 Global Powers Join PH, US, Japan,” *Philippine News Agency*, May 11, 2026, https://www.pna.gov.ph/articles/1274787?_cf_chl_f_tk=AjCbjrYi44ey3EpKIPRvpEflU8Vrelq4UkJ5_2yWjw-1782871127-1.0.1.1-qnW4WiDmLDL6ceH4.Bglk3eF8eppR1mFEAbHrS8m9FQ.

²¹ Author conversation with senior Southeast Asian diplomat, June 2026; “‘3+3’ mechanism: China, Vietnam Innovate to Build a Community with a Shared Future with Neighboring Countries,” *Global Times*, March 15, 2026, <https://www.globaltimes.cn/page/202603/1357015.shtml>.

Table 2: Snapshot Illustrative Examples of US and China Strengths and Limitations

DOMAIN	US STRENGTH	US LIMITATION	CHINA STRENGTH	CHINA LIMITATION
<i>Diplomatic</i>	Big and established alliance network	Challenges working with less “like-minded” partners	More frequent engagement and attention	“Assertiveness” such as in “wolf warrior” period
<i>Informational</i>	Dissent as a check on groupthink	Messier narrative; frequent leadership changes	Coordinated state-centric messaging	Potential echo chamber challenge within government
<i>Military</i>	High-end capabilities in exercises	“Over-securitization” in budgeting and resourcing	Proximity; “Cheaper” equipment	Disputes with regional states and resulting distrust
<i>Economic</i>	Sectoral innovation by companies	Slower delivery working with non-government actors	Bigger geographic gravitational pull	Fears due to coercion and dependence risk

Source: Generated by Author

POLICY RECOMMENDATIONS

Looking ahead, Southeast Asian states can take steps on their own and with partners to help better navigate these alignment dynamics. This will require policymakers to undertake steps across all domains of statecraft inherent in DIME in the coming years. Six particular lines of effort detailed below should be prioritized, with the first three focused on actions that Southeast Asian states can take themselves, and the next three emphasizing actions that partner countries can take with respect to the region and the wider Indo-Pacific. Similar to the situational framing of this policy brief, given the significant diversity of Southeast Asia’s eleven countries, the focus here is on how specific actions can be taken in multialignment conceptions across the alignment layers of regional states, rather than an analysis of one type of mechanism (such as minilateral or multilateral arrangements); the perceived status of a particular country which can be contested (such as middle or major powers); or a specific type of future power balance

irrespective of what individual preferences may be with respect to a particular government in power at any one time (such as bipolar or multipolar futures/conceptions).

1. **Reinforce alignment architecture:** Southeast Asian countries should reinforce their internal alignment architecture to better manage intensifying external pressures. The focus should be around sectors that have already shown to be most vulnerable in the context of intensifying competition and global shocks. One area is technology, with a focus on better coordinating responses to areas under scrutiny by major powers, such as “transshipment” claims on semiconductor components or evolving responses to cyber and disinformation attacks.²² Another key area is rare earths and critical minerals. Here, national plans can belie complex subregional dynamics, with cases in point including federal-state relations in Malaysia, labor and environmental concerns in parts of Indonesia or civil war dynamics in Myanmar.²³
2. **Strengthen regional resilience:** Forward-leaning Southeast Asian states should intensify their efforts to develop more integrated and responsive regional approaches to competition and shocks. Geoeconomically, within ASEAN, the emphasis should be on realizing long-mulled initiatives where frameworks already exist, but suffer from insufficient political will toward their full actualization. This lack of political will may even deepen as national leaders consider more state-centric than regional approaches to recent crises, with potential negative consequences for collective initiatives such as boosting intraregional energy trade or crisis stockpiling.²⁴ One priority should be improving interstate response coordination in areas like citizen evacuation flights. Officials privately say these coordination systems are still lacking, and would need to be urgently launched in more extreme versions of future flashpoints such as a Taiwan crisis.²⁵

²² “Thailand Crackdown: BOI Targets Illicit ‘Chip’ Transshipment to China,” *The Nation (Thailand)*, May 12, 2026, <https://www.nationthailand.com/business/trade/40066114>; and Samuel Devaraj, “Critical Infrastructure in Singapore Under Attack by Cyber Espionage Group: Shanmugam,” *Straits Times*, July 18, 2025, <https://www.straitstimes.com/singapore/critical-infrastructure-in-spore-attacked-by-cyber-espionage-group-shanmugam>.

²³ Izzul Ikram, “Rare Earths: Opposition States Warn Putrajaya Against Repeating Oil Royalty Mistakes in Potential Collaborations,” *The Edge*, October 30, 2025, <https://theedgemaalaysia.com/node/776063>; Climate Rights International, “Nickel Unearthed: The Human and Climate Costs of Indonesia’s Nickel Industry,” January 2024, <https://cri.org/reports/nickel-unearthed/>; and ISP-Myanmar, “Unearthing the Cost: Rare Earth Mining in Myanmar’s War-Torn Regions,” June 2025, <https://ispmyanmar.com/unearthing-the-cost-rare-earth-mining-in-myanmars-war-torn-regions/>.

²⁴ Tham Yuen-C, “PM Wong Urges ASEAN to Prepare for New Normal of Disruptions by Strengthening Integration,” *Straits Times*, May 8, 2026, <https://www.straitstimes.com/singapore/politics/pm-wong-urges-asean-to-prepare-for-new-normal-of-disruptions-by-strengthening-integration>.

²⁵ Prashanth Parameswaran, “Southeast Asia’s Taiwan Scenario Stakes Go Far Beyond US-China Competition,” *The Diplomat*, February 15, 2024, <https://thediplomat.com/2024/02/southeast-asias-taiwan-scenario-stakes-go-far-beyond-us-china-competition/>.

3. **Manage contested spaces:** Capable and willing Southeast Asian states should boost efforts to manage contested spaces that directly impact their own national interests. One area of urgent focus is industrial-scale global scam networks centered in the Mekong subregion.²⁶ Another area is the South China Sea, where China continues to directly flout findings from an international legal case dating back to 2016. Here, officials recognize that the Philippines – currently the most active public advocate on the issue among the four official Southeast Asian claimant states – will need to reinforce institutionalization of the current government’s transparency campaign and defense networking initiatives. This institutionalization will minimize a repeat of previous domestic backsliding that also slowed regional momentum to collectively address this dilemma.²⁷
4. **Deliver on strategic partnerships:** Partners should ensure delivery on strategic partnerships in key sectors. The emphasis should be on innovative visions that leverage strengths of specific partners beyond the narrow prism of US-China competition. On infrastructure, one case in point is the “corridor” model the United States has developed referenced earlier, such as Asian and European cooperation on the Luzon Economic Corridor in the Philippines also connecting to sectoral groupings like Pax Silica.²⁸ On energy and environmental issues, sustaining minilateral models such as Just Energy Transition Partnerships between the G-7 Plus countries (previously involving Indonesia and Vietnam), and bilateral ones like Japan’s Asia Zero Emissions Community will be critical as countries seek to manage geoeconomic shocks.²⁹
5. **Plug targeted capacity and governance gaps:** Partners should help fill capacity and governance gaps in areas where regional demand signals remain unmet amid cuts among some Western donors, and which evidence lagging progress on some development indicators. One strategic area where external partners can play a role is strengthening collaboration with Southeast Asian states on critical maritime infrastructure, through avenues like cross-sectoral interagency exercises in the undersea domain that have gained traction in

²⁶ Poramet Tangsathaporn, “New Global Effort to Fight Scams,” *Bangkok Post*, December 18, 2025, <https://www.bangkokpost.com/thailand/general/3158800/new-global-effort-to-fight-scams>.

²⁷ ASEAN Wonk, “Exclusive: Is the Philippines China South China Sea Fight Working?” April 29, 2024, <https://www.aseanwonk.com/p/philippines-china-south-china-sea-transparency>.

²⁸ Joyce Ann L. Rocamora, “PH Joins US-Led Pax Silica; Plan for Industrial Hub in Luzon Unveiled,” *Philippine News Agency*, April 17, 2026: <https://www.pna.gov.ph/articles/1273139>.

²⁹ “JETP Estimates Indonesia Needs \$92 Billion By 2050 For Decarbonizing Captive Power Sector,” *Reuters*, December 18, 2025, <https://www.reuters.com/sustainability/climate-energy/jetp-estimates-indonesia-needs-92-billion-by-2050-decarbonising-captive-power-2025-12-18/>; and “Japan to Announce Package of \$10 Billion to Strengthen Energy Supply in Asia,” *NHK World*, April 15, 2026, https://www3.nhk.or.jp/nhkworld/en/news/20260415_07/.

regional conversations.³⁰ Another is the management of the broad spectrum of mechanisms to assess two-way investment flows – including but not limited to stricter national investment screening measures that often receive the most attention – given the increased focus on how these intersect with core national security concerns.³¹

6. **Advocate for major power guardrails:** Capable and willing actors including middle powers and smaller states should continue to advocate for the pursuit of critical major power guardrails even amid the structural realities of intensifying competition that will affect regions such as Southeast Asia. The focus is understandably likely to be around China and the United States as the two main superpowers, even though other powers like Russia are critical in areas like arms control. On US-China ties, even officials admit that a collective global push for risk reductions and crisis communications in targeted areas can play a positive role in the emergence, sustenance or restoration of mechanisms – like the 2024 agreement on artificial intelligence in nuclear-weapons decision-making or ineffective military hotlines during the 2023 balloon crisis.³² These guardrails should also apply to cyber, space, and maritime security domains where the risk of crisis outbreak and escalation is especially high. For Southeast Asian states, such guardrails are likely to condition their actions across geoeconomic sectors and responses to US-China flashpoints such as the South China Sea.

³⁰ ASEAN Wonk, “ASEAN Reveals Underwater Domain Risk at 2025 ADMM Retreat,” March 2, 2025, <https://www.aseanwonk.com/p/asean-underwater-domain-awareness-risk-2025-admm>.

³¹ OECD, “Investment Policy Developments in 62 Economies Between 17 March 2025 and 1 March 2026,” May 13, 2026, https://www.oecd.org/en/publications/investment-policy-developments-in-62-economies-between-17-march-2025-and-1-march-2026_e8121e8c-en.html.

³² Jarrett Renshaw and Trevor Hunnicutt, “Biden, Xi Agree That Humans, Not AI, Should Control Nuclear Arms,” *Reuters*, November 16, 2024, <https://www.reuters.com/world/biden-xi-agreed-that-humans-not-ai-should-control-nuclear-weapons-white-house-2024-11-16/>; and John Ruwitch, “The Pentagon says China Declined a Phone Call in Response to the Balloon's Downing,” *NPR*, February 7, 2023, <https://www.npr.org/2023/02/07/1155265608/pentagon-says-china-rebuffed-request-for-a-phone-call-after-balloon-shoot-down>. On examples of accounts by former officials, see for instance: Rush Doshi, *The Long Game: China's Grand Strategy to Displace American Order* (Oxford University Press, 2021); and Thomas Wright, *Inflection Point: Biden, Trump, and the Future World Order* (Penguin, 2026).

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