APLN

Managing Strategic Competition and Cooperation in the Asia-Pacific

Report of the 2026 Asia Dialogue on China-US Relations

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EXECUTIVE SUMMARY

The Asia-Pacific Leadership Network (APLN), with support from the Andrew Carnegie Foundation, convened the fourth Asia Dialogue on China-US Relations in Kuala Lumpur, Malaysia, on 28 and 29 April 2026. Titled "The Shifting Trajectories of Security Cooperation in the Asia-Pacific," the dialogue convened twenty-five senior experts and former practitioners from across the region, including China and the United States. The participants gathered to examine the evolving strategic policies of Asia-Pacific states amid intensifying geopolitical competition and contestation.

Historically, regional alignment operated on an implicit dual-track consensus, summarised as "China for the economy and the United States for security." Under this dynamic, China established itself as the leading trading partner for many Asian economies, while the United States maintained an extensive network of formal alliances and security partnerships across the region. However, developments in the second Trump administration in the United States, alongside broader global disruptions, have prompted regional stakeholders in the Asia-Pacific to reassess whether this foundational approach remains sustainable.

A major driver of this reassessment is the US 2025 National Security Strategy (NSS) and its accompanying resource allocation which has increasingly prioritised the Western Hemisphere and the Middle East over the Asia-Pacific – a theatre where American engagement has consequently become distinctly more selective. On the contrary, China has actively signalled interest in expanding its footprint as a regional security provider in the Asia-Pacific. Beijing's proactive stance aims to reshape regional security dynamics to better reflect its growing power and influence. While these shifting major-power dynamics have fundamentally altered the regional balance, they also present a timely opening for Asia-Pacific middle powers to propose and advance novel models of regional security cooperation.

Against this background, the 2026 Asia Dialogue was structured around four core questions: evaluating how regional power distribution will evolve by 2035; determining how these expectations shape defence partnerships with the United States, China, and regional peers; assessing the alignment between US expectations and actual regional security practices; and examining China's strategic response to the second Trump administration along with its reception across the Asia-Pacific.

Deliberations on the United States' Indo-Pacific strategy underscored three key shifts: Washington is prioritising military operational pre-eminence over absolute regional primacy; Washington's China policy is driven primarily by economic grievances; and the United States is managing regional allies increasingly by putting pressures through burden-sharing demands, reciprocal tariffs, and foreign direct investment expectations. Faced with these pressures, US allies and partners in Southeast Asian and other Global South states are adopting nuanced strategies ranging from hedging to deepening regional security cooperation without entering binding formal alliances. Regional experts also debated whether the narrowed Asia-Pacific-focus of the 2025 NSS, to now primarily concentrate on Taiwan and the first island chain, reflected Washington's selective engagement, retrenchment, or unpredictability.

The dialogue also discussed China's efforts to project its security policies across the region. Two Chinese-led minilaterals – BRICS and the SCO – were particularly examined as instruments to promote an "inclusive, non-hegemonic" multipolar order, with the SCO acting as a regional security stabiliser against terrorism and the BRICS as a technical self-help platform for common development and trade. While Beijing views its regional relationships as historically strong and promotes an inclusive "Asian" security framework, continued coercive tactics in the South China Sea, recent aggressive rhetoric toward Japan over Taiwan, and an expanding internal security apparatus continue to fuel scepticism amongst its Asia-Pacific neighbours. Despite these frictions, China's deep integration into the regional supply chains and its expanded diplomatic dialogues with Southeast Asian states are solidifying its role as an economic powerhouse and an emerging security actor in the Asia-Pacific.

As Southeast Asian states calibrate their alignment in the evolving geopolitical environment, their strategic calculations are expected to be significantly shaped by their projections of future power dynamics between Washington and Beijing. Regional experts noted that in the face of an intensifying major power rivalry and the erosion of traditional security alliances and partnerships, Southeast Asian states are now prioritising survival and stability through non-alignment and multi-alignment. Rather than choosing sides, countries are actively exercising agency by diversifying their defence and economic partnerships with other Asian middle powers like Australia, Japan, and South Korea. The conversation emphasised that Southeast Asian regional planning through 2035 relies on flexible, transactional hedging and multi-faceted statecraft to maintain strategic autonomy within an increasingly complex and multipolar order.

The dialogue also examined an expanding matrix of regional minilaterals in the Asia-Pacific, operating on a spectrum between binding alliances (requiring mutual defence) and flexible alignments (preserving autonomy without high political costs). Contrary to standard US assumptions that middle powers join these arrangements solely to balance against China, the discussions revealed that smaller states leverage flexible cooperation

to preserve autonomy, achieve deterrence through denial, and avoid binary geopolitical choices. Smaller regional actors reject hierarchical categorisations of power and instead, use non-binding alignments to maintain strategic distance while retaining the option to escalate commitments if thresholds of the threat are breached. In the contexts of power asymmetry, weaker states exercise agency through delay, coalition-building, or resilience. From this perspective, minilaterals generate strategic friction, preventing major powers from translating material dominance into uncontested political control. The discussions further emphasised that while an evaluation of Asian minilaterals through a "public-goods test" reveals that these groups allow emerging economies to bypass major power-led structures and press for systemic reform, their capacity to rapidly transform global governance remains constrained by diverging national priorities and opaque internal processes.

INTRODUCTION

The Asia-Pacific Leadership Network (APLN) convened its fourth Asia Dialogue on China-US relations, "The Shifting Trajectories of Security Cooperation in the Asia-Pacific" in Kuala Lumpur, Malaysia, on 28 and 29 April 2026. The dialogue brought together twenty-five senior experts and former practitioners from across the Asia-Pacific, including China and the United States, to examine the evolving strategic policies of Asia-Pacific states amid geopolitical competition and contestation.

The 2026 Asia Dialogue explored how Asia-Pacific states are recalibrating their intra-regional defence and security partnerships as well as those with the United States and China. Historically, regional alignment has operated on an implicit dual-track consensus: "China for the economy and the United States for security." China has become a leading trading partner for many Asian economies, while the United States maintains an extensive network of alliances and less formal security partnerships across the region. The first year of the second Trump administration, however, has prompted regional stakeholders in the Asia-Pacific to reassess whether such an approach would remain sustainable.

The US 2025 National Security Strategy (NSS) and resource allocation have increasingly prioritised the Western Hemisphere and the Middle East over the Asia-Pacific - a theatre where American engagement has become distinctly more selective. Meanwhile, China has signalled interest in expanding its footprint as a regional security provider. These shifting dynamics, coupled with the systemic disruptions of 2026, like the US-Israel-Iran conflict, present an opening for Asia-Pacific middle powers to propose and advance novel models of regional security cooperation.

Against this background, the 2026 Asia Dialogue, hosted by APLN and supported by the Andrew Carnegie Foundation, explored four key questions:

1. How do Asia-Pacific states expect the regional power distribution to evolve by 2035?
2. How do these expectations affect the defence and security partnerships that regional states pursue with the United States, China, and one another?
3. What are the United States' expectations for security cooperation with Asia-Pacific states and how do these expectations align with the ways in which regional states organise security cooperation in practice? How much influence can Washington realistically exercise over their choices?
4. How has China responded to the first year of the second Trump administration, and how has that response been received across Asia-Pacific states?

Four commissioned papers, published separately as project outputs, provided the foundation for the dialogue's discussions. This report synthesises the principal debates, overarching themes, and key takeaways that emerged across the six sessions of the 2026 Asia Dialogue.

SESSION SYNTHESES

The US National Security Strategy as seen from the Asia-Pacific

The session examined how the 2025 US National Security Strategy (NSS) is interpreted in the Asia-Pacific, and what the document and subsequent US actions suggest about the direction of American engagement in the region. Some participants viewed Washington as a selective but still powerful security actor. Others saw an economically defensive great power, a more openly transactional partner, or a state whose domestic politics now sets the outer limits of its Asia policy. The NSS prioritisation of the Western Hemisphere, its narrower Indo-Pacific focus around Taiwan and the first island chain, and US actions in Venezuela and Iran all raised the same question of whether Washington is retrenching from Asia, reprioritising within it, or becoming harder to predict.

One participant cautioned against treating the NSS as a script for policy. Strategy documents matter because "they say things," and they "do give an inkling of things, but practice can diverge quickly when events intervene." To make sense of the current US posture, the participant offered an analytical framework comprising four elements: power dynamics, diplomatic relations, institutional order (including norms and institutions) and competing narratives.

A central claim in the presentation was not that security had disappeared, but that economic considerations increasingly shape the US approach to China and Asia. The participant characterised the current administration's China policy as being driven primarily by economic grievances, highlighting concerns such as predatory state-directed subsidies and industrial strategies, unfair trade practices, job losses and

deindustrialisation, and large-scale intellectual property theft, rather than by strategic competition alone. A public statement by JD Vance linking China's economic rise to losses borne by American workers was cited as an illustration of this domestic economic logic.[1]

This sentiment also reframes alliance management. Rather than simply mobilising allies against China, Washington is simultaneously placing them under pressure through burden-sharing demands, reciprocal tariffs, and foreign direct investment expectations. This pressure complicates the older debate between "China first" and "Allies first." The participant argued that both tracks are now under strain at the same time, leaving the Indo-Pacific strategy itself under pressure.

The US military posture was also described as moving closer toward maintaining operational pre-eminence rather than seeking complete absolute regional primacy.[2] Within this framework, Japan, South Korea, and especially the Philippines assume disproportionate importance, while the broader ASEAN-led regional order-building project has largely been deprioritised.

These shifts have also begun to register in the region's strategic vocabulary. One intervention contrasted the older "Alliance First" category – a post-war shorthand for treaty allies organised around US security guarantees – with three additional categories. "Alliance Plus" which describes US allies, including Japan, South Korea, and Australia, that also employ hedging strategies; "Alliance Allergy" which was used to describe the reluctance of much of the Global South to enter formal alliances; and "Alignment Plus" that describes Southeast Asian states that are willing to deepen cooperation without becoming alliance-bound.[3]

Another participant offered an interpretation of how the NSS is being read in Beijing, characterising the Trump administration's Asia-Pacific approach as a form of transactional realism and pragmatism. From this perspective, US strategy remains competitive with China and committed to maintaining a military presence, but is less ideologically framed than earlier. The NSS therefore creates both pressure and opportunity: it makes US commitments appear more conditional while potentially opening space for practical US-China engagement, particularly if middle and smaller

[1] Evelyn Cheng, "JD Vance blames U.S. wage losses on China's efforts to build its middle class," *CNBC,* 18 July 2024, https://www.cnbc.com/2024/07/18/jd-vance-blames-us-wage-losses-on-china-building-its-middle-class.html

[2] Unlike previous US military strategies that sought a relatively broad equilibrium across four sub-regions – Northeast Asia, Southeast Asia, South Asia, and the Pacific Islands – the present approach concentrates resources on a geographically narrower, high-stakes corridor along the First Island Chain.

[3] For instance, the Trump administration's sweeping tariffs, military actions in Venezuela and Iran, and increasingly transactional approach to US alliances in the Asia-Pacific. See: Matt Spetalnick, John Geddie, and Antoni Slodkowski, "Trump's Exercise of Raw Power Upends World Order, Sending Friends and Foes Reeling," *Reuters*, 13 January 2026, https://www.reuters.com/world/trumps-exercise-raw-power-upends-world-order-sending-friends-foes-reeling-2026-01-13/

powers coordinate their positions rather than negotiating separately with Washington. Another intervention similarly interpreted the strategy as softer than the Biden administration's approach and more open to selective cooperation.

One intervention argued that the 2025 NSS and the 2026 National Defense Strategy (NDS) reject three decades of liberal primacy only to replace it with a new form of "civilisational primacy," making the document deeply ideological even where its language on China appears restrained. Adding to the debate over whether the 2025 NSS is softer, harder, or simply different, one participant also argued that US strategy documents have become progressively harder on China across administrations, even as Washington continues to exercise caution in its language on Taiwan.

The discussion also considered how smaller states experience the growing use of economic instruments in US strategy. Bangladesh's tariff negotiations with the United States were cited as evidence that Washington is pursuing strategic objectives through economic measures, including conditions related to non-market economies. The intervention did not, however, reduce US policy to coercion alone. Continued US support for democratic transition and human rights in Bangladesh was also noted, alongside the broader point that smaller Asian states need both the United States and China and do not want either power to constrain their agency. Australia was presented as a more exposed version of the same dilemma, given its deep security dependence on the United States and economic dependence on China. This has encouraged Canberra to strengthen its links with Indonesia, the Pacific Islands, the United Arab Emirates, Canada, Europe, and Southeast Asia.

The sharpest operational critique concerned geography. If the United States is serious about a denial strategy along the first island chain, participants questioned how it intends to sustain that posture while neglecting the second island chain and appearing to lack a coherent strategy for Southeast Asia. Although the Philippines may sit at the centre of current US policy in Southeast Asia, structuring regional engagement purely around a Taiwan contingency posture fails to address the broader political and security dynamics that influence relations with Southeast Asian states. This exposes a potential gap between the US declaratory military focus and its operational realities.

Participants emphasised the limits of interpreting the region solely through a "US-China" framework. Intra-Asian relations can shape, offset, supplement, and facilitate US-China and US-allied relations, but cannot substitute for effective major-power management. Conversely, deteriorating relations among Asian states could push US-China dynamics in directions that neither major power intends. The session concluded that Asian agency matters but does not eliminate the need for competent major-power diplomacy.

Perspectives on China's Security Approaches

The next session examined how Beijing seeks to present its security policies to regional neighbours and how those policies are being received across the Asia-Pacific. While China's regional role is expanding, the meanings attached to that expansion vary sharply across Asia. Participants considered whether China's regional relationships had become more or less contentious over the previous year, particularly in light of changes in US policy, and discussed the challenges and opportunities associated with closer engagement with China on regional stability.

One participant framed China's Asia-Pacific security posture through two primary dynamics: sustained competition and containment by the United States; and internal economic challenges marked by growth hovering around 4 to 5 percent. Specifically, the 2025 Central Conference on Work Relating to Neighbouring Countries marked an important shift in Beijing's regional outlook. In particular, the removal of the word "diplomatic" from the formulation used for the earlier 2013 conference was interpreted as suggesting that China increasingly views regional stability as closely connected to its own development.[4]

The participant also noted that Beijing views its relations with neighbouring states as being at their historical peak in modern times, providing the Chinese government with greater confidence to pursue a framework focused on managing differences and deepening economic connectivity. The participant also noted that China's emphasis on an inclusive "Asian" security model should not necessarily be understood as excluding the United States, but rather as rejecting Cold War-style alliances.

Five key aspects of China's recent regional security strategy were highlighted: firm countermeasures against Japan following Prime Minister Takaichi's comments on a Taiwan contingency; a dual-track Taiwan policy combining military deterrence with political outreach to opposition leaders; the formalisation of 2+2 and 3+3 foreign, defence, and public security dialogues across Southeast Asia;[5] a consistent four-

[4] The Central Conference on Work Related to Neighboring Countries was held in Beijing on 8-9 April 2025. See: "The Central Conference on Work Related to Neighboring Countries Held in Beijing: Xi Jinping Delivers Important Speech," *Ministry of Foreign Affairs of the People's Republic of China*, 9 April 2025, https://www.fmprc.gov.cn/mfa_eng/xw/zyxw/202504/t20250410_11592755.html. For further analysis, see: Sumiya Chuluunbaatar, "Amid US Tariff War, China Convenes Rare Central Conference on Neighborhood Diplomacy," *The Diplomat*, 16 April 2025, https://thediplomat.com/2025/04/amid-us-tariff-war-china-convenes-rare-central-conference-on-neighborhood-diplomacy/

[5] These initiatives include a ministerial-level 2+2 foreign and defence dialogue with Indonesia; agreements to establish comparable 2+2 mechanisms with Cambodia and Malaysia; and a 3+3 strategic dialogue on foreign affairs, defence, and public security with Vietnam. See: "China and Indonesia Hold the 1st Ministerial Meeting of China-Indonesia Joint Foreign and Defense Ministerial Dialogue," *Ministry of Foreign Affairs of the People's Republic of China*, 21 April 2025, https://www.fmprc.gov.cn/eng/wjbzhd/202504/t20250422_11601354.html; "Xi Jinping Meets with President of the Cambodian People's Party and President of the Senate Samdech Techo Hun Sen," *Ministry of Foreign Affairs of the People's Republic of China*, 17 April 2025,

principle approach in the South China Sea;[6] and the expansion of China's strategic space resulting from US policy actions elsewhere. China's bilateral ties with Washington were described as more resilient than many analysts had expected under the second Trump administration. The participant argued that China had been preparing for US economic and trade pressure since early 2024 and that the two countries had entered a condition of "mutual assured disruption," driven by chips and rare earths, creating a state of fragile stability where Beijing feels increasingly confident.

Taking the discussion on US-China "fragile" stability forward, dialogue participants emphasised how domestic political drivers in both Washington and Beijing heavily shape their respective foreign policy narratives, creating a gap between official rhetoric and strategic realities. The Trump administration's disinterest in traditional alliance-building and strategic dialogues could have inadvertently created additional space for China's strategic manoeuvring in the Asia-Pacific.

The session's central analytical question was whether China's declaratory claims corresponded with the regional experience. Drawing parallels to Japan's mid-century expansion, one participant noted that China's growth is not inherently harmful to neighbouring countries given their economic dependence on China's continued prosperity. On the rapid expansion of China's maritime power, the participant observed that the Chinese navy has become more professional and is less likely to generate accidental incidents at sea, compared to its previous track-record between 2010 to 2015. China's regional diplomacy in Southeast Asia has yielded significant diplomatic gains, evidenced by its "composed reaction" to trade negotiations and the endorsement by several ASEAN states of Beijing's "A Global Community with Shared Future" framework.[7] While these may be symbolic endorsements, Beijing has managed to increase high-level diplomatic and security dialogues with key players like Malaysia, Indonesia and Cambodia, and solidify its role as an economic and an emerging security

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https://www.fmprc.gov.cn/eng/zy/jj/xjpdynmlxyjpzjxgsfw/202504/t20250418_11596882.html; "President Xi Jinping Holds Talks with Malaysian Prime Minister Anwar Ibrahim," *Ministry of Foreign Affairs of the People's Republic of China*, 16 April 2025, https://www.mfa.gov.cn/eng/xw/zyxw/202504/t20250417_11595680.html; and "China and Vietnam Officially Establish the '3+3' Strategic Dialogue Mechanism," *Global Times*, 12 December 2024, https://www.globaltimes.cn/page/202412/1324926.shtml

[6] Chinese Foreign Minister Wang Yi outlined the "Four Respect" principles during the China-Australia Diplomatic and Strategic Dialogue on 7 September 2014, regarding the South China Sea issue: respect historical facts, respect international laws and regulations, respect direct dialogue and consultation, and respect joint efforts by China and ASEAN. See: "Wang Yi: Sticking to "Four Respect" on the South China Sea Issue," *Ministry of Foreign Affairs of the People's Republic of China*, 7 September 2014, https://www.mfa.gov.cn/eng/gjhdq_665435/3265_665445/3271_664430/3273_664434/202406/t20240611_11419613.html

[7] The Third Belt and Road Forum for International Cooperation, "A Global Community of Shared Future: China's Proposals and Actions," *The State Council Information Office of the People's Republic of China*, September 2023, http://www.beltandroadforum.org/english/n101/2023/1010/c127-916.html

partner in Southeast Asia.[8] One participant described China's challenge as not only a gap between words and actions, but also as a gap between what Beijing intends to communicate and how its statements are interpreted externally.

Critical counterpoints challenged this framing during the session. One participant dissected five recurring patterns in Chinese foreign policy rhetoric: downplaying strategic competition and portraying US-China relations as relatively stable or less ideological; highlighting US domestic and international difficulties; acknowledging strategic competition and leveraging frameworks like the "G2" primarily when doing so supports Chinese interests; promoting an "Asian way" through concepts such as a shared future despite being a primary driver of regional friction along its borders and in the South China Sea;[9] and avoiding the gap between China's rhetoric and conduct by increasingly integrating Beijing's expanding internal security apparatus into its foreign relations.

A major focal point was China's forceful diplomatic and military response to Japanese Prime Minister Takaichi's statements framing a Taiwan contingency as a survival-threatening situation for Japan. Participants debated whether Beijing's response – including economic bans, military radar locks, and unrepudiated aggressive rhetoric – represented a strategic miscalculation by bolstering Japanese domestic support for constitutional reform and militarisation; or that Beijing had no choice but to issue a strong response to avert domestic backlash, deter Japanese conservative forces, and signal firm opposition to perceived interference in China's core national interests. Participants agreed that even while Beijing may have demonstrated strong deterrence signalling, this response has created a long-term structural strain on China-Japan bilateral ties.

The session also addressed Southeast Asia's regional security architecture and China's economic integration into Southeast Asia. One participant described Southeast Asia's regional order as resilient and pluralistic, balancing US alliances and China's emerging security partnership with regional partnerships, regional defence arrangements, and consultative ASEAN forums. Some participants cautioned that China's potential

[8] China–Vietnam coast guard patrols in the Gulf of Tonkin and four-country law-enforcement patrols along the Mekong River were cited as constructive examples of practical security cooperation. See: The State Council of the People's Republic of China, "China, Vietnam Coast Guards Complete Joint Patrol in Beibu Gulf," *Xinhua,* 25 April 2025, https://english.www.gov.cn/news/202504/25/content_WS680b25f6c6d0868f4e8f212e.html; and The State Council of the People's Republic of China, "135th Joint Patrol on Mekong River Begins," *Xinhua,* 22 November 2023, http://english.www.gov.cn/news/202311/22/content_WS655d9479c6d0868f4e8e17f0.html

[9] This critique shifted the discussion towards operational and historical evidence, particularly regarding the India-China boundary and the South China Sea. China's language of 'sharing weal and woe' was questioned on the grounds that Beijing can claim credit for the 'weal' while also contributing to the 'woe'. Participants also challenged China's emphasis on rules in the South China Sea, noting that negotiations on a Code of Conduct in the South China Sea (COC) have continued for decades while China's presence and claims have expanded.

economic decoupling from the United States, particularly following a reported decline of approximately 30 percent in bilateral goods trade,[10] would also affect Southeast Asia. Other experts considered whether slower Chinese growth might lead Southeast Asian economies to attach greater importance to US-linked opportunities and whether Beijing could use the current period to narrow the gap between its rhetoric and conduct.

Unresolved maritime disputes and concerns about coercion continue to constrain regional confidence in Beijing's intentions. While there is a need to conclude a binding Code of Conduct (COC)[11] in order to manage the South China Sea disputes, some participants even suggested considering mechanisms beyond the existing dialogues to help China and the Philippines manage the South China Sea standoff. Regional voices also cautioned that persistent coercive tactics at sea contradict Beijing's cooperative rhetoric, urging China to bridge the divide between its "shared community" proposals and its physical security practices.

Responding to Changing US-China Dynamics, the View from Southeast Asia

The dialogue next turned to a Southeast Asian perspective on the US-China rivalry, specifically examining how key regional actors are likely to respond if the second Trump administration's approach of deprioritising the region continues and becomes consolidated over the next decade. The discussions began with one participant identifying three foundational principles that describe Southeast Asia's approach to the US-China rivalry: an emphasis on structure, an avoidance of speculation, and a concern with survival. From this perspective, Southeast Asian states regard US-China competition as a structural condition that will persist beyond individual leaders; they avoid assuming that either power will behave predictably; and they hedge because survival requires keeping options open[12] rather than making premature binary choices.

Another participant emphasised that the future of Southeast Asia is inextricably linked to both the long-term trajectory of US-China relations and the reciprocal actions between major powers and regional states. This was outlined through four strategic scenarios that directly impact Southeast Asia's policy options. A scenario of US-China

[10] According to the Office of the United States Trade Representative, US goods imports from China totalled $308.7 billion in 2025, down 29.9 percent ($131.7 billion) from 2024. Total bilateral goods trade amounted to $414.6 billion, approximately 29 percent lower than in 2024. See: "The People's Republic of China," *Office of the United States Trade Representative*, accessed 22 August 2026, https://ustr.gov/countries-regions/china-mongolia-taiwan/peoples-republic-china

[11] Participants noted that, although China publicly supports the early conclusion of a South China Sea Code of Conduct, substantial disagreements continue to impede negotiations. See: "The 26th ASEAN-China Senior Officials' Meeting on the Implementation of the Declaration on the Conduct of Parties in the South China Sea Held in Kuala Lumpur, Malaysia," *Ministry of Foreign Affairs of the People's Republic of China*, 21 May 2026, https://www.fmprc.gov.cn/mfa_eng/xw/wjbxw/202605/t20260524_11916730.html

[12] For example, regional states may deepen dialogue with China while simultaneously expanding defence cooperation with the United States, Japan, Australia, and India to preserve strategic flexibility and advance their national interests.

concert or accommodation could severely restrict the "strategic space" and agency of Southeast Asian nations, leaving less room for traditional hedging strategies like balancing Chinese economic ties with US security guarantees. Conversely, a scenario of heightened, sharper contestation combined with the potential erosion of the traditional US security umbrella (Pax Americana) would risk fracturing ASEAN's institutional cohesion. Under extreme bilateral friction, regional states may ultimately be forced to abandon non-alignment and choose between aligning closely with a major power or seeking alternative security arrangements.

Although several analysts broadly agree that the US-China rivalry is deepening and that neutrality is becoming more costly, they disagree about the consequences for smaller states. Some expect them to move closer to one side, while others – particularly within the hedging literature – argue that smaller states will continue to hedge precisely because every available alternative carries significant costs.[13] Nevertheless, there is widespread consensus that pressure from both Washington and Beijing is growing, making non-alignment increasingly costly. One participant suggested that Southeast Asian states might preserve their hedging space by building a stronger Southeast Asian regional identity, and leveraging regional institutions collectively rather than acting individually could be one way of converging.

The discussion then considered Taiwan as an example of pressures from both China and the United States. Taiwan faces a dual challenge: an existential, expanding threat from China across military, political, and economic domains, while also confronting uncertainty about the consistency and reliability of US commitments under the second Trump administration. Cross-strait insecurity was therefore presented not as an issue separate from Southeast Asia, but as one affecting regional economic diversification, technology partnerships, maritime cooperation, and questions of participation in regional mechanisms.

Another intervention focused on the internal vulnerabilities of the United States and China. The US mounting national debt, alongside deep political polarisation, low institutional trust, and a "superpower fatigue" could be compromising its global superpower position. China's massive debt burden,[14] stagnant property market, slowing growth, and official concern over "involution-style competition" could be similarly

[13] On hedging as an insurance-seeking response to structural uncertainty arising from US–China competition, see: Cheng-Chwee Kuik, "Getting Hedging Right: A Small-State Perspective," *China International Strategy Review* 3, no. 2, 23 November 2021, pp: 300–315, https://doi.org/10.1007/s42533-021-00089-5 For a neoclassical realist framework applied to Singapore, Vietnam, and the Philippines, see Hunter S. Marston, "Navigating Great Power Competition: A Neoclassical Realist View of Hedging," *International Relations of the Asia-Pacific* 24, no. 1, January 2024, pp: 29–63, https://doi.org/10.1093/irap/lcad001

[14] China's macro leverage ratio – a measure of economy-wide indebtedness – exceeded 300 percent of GDP in 2025. See: "China's Central Bank Says Debt Level Rising, Easing on Track," *Reuters*, 27 March 2025, https://www.reuters.com/world/china/chinas-central-bank-says-debt-level-rising-easing-track-2025-03-27/

undercutting its peer-superpower trajectory. In this context, regional experts suggest, ASEAN should leverage its position as an "economic superpower."

A further intervention challenged the assumption that the US-China relations constitute the single dominant variable shaping Southeast Asian choices. Southeast Asian states already maintain diplomatic, commercial, and security relationships with a range of external partners. Their available choices therefore extend beyond a simple US-China binary. The same intervention argued that future US-China relations are likely to vary by sector – diplomacy, commerce, and security – rather than being uniformly cooperative or competitive. Washington and Beijing may coordinate on issues such as financial stability while competing, restricting trade, or decoupling in manufactured goods or critical technologies. Southeast Asian states are therefore responding not to a single, consistent rivalry, but to a relationship that varies across issue areas and is affected by domestic politics in both major powers. The choices of individual states will depend on the relevant policy sector, the balance of domestic interests, their relationships with other external partners, and the changing level of cohesion within Southeast Asia itself.

Dialogue participants also examined the practical agency of ASEAN, particularly when responding to trade tariffs, major-power friction, and high-tech decoupling. One participant noted that Southeast Asian states encounter severe external pressure when adopting critical technologies – such as US pushback against 5G infrastructure from Chinese telecom companies – forcing countries to balance national development with major-power relations. Nonetheless, ASEAN's economic initiatives may contribute more to a long-term regional resilience than highly visible but politically difficult security coordination. Less visible institutional projects, including the ASEAN Digital Economy Framework Agreement, were cited as examples of cooperation that could strengthen regional capacity even in the absence of deeper strategic alignment.[15]

The session detailed the underlying logic of Southeast Asian alignment and regional cooperation. Rejecting the premise that ASEAN is bound by shared political values or ideological alignment – given the stark domestic diversity between political systems – Southeast Asian states were described as being held together by a sense of "shared vulnerabilities." This formulation captured both the logic and the limits of ASEAN: regional states have strong reasons to cooperate, but those reasons do not automatically produce deep cohesion or unified policy.

[15] The ASEAN Digital Economy Framework Agreement (DEFA) reached substantial conclusion on October 24, 2025, following fourteen rounds of negotiations launched in September 2023. Described as the world's first comprehensive regional digital economy agreement, it covers cross-border data flows, digital trade, AI governance, cybersecurity, and talent mobility. Full signing and implementation are targeted for 2026. See: ASEAN Economic Community Council, *Statement on the Substantial Conclusion of the ASEAN DEFA Negotiations*, 24 October 2025, Kuala Lumpur, https://asean.org/wp-content/uploads/2025/10/ADOPTED-AECC-Statement-on-Substantial-Conclusion-of-DEFA-Negotiations-24Oct2025.docx.pdf

Southeast Asian Planning for the Future

Participants next explored Southeast Asian perspectives on future geopolitical scenarios and defence partnerships through 2035, and specifically how these states are looking to position themselves in a more multipolar Asia-Pacific. The session emphasised the need for strategic planning beyond linear projections to account for unexpected geopolitical shocks and disruptive technological advancements, such as Artificial Intelligence, and the need for collaborative futures-thinking for regional adaptation and long-term security strategy.

The discussion highlighted the need for continued diversification of defence partnerships for Southeast Asian states.[16] One regional participant observed that even though government projections of future scenarios are intentionally scarce in Southeast Asia, the core expectation is that both, the United States and China, will maintain a persistent presence in the region. China is expected to grow stronger without achieving unconstrained regional dominance, while the United States will remain an essential security actor. One participant emphasised China's deep integration into Southeast Asian supply chains, pointing out that even major US firms operating in the region rely heavily on Chinese imports for intermediate components.

Drawing on Malaysia's 2020 Defence White Paper, one speaker detailed the country's pragmatic strategy for navigating major power rivalry and South China Sea friction. While the US and Australia serve as crucial defence partners for capability building, joint exercises, and maritime security – particularly in Eastern Malaysia – Malaysian officials simultaneously prioritise bilateral dialogue and expanded military-to-military communication with China to de-escalate risks and foster mutual trust. The geopolitical weight of Malaysia's rare earth elements for defence manufacturing has drawn intense competition from both Washington and Beijing, making critical minerals a focal point of Malaysia's strategic diplomacy. Malaysia is also diversifying its defence and economic cooperation across other regional partners, including fighter jet procurements from South Korea, maritime security support through Japan's Official Security Assistance, and institutionalised border management with neighbours like Indonesia, Thailand, and Singapore.

The Philippines case was framed as a "prisoner of geography" caught in the crossfire of intense geopolitical rivalry, navigating a complex historical balance between its 80-year partnership and treaty alliance with the United States[17] and its deep-rooted cultural and

[16] The discussion drew on Chiew-Ping Hoo and Chow-Bing Ngeow's analysis of Malaysia's evolving defence partnerships. See: Chiew-Ping Hoo and Chow-Bing Ngeow, "Situating Malaysia's Defence Partnerships: Prospects for the Next Decade," Special Report, *Asia-Pacific Leadership Network*, 18 May 2026, https://cms.apln.network/wp-content/uploads/2026/05/Hoo-and-Ngeow_May-2026_APLN-Special-Report-compressed.pdf.

[17] The Philippines and the United States established formal diplomatic relations on 4 July 1946, while the Mutual Defense Treaty was signed in Washington on 30 August 1951 and entered into force on 27 August 1952. Accordingly, 2026 marks the 80th anniversary of bilateral diplomatic relations and the

trade ties with China. While China remains the Philippines' largest trading partner, Manila has received the lowest level of Chinese foreign direct investment in the region due to a severe trust deficit stemming from ongoing South China Sea disputes. This trade-investment paradox has led the Philippines to experience economic abandonment and punishment. To mitigate these risks, the Philippines is pursuing a strategy of security diversification – expanding Visiting Forces and Reciprocal Access Agreements with partners like Australia, Japan, Canada, New Zealand, and France – while simultaneously urging the United States to broaden its role beyond defence into economic infrastructure, such as energy, Subic Bay ammunition hubs, and technology investments. While the Philippines projects that the United States will remain its primary defence guarantor through 2035 – provided Washington does not pivot to offshore balancing – it also acknowledges China's inevitable economic dominance and hopes to eventually de-escalate tensions to tap into vital shared economic opportunities, particularly joint energy exploration in the South China Sea.

The discussions highlighted contrasting viewpoints about the US-China balance of power in Southeast Asia. Some participants foresee Beijing becoming the region's most influential power due to geographic proximity and cooperation, though others note a continued and dynamic US presence in the region. They expect the US maritime influence in the region to be severely limited by a lack of political will to prioritise maritime infrastructure expansion in the region, and also to be offset by structural challenges like competing shipbuilding support to the region from Chinese, South Korean and Japanese companies. Some participants expect, however, the US influence in Southeast Asia to be preserved through superior joint operational capabilities, alliance integration, and strategic rebalancing.

A conceptual distinction emerged during the discussion between "great-power behaviour" which relies on scale and material capability to shape engagement, and "great-state behaviour" which reflects countries acting as sovereign equals in international forums regardless of size. Viewed through this lens, Southeast Asian nations like Malaysia and the Philippines are not merely reacting to great-power competition, but are also attempting to shape their external relationships, diversify their partnerships, and exercise agency within the institutions in which they participate. Malaysia's Defence White Paper was interpreted as an example of such statecraft, while the Philippines' trade-investment paradox illustrated the difficulty of translating economic relationships into broader strategic choices.

This distinction is analytically useful because neither conventional US balance-of-power language nor China's "Global Community with a Shared Future" framework

seventy-fifth anniversary of the treaty's signing. See: US Department of State, "Philippines Independence Day," 11 June 2026, https://www.state.gov/releases/office-of-the-spokesperson/2026/06/philippines-independence-day-2.

fully recognises this form of regional agency. Both frameworks tend to organise Southeast Asian choices around the behaviour and preferences of major powers. The concept of great-state behaviour instead directs attention to how regional states understand and exercise their own sovereignty.

Participants compressed this operating logic into a further formulation: non-alignment as the goal, achieved through multi-alignment as the means. Southeast Asian states seek to avoid exclusive alignment while building flexible, parallel partnerships across both major and middle powers. This helps explain why the recurring question of whether a state is "pro-US" or "pro-China" often misrepresents the strategic logic behind its choices.

One intervention introduced the term "G minus" to describe an international order in which a major actor has withdrawn from, or is actively weakening, parts of the multilateral architecture. Another intervention used the phrase VUCA (volatile, uncertain, complex, and ambiguous) to describe the current international landscape made worse by the total absence of formal arms-control or strategic-stability mechanisms between the United States and China. From either standpoint, Southeast Asian states, like the Philippines who relies heavily on its ironclad alliance with the United States, must account for potential abandonment, offshore balancing, or sudden strategic accommodation with Beijing.

The discussion ultimately presented Southeast Asian planning as an effort to prepare for a regional order that is simultaneously multipolar, institutionally uncertain, and shaped by an increasingly powerful China. The Malaysian and Philippine cases demonstrated different applications of the same underlying strategy: preserving non-alignment by expanding relationships, diversifying practical cooperation, and maintaining room for sovereign choice. The discussion concluded that Southeast Asian states would need to remain highly nimble and resilient, balancing investments in national defence capabilities with flexible, transactional hedging and diversified partnerships to safeguard their strategic autonomy.

Multipolarity, BRICS, SCO, and the Question of Public Goods

The dialogue next examined regional cooperative structures, starting with two growing minilateral forums – BRICS (Brazil, Russia, India, China, South Africa)[18] and the Shanghai Cooperation Organisation (SCO)[19] as expressions of emerging multipolarity and asked whether these institutions can provide meaningful public goods. The

[18] The BRICS acronym comes from its original five founding members – Brazil, Russia, India, China, South Africa – but the group's membership has significantly grown to include five more countries, including Egypt, Ethiopia, Indonesia, Iran and the United Arab Emirates.
[19] The SCO has ten member-states: Belarus, China, India, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Russia, Tajikistan, and Uzbekistan; Mongolia and Afghanistan have observer status in the SCO.

discussions explored how China's preferences are reflected in the design and activities of these institutions, and how they may evolve over the coming decade.

The opening presentation explained how China's security philosophy prioritises shared safety, viewing development as the foundation for peace and underdevelopment as the root of conflict. It promotes dialogue and economic cooperation over violence. Rather than dismantling the global order, Beijing envisions a non-hegemonic, multipolar world driven by inclusive globalisation, the United Nations, and the Global South. In this framework, BRICS and the SCO serve as China's key diplomatic instruments, demonstrating a non-alignment and non-confrontation security model.

From Beijing's perspective, the two minilaterals address separate objectives. The SCO is seen as a regional security stabiliser that counters terrorism and prevents conflict spillovers, particularly in Central Asia and Afghanistan. Conversely, BRICS functions as a global governance balancer focused on common development and economic cooperation. Initiatives like the New Development Bank and Contingent Reserve Arrangement aim to facilitate trade, reduce dollar reliance, and complement existing international financial structures without seeking to form a military alliance or opposing political camp. This distinction was important because it avoided treating BRICS as simply another security bloc. Beijing, however, presents both groupings as consistent with its preferred vision of an "equal and orderly multipolar world" and a "universally beneficial and inclusive economic globalisation."

Another intervention linked this framing to China's four global initiatives: the Global Security, Development, Civilisation, and Governance Initiatives, with the Belt and Road Initiative sitting behind them as the infrastructure component.[20] The Belt and Road Initiative was interpreted as providing an infrastructure and connectivity dimension behind this wider set of proposals. This linkage reflected an analytical interpretation

[20] The four initiatives represent successive elaborations of China's global governance discourse under Xi Jinping: the Global Development Initiative, launched at the UN General Assembly on 21 September 2021; the Global Security Initiative, proposed at the Boao Forum for Asia on 21 April 2022; the Global Civilization Initiative, proposed at the CPC in Dialogue with World Political Parties High-Level Meeting on 15 March 2023; and the Global Governance Initiative, proposed at the SCO Plus Meeting during the Tianjin Summit on 1 September 2025. See: "Bolstering Confidence and Jointly Overcoming Difficulties to Build a Better World," Statement by Xi Jinping at the General Debate of the 76th Session of The United Nations General Assembly, *Ministry of Foreign Affairs of the People's Republic of China*, 21 September 2021, https://www.fmprc.gov.cn/eng/zy/jj/GDI_140002/xw/202109/t20210922_9580006.html; Wang Yi, "Acting on the Global Security Initiative to Safeguard World Peace and Tranquility," *Ministry of Foreign Affairs of the People's Republic of China*, 24 April 2022, https://www.fmprc.gov.cn/eng/wjb/zzjg_663340/zcyjs_663346/xgxw_663348/202205/t20220505_10681820.html; "Xi Jinping Attends the CPC in Dialogue with World Political Parties High-Level Meeting and Delivers a Keynote Address," *Ministry of Foreign Affairs of the People's Republic of China*, 16 March 2023, https://www.mfa.gov.cn/eng/wjb/zzjg_663340/xws_665282/xgxw_665284/202303/t20230317_11043656.html; and "President Xi Jinping Chairs the 'SCO Plus' Meeting and Delivers an Important Statement," *Ministry of Foreign Affairs of the People's Republic of China*, 2 September 2025, https://www.fmprc.gov.cn/eng/xw/zyxw/202509/t20250902_11700033.html

presented during the session rather than a formally established hierarchy among the initiatives.

Participants nevertheless questioned whether the economic and governance roles of these minilaterals carry broader strategic implications, especially as they expand and seek greater global influence. It was noted that while BRICS and the SCO are framed as non-Western instruments of multipolarity, internal disagreements among its diverse member states – such as the India-Pakistan and India-China rivalries – constrain their effectiveness. Discussions centred on whether these groupings can deliver substantive outcomes beyond rhetoric, particularly given diverging understandings of "stability" (ranging from regime survival, economic growth, social order, to absence of conflict). Participants also critically evaluated Beijing's strategy of reducing political friction and bypassing sensitive issues through economic cooperation – including its preference that the India-Pakistan dispute be managed outside the SCO framework – to secure easier agreements.

Another intervention focused on the difference between China's presentation of its foreign policy and its conduct in practice. The expansion of BRICS, amid Indian concerns about its pace, membership criteria, and potential implications for the grouping's internal balance, provided the clearest example of disagreement between presentation and practice. Pointing to Beijing's coercion of neighbours like India, Taiwan, and the Philippines, the participant argued that Chinese-language concept commonly rendered as "a community with a shared future for mankind" carries political and hierarchical implications that are obscured in some English translations. The participant also argued that Chinese claims to represent a non-aligned or post-bloc order needs to be understood through Asia's contested history of non-alignment – a policy first promoted by India and Indonesia during the 1950s.

Maintaining that minilateral organisations like the SCO and BRICS are legitimate platforms for regional cooperation as long as they deliver public goods, some participants argued that neither forum should be dismissed merely because China is influential within them. At the same time, neither forum is insulated from Chinese initiatives nor reducible to them, and their direction is affected by the interactions among its most powerful members. Participants cautioned, however, against treating Beijing's interpretation as the only relevant one. India, Russia, Brazil, and the Central Asian members of the SCO may understand the purposes and priorities of these institutions differently. The discussions also acknowledged the need for greater transparency concerning expansion procedures and criteria of BRICS and SCO, noting that the process for selecting new members had not always been publicly clear.

While acknowledging that China often views Western-led groupings with suspicion, one participant argued that minilateralism itself is not inherently threat-inducing, noting that groupings like the ASEAN Regional Forum, Pacific Islands Forum, and the QUAD operate under similar logic. BRICS can be described, most convincingly, as a technical

self-help platform for emerging economies like Indonesia,[21] which simultaneously pursue membership in Western-led bodies. This intervention noted that the Asia-Pacific is no longer strictly Western-dominated, making China's counter-hegemonic narrative less compelling regionally.

Looking ahead, China expects the SCO to deepen its security and digital cooperation, while BRICS transitions from an economic platform to the central coordination core for the Global South. These minilaterals do not necessarily need to develop into highly formal organisations or follow Western models of integration to remain useful. For instance, even without deep institutionalisation, BRICS could facilitate trade, strengthen supply-chain cooperation, and increase pressure for reform within established institutions such as the World Trade Organization, International Monetary Fund, and World Bank. A looser forum can still facilitate dialogue and coordinate positions in areas where agreement is possible. These groupings should not, however, be expected to transform global governance rapidly.

The session produced a narrower but more useful conclusion: rather than a defence or rejection of multipolar institutions, Asia-Pacific actors should examine the best approaches to assess arrangements that are looser than alliances but remain politically and strategically consequential. The strongest evaluative standard to emerge was the public-goods test that asks whether these institutions address collective problems; who benefits; and at what cost? Applied consistently, this test challenges not only BRICS and the SCO but also the QUAD, AUKUS, ASEAN-led mechanisms, and other flexible coalitions.

A Typology of Asian Minilaterals

Following this analysis, the next session examined non-major power coalitions – defined as groupings excluding both the United States and China as members – and their evolving function within the Asia-Pacific security architecture. Specifically, the discussion evaluated how Washington assesses these regional alignments and what strategic contributions it expects them to make toward regional security. Taking the perspective of Asia-Pacific states, experts also analysed which of these coalitions will carry the greatest weight and be prioritised over the coming decade.

[21] Brazil, as the 2025 BRICS chair, announced Indonesia's formal entry as a full member on 6 January 2025, making it the first Southeast Asian country to join the grouping. Indonesia has simultaneously continued its OECD accession process, which formally began in February 2024. See: Sebastian Stangio, "Indonesia Officially Becomes First Southeast Asian Member of BRICS," *The Diplomat,* 8 January 2025, https://thediplomat.com/2025/01/indonesia-officially-becomes-first-southeast-asian-member-of-brics/; and, "Indonesia Reaches Key Milestones in OECD Accession Process," Press Release, *OECD,* 3 June 2025, https://www.oecd.org/en/about/news/press-releases/2025/06/indonesia-reaches-key-milestones-in-oecd-accession-process.html.

The presenter challenged the assumption that Asian middle powers will naturally organise themselves into minilateral coalitions to collectively balance China. Although US strategy increasingly encourages Asian allies and partners to assume greater responsibility and coordinate among themselves, this expectation risks creating strategic disappointment in Washington and generating counterproductive pressure on regional states. Drawing on a dataset of 32 Asian minilateral arrangements that exclude the United States and China, this analysis found that only 25 percent function as collective-balancing coalitions among peer states. The remaining 75 percent serve other purposes, including managing spheres of influence, organising asymmetric client coalitions, and supporting functional security communities. Collective balancing is most evident in transregional arrangements such as the India–Japan–Australia Trilateral.[22] The remaining majority of arrangements performed other functions, including neighbourhood management (spheres of influence), norm-based functional cooperation and consensus-driven decision-making (security communities), and external balancing (client coalitions). The dataset study also revealed that structural factors – including vast geographical distances that fragment threat perceptions, a scarcity of middle powers, and the tendency of US alliances to crowd out peer balancing – are likely to prevent more balancing coalitions from emerging.

This distribution complicates the assumption in parts of the US policy debate that Asian minilateral arrangements will eventually develop into coalitions for balancing China. Noting that non-balancing minilaterals still provide vital security functions that serve US interests by stabilising local neighbourhoods, building supply-chain resilience, and removing intra-regional flashpoints, participants suggested that Washington should therefore refrain from pressuring existing arrangements into explicit balancing coalitions and pursue a more plural institutional landscape. One participant highlighted that Washington's attempts to organise peer-based collective balancing against China in fact runs counter to the preference of Asia-Pacific states for a multipolar, non-confrontational, multi-aligned regional security architectures. For Asian states, it was suggested that they focus on preserving the distinct design of their security architecture, streamlining capabilities, and pursuing targeted coordination on shared challenges independently of US alliance structures.

One participant cautioned against conflating power "asymmetry" with explicit "hierarchy," emphasising that smaller nations actively push back against hierarchical categorisation. Terms like "spheres of influence" and "client coalitions" may capture material asymmetries, but they fail to account for how regional states preserve strategic

[22] For the underlying typology and dataset, see: Kelly A. Grieco, "Beyond Collective Balancing: A Typology of Asian Minilaterals and US Strategic Expectations," Special Report, *Asia-Pacific Leadership Network*, 8 May 2026, pp. 4, 8–9, https://cms.apln.network/wp-content/uploads/2026/05/Grieco-May-2026_compressed.pdf

agency through interest-based "alignments" rather than binding alliance commitments.[23] These flexible alignments allow states to maintain strategic distance, retaining the option to upgrade to formal security commitments only if a threat crosses a critical threshold. This connected with previous workshop discussions (found on pp: 15-17 of this report) about Asia-Pacific moves away from rigid alliance binaries and towards closer attention to asymmetry, agency, and differentiated forms of alignment. This vocabulary also reflected many of the descriptions of regional statecraft used throughout the conference. Another intervention noted the crucial role played by domestic politics in determining whether countries join, maintain, or disengage from specific minilateral groupings.

The substantive debate centred on the distinction between alignment and alliance. One formulation defined an alliance as involving military cooperation, a mutual-defence commitment, an identified external target, and some degree of exclusivity. Security arrangements that lack one or more of these characteristics may be better understood as alignments. Under these formulations, the Quad is categorised as an alignment due to its lack of mutual-defence guarantees, whereas AUKUS reflects alliance logic through its exclusive defence-technology ties and strategic focus on China – though some participants noted it remains formally a trilateral security partnership without collective-defence commitments. Similarly, the Five Power Defence Arrangements (FPDA) prompted debate, with some viewing its consultation-based mechanism as an alignment and others highlighting its potential to foster alliance-like political and operational cooperation. Ultimately, the discussion demonstrated that the distinction between alliance and alignment depends on an analytical spectrum of legal design, operational integration, political expectations, and regional perceptions rather than a fixed legal standard.[24]

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[23] The Pacific Islands Forum (PIF) was provided as an example to illustrate this problem. PIF is an arrangement that might be described externally as reflecting Australian influence, which can also provide Pacific Island states with a mechanism for binding Australia to regional priorities and socialising it into Pacific norms. For broader analyses of the tension between Australian influence and Pacific Island agency in regional institutions, see: Greg Fry, *Framing the Islands: Power and Diplomatic Agency in Pacific Regionalism*, (Canberra: ANU Press), 2019, https://press.anu.edu.au/publications/series/pacific/framing-islands; and Liam Moore, "A Dysfunctional Family: Australia's Relationship with Pacific Island States and Climate Change," *Australian Journal of International Affairs* 78, no. 3, 2024, pp: 286–305, https://doi.org/10.1080/10357718.2024.2316098. For Pacific Island perspectives on how externally-driven narratives and binary thinking exacerbate geostrategic tensions in the region, see: Tanvi Kulkarni and Elaine Natalie, "Suva Dialogue on Security in the Pacific and Asia," Dialogue Report, *Asia-Pacific Leadership Network,* 10 December 2025, https://www.apln.network/projects/voices-from-pacific-island-countries/dialogue-report-suva-dialogue-on-security-in-the-pacific-and-asia

[24] A related question concerned NATO's growing engagement with its four Indo-Pacific partners—Australia, Japan, the Republic of Korea, and New Zealand—collectively known as the Indo-Pacific Four (IP4). The IP4 countries are NATO partners rather than members, and each maintains a separate bilateral relationship with NATO through an Individually Tailored Partnership Programme. Participants asked whether closer NATO–IP4 cooperation would remain a flexible alignment that allowed wider regional engagement or increasingly be perceived as an alliance-like framework directed against China.

Another intervention translated this conceptual discussion into strategic terms. For a smaller or middle power located near a much stronger competitor, the realistic objective may not be outright victory but the avoidance of defeat. Stalemate, denial, and preventing an opponent from imposing a decisive outcome may be more plausible strategic goals than victory in a maximal sense. This argument connected minilateralism with the wider question of agency under asymmetry. Weaker actors are not necessarily powerless, but their agency may take the form of delay, denial, resilience, coalition-building, and the preservation of decision-making space rather than dominance. From this perspective, minilateral arrangements are not only instruments for balancing China. They can also create sufficient strategic friction to prevent a larger power from converting material asymmetry into uncontested political control.

The South Asian Association for Regional Cooperation (SAARC) was briefly considered as a counter-example to explanations based primarily on regional hierarchy. Participants noted that SAARC defies the Asian minilaterals typology because of its formal regional character and its broad economic-developmental mandate rather than a primary security focus. Its institutional structure does not fit cleanly into categories such as external balancing, internal security management, or hegemon-client cooperation. One intervention attributed SAARC's prolonged institutional paralysis less to India's regional hegemony than to effects of the enduring India-Pakistan conflict. Its inclusion in the discussion demonstrated the limits of applying a typology beyond the cases for which it was designed.

These debates demonstrated that regional minilateral practice has moved beyond traditional alliance structures without necessarily developing into bloc politics. Analytical frameworks that treat all security cooperation as an early stage of alliance formation may therefore misinterpret what regional states are attempting to achieve. The discussion also highlighted that asymmetric institutions are not solely instruments through which stronger states exercise power. Under some conditions, they also enable weaker members to exert influence upwards. Therefore, understanding regional security dynamics requires looking beyond US-centric balancing models to account for smaller state agency, dynamic strategic evolution, and the internal political drivers of Asia-Pacific nations.

The session concluded that Asian minilateralism encompasses a wider range of functions than collective balancing alone. Participants broadly accepted the descriptive value of recognising that diversity, although they differed over the classifications and policy implications of particular arrangements. The central analytical lesson was that minilateral institutions should be assessed according to their intended functions, internal

See: "Relations with Partners in the Indo-Pacific Region," *NATO*, updated 13 April 2026, https://www.nato.int/en/what-we-do/partnerships-and-cooperation/relations-with-partners-in-the-indo-pacific-region

power relations, and their practical effects rather than whether they constitute of a formal alliance or their contribution to balancing China.

CONCLUSION

As the traditional "China for the economy, United States for security" framework gives way to new strategic realities in the Asia-Pacific, the region stands at a critical juncture. The shift toward more selective US engagement, driven by changing strategic priorities and burden-sharing expectations, has compelled regional stakeholders to fundamentally re-evaluate their defence alignments. Simultaneously, Beijing's expanding footprint as a security provider and its promotion of alternative multilateral platforms present both new strategic options and complex security dynamics for the region looking toward 2035.

In this landscape of major-power realignment, the initiative increasingly lies with Asia-Pacific middle powers and regional institutions. Rather than being forced into rigid major-power binary choices, states across the Asia-Pacific and the broader Global South are actively forging flexible, non-binding security cooperation models and strategic hedging frameworks. Moving forward, the stability of the Asia-Pacific region will depend on the ability of these regional actors to manage strategic competition, safeguard their autonomy, and construct inclusive security architectures capable of navigating an era of persistent geopolitical contestation.

APLN ASIA DIALOGUE ON CHINA-US RELATIONS

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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.

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