U.S. POLICY IN SOUTHEAST ASIA

Limited Re-engagement after Years of Benign Neglect

Diane K. Mauzy and Brian L. Job

Abstract

American foreign policy in Southeast Asia from 1975 to the present can be characterized as exhibiting varying degrees of benign neglect, with episodic attention to perceived security threats. Current policies are narrowly focused on anti-terrorism; their perceived anti-Muslim overtones, while engendering instrumental cooperation, have tended to alienate Southeast Asian publics. U.S. influence in Southeast Asia appears to be waning, with China capitalizing on opportunities to expand its influence.

Keywords: United States, Southeast Asia, foreign policy, “benign neglect,” terrorism

The end of the Cold War heralded major readjustments in American foreign policy around the globe as the United States emerged as the hegemonic power. For Southeast Asia, however, major change began earlier with the military disengagement and subsequent messy departure of the U.S. from South Vietnam in 1975. Subsequently, through succeeding administrations, Washington remained generally inattentive to the region, involving itself only sporadically in response to political crises and to ensure access to markets. This changed after September 2001, when the George W. Bush administration labeled Southeast Asia the “second front” of terrorism and took steps to re-involve the U.S. in the region.

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Yet, outside of narrowly directed anti-terrorist issues and ideational rhetoric, inattentiveness persists. Overall, American influence in Southeast Asia appears to be on the decline, with China taking advantage of opportunities to expand its influence.

The End of the Vietnam War and U.S. Disengagement

Culminating with the 1973 U.S. military withdrawal from Vietnam, a major shift in foreign policy had been signified by the Nixon Doctrine in July 1969. The doctrine proclaimed that although Washington would honor its treaty commitments and provide military and economic assistance, henceforth the U.S. expected its allies to provide their own defense. This was widely interpreted to mean that America would not again be drawn into a land war in Southeast Asia. So fully was this policy embraced that by 1971 Nixon himself was warning about the dangers of underinvolvement and isolationist tendencies that became known as the “Vietnam Syndrome.” American bases in Thailand were closed and the Southeast Asian Treaty Organization (SEATO) was allowed to lapse in 1977. For a long time, Washington did not appear to think much about Vietnam (other than efforts concerning soldiers missing in action) or issues in Southeast Asia.

“Vietnam Syndrome”: The Southeast Asian Perspective

While the Vietnam War raged, Southeast Asian states were ideologically divided and feuding. Most were preoccupied with combating domestic communist insurrections. There was a growing feeling, however, that they needed to get their regional house in order, with the realization that the path to domestic and regional stability was through economic development. Out of this concern, the Association of Southeast Asian Nations (ASEAN) was born in 1967 to settle disputes among member states by consultation and negotiation. Despite an agreed-upon principle calling for the major powers not to interfere in the region, the key concern was securing a balance of the major powers by persuading America to maintain a presence there.

The Cold War Winds Down; the “New World Order” Begins, 1977–2000

During this period, under Democratic and Republican administrations alike, policy toward Southeast Asia was usually limited to reactions to specific and often unanticipated events. Washington’s policy was aptly characterized by “benign neglect and missed opportunities.”

Early on, the Carter administration (1977–81) seemed largely uninterested in Southeast Asia. President Jimmy Carter entered office devoted to working with the Soviet Union through détente to reduce strategic weapons and reach regional accommodations. However, alarming Soviet advances around the world, especially the occupation of Afghanistan, forced Carter to change his approach. The December 1978 Vietnamese occupation of Cambodia prompted closer U.S. relations with China in an effort to thwart Soviet and Vietnamese designs for Southeast Asia and also led to a new interest in supporting ASEAN, itself now galvanized to oppose the Vietnamese occupation.

Although Carter viewed challenges and threats to the U.S. as comprising a multitude of complex interlinked issues, President Ronald Reagan viewed America’s greatest threat as coming directly from the Soviet military. He sought during his two terms (1981–89) not just the containment of communism but also its worldwide retreat. This led to continued support for ASEAN and resistance forces opposing Vietnam’s occupation of Cambodia. Otherwise, the Reagan administration seemed to regard Southeast Asia as a region of low priority. As Terry Deibel explains, “Reagan’s reflexive anticommunism and cold war mentality caused him to view developing countries as irrelevant to American policy except as battlegrounds in the East West struggle.”

Problems such as the Cambodian situation stimulated interest, but there was little diplomatic energy emanating from Washington.

Following the withdrawal of its Soviet aid, Vietnam pulled out of Cambodia in September 1989, ending what had been a determined ASEAN campaign. And the U.S. pulled out of Clark Air Base and Subic Bay Naval Base in the Philippines in 1991–92. Not long after, it was revealed that the U.S., in addition to offering humanitarian support, had supplied covert non-lethal aid and assisted Singapore buyers in securing arms for the resistance. Some in Congress worried that this represented a first step toward military re-engagement in Indochina.

The George H. W. Bush administration (1989–93) and that of Bill Clinton (1993–2001) both lacked unifying foreign policy themes equivalent to the Cold War anti-communist ideological struggle. However, both administrations shared a common view regarding Asia, namely that the U.S. was an “Asian power.” Four Asia security policy statements in the 1990s defined America’s vital interests in the area, essentially providing reassurances on the sustained forward deployment of U.S. troops in Northeast Asia. In a list of strategic objectives Southeast Asia figured only peripherally, basically in the context of America’s interest in maintaining freedom of navigation along some of the

world’s most critical sea lanes. The key post-Cold War goal for Asia under the first President Bush instead was assuring American access to Asian markets. A U.S. military presence was seen as providing stability, the precondition for advancing the regional economic growth necessary to generate markets for American goods. While maintaining its military bases in the Philippines, prior to being asked to leave later in 1991–92, the U.S. shifted its focus in Southeast Asia from security to economic issues, particularly the promotion of free trade.

On coming to office, Clinton continued his predecessor’s view of Southeast Asia as a peaceful region of energetic economic growth. However, greater emphasis was placed on multilateral institutions, particularly U.S. participation in the Asia Pacific Economic Cooperation (APEC) forum and passive support for the ASEAN Regional Forum (ARF). Southeast Asian countries were paid only episodic attention, with occasional pressure applied for democratization and improvement of human rights. Former diplomat Michael Armacost commented forthrightly, “There is no crisis in Asia, and the United States can turn its attention to Europe and the Middle East.”

Clinton was soon involved with Bosnia, for which there was little public support following the ugly withdrawal from Somalia in 1993. Inside the Clinton administration, a consensus formed that the U.S. should use military force only where national interests were clearly involved and strongly supported by the public, and only if it seemed likely that success could be achieved reasonably quickly and costs were not prohibitive. In Southeast Asia, Washington turned to a strategy of “places not bases” that focused on the pre-positioning of supplies and equipment and access to military facilities, rather than maintaining a military presence in the region.

With this cautious strategy in mind, coupled with the Clinton administration’s determination to engage China as a “strategic partner,” it is not surprising that the U.S. attitude toward China’s territorial encroachments in 1995 and 1999 in the disputed South China Sea was neutral and muted. Nonetheless, the Southeast Asian community was dismayed over the slow and inadequate American response to the Asian financial crisis in 1997–98. Washington failed to offer any bilateral bailouts to the hardest-hit states (three years after having done so for Mexico) and instead wielded the International Monetary Fund (IMF) to make heavy-handed demands for reform and to impose its “one size fits all” solution on the region. Some in Washington opined that non-democratic governance, lack of transparency, and “Asian values” had caused the problems.


5. For some conservatives, even this limited engagement was criticized as unnecessary. See Doug Bandow, “Needless Entanglements: Washington’s Expanding Security Ties in Southeast Asia,” *Policy Analysis*, no. 401 (May 24, 2001).
This attitude generated significant resentment in Southeast Asia and contributed to a decline in American influence.6

Benign Neglect: The Southeast Asian Perspective

Still, not wanting to be scrutinized too closely, especially in areas like human rights, Southeast Asian leaders in many respects were satisfied with Washington’s benign neglect. With respect to security, however, they worried about a disinterested America. While the lack of interest in Southeast Asia evidenced by the Carter administration gave way to more involvement during the Reagan years, Washington’s goals were perceived as ambiguous. Disquiet remained about what was perceived to be America’s unpredictability, and the reliability of its long-term commitment.7

Worried about being ignored, Southeast Asian leaders were even more concerned that they not be made pawns in the Reagan campaign against the Soviet Union and its proxy, Vietnam. ASEAN wanted Vietnam to withdraw from Cambodia and appreciated covert U.S. assistance to this end, but there was no consensus in ASEAN as to which country, the Soviet Union or China, posed the greatest long-term threat. Rapprochement with Vietnam remained an ASEAN goal. Thailand and Singapore favored closer relations with China and opposed the Soviet Union and its support of Vietnam’s ambitions. Because Thailand was a front-line state so long as Vietnamese troops were in Cambodia, both Indonesia and Malaysia went along with the effort against the Vietnamese. However, they worried most about China as a long-term threat. Washington-Beijing collaboration also made their leaders nervous.

As the Cold War ended, Singapore, for one, believed that the “new world order” was not necessarily a safer place, especially for small states like itself, because the major powers would likely be indifferent to distant conflicts not in their vital interests.8 On the other hand, Malaysia challenged the conventional


wisdom that a U.S. presence in Southeast Asia was necessary for regional security.\(^9\) When the Philippines, in a surge of nationalism, terminated the bases agreement with the United States in 1991–92, Singapore, without consulting its neighbors, offered new facilities for U.S. warships and military personnel—not bases, but access to military facilities. Malaysia reacted initially with measured hostility to Singapore’s move but soon after allowed U.S. warships to visit its ports. Thailand was also concerned to maintain an American presence; like the other states it accepted the need to have the U.S. Navy nearby to help protect the sea lanes important to them all. Thus, by 1998 Singapore, Thailand, Indonesia, and Malaysia had signed military access arrangements with the U.S., and by 1999 the Philippines had signed a Visiting Forces Agreement with Washington.

China’s seizure of tiny Mischief Reef in 1995 came as a surprise to the ASEAN states, already nervous about Beijing’s intentions over the disputed territories in the South China Sea. The Philippines lobbied for strong U.S. support but the Clinton administration demurred, citing its standing policy of taking no position on the legal merits of the competing territorial claims and noting that its Mutual Defense Treaty applied only to Philippine territory. Singapore took the opportunity to stress the importance of providing access for the U.S. military, stating that “China would not have had the temerity to seize Mischief Reef in the Spratly Islands” if the U.S. still maintained bases in the nearby Philippines.\(^10\) The Mischief Reef action mobilized ASEAN to identify China as the region’s top security threat, although all of its member states wanted to deal with the problem through engagement rather than confrontation.\(^11\)

Relations between Southeast Asia and Washington reached their nadir with the Asian financial crisis. At the November 1997 APEC summit, Clinton dismissed the Thai and Malaysian currency crises as “a few small glitches in the road.” Through the IMF, the U.S. resisted any effort to find an “Asian” solution to the overall crisis. As two former ambassadors have noted, Washington is still paying the price—in negative public opinion in Asia—of its inattention.\(^12\)

The resentment generated by American inaction may prove to have been a watershed. Relations between Southeast Asia and Beijing began to improve:


the region was grateful to China for not devaluing its currency and for offering bilateral aid and loans with no strings attached. At this point, ASEAN began a potentially historic turn toward engagement of Northeast Asia.

The George W. Bush Administration: Selective Re-engagement

Traditionally, Republican and Democratic administrations have shared certain continuities in U.S. foreign policy in Asia. However, the Bush administration came to office in 2001 believing that virtually everything the Clinton administration had done was either wrong or poorly executed. From the perspective of those taking over, the previous administration had mismanaged the U.S.-Japan relationship, been too solicitous of China, too restrictive of Taiwan, too engaging of North Korea, too hesitant to push for renewing military ties with Indonesia, and too enamored of multilateralism. Clinton’s overall record was characterized by conservative critics as one of “unwarranted U.S. activism” involving a “promiscuous expansion of security relationships.”

The distinctive parameters of the Bush administration’s foreign and security policies—determined to assert and sustain American hegemonic authority as the world’s global power—emerged both through action and articulation of the parameters in key policy documents, including the U.S. National Security Statement and the Quadrennial Defense Review. In sum, these looked to rely on the U.S. military’s so-called “full spectrum dominance” of air, land, maritime, and space environments; the reservation of the right to preventive attack should American interests appear to be threatened by hostile regimes; and a unilateralist attitude and response to regional issues. Established multilateral institutions and international regimes were regarded as hindrances to U.S. agendas and thus to be avoided or dismantled (the latter especially in the arms control arena). Instead, Washington advanced an ad hoc strategy, assembling “coalitions of the willing” in which its leadership in the mission’s definition and prosecution would be unchallenged, most notably in the campaign in Afghanistan and the invasion and occupation of Iraq.

In further contrast to its predecessors, the George W. Bush administration has not published an East Asian strategy document. Analysts maintain that “five fundamental interests” have continued to inform U.S. strategy toward the region: retention of access to Asian markets, continuance of a permanent American military presence, prevention of the rise of a dominant regional rival, maintenance of military bases and facilities to assure freedom of access and

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maneuver, and advancement of democracy. But the Bush administration certainly has looked to advance these interests through reorienting priorities and recasting policies. In economic terms, the emphasis has turned away from APEC to bilateral Free Trade Agreements (FTAs) and to concern in Congress over ever-growing trade deficits. In political/security terms, the key bilateral alliance with Japan has been reinforced and defense relationships have been strengthened with Australia, Singapore, the Philippines, and Thailand (the latter two being granted “major non-NATO ally” status).

Initially, Southeast Asia did not appear on the Bush administration’s radar screen, despite its economic importance to the U.S. as its fifth largest trading partner and the geostrategic significance of the region’s maritime lines of communication both for the U.S. Navy and for the transit of much of Asia’s energy supplies. The low priority given to Southeast Asia changed quickly when, in the aftermath of 9/11, arrests in Singapore of members of the Jemmah Islamiyah revealed the existence of an al-Qaeda-linked terrorist network in maritime Southeast Asia intent on targeting Western interests. This wake-up call focused Washington’s attention on the entire region as the “second front” in its war on terror.

However, as David Capie writes, the extent to which the U.S. has subsequently “re-engaged” the region should not be overstated. U.S. priorities remain primarily focused on the Middle East, the Persian Gulf, and Northeast Asia, the latter regarding North Korea’s nuclear weapons. Re-engagement with Southeast Asia has been uneven. American relations with Cambodia, the Lao People’s Democratic Republic (PDR), Burma (Myanmar), and Vietnam remain largely unaltered. Burma, with its increasing ties to China and India, continues to frustrate the episodic attempts by Washington to pressure its despotic regime to improve its human rights record. U.S.-Vietnamese relations, on the other hand, have been dominated by economics issues, culminating in a recently approved bilateral trade agreement.

Washington’s security antennae are centered on maritime Southeast Asia, with a perceptible divide between countries where Islam is important and the rest. These are the Southeast Asian states of Indonesia, Malaysia, the Philippines, Singapore, and Thailand. According to Catharin Dalpino, “Current U.S.

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policy toward Southeast Asia tends to bifurcate the region into countries with significant Muslim populations (and higher terrorism threats as a result), and those without them, paying greater attention to the former group. U.S. attention can be seen in its engagements with the maritime countries’ governments in intelligence collaboration, bilateral military-to-military ties, and targeted economic and military assistance. On the other hand, public diplomacy and attention to the economic and social conditions of these populations has been critically lacking.

Karl Jackson has noted that with the American government’s attention “focused almost solely” on security issues and terrorism, U.S. foreign policy constitutes “a policy without a strategy” characterized by its aggressive “for us or against us” mind-set. The Bush administration has been financially rewarding states or withholding funds from them based on their support for the war on terror and the Iraq war. Other regional issues and political challenges have not been given much attention, and diplomatic, cultural, and economic approaches have been underemployed. According to some analysts, America has lost influence in the Southeast Asian region because Washington is preoccupied with terrorism and tends to place bilateral ties above multilateral relationships.

Power Projected: The Southeast Asian Perception

When President Bush took office, statements that his administration intended to give more attention to Asia were welcomed by Asian leaders. Still, even before the terrorist attacks of 9/11, the desire of Southeast Asian leaders for American involvement was not worry-free. First, they were made uneasy by Bush’s reference to Australia as the region’s “deputy sheriff,” interpreting this to mean that Washington might be delegating authority to a surrogate instead of being seriously involved itself. Second, they were apprehensive about Bush’s

19. Catharin Dalpino, “China’s Emergence in Asia and Implications for U.S. Relations with Southeast Asia,” statement before the U.S. Senate Foreign Relations Committee (June 7, 2005), pp. 6, 9. Dalpino notes that this split corresponds to the division between “old” and “new” members in ASEAN. She recommends that the U.S. avoid exacerbating the “gap” in attention between old and new ASEAN members.


initial view of China as a “competitor and potential regional rival.” This worry dissipated after 9/11 when Washington softened its stand in order to enlist the cooperation of Beijing in the war against terror. Third, Southeast Asian policy makers were concerned by the administration’s stated preference for bilateralism and, at times, unilateralism.

The U.S. invasion of Iraq struck a twin blow to diplomatic relations and to the attitudes of Southeast Asian populations. By proceeding without U.N. approval, American actions undercut the norms of sovereignty, territoriality, and non-interference that were seen by Southeast Asian states as fundamental to legitimacy. Second, by fostering the impression of having mounted a campaign against Islam, Washington angered the moderate Muslim populations of key Southeast Asian states such as Indonesia and Malaysia. The overall impact of the Iraq war, despite Washington’s distribution of assistance and smoothing of relations with Southeast Asian leaders, has been to alienate, confuse, and frustrate. In the words of one prominent analyst from the region, Simon Tay, “The U.S. post-9/11 agenda has complicated existing international conflicts and insurgencies in Southeast Asia.” He characterizes Washington as having embarked on a “neo-imperialist strategy” to use and reinforce U.S. primacy, with policies of “benign selfishness” driven by domestic priorities and thus impermeable to outside influence.22

The strong ambivalence of Washington toward multilateralism and its eschewing of diplomatic approaches have led Asians to consider new arrangements. Secretary of State Condoleezza Rice’s decision to skip the ASEAN foreign minister’s meeting and the ARF in 2005 pointed to a lack of American interest and no doubt stimulated an already growing interest in a wider Asian grouping. Belatedly, the Bush administration has said it intends to appoint an ambassador to ASEAN, while hinting at a U.S.-ASEAN FTA down the road.23 Washington continues to view the ARF, on the other hand, as an overly large, underperforming “talk shop” that does not merit significant bolstering—even though it is the only region-wide security institution that includes the U.S.24

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23. Sheldon Simon, “Bush Reaches out at APEC,” Comparative Connections (January 2007), <http://www.csis.org/pacfor/ceejournal.html>. A congressional bill creating a U.S. ambassador for ASEAN has passed the Senate and is pending in the House. However, if the bill passes, the State Department has said it will only designate an existing assistant deputy secretary as concurrent ambassador, thus diluting the initiative.
One manifestation of a wider Asian grouping is ASEAN+3 (ASEAN and China, Japan, and South Korea). Interestingly, the U.S. has not considered this grouping to be very important. The one multilateral organization that has interested the Bush administration is APEC, which Bush officials have called “by far the most robust multilateral grouping in Asia.” However, Washington’s attempts to mobilize the organization for security purposes may have been counterproductive. Bruce Vaughn, a Congressional Research Service analyst, has observed that Asian regional leaders have effectively downgraded the importance of APEC in 2005. Despite President Bush’s attendance at an APEC meeting in Korea that November, regional leaders deemed this meeting to have been “trumped” by the December 2005 East Asian Summit (EAS) meeting in Malaysia, to which the United States was not invited. In 2006 Malaysian Prime Minister Abdullah Ahmad Badawi urged the APEC forum to return to its original purpose of promoting economic growth and to leave security concerns to the ARF.

China’s Good Neighbor Policy in Southeast Asia

Southeast Asia is important to China for two-way trade, investment, tourism, and educational exchanges. In recent years, as China developed into the world’s second largest energy consumer, Southeast Asia has become important for China’s energy security. There are two reasons for this: (1) 80% of China’s oil imports travel through the Straits of Malacca and (2) the offshore oilfields in Southeast Asian waters provide Beijing with some of its current and future supplies.

Beijing has moved with alacrity to take advantage of the openings in the region left by Washington. China’s attempts to woo Southeast Asia consist of a package of well crafted policies featuring economic incentives and goodwill measures along with a strong diplomatic effort. The policies focus on building trade relations, encouraging confidence-building measures, and offering development assistance without conditions. Beijing’s bilateral relations have been concentrated on the poorer mainland Southeast Asian states—Burma, the Lao


26. Ibid., p. 2. The United States was not invited because, among other reasons, it will not sign the ASEAN Treaty of Amity and Cooperation. The EAS is a forum of pan-Asian leaders who meet annually to discuss Asian political, economic, and security issues. The EAS comprises ASEAN+3, and India, Australia, and New Zealand, with Russia as an observer. Also see, Barry Desker, “Why the East Asian Summit Matters,” Asia Times Online, December 13, 2005, <http://www.atimes.com>.

PDR, and Cambodia. Beijing has forgiven their debts (and also that of Vietnam) and has offered them duty-free privileges for their exports.

If this courting of the poorer states has caused some unease for other member states, it has been partly assuaged by China’s steadfast support for multilateral arrangements. For example, in November 2002 China signed a “declaration of conduct” governing the peaceful negotiation of disputes in the South China Sea. At the same time, China and ASEAN agreed to create the world’s largest FTA by 2010. In October 2003, China signed the ASEAN Treaty of Amity and Cooperation, agreeing to settle disputes among signatories peacefully. Further, Beijing has played a leading role in establishing the Boao Forum—an Asian version of the Davos Forum—and the Asia Bond Fund (over American and IMF objections) to bail out economies in crisis.

Beijing has changed from viewing multilateralism in Southeast Asia as “constraining” to seeing it as useful for promoting China’s regional goals. This translates into strong support for various regional organizations, including the new 16-member EAS. Of the regional organizations, China prefers the ASEAN+3—an all-Asian forum. It has also assumed a leadership role in the ARF. In both the ARF and EAS, China is trying to initiate a new security forum.

China’s vigorous and broad-based engagement with Southeast Asia offers a sharp contrast to the narrow focus of U.S. policy on combating terrorism. Beijing’s sophisticated employment of soft power has coincided with a concurrent sharp decline in America’s use of soft power. A Congressional Research Service report states that there has never been a time when the U.S. has been “so distracted and China so focused.” Thus, while Washington continues to debate China’s intentions and goals, Southeast Asians nowadays seem much more sanguine about them.

China Rising: The Southeast Asian Perspective

As a result of these trends, China’s relationship with Southeast Asia has undergone a significant shift. As recently as the 1990s, Beijing was viewed mostly with fear and suspicion. Now the relationship reflects increasing cooperation and growing trust.

28. The Davos Forum is the nickname for the World Economic Forum (WEF), an independent international organization that hosts an annual meeting of many of the world’s political and economic leaders to discuss global economic issues and to promote economic partnerships. See <http://weforum.org>. The Boao Forum, founded in 2001, is modeled after the WEF, for Asia exclusively. It has focused on such Asian issues as China’s entry into the World Trade Organization, China’s “peaceful rise,” and Southeast Asia’s economic crisis of the late 1990s.

In public, ASEAN governments opine confidently that China’s goals in Southeast Asia are beneficial to all. Nonetheless, the ASEAN governments remain concerned about the long-term possibility of Chinese dominance in the region, preferring that a balance of major powers be maintained. Indeed, China’s growing security ties with Burma contributed to the 1997 decision to admit Burma into ASEAN. As stated by then-Singapore Prime Minister Lee Hsien Loong, ASEAN does not want to be forced to choose sides between China and the United States or China and Japan.30

Relations between China and individual ASEAN states are being buttressed by trade, aid, diplomatic agreements, and prospects of joint ventures. China’s voracious appetite for energy has emerged as a key ingredient. ASEAN has become a supplier of gas and oil and an instrument in China’s energy security. Thailand, Burma, the Lao PDR, and China have signed an agreement allowing the transportation of 70,000 tons of refined oil a year up the Mekong River from Chiang Rai in Thailand to Kunming in southwestern China. China also intends to build gas and oil pipelines from a port in the Arakan region in the west through central Burma to Kunming. This places Burma inextricably in China’s orbit. Beijing’s relations with the Philippines have been smoothed as prospects for peaceful joint energy exploration in the South China Sea have increased. Malaysia has signed a long-term agreement to supply liquefied natural gas to China (and it is buying Chinese medium-range surface-to-air missiles). Finally, Indonesia and China in 2002 signed a memorandum of understanding creating an Indonesia-China Energy Forum.

Beyond energy agreements, two-way trade is further cementing the ASEAN-China relationship; China is emerging as the engine of regional economic growth and integration. China-ASEAN trade totaled $130.4 billion in 2005 and has been increasing at about 25% a year since 2003. U.S.-ASEAN two-way trade totaled $149 billion in 2005 but has remained relatively stagnant. Still, open American markets and investment remain very important to Southeast Asia.

China is also using educational scholarships to promote social and cultural links. Twice as many Indonesians went to China to study in 2004 as went to the United States. On the other hand, faced with problems in obtaining visas because of U.S. security concerns, a dwindling number of Southeast Asian students are choosing to study in America. Overall, the success of China’s “charm offensive” has led to a widely held perception in Southeast Asia that the U.S. is losing the competition for influence in the region, according to Singapore Ambassador-at-large Tommy Koh.31

31. Tommy Koh, “America’s Role in Asia: What Does Southeast Asia Want from Washing-
The U.S. War on Terror: Southeast Asia as a Second Front

Five years after the attacks of 9/11, the 2006 National Security Strategy leaves little doubt regarding the continued, *singular* priority of the Bush administration:

America is at war. This is a wartime national security strategy required by the grave challenge we face—the rise of terrorism fueled by an aggressive ideology of hatred and murder. . . . The United States is in the early years of a long struggle, similar to what our country faced in the early years of the Cold War.32

Southeast Asia’s role in this war on terror continues as a critical second front. This is a role assigned to the region by the U.S. administration after the discovery in several countries (Singapore, Indonesia, and the Philippines) of internationally and regionally linked terrorist cells plotting against the U.S. and its regional assets. Southeast Asia, with its combination of large Muslim populations; dissident and separatist movements; porous borders and easy transnational communication; under-resourced and occasionally compromised intelligence, police, and military services, has been characterized by Washington observers as a “fertile breeding ground for terrorist operations.”33 Tragic events such as the attacks in Bali in 2002 and Jakarta in 2003 and 2004, as well as the arrests of key international terrorists, and the evidence of the links between al-Qaeda and the militant Southeast Asian organization Jemmah Islamiyah and the Philippines Islamic group Abu Sayyaf have all served to confirm this assessment.

In the wake of 9/11, with its immediate retaliatory attack on the Taliban government of Afghanistan, the U.S. established that its primary strategy in combating terrorism would be a war conducted largely by military means. For Southeast Asia, this has had two important consequences: promotion of an over-simplified notion of the problem and of a highly strident rhetorical discourse. Countries are expected to choose sides; their leaders expected to publicly endorse Washington’s regional and global initiatives. Bush’s “you are either with us or you are against us” approach has been echoed in Southeast Asia. Raymond Bonner reports that an American official in Southeast Asia explained that “[i]t is not enough to be with us in the war on terrorism but you have to trumpet it.”34 Second, there has been a channeling of relationships with Southeast Asian states through their national militaries, especially their

intelligence and counterinsurgency components. Accordingly, over the last several years (and in line with its traditional preference for bilateralism) Washington has effectively constructed a hub-and-spokes arrangement of bilateral, counterterrorist-oriented relationships with Southeast Asian states.

Key among these have been the Philippines, Indonesia, and Singapore, the most direct engagement being the deployment of U.S. commando units in the Philippines to “train” the Armed Forces of the Philippines to combat the Moro Islamic Liberation Front insurgency in Mindanao and especially to target Abu Sayyaf networks. Indonesia has posed greater challenges for Washington. While regarding Indonesia, with its large Muslim population and complex political terrain, as critical to any regional counterterrorism agenda, the White House has had to maneuver around longstanding congressional bans on dealing with the Indonesian military. With Susilo Bambang Yudhoyono ascending to the presidency in October 2004, this became feasible, resulting in a significant adjustment in the approach of the U.S. toward Indonesia and the lifting of these restrictions.

Singapore, traditionally welcoming a U.S. presence in the region, was pleased to deepen its military and security cooperation with Washington as a “forward positioning” and servicing location. Relations with Malaysia and Thailand, on the other hand, were more delicate. However, despite the sometimes inflammatory denunciations of Malaysia’s leaders, the Malaysian government has quietly expanded its cooperation with the U.S. military, allowing overflights and engaging in military-to-military training exercises. Thailand, with its well-established defense relationships with the U.S., also quietly provided increased support for Washington’s efforts, including the use of venues to hold and interrogate captured suspected al-Qaeda operatives.

These relationships have been facilitated by a variety of direct and indirect, monetary and non-monetary benefits to the states involved. Central has been the increase in economic and security assistance flows to Indonesia and the Philippines. “Rewards” have come in other forms. The Philippines and Thailand, for instance, initially looked to profit from reconstruction efforts in Iraq. Singapore apparently was rewarded with facilitation of its FTA with the U.S. and the provision of more sophisticated military hardware. And, of course,


36. Requested U.S. security assistance to Indonesia grew to over $12 million in FY06, and total security and economic assistance levels requested rose dramatically to over $175 million in FY06, an increase of over 50% since 2001. For the Philippines, security assistance jumped significantly after 2001, with over $120 million provided for FY02–04 and a continued stream to the present. These data are from Vaughn et al., “Terrorism in Southeast Asia,” pp. 49–50. The original source is Department of State/Congressional Budget Justifications, Foreign Operations, FY2004/2005
there is the symbolic importance of invitations to the White House for, among others, former Malaysian Prime Minister Mahathir Mohamad and his successor, Abdullah Ahmad Badawi; Indonesia’s Yudhoyono; Philippines President Gloria Macapagal Arroyo; and Singapore Prime Minister Lee Hsien Loong.

Multilateral approaches have been utilized selectively by the Bush administration. Collective gestures of solidarity and cooperation have been orchestrated at the ARF and in ASEAN contexts and agreements such as the U.S.-ASEAN Counterterrorism Work Plan and U.S. offers to fund the Southeast Asia Regional Center for Counterterrorism. However (as discussed earlier), the U.S. has found APEC a more amenable institutional platform, in part because counterterrorism initiatives could be couched in non-political, functional terms as efforts to facilitate commerce and the safe transit of people and material. Bush administration strategies to mobilize “coalitions of the willing” have met with mixed, and mostly token, success in Southeast Asia. For the Iraq mission, the only commitments to provide (non-combatant) forces came from Thailand (450 soldiers) and the Philippines (51 soldiers and police). Singapore sent a navy supply ship to the Gulf but no land forces. For the Proliferation Security Initiative, only Singapore has become a participant.

In the U.S. war on terror, the advancement of democracy and the promotion and protection of human and political rights, albeit prominently touted in official statements, have become secondary concerns. Authoritarian governments in Asia such as China have instrumentally adopted the rhetoric of anti-terror to suppress internal dissent and have leveraged security and intelligence cooperation with the U.S. to quiet Washington’s opposition to these efforts. In Southeast Asia, Washington has muted its concerns over the treatment of dissidents in Vietnam and over stringent legislation such as the Internal Security Acts in Malaysia and Singapore. While criticism continues over the willingness of the U.S. to cooperate with the Indonesian military, as Bruce Vaughn puts it, “[H]uman rights concerns have increasingly been weighed against American security interests, and particularly the need to develop effective counter-terror cooperation with Indonesia to combat radical Islamic groups.”

The War on Terror: Southeast Asia’s Ambivalent Cooperation

As evidenced in their immediate response to the events of 9/11, Southeast Asian states and their populations were in accord in their condemnation of terrorist


attacks against civilian populations. Accordingly, the ASEAN states have been willing to cooperate with Washington by, among other things, agreeing to share intelligence, freezing funds linked to terrorist groups, and enhancing bilateral military-to-military relationships (with their attendant economic benefits). However, these states are not comfortable with the execution of the U.S. war on terror. In essence, they are not convinced that this is their fight—at least as Washington has chosen to prosecute it. As dissatisfaction has grown, a shared sense of purpose with the U.S. has dissipated.

For the Southeast Asian public, particularly among Muslim populations, the war on terror has come to be seen as a war against Islam. The invasion of Iraq and subsequent revelations of U.S. violations of human rights have only made matters worse, provoking overblown rhetoric by opposition politicians and religious leaders that has tended to polarize domestic politics. In framing the conflict in terms of opposing “evil,” the Bush administration has further alienated hearts and minds and diminished Southeast Asian support in the crucial “war of ideas.”

Analysts see a growing gap between the views of more pragmatic government policy makers and the “strident anti-U.S. sentiment” expressed by popular and elite opinion in the region. Southeast Asian leaders have found themselves in delicate balancing acts, seeking to sustain U.S. regional engagement and stamp out regional, transnational terrorist networks while at the same time placating their domestic audiences. Thus, President Megawati Sukarnoputri pledged cooperation with America in its fight against terrorism after meeting President Bush soon after 9/11 but, faced with angry demonstrations on the streets of Jakarta upon her return to Indonesia, quickly withdrew her endorsement. Favorable opinion of the U.S. among Indonesians fell from 75% in 2000 to 15% in 2003 after the invasion of Iraq. Most recently, President Yudhoyono

38. Even staunchly supportive Singapore has warned the U.S. about this. Singapore Ambassador to the United States Chan Heng Chee has written that there “is unhappiness in the Muslim countries in the region with the handling of the Iraq war, the stalling of the Middle East peace process, and the security measures to deal with terrorist threats, which seem to be targeted at Muslims.” See Chan, “George W. Bush and Asia: Retrospect and Prospect,” in George W. Bush and East Asia: A First Term Assessment, Robert M. Hathaway and Wilson Lee, eds. (Washington, D.C.: Woodrow Wilson International Center for Scholars, 2005), p. 97, <http://www.bushasia2rpt.pdf>.


felt it necessary to qualify Indonesia’s relationship with America carefully as that of “a friend and equal partner, not an ally.”

The Philippines and Thailand, two U.S. treaty allies whose leaders had answered Washington’s call and deployed troops to Iraq, had to withdraw these forces earlier than planned because of the domestic unpopularity of the war. In 2004 regional leaders flatly rejected Washington’s offer to take an active security role in guarding the vital Straits of Malacca. Only Singapore supported the initiative. Malaysian leaders have offset the quiet cooperation of their military and intelligence agencies with American counterparts with vocal public opposition to U.S. actions in the Greater Middle East.

Regional analysts see the Bush administration’s focus on a military response to the global and regional terrorist challenge as misguided. They react negatively to what they see as hectoring of Southeast Asian officials and experts by officials from Washington. These Asian analysts are critical of what they regard as simplistic explanations of terrorism that tend to overgeneralize and lack the nuanced appreciation of locally embedded accounts that reflect historical and political contexts. They point to the necessity of addressing the root causes and adapting “indirect strategies” in which political, economic, and ideational agendas are prioritized.

At the January 2007 ASEAN summit, leaders signed their first convention on counterterrorism, focusing on sharing intelligence to track suspects and money and agreeing to extradite suspects. But they couched their cooperation by affirming that “terrorism cannot and should not be associated with any religion, nationality, civilization, or ethnic group.” Further, in a clear departure from the hard-line U.S. approach, they pledged to try to rehabilitate and reintegrate convicted terrorists back into society.

U.S. war in Afghanistan, strongly opposed their countries’ joining in, and were worried that this portended a war against Islam. Data from the Gallup International End of Year Terrorism Poll 2001, displayed in Benjamin E. Goldsmith, Yusaki Horiuchi, and Takashi Inoguchi, “American Foreign Policy and Global Opinion: Who Supported the War in Afghanistan?” Journal of Conflict Resolution 49:3 (June 2005), pp. 408–29.

42. Cited in Simon, “Bush Reaches out at APEC.”

43. See Robert M. Hathaway, “Introduction,” in Hathaway and Lee, eds., George W. Bush and East Asia, p. 5. He writes that a number of the authors conclude the administration must broaden its focus beyond what the distinguished U.S. diplomat Michael Armacost has called the “Johnny One-Note” quality of American diplomacy.


Finally, regional experts argue that the effectiveness of the regionally based modes of multilateral consultation of ASEAN and its institutions remains underappreciated as a means of building transnational consensus and cooperation. U.S. efforts to manage and balance within Southeast Asia are seen as incomplete and inefficient and ultimately undermining of the “incipient community” embodied in ASEAN.46

**Looking Ahead: Post-Bush, Post-Iraq**

With the George W. Bush presidency moving into its final years, having been forced to acknowledge that the war in Iraq had gone wrong and having lost partisan control of Congress, what directions can one foresee for U.S.-Southeast Asian relations?

Some analysts already see positive signs emanating from Washington. They point to the generous and effective post-tsunami relief delivered by the U.S. military, the large economic assistance packages offered to Indonesia (much of it earmarked for education) and the Philippines, and to what they see as the adoption of a more holistic strategy in the war on terror. Looking forward, for example, Liow and Tan see the recently announced U.S.-ASEAN Enhanced Partnership and related U.S. initiatives as “compelling evidence that Washington is recalibrating its policy towards Southeast Asia.”47 Furthermore, current levels of antipathy toward the U.S. need not be viewed as permanent. These could change, admittedly unpredictably, in reaction to events. But, as with the tsunami aid, these feelings may be swayed in positive directions in appreciation of American assistance and through Washington’s greater recourse to soft-power approaches.48

But for other observers, it is difficult to be that optimistic—to foresee Washington giving higher priority to Southeast Asia in general and more specifically to expect it to be able and willing to address the sore points raised by its conduct of the post-2001 counterterrorism campaign. In part this is because for many Southeast Asians, addressing the underlying pathologies of the war on terror extends beyond their regional borders and requires a wholesale reorientation


48. Surveys of public opinion about the U.S. in Indonesia show considerable variation and movement depending on world and local events—and depending on the survey. The Pew June 2006 survey of Indonesian attitudes showed that “favorable opinions of the U.S.” rebounded to 38% in 2005 after the tsunami, and then declined to 30% in 2006. Support for the war on terror increased to 50% in 2005 but fell to 39% in 2006. See “America’s Image Slips . . . .” <http://www.pewglobal.org/>. The Lowy Institute Poll 2006, “Australia, Indonesia, and the World” (October 2006), Lowy Institute for International Policy, Sydney, Australia, showed considerable Indonesian mistrust of the U.S. (64%)—much greater than of China (37%)—a long time nemesis.
of attitude and policy on the part of the United States. Desker and Rama-
krishna, for instance, argue that three changes are requisite to improve the im-
age of the West among Muslim Southeast Asian populations: reconstruction
and rehabilitation of Afghanistan (and presumably Iraq), progress toward re-
solving the impasse between Israel and the Palestinians (a situation that in-
vokes “primordial resentment”), and appropriate conduct in military actions.49
Simon Tay calls for the U.S. to “live up to its values” and to employ its position
of primacy to provide stability through cooperative leadership for the region.50
These are calls for fundamental, not instrumental or pragmatic, changes—
changes that are not very likely to be forthcoming from the next U.S. adminis-
tration, whichever party’s candidate wins.

In the shorter run, Democratic Party control of the 110th Congress does not
seem likely to have any significant or positive impact concerning Southeast
Asia. Signals are mixed; probable preoccupations with unfair trading practices,
human rights policies, and nuclear weapons issues would seem to be “serious
and troubling for smooth U.S. relations” with Asia.51 Overall, the region sits
very low on Washington’s radar screen. A Congressional Research Service re-
view of the foreign affairs, defense, and trade issues facing the new Congress is
indicative. Several “challenges and interests” in Southeast Asia are noted briefly:
fighting terrorism, “assessing and responding to China’s growing influence,”
promoting trade (especially FTAs), and human rights concerns regarding Burma,
and establishment of military ties with Indonesia.” The concerns and crises of
Northeast Asia predominate. Ambivalence over Washington’s larger role vis-à-
vis Asia prevails. Thus, while asserting that “the United States usually is expected
to play a lead role in resolving [regional crises],” there is acknowledgement
that more independent and economically focused governments are “beginning
to respond in a more lukewarm manner to certain U.S. initiatives.”52

In sum, if the historical cycle of Washington’s attention and inattention to-
ward Southeast Asia holds, one might well anticipate increasing U.S. disen-
gagement from the region, a proclivity to let regional actors solve regional
problems, moves to isolate rather than to engage, and continued reliance on
bilateral hedging strategies rather than multilateral institution building.

49. Desker and Ramakrishna, “Forging an Indirect Strategy in Southeast Asia.” The quoted
phrase (p. 168) “primordial resentment” is by Surin Pitsuwan, former foreign minister of Thailand.
Hathaway notes: “Indeed, it is striking how often these essays single out U.S. policy in the Greater
Middle East as a crucial element in U.S. standing in Asia.” See his “Introduction,” in Hathaway
and Lee, eds., George W. Bush and East Asia, p. 10.
52. Clare M. Ribando and Bruce Vaughn, coordinators, “Foreign Affairs, Defense, and Trade:
Key Issues for the 110th Congress,” CRS Report for Congress RL33760, LOC, Washington D.C.
(December 20, 2006), pp. 34, 38.