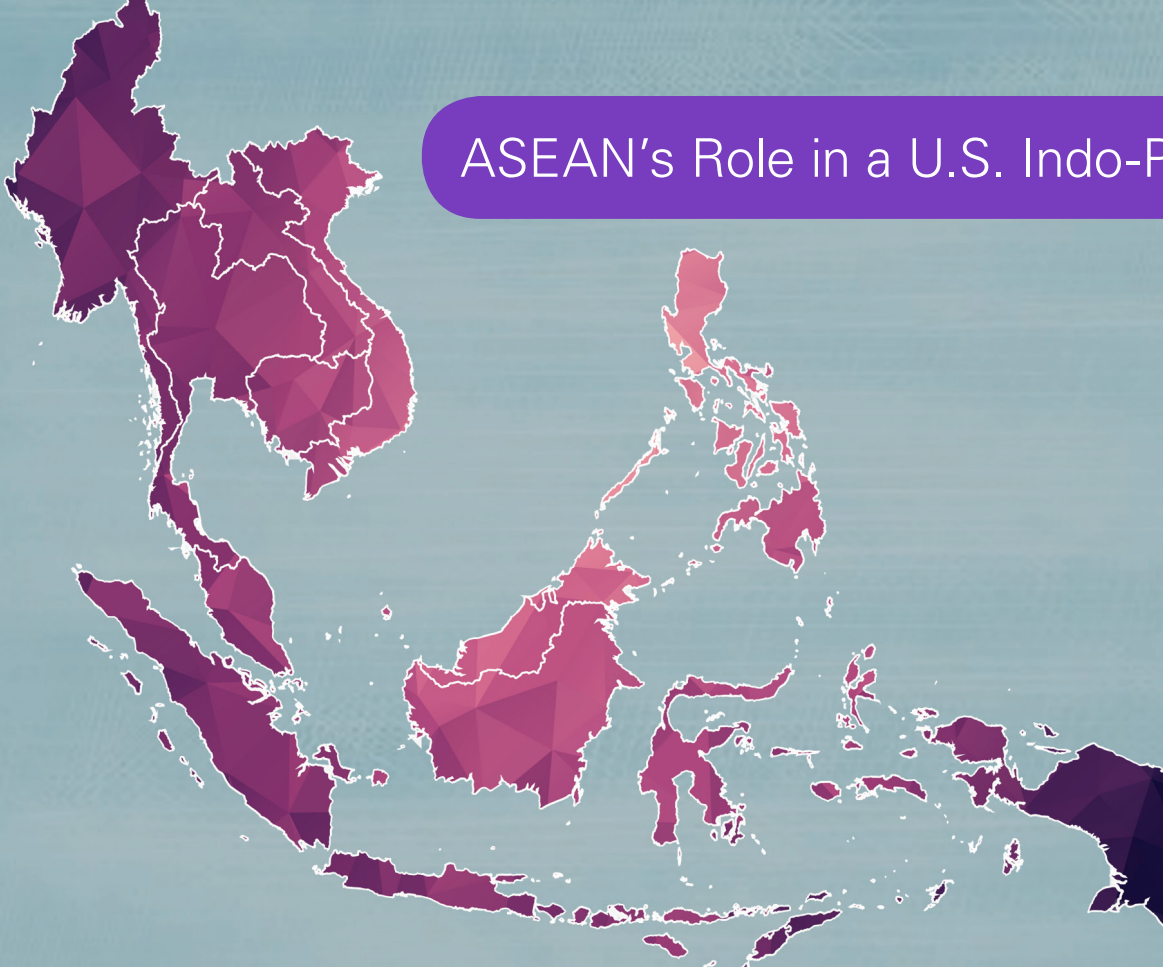


ASEAN's Role in a U.S. Indo-Pacific Strategy



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INTRODUCTION

Over the past few months, top U.S. officials, including Secretary of State Mike Pompeo and Defense Secretary Jim Mattis, have begun fleshing out a vision for Indo-Pacific region, which U.S. President Donald Trump first publicly unveiled in a speech at the Asia-Pacific Economic Cooperation (APEC) Summit in Vietnam back in December 2017.¹ As they have done so, they have rightly recognized that Southeast Asia will be a central part of this emerging Free and Open Indo-Pacific (FOIP) strategy—broadly conceived as an effort to defend freedom and openness in the rules-based order in concert with willing and able partners.²

Recognizing Southeast Asia's centrality to this evolving U.S. strategic conception in Asia is a good starting point, particularly since the subregion has often been marginalized in U.S. Asia policy relative to its geopolitical importance. But this is only a first step. Successfully integrating Southeast Asia into such a strategy in the coming years will require U.S. policymakers to recognize both the opportunities and challenges that come with such a vision in the region, as well as being cognizant of how to navigate this mix of considerations that play into U.S. engagement in Southeast Asia as well as regional perceptions therein.

SOUTHEAST ASIA'S SIGNIFICANCE IN THE U.S. INDO-PACIFIC STRATEGY

Southeast Asia's centrality to U.S. Asia policy has often not been matched by the level of attention given to it, particularly during the first few decades that followed the end of the Vietnam War. Nonetheless, under the George W. Bush and Barack Obama administrations, U.S. policymakers displayed a growing recognition of importance of the region on its own merits as well as to the wider region, be it in terms of its brisk economic growth rates or its role in addressing challenges ranging from terrorism to climate change to China's rise.³

A major driver of the Trump administration's emphasis on Southeast Asia is the subregion's importance within the broader Indo-Pacific, a region of great importance to U.S. interests and that of its allies and its partners as recognized by officials and elites over the years.⁴ That is no surprise: within that broader story, Southeast Asia is clearly a significant actor when viewed from these different lenses.

Materially, if the starting premise of the FOIP strategy is that the Indo-Pacific region is significant economically and strategically for the United States to invest in—representing more than half of the global population and more than half of the global economy—then Southeast Asia accounts for a major part of that importance. Globally, the countries of Southeast Asia today represent the world's third largest population and the fifth largest economy, a testament to decades of prosperity in spite of the challenges that remain.⁵ Within the Indo-Pacific, Southeast Asia is also home to two of the United States' five treaty allies—Thailand and the Philippines—as well as several other key strategic partners such as Indonesia, Singapore, and Vietnam, which have also been strengthening their ties with other U.S. allies and partners in the region as well such as Japan and Australia.

Geographically, Southeast Asia sits right at the center of the Indian Ocean to the west and the Pacific Ocean to the east, which are the two ends of the Indo-Pacific vision which seeks to emphasize its significance as a single strategic environment. And to the extent that FOIP places an emphasis on the maritime domain, Southeast Asia's importance is critical since it is home to the vital sea lanes of communication that link both the Indian Ocean and Pacific Ocean, including not only the South China Sea, where one third of global shipping passes, but other strategic waterways as well, such as the Malacca Straits, which is one of the world's busiest waterways, and the Sulu Sea, which is both a place of rampant transnational crimes and emerging intraregional cooperation, as evidenced by trilateral patrols between Indonesia, Malaysia, and the Philippines.⁶

Geopolitically, Southeast Asia is arguably a key battleground in the Indo-Pacific where the "freeness" and "openness" of the FOIP strategy will be tested. Southeast Asia is a collection of relatively newer, very diverse states, several of which are rather underdeveloped economically and politically and maintain fluid and diverse alignments. This accounts for the spectrum of views on issues critical to the advancement of a FOIP strategy, be it China's role in the region or the advancement of democracy and human rights.⁷ Southeast Asia is also home to the Association of Southeast Asian Nations (ASEAN), a regional grouping which, for all its flaws, is a fulcrum of the Asia's multilateral architecture, with its stream of annual meetings representing a critical front in the battle for ideas.⁸

To their credit, U.S. officials have recognized Southeast Asia's general significance to the advancement of a FOIP strategy early on, and have been prudent in beginning to articulate this over the past few months. As U.S. Secretary of State Mike Pompeo put it succinctly in his remarks in July at the Indo-Pacific Business

Forum at the U.S. Chamber of Commerce before heading out to Southeast Asia: "ASEAN is literally at the center of the Indo-Pacific, and it plays a central role in the Indo-Pacific vision that America is presenting."⁹

Yet recognizing Southeast Asia's significance to the FOIP strategy is only the first step to fully integrating the region into it. Doing so will require the United States to recognize both the opportunities and challenges that such a strategy poses for its overall foreign policy as well as the specific considerations that it must take into account in fashioning specific policy steps in the months and years ahead.

OPPORTUNITIES AND CHALLENGES FOR A U.S. INDO-PACIFIC VISION IN SOUTHEAST ASIA

In order to fully integrate Southeast Asia into a FOIP strategy, U.S. policymakers need to be cognizant of the reality that the strategy in fact presents both opportunities and challenges for the U.S. approach to the region. Managing those opportunities and challenges in the coming years within the context of the wider strategy and overall U.S. foreign policy will be key to its advancement in Southeast Asia.

The FOIP strategy presents valuable opportunities for U.S. engagement with Southeast Asia. For one, it presents Washington with the ability to further boost the integration of Southeast Asia into the order-building component of U.S. Asia policy. As laid out in the Trump administration's National Security Strategy and National Defense Strategy, the starting point for the FOIP strategy is a recognition of the need to reinforce the post-World War II free and open international order which is under significant stress, a point also recognized during the Obama years as well.¹⁰ Within the Indo-Pacific, Southeast Asia as a region and, more specifically, ASEAN as a regional grouping, is part of preserving a rules-

based international order, given that it is the hub of Asian multilateralism and is at the center of Chinese attempts to undermine norms that advance U.S. interests.¹¹

Second, beyond the region as a whole, the FOIP strategy affords the Trump administration the opportunity to engage selected Southeast Asian states which share some convergent interests with the United States. Some of the more forward-leaning Southeast Asian countries, such as Singapore and Vietnam, share some of Washington's strategic concerns—from China's rising assertiveness as evidenced in the South China Sea, or the more general need for more diversified and higher-standard economic arrangements. Other Southeast Asian states, such as Indonesia, have articulated their own conceptions which, while intentionally distinct, nonetheless do have some overlap with the FOIP strategy as well.¹²

Third and finally, the FOIP strategy offers Washington an opportunity to collaborate with its fellow Asian allies and partners that have also been increasing their stakes in Southeast Asia over the past few years as part of their own Indo-Pacific conceptions. Indeed, from a wider regional lens, the FOIP strategy is just the latest in a succession of strategies that have increasingly emphasized the role of Southeast Asia, including Japan's Indo-Pacific Strategy, Australia's Foreign Policy White Paper, India's Act East Policy, and Taiwan's New Southbound Policy.¹³ Integrating FOIP where appropriate would enhance Washington's ability to leverage its alliance and partnership network in Asia, which is one its greatest strengths.¹⁴ It would also blunt criticism that the strategy is being unilaterally imposed from without, as some opponents might unfairly like to suggest.

Yet the FOIP strategy also presents certain challenges as well for U.S. policymakers in terms of their engagement with Southeast Asia. First, there are lingering regional suspicions

about the focus and intent of the strategy. While U.S. officials have repeatedly defined the FOIP strategy as being a comprehensive, whole-of-government approach to defend a set of principles with willing and able allies and partners, there are still concerns that it may in fact be nothing more than a narrower, security-centric effort to counter China.¹⁵ Though some aspects of the latter approach would find support in a few Southeast Asian capitals, even Washington's closest partners realize that this would find fewer takers in the region because it risks fomenting divisions and leaves the demand for U.S. economic engagement unaddressed.¹⁶

The second challenge is doubts about the sustainability of the FOIP strategy. Part of this is a perception problem, where a high level of disarray in the Trump administration policymaking-wise and concerning actions taken on areas like trade have compounded regional skepticism about how far a FOIP strategy can be advanced in that context, thereby potentially limiting contributions that allies, partners and friends can make.¹⁷ But there is also a resource component of this challenge, particularly when it comes to cobbling together funds for the advancement of specific security, economic, and people-to-people initiatives in a domestic context. The administration has already discovered this as it has rolled out the economic aspects of the FOIP strategy, with criticisms expressed not only by commentators but also from Chinese officials as well who are keen to sow further doubts about its sustainability.¹⁸

The third and final challenge relates to the applicability of a FOIP strategy to regional conditions. As the United States looks to integrate Southeast Asia into a FOIP strategy, it has been difficult to do so when the region in some ways looks more unfree and closed than ever, with democracy on the retreat in some countries and ASEAN's difficulties on issues like the South China Sea looking ever clearer.¹⁹ For some Southeast Asian states, particularly those

facing elections or challenges such as rising populism or identity politics, there has been a tendency to either focus more on domestic affairs and engage with outside partners selectively rather than strategically, and this could not only continue but potentially intensify in the coming years.²⁰ This applies to not just U.S. partners like Indonesia, but also U.S. treaty allies, as evidenced by the unhelpful weakening of the Philippine position on the South China Sea under the leadership of President Rodrigo Duterte.

While managing these opportunities and challenges will not be easy for U.S. policymakers, that is exactly what will be required in order for Washington to successfully integrate Southeast Asia into FOIP in the coming years. Doing so will require paying attention to broader dynamics that affect both U.S. engagement with the region as well as regional perceptions related to it.

INTEGRATING SOUTHEAST ASIA INTO A U.S. INDO-PACIFIC STRATEGY

U.S. policymakers will have to manage aforementioned mix of opportunities and challenges if they are to successfully incorporate Southeast Asia as a region and ASEAN as a regional organization into the FOIP strategy. Specifically, to ensure that Southeast Asia and ASEAN are properly integrated into the FOIP strategy as details take shape in the next few years, U.S. policymakers should be guided by the following five principles, which one might dub the "five Cs," in order to do so.

The first is *clarity*. U.S. officials have already begun engaging their Southeast Asian counterparts as well as other observers on the FOIP strategy in general and its relevance for Southeast Asia in particular. But in individual Southeast Asian capitals as well as in some regional discussions on the subject, there is still some confusion even on the basics of the

strategy, including the tendency to conflate it with the narrower quadrilateral arrangement between the United States, Australia, India, and Japan ('Asia's Quad' for short) or compare it to China's Belt and Road Initiative (BRI) despite repeated clarifications by the administration.²¹ At times, even among some elites and publics, there is a more general lack of awareness about already ongoing U.S. engagement with the region, and a lack of appreciation about the more positive manifestations of this.²²

To be sure, similar confusion has surrounded the initial rollout of U.S. Asia strategies of past, and some of that is rooted in structural factors that condition regional anxieties. Nonetheless, U.S. officials can do their part to help further add clarity to some of the messaging, including through public speeches or addresses on the region's role within FOIP or specific aspects on the strategy. While there may be a natural tendency to highlight new initiatives, as much effort should be put on stressing what the United States already does and the unique advantages that Washington can offer, in order to blunt misplaced comparisons with other actors such as China. For example, despite the oft-cited suggestion that the United States should do more to engage Southeast Asia in the economic realm, there is a lack of understanding of the things the U.S. government is already helping with, such as the U.S.-ASEAN Connect initiative which surfaced during the Obama years.

The second is *comity*. Despite continued protestations by the administration, there is still a lingering perception that FOIP, far from being a collaborative concept rooted in cultivating common interests among a community of states, is nothing more than an effort to enlist strategically significant Southeast Asian states for narrow U.S. ends, including balancing China. While Southeast Asia is no stranger to major powers using individual states to advance their own interests, the worry among some

officials is that FOIP will further divide the region into opposing camps and undermine ASEAN's much-prized centrality in managing major power competition.²³ At a recent forum in Jakarta, a senior Indonesian diplomat captured this sentiment well when he noted sternly that if the United States was truly interested in contributing to Southeast Asia's future, then it should "stop dividing the region."²⁴ Comity would help in helping assuage such concerns and project FOIP as a more collaborative and inclusive concept.

To be sure, from the perspective of U.S. policy, the reality is that all ASEAN states are not created equal, and a FOIP strategy applies more to some than others. Nonetheless, U.S. policymakers ought to cast a wide net in their engagement to avoid unnecessarily alienating countries that may otherwise be open to the initiative and to prevent inadvertently undermining ASEAN which, for all its faults, still plays an important role in preserving rules-based order. Doing so will require continuing to engage not just more forward-leaning or strategically significant countries like Singapore or Vietnam, but also more ambivalent states who may want to play a role of support its advancement in a quieter fashion, including smaller states such as Brunei or Timor-Leste. Beyond that, continuing to leave the door open to China potentially joining would also be important to place a focus more on FOIP as an order-based rather than a threat-based strategy, and preempt strawman arguments that this is part of a containment strategy.

The third is *comprehensiveness*. A FOIP strategy that is well-rounded in terms of areas, with a focus on security as well as economic and people-to-people components, would gain greater traction in Southeast Asia, where advancing development and livelihoods remains a major priority for countries. An approach that is framed broadly and flexibly around different strategic spaces within Southeast Asia and

various arrangements to advance collaboration within them would also be better suited to the diverse nature of countries in the region.

Achieving a well-rounded FOIP strategy will require stepping up ongoing efforts in the economic and people-to-people realms, be it better leveraging financial institutions at home and partners abroad to help with infrastructure development, or expanding the focus of already promising efforts such as the Young Southeast Asian Leaders Initiative. It will also mean thinking about advancing collaboration in strategic spaces within various parts of Southeast Asia, from the Sulu Sea in maritime Southeast Asia to the Mekong River in mainland Southeast Asia, using various bilateral, multilateral, and minilateral mechanisms.²⁵ The Mekong River is a particularly notable example given that it sits in a subregion where developmental needs are great and China's presence is most deeply felt. The next two chairs of the annually rotating ASEAN chair, Thailand and Vietnam, are also significant players in the subregion as well.

The fourth is *calibration*. Southeast Asian states no doubt understand that the FOIP strategy, as well as other words and actions by the Trump administration, reflect broader realities within U.S. policy, be it the 'America First' sentiment on trade or the emergence of a more competitive phase of the U.S.-China relationship in line with Beijing's own behavior.²⁶ They are also not unfamiliar with the crusading impulses of some U.S. administrations, be it with respect to rogue regimes, revisionist powers, or anti-democratic countries.

While these impulses will likely remain part of the FOIP strategy as it is implemented, they will also need to be kept in check if Washington intends to secure greater buy in from regional states. For instance, on China, the United States should focus less on the particular ways with which Southeast Asian states are engaging with

Beijing—a natural tendency given its growing regional role—and more on making clear what Washington brings to the table and what terms it is setting for countries to engage with it relative to other actors. On democracy and human rights, though the United States should not be afraid to stick to its principles given the recent democratic setbacks we have seen in the region, U.S. policymakers should be flexible about how they advance these principles in accordance with the country in question. As we have witnessed with respect to a range of countries—from Thailand as a treaty ally to Malaysia as a partner—a mix of factors, including rising populist tendencies, China's growing influence, and serious economic and political challenges, requires an even more careful balance between advancing U.S. ideals and interests.

The fifth is *consistency*. While it is true that skepticism about follow through and resourcing tends to dog virtually any initiative coming out of Washington, the strategic consequences of such thinking in Southeast Asian capitals with respect to FOIP in particular cannot simply be written off. Doubts about sustainability can play into wider tendencies already at play among regional states, including intensifying hedging behavior to ride out a one-term holding pattern in U.S. policy that will end in the next election instead of making long-term strategic realignments now.²⁷ Irrespective of the rationale for such behavior, the point for U.S. policymakers is that it can have the net effect of limiting the contributions that allies, partners, and friends can make to FOIP, which does not advance U.S. interests.

Part of that can be accomplished by making greater investments in a FOIP strategy, leveraging resources across the board in government agencies, financial institutions, partners, as well as the U.S. Congress, whose role in Asia policy continues to remain central.²⁸ Irrespective of the structural constraints of

U.S. policy, any administration's rhetoric will be checked against the resources it puts into its strategy, and real change thus requires real investments. But the true test will come in the administration's ability to keep the focus on the FOIP strategy in general and Southeast Asia in particular over time, in spite a range of unforeseen crises that could emerge as well as other factors we tend to see across administrations such as bureaucratic inertia and personnel turnover. Managing potential frustrations with respect to reactions from individual Southeast Asian states and ASEAN as a whole will also not be easy, especially if ambivalence or resistance to FOIP persists despite U.S. efforts to adapt it to regional perceptions.

Conclusions

U.S. officials have done well to clearly articulate a vision for the Indo-Pacific in general and to recognize Southeast Asia's role within it in particular. But successfully integrating Southeast Asia into a FOIP strategy in the coming years is likely to prove a much more challenging task. It will mean recognizing the mix of opportunities and challenges that come with applying such a vision to a diverse, complex region, and managing that mix deftly in spite of limits, frustrations, and distractions along the way.

This is not to suggest that such a task is impossible. The United States still possesses significant strengths as a player in the Indo-Pacific, and there is still a widespread recognition in Southeast Asia of both the need for a strong U.S. presence in the region in general as well as agreement on areas of U.S. interest in particular. The key, as ever, will be how U.S. policymakers can leverage American strengths and regional demand signals to maximize the potential for engagement in U.S. relations with Southeast Asia and forge the

sorts of partnerships that can tackle common challenges and realize joint opportunities. That notion of partnership has long been a significant advantage for the United States, and it is one that Washington should utilize to its fullest.

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