2018 no. 18

Trends in Southeast Asia

U.S. RELATIONS WITH SOUTHEAST ASIA IN 2018: MORE CONTINUITY THAN CHANGE

DAVID SHAMBAUGH



Trends in Southeast Asia



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Published by: ISEAS Publishing

30 Heng Mui Keng Terrace

Singapore 119614

publish@iseas.edu.sg http://bookshop.iseas.edu.sg

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ISEAS Library Cataloguing-in-Publication Data

Shambaugh, David.

U.S. Relations with Southeast Asia in 2018 : More Continuity than Change.

(Trends in Southeast Asia Series, 0219-3213; TRS18/18)

- 1. United States—Foreign relations—Southeast Asia.
- 2. Southeast Asia—Foreign relations—United States.
- ASEAN.
- 4. United States—Foreign relations—China.
- 5. China—Foreign relations—United States.
- 6. United States—Foreign relations—2009–2017.
- 7. United States—Foreign relations—2017-
- I. Title.
- II. Title: United States Relations with Southeast Asia in 2018
- III. Series: Trends in Southeast Asia; TRS18/18.

DS501 I59T no. 18(2018)

July 2018

ISBN 978-981-4818-76-6 (soft cover) ISBN 978-981-4818-77-3 (ebook, PDF)

Typeset by Superskill Graphics Pte Ltd Printed in Singapore by Markono Print Media Pte Ltd

FOREWORD

The economic, political, strategic and cultural dynamism in Southeast Asia has gained added relevance in recent years with the spectacular rise of giant economies in East and South Asia. This has drawn greater attention to the region and to the enhanced role it now plays in international relations and global economics.

The sustained effort made by Southeast Asian nations since 1967 towards a peaceful and gradual integration of their economies has had indubitable success, and perhaps as a consequence of this, most of these countries are undergoing deep political and social changes domestically and are constructing innovative solutions to meet new international challenges. Big Power tensions continue to be played out in the neighbourhood despite the tradition of neutrality exercised by the Association of Southeast Asian Nations (ASEAN).

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U.S. Relations with Southeast Asia in 2018: More Continuity Than Change

By David Shambaugh

EXECUTIVE SUMMARY

- The United States maintains a comprehensive and robust presence throughout Southeast Asia that has grown dramatically since the 1980s. It includes the commercial, security, education and diplomatic, and other domains. America's strengths and contributions to the region lie particularly in both hard and soft power, but the U.S. economic footprint is both broad and deep.
- However, this presence is not very well appreciated or reported by regional media — whereas China's presence and influence is pervasive. Most Southeast Asian governments are often reluctant to recognize or publicize the U.S. presence or contributions to regional security, stability, and growth.
- America's diplomatic engagement of ASEAN and the region has
 rightly been criticized for its episodic engagement, and Washington
 should substantially elevate Southeast Asia within its broader
 Asian and Indo-Pacific diplomatic priorities. Southeast Asia was
 made the highest priority ever for Washington during the Obama
 administration. While receding somewhat under the Trump
 administration, the region remains an important priority but
 Washington must devote sustained attention to match the region's
 importance to American national interests.
- As U.S.-China competition escalates, Southeast Asia will become
 an epicentre of this competition. Southeast Asian states and societies
 may not realize the significance of the escalating U.S.-China
 competition for them, as most countries are internally preoccupied
 and buy into ASEAN's rhetoric of inclusive engagement of external
 powers. Southeast Asian countries are likely to become increasing

- *objects* of this competition, and it will be become increasingly difficult for them to ignore it.
- Meanwhile, Southeast Asian states and ASEAN must elevate their own emphasis and engagement with the United States. The U.S. brings many more strengths and benefits than does China and is a far more comprehensive actor in the region. In particular, it would be helpful if ASEAN and its member states would more publicly recognize the contributions and importance of the United States.

U.S. Relations with Southeast Asia in 2018: More Continuity Than Change

By David Shambaugh¹

INTRODUCTION

A year and a half into the Trump presidency, Southeast Asian countries (like the rest of the world) are wrestling with understanding their region's place in his administration's priorities. If there is a consensus in the region, it is that under Trump the United States is returning to its long-standing approach of benign neglect — or what Joseph Chinyong Liow aptly terms "ambivalent engagement" in his excellent study of American relations with the region.²

While the Trump administration has certainly not prioritized Southeast Asia, neither has it intentionally downgraded the region. It simply seems to be returning to its traditional pattern of episodic diplomacy, whereby multi-month periods of no or little high-level interaction is followed by bursts of "parachute diplomacy" by U.S. officials who fly into the region, give reassuring speeches of America's continuing commitment and resolve, and then fly out. On some occasions the U.S. Government

¹ David Shambaugh was Visiting Senior Fellow at ISEAS – Yusof Ishak Institute, Singapore during June–July 2018, during which time this study was written. He is the Gaston Sigur Professor of Asian Studies, Political Science & International Affairs in the Elliott School of International Affairs at The George Washington University in Washington, D.C. The author would like to acknowledge the most informative conversations with Tan Chin Tiong, Malcolm Cook, Daljit Singh, Ian Storey, Leo Suryadinata, Lye Liang Fook and Tang Siew Mun.

² Joseph Chinyong Liow, *Ambivalent Engagement: The United States and Regional Security in Southeast Asia After the Cold War* (Washington, D.C.: Brookings Institution Press, 2017).

becomes proactive by inviting Southeast Asian heads of state and senior officials to the White House and Washington. But such surges of U.S. diplomacy are normally followed by many consecutive months of relative inattention — before the pattern repeats itself. One can thus understand and forgive Southeast Asian scepticism about the continuity and commitment of the United States to the region. This time around though, the residual doubts and questions about America's attention span and staying power is greater, and it is fuelled by three further factors: Trump's own unpredictability and capriciousness; China's rapidly rising role in the region; and the legacy of the Obama administration.

The Trump Factor

Trump has proven himself his administration's own worst enemy. An aggressive early morning tweet or denigrating comments made about a foreign leader, combined with the President's clear disdain for multilateralism, unappreciation of the importance of alliances, barely disguised racial and religious prejudices, and his simplistic mercantilist view of international commerce *all* have the potential to do real damage to U.S.—Southeast Asian relations. Trump's anti-immigration policies and targeting of Muslim immigrants in particular go down very badly in Brunei, Indonesia and Malaysia — and his abrupt withdrawal from the Trans-Pacific Partnership (TPP) sent irreparable shock waves throughout the region.

But, on balance, for Trump personally (not an unimportant factor given his demonstrated tendency to follow his idiosyncratic impulses rather than systematically formulated policies by the bureaucracy), it would seem that he harbours no particular animosity towards Southeast Asia, and he has indeed been personally positive during his two visits to the region and in welcoming of the leaders of Malaysia, Singapore, Thailand and Vietnam to the White House in 2017. On the sidelines of his summit in Singapore with North Korea's Kim Jong-un, Trump promised Singaporean Prime Minister Lee Hsien Loong that he was committed to return to Singapore in November 2018 for the U.S.–ASEAN Leaders Meeting and East Asia Summit. Nor has Trump (thus far) lashed out and taken aim at ASEAN trade with the United States, which is fairly

balanced overall (US\$69 billion cumulative U.S. deficit).³ But, with Trump, one never knows what will come from one day to the next. The fact that he has heretofore *not* antagonized ASEAN states, as elsewhere around the world, must be considered a plus — but it could easily and abruptly turn for the worse overnight.

The China Factor

The second — and major — factor driving the U.S. approach to Southeast Asia is China's broadening and deepening footprint across the region. This is an inexorable trend, but it is accentuated (or at least the perception of it) by Trump's neo-isolationist foreign policy and episodic engagement with Southeast Asia. Taken together, many analysts see the United States creating a strategic vacuum in Southeast Asia that China is readily and happily filling. This is the pervasive perception and media narrative across the region. No matter where one goes or what one reads, China is seen to be the rising — and inevitable — dominant power in Southeast Asia, while the United States is seen to be increasingly insular, domestically dysfunctional, and increasingly unilateral and hegemonic in its actions. In this context, the parallel narrative has arisen that countries in Southeast Asia are choosing China over the United States and the United States is "losing" the region to China.⁴

³ ASEAN held a surplus in goods trade with the United States of US\$77 billion in 2015 while the United States held a surplus in services of US\$8 billion — totalling a US\$69 billion overall deficit for the United States.

⁴ See, for example, "China Finds New Fans in Southeast Asia as U.S. Turns Inward", *Straits Times*, 13 December 2016; "Asia Draws Closer to China", *Jakarta Post*, 3 May 2017; Winarmo Zain, "As America Pivots Away from Asia, Will China Fill the Void?", *The Nation* (Bangkok), 10 December 2016; Frank Ching, "Beijing Gloats as ASEAN Turns from U.S.", *Asia News Network*, 9 November 2016; Wong Wei Han, "China Waiting in Wings as U.S. Disengages", *Straits Times*, 28 March 2017; Bob Lee, "China Set to Fill Leadership Vacuum as U.S. Turns Inward", *Straits Times*, 28 January 2017; and Bob Savic, "Is U.S. Losing East Asia to China?", *The Diplomat*, 15 December 2016; Ely Ratner and Samir Kumar, "The United States is Losing Asia to China", *Foreign Policy*,

Whether this narrative is empirically accurate is another question. I argue that it is not accurate. As shown below, the United States still possesses substantial strengths — far greater strengths than China in the region. But perceptions are not always in line with empirical realities, and they often become a reality of their own (memes).

Whatever the perceptions it is clearly evident that the United States and China are now locked into a protracted comprehensive competition of power and influence in Southeast Asia.⁵ While the Sino-American rivalry is increasingly global in nature — spanning every continent — it is most apparent and acute across the vast Indo-Pacific region.⁶ The Trump administration's National Security Strategy asserts flatly, "China seeks to displace the United States in the Indo-Pacific region, expand the reaches of its state-driven economic model, and reorder the region in its favor." While spanning the vast Indo-Pacific, I would argue that the strategic competition is increasingly *centred* in Southeast Asia.

This will become an increasing indefinite reality, and it is going to be an epic challenge for regional governments and ASEAN itself to manoeuvre effectively between the two major powers, maintain their independence of action, and protect their national sovereignty. To be sure, Southeast Asia is no stranger to great power competition — and, over

¹² May 2017; James Guild, "How the U.S. is Losing China in Southeast Asia", *The Diplomat*, 25 October 2017; The Lowy Institute and Council on Foreign Relations, *Southeast Asian Perspectives on US-China Competition* (August 2017) https://cfrd8-files.cfr.org/sites/default/files/report_pdf/Report_Southeast_Asian Perspectives Lowy CFR OR 0.pdf.

⁵ See my article "U.S.-China Rivalry in Southeast Asia: Power Shift or Competitive Coexistence?", *International Security* 42, no. 4 (Spring 2018): 85–127. Some sections of this monograph are drawn from this article.

⁶ See, for example, Aaron L. Friedberg, "Competing with China", *Survival* 60, no. 3 (June–July 2018): 7–64; Timothy R. Heath and William R. Thompson, "Avoiding U.S.-China Competition Is Futile: Why the Best Option Is to Manage Strategic Rivalry", *Asia Policy* 13, no. 2 (April 2018): 91–120.

⁷ The National Security Strategy of the United States of America (Washington, D.C.: White House, December 2017), p. 25 https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf.

time, ASEAN states have become masters of "hedging" behaviour and shifting alignments. While Southeast Asia had to manoeuvre between the United States and China's interventions during the Cold War, which was quite intense and indeed the major catalyst to the Vietnam War, this new era of Sino-American competition is quite different — because Chinese capabilities are considerably greater.

Thus, the second contextual variable underlying the United States' position in Southeast Asia under the Trump administration is its growing rivalry with China.

The Obama Factor

A third variable is the relationship that Trump inherited from President Obama and his administration. Southeast Asia never had better relations with the United States than during the Obama administration (2009–17). The Obama administration paid unprecedented attention to Southeast Asia and left U.S. ties with the region stronger than ever before. Claiming to be the first "Pacific President", Obama elevated Southeast Asia on his list of foreign policy priorities. In its first year in office, the Obama administration signed the ASEAN Treaty of Amity and Cooperation (ASEAN's founding treaty) and appointed the United States' first ambassador to ASEAN (based in Jakarta) in 2011. This prioritization was highlighted by the convening of annual Leaders Meetings, beginning in 2009. At the conclusion of the first such meeting in November 2009 a wide-ranging Joint Declaration was issued, which mapped out a

⁸ Cheng-Chwee Kuik, "How Do Weaker States Hedge? Unpacking ASEAN States' Alignment Behavior Towards China", *Journal of Contemporary China* 25, no. 100 (2016); "Variations on a Hedging Theme: Comparing ASEAN Core States' Alignment Behavior", in *Joint U.S.-Korean Academic Studies*, vol. 26, edited by Gilbert Rozman (Washington, D.C.: Korea Economic Institute of America, 2015), pp. 11–26; Evelyn Goh, "Southeast Asian Strategies toward the Great Powers: Still Hedging after All These Years?", *The ASAN Forum* 4, no. 1 (January/February 2016): 18–37; John D. Ciorciari, *The Limits of Alignment: Southeast Asia and the Great Powers Since 1975* (Washington, D.C.: Georgetown University Press, 2010).

framework for considerably enhanced U.S.–ASEAN cooperation across a range of areas. In 2016, the United States and ASEAN upgraded their relationship to a "strategic partnership" and convened the first standalone Leaders' Summit at Sunnylands, California, in February 2016, which resulted in an updated comprehensive joint statement. Beginning in 2014, the U.S.–ASEAN Defense Forum (among defence ministers) was also launched.

During Obama's tenure, many bilateral agreements were signed, including military assistance and Enhanced Defense Agreements with Indonesia, Malaysia, the Philippines, and Singapore. The Obama administration contributed US\$4 billion in development assistance to the region from 2010 to 2016 and launched the Lower Mekong Initiative to support sustainable development.¹² New bilateral law enforcement cooperation agreements were concluded with several ASEAN states, and

⁹ For an excellent review of the Joint Declaration, and the first Obama administration's relations with ASEAN, see Scot Marciel, "A New Era in the Longstanding U.S.-ASEAN Relationship", in *ASEAN-U.S. Relations: What Are the Talking Points?* edited by Pavin Chachavalpongpun (Singapore: Institute of Southeast Asian Studies, 2012).

¹⁰ See Prashanth Parameswaran, "Why the U.S.-ASEAN Sunnylands Summit Matters", *The Diplomat*, 11 February 2016 https://thediplomat.com/2016/02/why-the-us-asean-sunnylands-summit Achieve?", *The Diplomat*, 18 February 2016 https://thediplomat.com/2016/02/what-did-the-us-asean-sunnylands-summit-achieve/.

¹¹ White House, "Joint Statement of the U.S.-ASEAN Special Leaders' Summit: Sunnylands Declaration" (Washington, D.C.: White House, February 16, 2016), https://obamawhitehouse.archives.gov/the-press-office/2016/02/16/joint-statement-us-asean-special-leaders-summit-sunnylands-declaration. See also Lye Liang Fook, *The First ASEAN-U.S. Standalone Summit: China's Reactions and Implications for China-ASEAN Ties* (Singapore: East Asian Institute Background Brief No. 1118, March 2, 2016).

¹² U.S. Mission to ASEAN, "United States—ASEAN: 40th Anniversary Facts" (Jakarta: U.S. Mission to ASEAN, May 8, 2017), https://asean.usmission.gov/united-states-asean-40th-anniversary/.

they joined collectively together in the Washington-initiated Southeast Asia Maritime Law Enforcement Initiative — aimed at strengthening the maritime capabilities of the Indonesia, Malaysia, the Philippines and Vietnam.

During the Obama administration U.S.–Vietnam relations reached an all-time high, including the lifting of the arms embargo (which had been in existence since the end of the Vietnam War) and establishment of close defence ties between the two former adversaries. The long-troubled U.S.–Myanmar relationship was normalized, as that country evolved from military rule to democracy. Relations with tiny Brunei were also improved, with the Sultan paying a rare visit to the White House. However, ties with Thailand, a treaty partner of 184 years and ally of 60 years, became quite strained following the 2014 military coup in Bangkok.¹³ Relations with the Philippines took a similar sharp downturn after Rodrigo Duterte became president in 2016.

The intensified U.S. relationship with Southeast Asia was embodied in the ASEAN–U.S. *Plan of Action 2016–2020*. ¹⁴ In addition to bolstering wide-ranging exchanges in the cultural and commercial spheres, the Action Plan commits the United States to comprehensive bilateral and multilateral engagement with ASEAN for years to come.

Although many observers in the region were critical of the Obama administration's "Pivot" policy for being more rhetoric than reality, 15 it is fair to say that U.S. relations with Southeast Asia may never have been

¹³ See Ian Storey, *Thailand's Post-Coup Relations with China and America: More Beijing, Less Washington,* Trends in Southeast Asia, no. 20/2015 (Singapore: ISEAS – Yusof Ishak Institute, 2015).

¹⁴ "Plan of Action to Implement the ASEAN-U.S. Strategic Partnership, 2016–2020", ASEAN Secretariat, Jakarta, 17 November 2015) http://asean.org/wp-content/uploads/images/2015/November/27th-summit/statement/ASEAN-US%20POA%202016-2020 Adopted.pdf>.

¹⁵ See, for example, Daljit Singh, "Obama's Mixed Legacy in Southeast Asia," *Straits Times*, January 17, 2017; Euan Graham, "Southeast Asia in the U.S. Rebalance: Perceptions from a Divided Region," *Contemporary Southeast Asia* 35, no. 3 (2013, pp. 305-32.

better than during the Obama administration. The question in the region when Obama left office was whether the Trump administration would build upon this improved foundation or whether it would revert to the traditional pattern of episodic engagement and relative neglect?

CONTINUITY AND CHANGE UNDER TRUMP

President Trump got off to a very slow start with Southeast Asia. Although he invested significant time and attention with Northeast Asian leaders — notably, Japan's Shinzo Abe and China's Xi Jinping — Southeast Asia was not initially on Trump's radar screen. The first four months of his term passed without a single meeting or telephone conversation with a Southeast Asian leader, although during the same period he had fifteen phone conversations with heads of state in the Middle East, fourteen from Europe, seven from Latin America, six from Northeast Asia, three from Africa, two from North America, two from Oceania, and one from South Asia. 16

Trump's action on his third day in office to withdraw from the TPP, though anticipated, sent shock waves throughout Asia. TPP was viewed as the primary economic component of Obama's pivot policy, and Trump's withdrawal deeply damaged the United States' reputation and credibility throughout the region. Southeast Asian countries (Brunei, Malaysia and Vietnam) had made wrenching economic adjustments and compromises in order to join TPP. After eight years of Washington cajoling them to join, these countries were left in the lurch by Trump's action. But Trump's withdrawal was seen as far more than just an economic action — it signalled to Southeast Asians, once again, that the United States

¹⁶ For a listing of Trump's phone calls and meetings with world leaders from 20 January to 21 April 2017, see Malcolm Cook and Ian Storey, "The Trump Administration and Southeast Asia: Limited Engagement Thus Far", *ISEAS Perspective*, no. 27/2017, ISEAS – Yusof Ishak Institute, Singapore, 27 April 2017, p. 3.

was unpredictable and not to be relied upon. They also found Trump's "America First" rhetoric deeply disturbing, ¹⁷ as it led to the widespread perception of an isolationist America — that would unilaterally cede the strategic ground to China.

Beginning in the second quarter of 2017, however, following intensive pleas from U.S. embassies in the region and an internal U.S. government policy review, the Trump team began to focus attention on the region. A carefully calibrated series of steps were taken to send reassuring signals. The Vice President, Secretaries of State and Defense, and the President himself all visited the region. Vice-President Pence made a stopover in Jakarta — signing a number of business deals, visiting the U.S. Mission to ASEAN, and the ASEAN Secretariat. Secretary of Defense Mattis paid his first visit to the Shangri-la Dialogue in Singapore, and then former Secretary of State Tillerson invited all ten ASEAN Foreign Ministers to meet with him and the administration in Washington. In addition, Trump received the leaders of Malaysia, Singapore, Thailand and Vietnam at the White House.

With these moves, the Trump administration sought to reassure Southeast Asia of continued U.S. engagement. To some in the region,

¹⁷ Jeevan Vasagar, "U.S. Allies in Asia Dismayed by 'America First'", *Financial Times*, 4 June 2017; Aaron L. Connelly, "Trump and Southeast Asia: Going through the Motions", *PacNet*, 6 July 2017; and Joshua Kurlantzick, "Southeast Asia in the Age of Trump", *Aspenia Online*, 6 August 2017 http://www.aspeninstitute.it/aspenia-online/contributors/joshua-kurlantzick>.

¹⁸ "Remarks by the Vice President at ASEAN Secretariat" https://asean.usmission.gov/slide/remarks-vice-president-asean/. Also see Leo Suryadinata and Siwage Dharma Negara, "U.S. Vice President Mike Pence's Visit to Indonesia: A U.S. 'Return' to Southeast Asia?", *ISEAS Perspective*, no. 32/2017, ISEAS – Yusof Ishak Institute, Singapore, 19 May 2017.

¹⁹ Goh Sui Noi, "U.S. Remains Committed to Asia-Pacific, Says Defense Secretary James Mattis", *Straits Times*, 4 June 2017 https://www.straitstimes.com/asia/east-asia/us-remains-committed-to-asia-pacific-says-mattis.

²⁰ U.S. Mission to ASEAN, "Readout: Secretary of States Tillerson Meets with the Foreign Ministers of the Association of Southeast Asian Nations", 4 May 2017 https://www.state.gov/r/pa/prs/ps/2017/05/270657.htm.

the signals were encouraging;²¹ yet others wondered if they were just the latest examples of Washington's episodic engagement.²² Other observers noticed a new pattern of "transactional diplomacy" or "gift diplomacy." ²³ That is, in line with Trump's "buy American" mantra, visiting foreign leaders now turn the tables on the superpower by bearing gifts of largescale commercial purchases from the United States — instead of the traditional pattern of Washington showering visitors with preferential credits, trade deals, and defence arrangements. When former Malaysian Prime Minister Najib Razak visited the White House on 12 September 2017, he promptly announced to Trump that he came to purchase twentyfive Boeing jetliners worth US\$10 billion, Malaysian investment of US\$3-4 billion into U.S. infrastructure, and another US\$10 billion in technology investments.²⁴ Thailand's Prime Minister Prayut Chanocha had a long and expensive shopping list (amounts undetermined) for F-16 fighter upgrades, Blackhawk helicopters, a Cobra gunship, Harpoon missiles, and other military equipment. He too placed orders for twenty Boeing passenger jets for Thai Airways. Prayut and Trump also signed a series of agriculture and energy deals.²⁵ Not to be outdone, Singapore's

²¹ See Thitinan Pongsudhirak, "Trump's Pragmatic Pivot Back to Asia", *Straits Times*, 6 June 2017; Joseph Chinyong Liow, "Is U.S. Engagement Back on Track in East Asia?", *Straits Times*, 14 November 2017; and Storey and Cook, "The Trump Administration and Southeast Asia".

²² See, for example, Robert Sutter, "Trump and China: Implication for Southeast Asia", *East Asia Forum*, 3 July 2017 http://www.eastasiaforum.org/2017/07/03/trump-and-china-implications-for-southeast-asia/.

²³ Alan Chong, "Trump and Southeast Asia: Portents of Transactional Diplomacy", *RSIS Commentary*, No. 207 (2 November 2017).

²⁴ Chan Xin Ying and David Han, "Najib's United States Visit: What is Going On?", *RSIS Commentary*, No. 191 (11 October 2017).

²⁵ Alan Chong, "Trump and Southeast Asia". Also see Pongphisoot Busbarat, "Shopping Diplomacy: The Thai Prime Minister's Visit to the United States and its Implications for Thai-U.S. Relations", *ISEAS Perspective*, no. 78/2017, ISEAS – Yusof Ishak Institute, Singapore, 20 October 2017.

Prime Minister Lee Hsien Loong arrived at the White House offering to buy thirty-nine Boeings. The tables have indeed turned, where now visitors to the White House come bearing gifts of huge commercial deals — rather than being recipients of American-subsidized assistance programmes.

To cap the flurry of U.S. diplomacy in Southeast Asia, President Trump himself visited the region in November 2017 for the annual APEC Summit, the East Asia Summit (which he left early), a U.S.-ASEAN 50th Anniversary Commemorative Summit, and a bilateral state visit to Vietnam. The main policy event of the trip was the President's speech at the APEC CEO Summit in Danang, Vietnam. But Trump used it as an opportunity to give a very toughly worded speech about his "America First" economic agenda. It left many disquieted. While the sheer physical presence of the President of the United States in the region was reassuring to many Southeast Asians, on balance the Trump trip received mixed reactions in the region.²⁶

Following the flurry of Washington's re-engagement with Southeast Asia from May to November 2017, the normal pattern of American benign neglect reappeared. No high-level interactions occurred until Trump flew to Singapore for his historic summit with North Korea's Kim Jong-un on 12 June 2018. This, of course, was not a Southeast Asia trip diplomatically — but Trump did have a separate bilateral with Singaporean Prime Minister Lee at the Istana, where he confirmed that he would return in November for the annual ASEAN and East Asia Summits. The other visit of significance was Secretary of Defense Mattis' second attendance of the Shangri-la Dialogue, where he gave a major speech on 2 June 2018. In it, Secretary Mattis provided a *tour d'horizon* of the administration's regional policies and priorities. It was the fullest exposition to date by a senior U.S. official of the Trump administration's conceptualization of

²⁶ ASEAN Studies Center, "Trump in Southeast Asia", *ASEAN Focus*, issue 7/2017 (Singapore: ISEAS Yusof Ishak Institute, 2017), pp. 4–7; Ian Storey and Malcolm Cook, "The Trump Administration and Southeast Asia: Enhanced Engagement", *ISEAS Perspective*, no. 87/2017, ISEAS – Yusof Ishak Institute, Singapore, 23 November 2017.

regional order (although it still left much to be desired on a strategic and intellectual level).²⁷

As such, Secretary Mattis highlighted the administration's theme of the "Free and Open Indo-Pacific" as the central organizing concept of its Asia strategy and policy. Said Mattis: "Make no mistake, America is in the Indo-Pacific to stay. This is our priority theater. Our interests and regions are inextricably intertwined." The so-called "Free and Open Indo-Pacific Order" strategy had, in fact, been signalled earlier in the year in the Trump administration's *National Security Strategy of the United States* and the *National Defense Strategy of the United States of America*. Both documents take China to task as the major destabilizing element in the Indo-Pacific region:

"China is leveraging military modernization, influence operations, and predatory economics to coerce its neighboring countries to reorder the Indo-Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation long-term strategy, it will continue to pursue a military modernization program that seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future." ³⁰

While we get such hints of the Trump administration's Indo-Pacific strategy, the full elaboration of it remains contained in a classified U.S. Government document. However, other lower level Trump officials have also attempted to define and elaborate on it in public, which provide

²⁷ U.S. Department of Defense, "Remarks by Secretary Mattis at Plenary Session of the 2018 Shangri-la Dialogue" https://www.defense.gov/News/Transcripts/Transcripts/Transcripts/Transcripts/Defense.gov/News/Defense.gov/News/Transcripts/Defense.gov/News/

²⁸ Ibid., p. 2.

²⁹ The National Security Strategy of the United States of America https://www.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf.

³⁰ https://www.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf, p. 2.

further indications of the administration's thinking. For example, Alex Wong, Deputy Assistant Secretary of State in the Bureau of East Asian and Pacific Affairs, stated in testimony before the Senate Foreign Relations Committee:

The modifiers we use to describe the Indo-Pacific order — "free" and "open" — were chosen with care, because they embody the principles we seek to embed in the region.

The term "free" means first, on the international plane, that we want the nations of the Indo-Pacific to be free from the coercion of outside powers. Nations should be able to pursue their own paths in a sovereign manner free from the weight of spheres of influence. Second, "free" means, at the national level, we want the societies of Indo-Pacific nations to become progressively more free — free in terms of good governance, in terms of fundamental freedoms, and in terms of transparency and anti-corruption.

"Open," first and foremost, means open sea lines of communication and open airways. These open sea lines of communication, particularly those in the South China Sea, are the lifeblood of the region. Secondly, we mean more open connectivity in the form of quality, best-value energy, transport, and digital infrastructure that's driven by private capital investment. Third, we mean more open investment environments and free, fair, and reciprocal trade. A better investment environment and an equal and open playing field for trade benefit U.S. businesses and workers. But they also benefit indigenous innovators and indigenous entrepreneurs who will be more empowered to drive economic growth in their home countries.

Embedding these free and open principles will require efforts across the spectrum of our capabilities: diplomatic initiatives, governance capacity building, economic cooperation and commercial advocacy, and military cooperation.³¹

³¹ Statement by Alex Wong, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, U.S. Department of State before the Senate Foreign Relations Committee, 15 May 2018 https://www.foreign.senate.gov/imo/media/doc/051518 Wong Testimony.pdf>.

DAS Wong's counterpart Deputy Assistant Secretary of Defense/Asia, Randall Schriver, used similar but different language at the same Senate hearing:

The United States seeks to maintain a free and open Indo-Pacific region. A region in which nations with diverse cultures and different aspirations can prosper side-by-side in freedom, peace, and stability. By "free," we mean that nations will be free from coercion and able to protect their sovereignty. At the national level, we mean that societies are increasingly freer in terms of good governance, and fundamental human rights and liberties. By "open," we mean that all nations can enjoy freedom of the seas, and that all share a commitment to the peaceful resolution of disputes. We also mean more open investment environments and improved connectivity to drive regional integration and prosperity.³²

With respect specifically to Southeast Asia, Schriver went on to highlight several priority areas for the Trump administration: counterterrorism cooperation; enhancing regional maritime security capabilities; strengthening bilateral defence cooperation with Indonesia, Vietnam and Malaysia; strengthening the alliances with the Philippines and Thailand; promoting "ASEAN centrality" in the regional security architecture; encouraging ASEAN members to "strengthen multilateral security cooperation"; empowering ASEAN to do more to contribute to regional security and stability; and encouraging ASEAN to "speak with one voice" on matters concerning the South China Sea.³³

Since the Trump administration's roll-out of its signature "Free and Open Indo-Pacific" concept, it has been met with considerable confusion

³² Randall Schriver, Assistant Secretary of Defense for East Asian & Pacific Security Affairs, Testimony on American Leadership in the Asia-Pacific, 15 May 2018 https://www.foreign.senate.gov/imo/media/doc/051518_Schriver_Testimony.pdf>.

³³ Ibid., pp. 3–4.

across the region,³⁴ as well as in Washington policy circles.³⁵ Some observers see it simply as a repackaging and updated version of long-standing American preferences for regional order.³⁶

One element that seems to emerge for most observers is a revitalization of the "Quad" concept, i.e. security cooperation among the United States, Japan, Australia and India. This is not a new concept (originally a Japanese initiative), but when it was first floated during the George W. Bush administration, it was stillborn because then Australian Prime Minister Kevin Rudd thought it would antagonize China (and hence Australia made clear it would not participate). We shall have to wait and see if Quad 2.0 fares any better — although there does now seem a much greater harmony of interests among the four democracies. And one of the primary concerns is the rising security role of China across the region.

In sum, eighteen months into the Trump administration we see many elements of continuity and with some discontinuity from the Obama administration.

The most notable change has been a modest relative decrease in Washington's prioritization of the region, as compared with the Obama years. But when looked at in longer term, the Obama administration was the exception to the rule. What we now see under Trump may be a return to the on-again/off-again episodic pattern of U.S. engagement with ASEAN and its member states. To be sure, and to its credit, the Trump administration did have a very good seven months — from May through November 2017 — when it clearly prioritized Southeast Asia.

³⁴ See, for example, ASEAN Studies Centre, "Diving into the Indo-Pacific", *ASEAN Focus*, issue 7/2017 (Singapore: ISEAS Yusof Ishak Institute, 2017), pp. 8–11; Bilahari Kausikan, "ASEAN: Agnostic on the Free and Open Indo-Pacific", *The Diplomat*, 27 April 2018.

³⁵ See, for example, Amy Searight, "Asia's Diplomatic and Security Structure: Planning U.S. Engagement", written testimony before the House Foreign Affairs Subcommittee on Asia and the Pacific, 23 May 2018.

³⁶ John Lee, *The "Free and Open Indo-Pacific" and Implications for ASEAN*, Trends in Southeast Asia, no. 13/2018 (Singapore: ISEAS – Yusof Ishak Institute, 2018).

This was a deliberate effort — and it was the result of the apparent vacuum and complete inattention paid during the initial months of the administration. During the initial transition period from Obama to Trump, U.S. embassies in the region seemed to be operating on "autopilot" from the Obama administration — as they had received little policy guidance from Washington. However, following entreaties from the embassies to Washington and the aforementioned internal interagency review of April—May 2017, the administration considerably ramped up its engagement with the region and very systematically went about initiating official exchanges at various levels.

When it comes to continuities in U.S.-ASEAN relations under Trump, this is best seen in the continuation of a number of functional dimensions of the relationship. Let us now examine three key spheres in particular: commerce, security and public diplomacy.

U.S. COMMERCIAL RELATIONS WITH ASEAN

Commerce has long been a key anchor of the U.S. engagement with Southeast Asia. American companies have deep roots throughout the region. The U.S. trade in goods with ASEAN countries reached US\$273 billion in 2015 (a tripling since the 1990s), and the United States' cumulative direct investment is US\$226 billion (more than China, Japan, and the South Korea combined!).³⁷ The U.S. Commerce Department estimates that 560,000 American jobs are supported by exports of goods and services to the ASEAN region.³⁸ Annual FDI from U.S. entities has reached US\$13.64 billion in 2015 (still in excess of China's).³⁹ From

³⁷ The most recent reliable figures the author could find.

³⁸ Cited in East-West Center, *ASEAN Matters for America/America Matters for ASEAN* (Washington, D.C.: East-West Center, U.S.-ASEAN Business Council, and ISEAS–Yusof Ishak Institute, 2017), p. 18.

³⁹ Association of Southeast Asian Nations, "Foreign Direct Investment Statistics" (Jakarta: ASEAN Secretariat, 2016), Table 27 http://asean.org/storage/2015/09/Table-27_oct2016.pdf. This is the most recent available data.

2007 to 2012, U.S. flows of FDI to ASEAN countries totalled UA96 billion — nearly four times China's US\$23 billion.⁴⁰ Two-way tourism is also big business — 780,000 people from ASEAN countries visited the United States while 3.5 million Americans visited ASEAN countries in 2015.⁴¹

Although the United States only has one bilateral Free Trade Agreement in the region (with Singapore), various government agreements help facilitate commerce — including the 2006 ASEAN-U.S. Trade and Investment Framework Arrangement (TIFA), the 2012 ASEAN-U.S. Expanded Economic Engagement, and U.S.-ASEAN Connect. The latter initiative is organized around four programme areas to enhance public—private partnerships and cooperation: Business Connect; Energy Connect; Innovation Connect: and Policy Connect.

The Washington-based U.S.-ASEAN Business Council and the American Chambers of Commerce (AMCHAM) in each Southeast Asian country do much to facilitate two-way trade and investment. ⁴³ Over 4,000 U.S. companies now operate throughout the ASEAN region. The 2018 AMCHAM *ASEAN Business Outlook Survey*, based on the annual survey of companies, is quite bullish about opportunities for U.S. businesses in the region: the vast majority of respondents (87 per cent) expect their companies' level of trade, investment, and profits in ASEAN to increase over the next five years. ⁴⁴ Vietnam, Indonesia, Myanmar, Singapore

⁴⁰ U.S. Government Accountability Office, Southeast Asia: Trends in U.S. and Chinese Economic Engagement (Washington, D.C.: U.S. Government Accountability Office, August 2015), p. 1.

⁴¹ East-West Center, *ASEAN Matters for America / America Matters for ASEAN*, p. 28.

⁴² <https://asean.usmission.gov/connect/>.

⁴³ See https://www.usasean.org.

⁴⁴ AMCHAM Singapore, *ASEAN Business Outlook Survey 2018 — Fifty to Forward, ASEAN Anniversary Edition*, (Singapore: AMCHAM, 2018), p. 16 https://www.uschamber.com/sites/default/files/abos_2018_final_final_version.pdf>.

and Thailand are identified as the fastest-growing markets with greatest growth potential for American business expansion.

The composition of U.S. business in Southeast Asia is diverse. General Motors and Ford have major car and truck production facilities in Thailand. With a five decade presence in the region (headquartered in Singapore) Caterpillar produces construction and mining equipment. Boeing does booming business across the region in passenger planes (contracts for at least seventy-five airliners have been signed in the past two years alone). Boeing, United Technologies, GE, Lockheed, Booz Allen Hamilton, and others dominate the defence sector across Southeast Asia. Exxon Mobil, Halliburton, Dow Chemical, and other U.S. energy giants have diverse upstream and downstream operations throughout the region. Apple, Cisco Systems, 3M, Google, and other firms have strong footholds in regional information technology (IT) markets.

Increasingly, U.S. business in Southeast Asia has shifted towards diverse services and "soft" industries — including financial services, multimedia, information technologies, consumer retail, e-commerce, pharmaceuticals, insurance, healthcare services, consulting services, legal services, accounting services, tourism facilitation and transportation. This shift is evident in the composition of AMCHAM and the U.S.-ASEAN Business Council member companies, which are increasingly populated by firms such as Adobe, Airbnb, Albright Stonebridge Group, Amazon, Apple, The Asia Group, Booz Allen Hamilton, Citi, Cigna, eBay, Expedia, Facebook, FedEx, Google, Johnson & Johnson, Medtronic, Merck, Oracle, PricewaterhouseCoopers, Time Warner, Twitter, Uber, United Parcel Service, Visa and others. The ASEAN Business Outlook Survey 2018 singles out five sectors as the "most promising" for American businesses: IT/telecommunications, healthcare, banking and finance, consulting, and education.⁴⁵ The standards industry is also a growth sector for American firms. Even Bechtel has returned to the

⁴⁵ Ibid., p. 19.

region, following an absence of several years, and is now competing for infrastructure projects.

All in all, the American business and commerce presence in Southeast Asia has never been stronger. It is only due to grow — and grow substantially. One reason is because of the continuing difficulties being experienced by U.S. and Western firms in China. Most are now practising the "China Plus" strategy, i.e., maintaining (but lowering) their production footprint in China but diversifying it in other countries. ASEAN has thus been a major beneficiary of this diversification process.

U.S. SECURITY RELATIONS WITH ASEAN

Almost all Southeast Asian militaries have extensive ties with the U.S. military. The security/defence relationship is closest with Singapore, growing much stronger with Indonesia, quietly effective with Malaysia, improving significantly with Vietnam, deepening with Brunei, and weathering strains with allies Thailand and the Philippines. In all of these cases, there is extensive training and professional military education exchanges, equipment transfers and sales, joint exercises, high-level leader engagement, and service-to-service exchanges in most cases. In some cases (Malaysia, Philippines, Singapore, Thailand) there are U.S. military personnel deployed in-country and American use of host nation military bases and facilities.

U.S. security assistance to Southeast Asia generally includes three main components: the International Military Education and Training (IMET) and Expanded IMET programmes, the Foreign Military Sales and Financing (FMS/FMF) programme, and the Excess Defense Articles (EDA) programme.

IMET is a flagship U.S. military programme and is a principal mechanism for training foreign officers in the United States. This occurs at any number of U.S. military bases, staff and service colleges, the National Defense University, and the Asia-Pacific Center for Security Studies (ACPSS) in Honolulu. The State Department determines which countries qualify for the IMET programme, but the Defense Department implements it. Since U.S. restrictions on Indonesia and Vietnam were

lifted, every Southeast Asian country except Myanmar now qualifies to participate in IMET.⁴⁶

Established in 1995, the Daniel K. Inouve ACPSS is a component of IMET and uniquely important institution and contributor to America's security support for ASEAN (and other Asia-Pacific) countries.⁴⁷ Based in downtown Honolulu, it administers a wide range of conferences and courses for security personnel from across the region. ACPSS now proudly claims an alumni network of more than 12,000.48 The distinguished alumni include four presidents and prime ministers, eleven vice-presidents and deputy prime ministers, 63 ministerial-level officials, 158 ambassadors, and 852 flag officers.⁴⁹ With an annual operating budget of US\$21 million, it is supported by the Office of the Secretary of Defense via the Defense Security Cooperation Security Agency. ACPSS courses and workshops cover a range of topics: counterterrorism, crisis management, humanitarian assistance and disaster relief, and a range of "non-traditional" security subjects like cyber, water, piracy, and public health. One unique and important feature is the effort put into roleplaying in simulation exercises, so as to get visiting military officers and other civilian participants to view bilateral and multilateral security issues from other nation's perspectives.

The FMS/FMF programmes now also operate in every ASEAN country except Cambodia, Laos and Myanmar. In addition to sales of new military equipment and weapons, the Excess Defense Articles (EDA) programme transfers used equipment to regional militaries. For example, the Philippines recently received several decommissioned U.S.

⁴⁶ In Myanmar's case, Congressional staff members adamantly oppose inclusion into IMET and have been successful in blocking it and other forms of normal military-to-military exchanges.

⁴⁷ Its European counterpart is the George C. Marshall European Center for Security Studies in Garmisch-Partenkirchen, Germany http://www.marshallcenter.org/mcpublicweb/en/>.

⁴⁸ <https://apcss.org>.

⁴⁹ Information provided during author's visit to ACPSS on 24 May 2018.

Coast Guard cutters. The U.S. military also maintains bilateral training programmes and undertakes joint exercises with several Southeast Asian militaries every year. ⁵⁰ Another important Department of Defense–led initiative is the Southeast Asia Maritime Law Enforcement Initiative, which was launched in 2012. The U.S. military and civilian intelligence agencies also maintain close ties with their counterparts in many Southeast Asian states.

Through all of these military assistance programmes, the United States provides very tangible support for Southeast Asian militaries. These programmes are not well known in the region — indeed Southeast Asian governments are quite reticent to allow them to be publicized. Being perceived as close to the United States, particularly in the defence and intelligence domains, is considered a real liability in several countries — most notably, in Muslim-majority Indonesia and Malaysia. Even ship visits and routine exercises are rarely reported by the governments concerned or in local media, although U.S. Navy vessels make regular port calls throughout the region.

Operationally, the heart and soul of the U.S. military and security assistance programmes lies with the U.S. Pacific Command (USPACOM) in Honolulu, Hawaii. Consistent with the Trump administration's Indo-Pacific strategy, PACOM was recently renamed the Indo-Pacific Command (USINDOPACOM) on 30 May 2018. Actually, despite the change in nomenclature, the command's area of operation (AOR) has always encompassed the Indian Ocean and South Asia. It is the largest of America's six regional combatant commands — spanning 100 million square miles, half of the earth's surface, and thirty-six nations. Approximately 380,000 military and civilian personnel are assigned to USINDOPACOM. This includes subordinate command units of the

⁵⁰ In 2015, the U.S. military held three joint exercises with Brunei, four with Cambodia, seven with Indonesia, eight with Malaysia, seven with the Philippines, seven with Singapore, six with Thailand, and three with Vietnam. See East-West Center, U.S.-ASEAN Business Council, and ISEAS—Yusof Ishak Institute, *ASEAN Matters for America, America Matters for ASEAN*, p. 12.

U.S. Pacific Fleet,⁵¹ U.S. Army Pacific,⁵² U.S. Pacific Air Forces,⁵³ U.S. Marine Forces Pacific,⁵⁴ and Special Operations Command Pacific.⁵⁵ Since the Obama administration's Pivot initiative, USINDOPACOM has become the favoured regional command in terms of resources, equipment, training, exercises, defence partnerships and deployments.⁵⁶ By 2020, 60 per cent of the U.S. Navy's vessels will be deployed in the AOR.

USINDOPACOM and the U.S. Department of Defense undertakes a wide range of bilateral and multilateral programmes throughout the region. These include military exercises, humanitarian assistance and disaster relief (HADR), professional military education (PME), intelligence liaison and training,⁵⁷ military medicine, counter-piracy operations, counter-terrorism cooperation, and military training. Multilateral military exercises include Rim of the Pacific (RIMPAC), Cope North, Cobra Gold, Cope Thunder, Pacific Partnership, Cooperation Afloat Readiness and Training (CARAT), Southeast Asia Cooperation and Training (SEACAT), and Khan Quest. Bilateral exercises occur with every Southeast Asian state except Laos and Myanmar (they are currently in abeyance with Cambodia). The United States also participates in the ASEAN Defense Ministers Meeting Plus (ADMM+), the ASEAN Regional Forum (ARF), Expanded ASEAN Maritime Forum, Shangri-la Dialogue, and a variety of bilateral defense and security dialogues with ASEAN member states

⁵¹ 140,000 personnel, 1,100 aircraft, 5 aircraft carrier strike groups, and 200 ships.

^{52 106,000} personnel, 309 aircraft, 1 corps, 2 divisions.

^{53 46,000} personnel, 420 aircraft.

 $^{^{54}}$ 86,000 personnel, 640 aircraft, 2 expeditionary forces.

^{55 1,200} personnel, 12 aircraft.

⁵⁶ "U.S. to Spend \$11 bn. on Military in Asia-Pacific", Straits Times, 9 May 2017.

⁵⁷ USINDOPACOM, in conjunction with the Defense Intelligence Agency (DIA), administers the International Intelligence Fellows Program (IIFP), which runs a variety of courses for military intelligence officers from around the region and the world.

Through all of these mechanisms the United States is deeply engaged in the security and military domains across Southeast Asia.

U.S. PUBLIC DIPLOMACY ACTIVITIES IN ASEAN

The United States Government also maintains a robust series of public diplomacy programmes throughout Southeast Asia. Many of these mirror programmes administered worldwide, while others are tailored to the region and individual countries. In Washington these are managed principally through the State Department's Department of Public Diplomacy and Department of Educational and Cultural Affairs. Like all regional bureaus, East Asia and Pacific Affairs (EAP) has public diplomacy officers assigned to it, who coordinate and tailor programmes, policies, and messages for Southeast Asian audiences. There is a close working relationship between these departments and embassies in the region. Every three years, embassies and the aforementioned departments put together an "Integrated Country Strategy", which establishes goals, methods, and metrics across a range of areas. These public diplomacy and education and cultural affairs strategies target different sectors of Southeast Asian societies, institutions, and media; they also employ a wide variety of mechanisms both in-country and in the United States. These programmes include:

- International Visitor Leadership Programs (IVLP) and "IVLP On Demand" programmes (targets-of-opportunity). The normal IVLP programmes bring either individuals or small groups (e.g., editors, journalists, think-tankers, etc.) to the United States for three-week visits.
- The Young Southeast Asian Leaders Initiative (YSEALI) involves more than 100,000 young people aged eighteen to thirty-five involved and an additional 80,000 engaged in its digital platforms.⁵⁸ Under

⁵⁸ U.S. Mission to ASEAN, "United States–ASEAN: 40th Anniversary Facts" (Jakarta: U.S. Mission to ASEAN, 8 May 2017) https://asean.usmission.gov/united-states-asean-40th-anniversary/.

YSEALI several tailored initiatives exist, including the Southeast Asia Youth Leadership Program which brings selected high-school youths to the United States; the American Council of Young Political Leaders (ACYPL) Program which brings groups of junior politicians and administrators to the United States for study-tours; and the U.S.-ASEAN Innovation Challenge to foster new technological solutions to practical problems.

- The U.S. Mission to ASEAN has administered the ASEAN Women Entrepreneurs' Network (AWEN).
- Local media liaison including the embassy website, spokesperson, social media blasts, and other means of local in-country outreach.
- Students from ASEAN countries also came to U.S. universities in increasing numbers, with 54,688 Southeast Asians studying on U.S. campuses in the 2015–16 academic year, according to the International Institute of Education.⁵⁹
- Fulbright and other educational exchange programmes and grant opportunities. There are now 700 Fulbright scholarships between the U.S. and ASEAN member states awarded annually. A special newer development also exists under Fulbright: the U.S.-ASEAN Visiting Scholar Initiative, which brings approximately thirty Southeast Asian scholars to U.S. universities and think-tanks for up to four months of research every year. American scholars also come to ASEAN under a wide range of university-to-university partnerships and other private means to teach and conduct research throughout the region.
- "Education USA" university fairs and other college and boarding school recruitment efforts.
- The ASEAN-U.S. Science and Technology Fellows Program supports ASEAN early career scientists for bilateral cooperation and policy relevant experience
- The International Speakers Program (in which the author participated)
 which brings American professionals to the region for public and
 private lectures and interactions.

⁵⁹ International Institute of Education, "Open Doors 2016, Regional Fact Sheet: Asia" (New York: International Institute of Education, 2016).

- A wide variety of arts exchange programmes such as American Music Abroad, Dance Motion USA, and travelling art exhibitions from American museums.
- Touring sports teams in addition to high-profile games, there is an effort made to reach marginalized communities.
- American Spaces, American Corners, and American Centers all are physical spaces for programing, outreach and various events. The @America Center in Jakarta is a new and particularly noteworthy initiative and this multimedia interactive facility is serving as a model for emulation in other countries.
- Radio Free Asia is a U.S. Government sponsored longwave radio service broadcasting 24/7 in a variety of Asian languages. Voice of America also counts millions of listeners throughout the region.

Through all of these public diplomacy programmes, the United States maintains a robust — but underappreciated — cultural presence throughout Southeast Asia. They contribute to America's vast reservoir of soft power in the region.

In addition, a variety of public and private educational institutions undertake their own cultural and scholarly exchange initiatives with the region. Noteworthy among them is the East-West Center (EWC) in Honolulu and Washington, D.C. The EWC offers no fewer than eight student scholarship programmes for pre-doctoral students from across the region, 60 as well as several visiting scholar programmes. 61 Established by the U.S. Congress in 1960, the EWC has administered a wide range of public outreach and cultural exchange programmes and has several thousand alumni throughout the Southeast Asian region. These programmes have contributed directly and indirectly to "capacity building" in a number of ASEAN countries.

Thus, while not receiving much media publicity or attention, these public diplomacy programmes all contribute a great deal to America's "soft power" appeal throughout Southeast Asia.

⁶⁰ https://www.eastwestcenter.org/education/education-program-overview>.

^{61 &}lt;a href="https://www.eastwestcenter.org/research/visiting-fellows-and-visiting-scholars">https://www.eastwestcenter.org/research/visiting-fellows-and-visiting-scholars.

CONCLUSION AND OUTLOOK

The importance of Southeast Asia to the United States has never been greater, and vice versa. For the United States this is true both because of the intrinsic dynamism and diversity of ASEAN countries — as well as its rising strategic importance in the growing U.S.-China regional and global competition. For Southeast Asia, the United States continues to be an important guarantor of regional security and stability — but its commercial contributions and soft power appeal are also strong attractive features. If America has a pronounced weakness in the region it is in the area of diplomatic engagement. This is not new — as the strategic and economic importance of Northeast Asia and the "tyranny of distance" to Southeast Asia have long conspired to limit Washington's attention span. The Obama administration was the exception to the rule as it prioritized ASEAN as never before. The Trump administration, while still relatively new in office, does seem to have modestly downgraded the region as compared with the Obama years — but it is still early days and there are no real signs of a significant downgrading. In fact, the Trump administration did take a number of tangible steps during the second half of 2017 that indicated Southeast Asia's continuing importance. The administration's pronouncement of the "Free and Open Indo-Pacific" strategy is further evidence of the importance it attaches to the region.

While there appears to be much more continuity than change in America's approach to ASEAN and its member states, it "takes two to tango". From Washington's perspective, but also very apparent throughout the region, Southeast Asian governments seem unnecessarily reluctant to openly and publicly endorse the importance of the United States to the region. On the other hand, ASEAN governments and the regional media narrative are fixated on the role and rise of China. Of course, China is an important actor and partner for ASEAN and its member states, but the public narrative seems very unbalanced — certainly when one empirically catalogues and compares the U.S. footprint in the region (as outlined in this report) to that of China. 62 China remains a consider-

⁶² See my forthcoming book *Where Great Powers Meet: America & China in Southeast Asia* (Oxford and New York: Oxford University Press, forthcoming).

ably one-dimensional power — economic — whereas the United States brings multiple tools and displays comprehensive power throughout the region. Moreover, many Southeast Asian countries distrust China and are deeply uncertain of its goals in the region. These perceptions have long-standing historical roots. As China's Belt and Road Initiative (One Belt, One Road) continues to be rolled out across Southeast Asia, China will very likely encounter growing difficulties with ASEAN states and societies. Beijing may well overstep — and step on others' feet in the process. If and when it does so, Southeast Asian countries will look to the United States and other regional middle powers (Japan, India, South Korea and Australia) for support and as economic alternatives.

As such, the best American strategy towards Southeast Asia is simply to remain steady, present, attentive, engaged, and a predictable partner. The United States should play to its strengths and work on fixing its weaknesses. This includes mounting a major public diplomacy campaign to publicize and educate Southeast Asian publics about the value of the United States to the region. At the end of the day, America's regional competition with China may be won or lost in the information domain. The United States needs to do much better in telling its own story — and Southeast Asian governments and media need to do much better in recognizing the enduring importance of the United States to the region's continuing dynamism, growth, security and stability.



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