



PRIORITIZING SOUTHEAST ASIA IN AMERICAN CHINA STRATEGY

WORKING GROUP ON SOUTHEAST ASIA OF
THE TASK FORCE ON U.S.-CHINA POLICY

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CONTENTS

EXECUTIVE SUMMARY	4
KEY FINDINGS	5
I. BACKGROUND TO THE REPORT	7
II. WHY SOUTHEAST ASIA MATTERS	9
III. SOUTHEAST ASIA IN THE CONTEXT OF U.S.-CHINA COMPETITION	11
IV. AMERICAN INTERESTS & PRESENCE IN SOUTHEAST ASIA	16
V. CHINA'S FOOTPRINT IN SOUTHEAST ASIA	25
VI. SOUTHEAST ASIAN VIEWS OF THE U.S. AND CHINA	32
VII. POLICY RECOMMENDATIONS FOR THE UNITED STATES	38
• Recommendations from Southeast Asia Working Group	
• Recommendations from the Working Group	

EXECUTIVE SUMMARY

Southeast Asia is a critically important—but underappreciated—region when it comes to U.S. interests and competition with China. Now, more than ever, there are ample reasons for the United States to strengthen its already considerable economic, political, and strategic ties with the region.

The ten Association of Southeast Asian (ASEAN) states have become an engine of growth for the global economy, with a combined GDP of more than \$3.6 trillion. If Southeast Asia were a single country, it would be the world's fifth largest economy. In addition, much of the world's trade moves through Southeast Asia's strategically important waters – the South China Sea and the Malacca Strait.

Should a conflict break out between the United States and China in or around Taiwan, or in the South China Sea – which is claimed by China, but with conflicting claims from Brunei, Malaysia, the Philippines, Taiwan, and Vietnam – the United States will likely hope for support from its treaty allies the Philippines and Thailand, as well as from other friendly Southeast Asian countries.

While many Southeast Asians view their region's economic relationship with China relatively favorably, concern is growing about the extent to which China uses its economic clout for political leverage and strategic positioning, at the expense of Southeast Asian interests.

China, as a near neighbor, has its own centuries-long relationship with Southeast Asia. The region is now China's top worldwide trading partner, and vice versa. Over the past decade, Beijing's infrastructure building and development finance through its Belt and Road Initiative (BRI) has made Southeast Asia a significant recipient of PRC loans and projects.

While many Southeast Asians view their region's economic relationship with China relatively favorably, concern is growing about the extent to which China uses its economic clout for political leverage and strategic positioning, at the expense of Southeast Asian interests. In response, individual Southeast Asian countries, as well as ASEAN, are seeking a stronger relationship with the United States and with other regional partners—including Japan, South Korea, India, the European Union, and Australia—to counterbalance China's growing influence and sometimes caustic and punitive diplomacy in the region.

The object of this report is to unpack and carefully examine the respective positions of the United States and People's Republic of China in Southeast Asia—and concludes by offering policy prescriptions for the U.S. Government to advance American interests while competing more effectively with China in the region.

KEY FINDINGS

1. As the world's two leading powers, the United States of America (USA) and the People's Republic of China (PRC) are engaged in a worldwide competition for influence that spans all continents and most countries. Lying at the geographic heart of the Indo-Pacific region, Southeast Asia is a sprawling expanse of critical importance in this global geopolitical competition.
2. Yet, Southeast Asia should be seen and respected on its own intrinsic merits—and not viewed solely through the prism of Sino-American competition.
3. ASEAN and its member states have experienced a long history of colonialism and external intervention. They highly prize their independence and autonomy and are doing their best to navigate this newest phase of major power competition. Southeast Asian states do not wish to be “forced to choose” between either the United States or China—instead, they seek to maximize benefits from both. Even as Southeast Asian countries are doing their best to navigate the growing U.S.-China rivalry in the region, they are also experiencing a growing sense of unease as their autonomy and freedom of maneuver are shrinking as Sino-American competition intensifies. Some fear being militarily drawn into a U.S.-China conflict in the South China Sea or over Taiwan.
4. While the U.S. and China vie for position and influence in Southeast Asia, it would be incorrect to view international relations in the region as only a dyadic contest between the two great powers. In reality, it is a multi-actor region and a complex geostrategic landscape—with so-called “middle powers” (Australia, the European Union, India, Japan, and South Korea) all very active and influential in different domains and countries. ASEAN also possesses its own agency and “centrality.” This is exactly as Southeast Asia likes it—the more diplomatic partners ASEAN states have, the less they feel squeezed between the superpowers.
5. The United States and China possess and display very different strengths and weaknesses (and different historical legacies of involvement) vis-à-vis Southeast Asia:
 - China's strengths lie in its geographic proximity; its huge economic footprint; its Belt & Road Initiative; its intensive bilateral and multilateral diplomacy; its cultural linkages; its values-neutral and transactional political approach; and its propaganda narratives.
 - China's weaknesses include, ironically, its geographic proximity (for many Southeast Asian countries China is too close for comfort); Beijing's occasional pressure on ASEAN and its member states; its illegal claims and expansionist island-building in the South China Sea; its rapid military build-up and huge naval, coast guard, and “maritime militia” presence; its politically subversive “united front” activities; and its relatively weak security assistance with most regional militaries.

While the U.S. and China vie for position and influence in Southeast Asia, it would be incorrect to view international relations in the region as only a dyadic contest between the two great powers. In reality, it is a multi-actor region and a complex geostrategic landscape.

- American strengths include its extensive security assistance and military-to-military ties across much of the region; its substantial foreign direct investment; its 6200 U.S. companies that operate in the region and have comparative commercial advantages in certain sectors; its soft power appeal (despite some slippage in recent years); its cultural and educational exchange programs; and its strategic counterbalancing potential against an increasingly expansionist China.

The best American strategy to compete with China in Southeast Asia is not to try and counter China directly.

- American weaknesses include the episodic nature of its high-level diplomacy; its insufficient public diplomacy efforts; its impatience with the slow consensual “ASEAN Way” of diplomacy; its absence from regional economic groupings and lack of Free Trade Agreements (FTAs); its inability to compete with China in infrastructure construction in the region; and its failure to develop a comprehensive and integrated strategy towards the region (policy is too piecemeal and the pieces do not support a holistic approach).
6. The best American strategy to compete with China in Southeast Asia is not to try and counter China directly—but to proactively pursue its own bilateral and multilateral interests and policies, play to its considerable strengths, shore up its weaknesses, and offer ASEAN states a preferable and more positive alternative than China. The U.S. should also actively support increased regional engagement by Australia, Canada, Europe, India, Japan, and South Korea—states that are all important allied and aligned “multipliers” for the United States. Simultaneously, the U.S. should also seek to alleviate ASEAN anxieties about the Quad (U.S., Japan, India, Australia) by creating a framework in which ASEAN can participate.
 7. China will pursue its own interests in the region, some of which will trigger Southeast Asian responses, both positive and negative. In this context, the U.S. should:
 - Monitor all dimensions of China’s regional activities carefully, share intelligence with ASEAN states when appropriate, and publicize the PRC’s malign activities—such as China’s attempts to control the South China Sea and its resources, the PRC’s support for the Myanmar military junta, illegal fishing, media disinformation, and subversive united front activities.
 - Develop a comprehensive, positive, and convincing public diplomacy narrative which outlines America’s vision for stable regional order.
 - Develop countermeasures to China’s increasing dominance of regional media and make more targeted efforts to counter Beijing’s propaganda, its subversive united front activities and disinformation programs.
 8. Further specific suggestions for better U.S. policies are provided in Section VII of this Report, which come from both from Southeast Asian experts and from the Task Force Working Group.

I. BACKGROUND TO THE REPORT

This report is the result of the **Working Group on Southeast Asia in U.S. China Policy**, one of several Working Groups of the **Task Force on U.S.-China Policy**.¹ The Task Force has been operating since 2015 and is composed of leading American China specialists who analyze and engage on issues in the U.S.-China relationship in a non-partisan way. The Task force includes former senior U.S. government officials, diplomats, military officers, scholars, and think tank researchers. Many of these individuals have served in government under every U.S. presi-



Source: ISEAS-Yusof Ishak Institute

dent since the Nixon administration. The Task Force was created and is co-chaired by Orville Schell, an Asia Society vice-president and Arthur Ross Director of Asia Society’s Center on U.S.-China Relations, and Susan Shirk, Research Professor Emerita and Founding Director of the University of California San Diego School of Global Policy and Strategy 21st Century China Center. Since its inception, the work of the Task Force has been supported by the Carnegie Corporation of New York, and it has benefited from institutional and financial partnerships with a variety of other institutions in Asia, Europe, and the United States.

Throughout this eight-year period the Task Force has issued major reports on U.S. China policy which have garnered substantial attention,² as well as several statements on key issues of concern.³ The Task Force has also established a number of individual “Working Groups” to examine in-depth specific issues of importance. All of these Working Groups have published separate reports.⁴

This **Working Group on Southeast Asia in U.S. China Policy** is another such effort. Southeast Asia was selected by the Task Force for specific study not only because the region is an increasing arena of U.S.-China geostrategic competition where both the United States and People’s Republic of China have considerable presence, interests, and influence—but also because it is a region of intrinsic strategic importance.

To explore how Southeast Asia is reacting to growing Sino-American competition and how the United States can more effectively compete with China and improve its own position in the region the Working Group and its U.S. co-sponsors partnered with the ISEAS-Yusof Ishak Institute in Singapore to convene an intensive two-day conference at the institute in May 2023. The meeting may have been unique in that it included 22 leading experts and former officials from every ASEAN country, who met with their eight

¹ <https://asiasociety.org/center-U.S.-china-relations/task-force-U.S.-china-policy>.

² https://asiasociety.org/files/U.S.-China_Task_Force_Report_FINAL.pdf; https://asiasociety.org/sites/default/files/inline-files/2021-china-new-direction-report_updated_0.pdf.

³ See, for example: *Hardheaded Diplomacy with China on Ukraine* (March 2022); *Avoiding War over Taiwan* (October 2022).

⁴ See, for example: *Meeting the China Challenge: A New American Strategy for Technology Competition* (2020); *Dealing with the Dragon: China as a Transatlantic Challenge* (2020); *China’s Influence & American Interests: Promoting Constructive Vigilance* (2018).

American counterparts. The conference discussions proceeded in a spirit of genuine respect, candor, openness, collegiality, and constructive criticism.

The intended purposes of this exercise were threefold: (1) for Southeast Asian experts to speak candidly and constructively with the American participants about the different dimensions of America's and PRC's roles in the region, so as to capture the diversity of views among the ten ASEAN states; (2) for the Americans to listen carefully to Southeast Asian views, so as to better factor them into U.S. policy; (3) for the Americans to explain to their Southeast Asian counterparts how U.S.-China competition is viewed by them and from Washington. All three goals were more than fulfilled.

While this report is an American document written by and largely for Americans, in the hope that the U.S. Government will find it helpful, the Working Group has also done its best to accurately capture both the substance and nuance of views expressed (orally and in commissioned papers) by our Southeast Asian colleagues.

II. WHY SOUTHEAST ASIA MATTERS

Southeast Asia is at the geographic heart of the Indo-Pacific region and its sea lanes are vital trade arteries to every Asian country and beyond. Each year 40 percent of the world's annual merchandize trade and 25 percent of all oil and liquified natural gas (LNG) shipments pass through the strategic Strait of Malacca—which, at its narrowest point between Indonesia and Singapore, is just 1.7 miles wide and a potential chokepoint that has long worried Asian and China's leaders. In addition to this strategic strait, more than 20 percent of the world's maritime trade passes through the disputed waters of the South China Sea, over which there are conflicting claims of sovereignty by China, Taiwan, Malaysia, the Philippines, Vietnam, and Brunei.



Southeast Asia is a dynamic and sprawling region—spanning 1.7 million square miles (more than 3,000 miles from east to west and more than 2,000 miles from north to south). *Diversity* abounds in Southeast Asia: geography, political systems, economies, militaries, religions, cultures, ethnicities, languages, values, technologies, and levels of development. With a combined population of 688 million people and the fifth largest combined economy in the world, Southeast Asia is a region to be reckoned with.

The region's aggregate GDP of \$3.66 trillion (2022) collectively represents 7 percent of global GDP, 9 percent of global GDP growth over the past decade, during which Southeast Asia has been the world's fastest growing region (5.5% on average per year since 2012). By some projections, the region could become the world's third largest economy by 2030. While nowhere near the levels of the defense expenditures of north-east Asian countries, many Southeast Asian nations have also been moderately increasing their defense spending in recent years.

The region includes ten nation-states that are members of the Association of Southeast Asian Nations (ASEAN). Now in its 56th year, ASEAN was established in 1967 by Indonesia, Malaysia, the Philippines, Singapore, and Thailand (subsequently adding Brunei Darussalam, Cambodia, Laos, Myanmar, and Vietnam,

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with Timor Leste due to join).⁵ ASEAN’s institutional Secretariat in Jakarta, Indonesia, coordinates policies and activities across all ten member states, although its implementation and enforcement capacities are very limited.⁶

ASEAN is organized around three “communities”: the Political-Security Community, Economic Community, and Socio-Cultural Community. ASEAN organizes countless

ministerial and working level meetings in support of these three communities and their developmental targets. The organization is characterized by the “ASEAN Way”—a laborious process of consultation, consensus, and cooperation based on its Treaty of Amity and Cooperation (TAC). ASEAN also prizes its diplomatic “centrality”—a concept that puts it at the center of facilitating a wide variety of external relationships and summit meetings. ASEAN has succeeded with this “inclusive diplomacy,” sponsoring the East Asia Summit (EAS), ASEAN + 3 (China, Japan, South Korea), and 21 “Dialogue Partnerships” with other countries.⁷ ASEAN is by far the most active multilateral organization in the *entire* Indo-Pacific region.

For all of these reasons, Southeast Asia—highly important in its own right—truly matters to the United States.⁸ It also matters to China. And because of the PRC’s growing influence, the region has increasingly become an arena of U.S.-China geostrategic and geoeconomic competition.⁹

⁵ For an excellent study of the evolution of ASEAN, see Kishore Mahbubani and Jeffrey Sng, *The ASEAN Miracle: A Catalyst for Peace* (Singapore: National University of Singapore Press, 2017).

⁶ <https://asean.org/what-we-do#asean-secretariat>.

⁷ These are listed at: <https://asean.org/our-communities/asean-political-security-community/outward-looking-community/external-relationships/>.

⁸ This mutuality is captured in the highly informative publication *ASEAN Matters for America Matters for ASEAN* (co-published by the East-West Center, U.S.-ASEAN Business Council, and ISEAS-Yusof Ishak Institute).

⁹ See David Shambaugh, *Where Great Powers Meet: America & China in Southeast Asia* (New York: Oxford University Press, 2021); Jonathan Stromseth, *Beyond Binary Choices: Navigating Great Power Competition in Southeast Asia*, Brookings Institution, April 2020: <https://www.brookings.edu/wp-content/uploads/2020/04/Beyond-Binary-Choices-Jonathan-Stromseth-April-2020.pdf>; Jonathan Stromseth (ed.), *Rivalry and Response: Assessing Great Power Dynamics in Southeast Asia* (Washington, DC: Brookings Institution Press, 2021); David Shambaugh, “The Southeast Asian Crucible: What the Region Reveals About U.S.-China Rivalry,” *Foreign Affairs*, December 17, 2020: <https://www.foreignaffairs.com/articles/asia/2020-12-17/southeast-asian-crucible>; David Shambaugh, “U.S.-China Rivalry in Southeast Asia: Power Shift or Competitive Coexistence?” *International Security* (Spring 2018); Bilahari Kausikan, “Threading the Needle in Southeast Asia,” *Foreign Affairs*, May 11, 2022: <https://www.foreignaffairs.com/articles/southeast-asia/2022-05-11/threading-needle-southeast-asia>; Kishore Mahbubani, “Asia’s Third Way,” *Foreign Affairs* (March/April 2023).

III. SOUTHEAST ASIA IN THE CONTEXT OF U.S.-CHINA COMPETITION

Heightened competition between the United States and China has permeated virtually every functional domain in world affairs—trade and investment, technological innovation, environment, security and military affairs, artificial intelligence, diplomacy, global governance, soft power, and other spheres. But the strategic competition has also now “gone global” since the U.S. and China each have significant presence and interests—and both are competing directly with each other for influence—worldwide.¹⁰

As their global rivalry heats up, countries around the world are experiencing the competitive pressures and feeling “caught in the middle.” While the pressures are different across Asia, Africa, Europe, Latin America, and Middle East, Southeast Asia’s current responses to such pressures may be a harbinger and serve as an example of how these other regions will react in the future.

Southeast Asians have become practiced in the art of “hedging” and shifting alignments. These are not the same phenomena, however. Hedging behavior is more neutralist, ambiguous, and flexible. The whole purpose of hedging is to avoid becoming too close to—and hence too dependent on—any single external great power. Alignment behavior, by contrast, willingly accepts some degree of dependency and seeks to align with a larger power.¹¹ Hedging behavior may be increasingly difficult for countries to pursue, as they come under increasing pressure between the U.S. and China.¹² Underlining Southeast Asian preferences, regional leaders (notably Singaporean Prime Minister Lee Hsien Loong) have frequently counseled the United States: “Don’t make us choose.”¹³ For his part, U.S. Secretary of State Antony Blinken has rejected this narrative as a false choice—instead arguing that, “The United States is not pressuring you to choose—but is simply offering you choices.”¹⁴

Southeast Asians have become practiced in the art of “hedging” and shifting alignments.

Consequently, while all Southeast Asian states and societies are primarily preoccupied with their own internal political and development issues, they are also beginning to feel the increased heat of Sino-American rivalry in the region, and their anxiety levels have been noticeably rising. Consequently, the “don’t ask us to choose” narrative is beginning to give way to one advising the United States to “figure out a way to coexist with China and allow us to benefit from ties with both of you.” As one participant in the Singapore

¹⁰ See Evan Medeiros (ed.), *Cold Rivals: The New Era of U.S.-China Strategic Competition* (Washington, DC: Georgetown University Press, 2023); David Shambaugh (ed.), *Tangled Titans: The United States & China* (Lanham, MD: Rowman & Littlefield, 2012).

¹¹ See Evelyn Goh, “Southeast Asian Strategies Towards the Great Powers: Still Hedging After All These Years?” *Asan Forum*, Vol. 4, no. 1 (January/February 2016); Cheng-Chwee Kuik, “How Do Weaker States Hedge? Unpacking ASEAN States’ Alignment Behavior Towards China,” *Journal of Contemporary China*, Vol. 25, no. 100 (2016); John D. Ciorciari, *The Limits of Alignment: Southeast Asia and the Great Powers Since 1975* (Washington, DC: Georgetown University Press, 2010).

¹² See Richard Fontaine, “The Myth of Neutrality: Countries Will Have to Choose Between America and China,” *Foreign Affairs*, July 12, 2023: <https://www.foreignaffairs.com/china/myth-of-neutrality-choose-between-america-china>.

¹³ See, for example, “Don’t Make Countries Choose Sides, Says Singapore PM Lee Hsien Loong,” *Australian Financial Review*, March 15, 2018: <https://www.afr.com/world/dont-make-countries-choose-sides-says-singapore-pm-lee-hsien-loong-20180314-h0xgr4>.

¹⁴ “Ahead of Blinken Trip, U.S. Says Committed to ‘Unprecedented’ ASEAN Ties,” *Reuters*, December 28, 2021.

conference starkly put it: “It is now a two-superpower world—but for us it doesn’t matter who’s on top, as long as we can extract benefits from each.”

Southeast Asia’s principal means for avoiding the U.S.-China pincer pressure is to develop its relationships with as many other countries and powers as possible. This “polygamous diplomacy,” in the words of former senior Singaporean diplomat Bilahari Kausikan,¹⁵ is intended precisely to dilute the perceived pressures from Beijing and Washington—and thereby to buy ASEAN states space and time, while maximizing their ties with as many other countries and benefactors as possible.

What Do the Data Show?

Perceptions matter—and they have real consequences. This report takes them as central in understanding the shifting dynamics in Southeast Asia that are affecting U.S. strategy and policies. While Section VI of the report samples a variety of ad hoc but representative statements offered by the Working Group’s Southeast Asian counterparts at the May 2023 conference in Singapore, this section highlights the findings of the two most systematic surveys that have examined Southeast Asian views of the relative positions of the United States and China in the region.

The first survey is the Asia Power Index, which has been undertaken annually since 2018 by the Lowy Institute in Sydney, Australia. In 2023, Lowy published composite findings of the four previous year’s indices specifically focused on the relative influence of the U.S. and China in Southeast Asia.¹⁶ Lowy employs a sophisticated methodology that measures influence across four categories: economic relationships, defense networks, diplomatic influence, and cultural influence. Both the U.S. and China are rated on a 100-point scale in each category and across 42 separate indicators. However, an overall composite score is given annually.

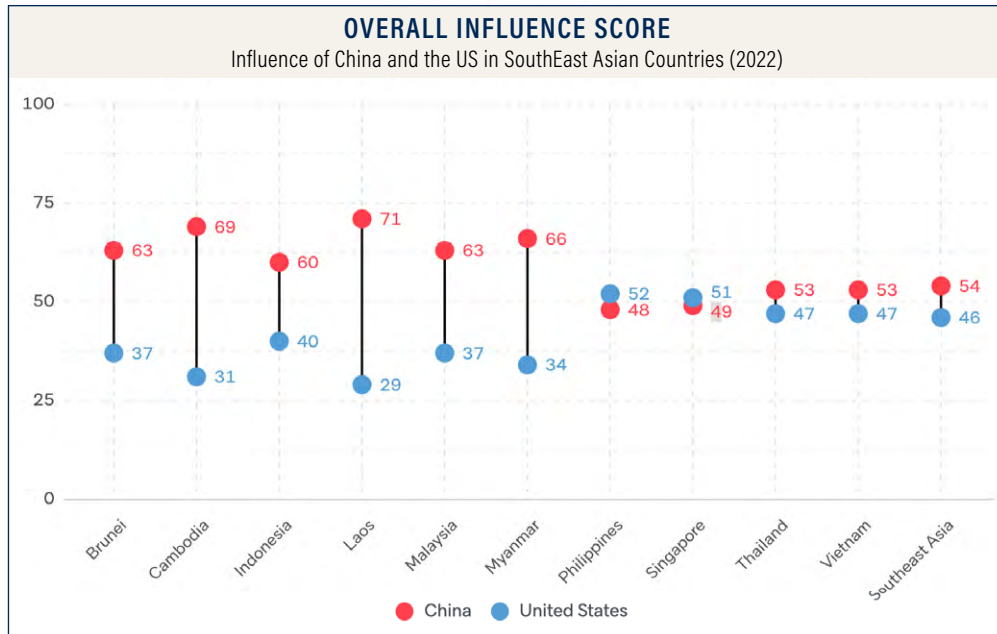
Since it began in 2018, China has slightly increased its composite profile over the United States in the region by 2 points (52-48 in 2018 to 54-46 in 2022). While this may seem marginal, in fact it masks a more pervasive decline in perceived American influence. In 2022, Lowy assessed that China had more influence than the United States in eight out of ten ASEAN states, six by a wide margin (Brunei, Cambodia, Indonesia, Laos, Malaysia, and Myanmar). Surprisingly, China even led in Vietnam and Thailand, with the United States being seen to have more influence only in the Philippines and Singapore. As Thailand is a U.S. treaty ally, this should be of concern in Washington.¹⁷

One virtue of the Lowy assessment is its granular analyses of the four different categories of influence. Drilling down into these data reveals that China enjoys substantial leads in economic and diplomatic influence in all *ten countries*. In terms of cultural influence, the U.S. holds a very slight overall advantage, although in different ways in each country. However, in terms of people-to-people cultural influence China comes out on top (largely due to tourism and the overseas Chinese diaspora).

¹⁵ See Bilahari Kausikan, “Southeast Asia in the Age of Great Power Rivalry,” *Foreign Affairs* (March/April 2021): <https://www.foreignaffairs.com/reviews/review-essay/2021-02-16/arena>.

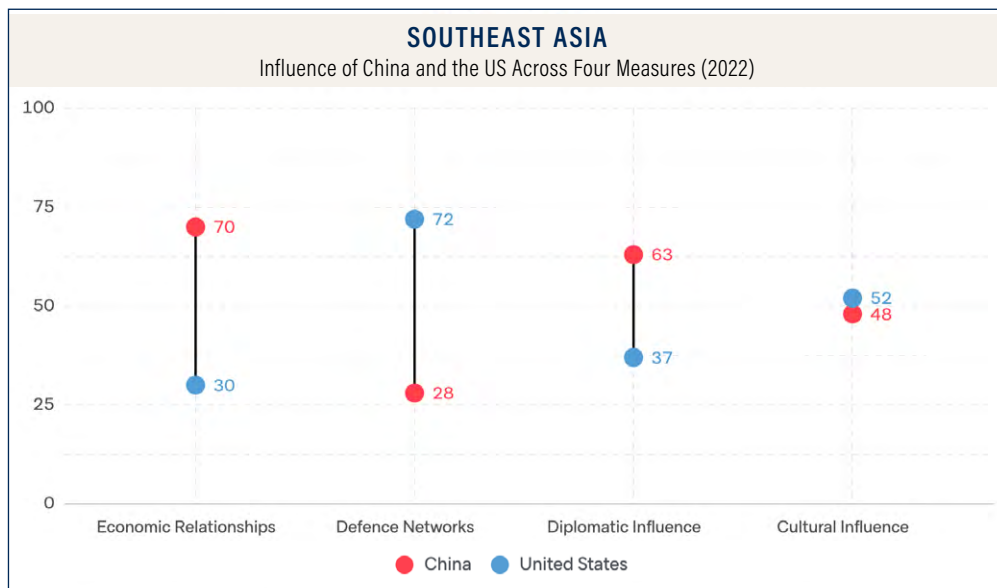
¹⁶ “Asia Power Snapshot: China and the United States in Southeast Asia, April 20, 2023: <https://www.lowyinstitute.org/publications/asia-power-snapshot-china-united-states-southeast-asia>.

¹⁷ For a detailed and careful analysis of Thai-China relations, see Benjamin Zawacki, *Thailand Shifting Ground Between the U.S. and a Rising China* (London: Zed Books, 2020); and Ian Storey, *Thailand’s Post-Coup Relations with China and America: More Beijing, Less Washington* (Singapore: ISEAS-Yusof Ishak Institute, 2015).



Source: Lowy Institute (2023 Asia Power Index)

Notably, though, America’s overall position has eroded year-to-year since Lowy began surveying in 2018. This too should be of real concern in Washington. Only in the category of “defense networks” (a composite term that encompasses a wide range of security indicators) does the United States enjoy a substantial advantage over China (79-21 points). All in all, the Asia Power Index suggests that Southeast Asians see China’s influence in the region rising and U.S. influence declining.¹⁸



Source: Lowy Institute (2023 Asia Power Index)

¹⁸ “China’s Influence in Southeast Asia Has Grown, America’s Has Waned,” *The Economist*, June 12, 2023: <https://www.economist.com/graphic-detail/2023/06/12/chinas-influence-in-south-east-asia-has-grown-americas-has-waned>; Joshua Kurlantzick, “The U.S. is Losing Ground to China in Southeast Asia,” *World Politics Review*, May 30, 2023: <https://www.worldpoliticsreview.com/southeast-asia-economy-u.s.-china-asean-thailand-philippines/>.

The second important assessment of Southeast Asian attitudes is undertaken by the ISEAS-Yusof Ishak Institute in Singapore and is published in its annual volume *The State of Southeast Asia*.¹⁹ It should be noted that the ISEAS surveys are undertaken among “elites” in the following categories: (a) academia, think-tankers and researchers; (b) business or finance representatives; (c) civil society, NGO or media representatives; (d) government officials; and (e) regional or international organizations personnel. The 2023 survey involved 1,308 respondents.²⁰ While published annually, ISEAS recently published a useful analysis of data trends from 2019-2023 concerning the respective roles of the U.S. and China in the region.²¹ This time-series analysis suggests a number of conclusions:

- An enduring tendency among the respondents in ASEAN member states to discount the influence of the United States in the region. Respondents overwhelmingly identified China not only as the most influential economic power in Southeast Asia, but also as the most influential country politically and strategically.

When asked to “choose” between China and the United States, respondents throughout the region expressed a growing preference to align with the United States.

- Ambivalence among ASEAN respondents about the U.S. regional leadership role on multiple fronts. The majority of those surveyed generally do not look to the U.S. to champion the global trade agenda, the U.S. fares slightly better regarding perceptions of its leadership role in upholding a rules-based order

and international law (but this confidence in the U.S. is ambiguous), while the European Union and Japan are most often looked to as alternatives to U.S. leadership on this front.

- Confidence in the United States as a reliable strategic partner and provider of regional security has declined across much of ASEAN since 2021. The decline has been sharpest in Singapore, Vietnam, and Indonesia.
- However, when asked to “choose” between China and the United States, respondents throughout the region expressed a growing preference to align with the United States. When asked, “If ASEAN were forced to align itself with one of the two strategic rivals, which should it choose?” 61.1% nonetheless chose the U.S. while only 38.9% chose China. Three Muslim-majority states—Indonesia, Malaysia, and Brunei—chose China over the United States.

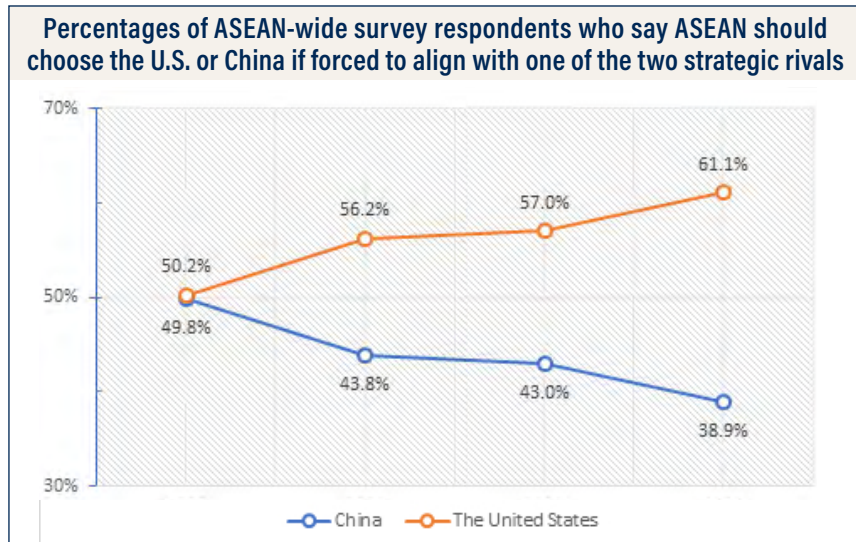
These indicators suggest that there is still a deep incipient reservoir of goodwill towards the U.S. in the region, but one that cannot be taken for granted and is being depleted in some countries by U.S. neglect. Importantly, many Southeast Asians still want the United States to be more actively engaged in the region, especially amidst growing anxieties about the rise of China. That said, there is a clear undercurrent of pessimism, even some disillusionment, among respondents from countries that are close U.S. partners, about whether the United States will rise to the occasion.

Like Lowy, the ISEAS surveys distinguish between three different categories of relative U.S.-China influence: economic, political/strategic, and soft power. But, in distinct contrast to Lowy’s findings, respon-

¹⁹ <https://www.iseas.edu.sg/category/articles-commentaries/state-of-southeast-asia-survey/>.

²⁰ <https://www.iseas.edu.sg/wp-content/uploads/2025/07/The-State-of-SEA-2023-Final-Digital-V4-09-Feb-2023.pdf>.

²¹ <https://www.iseas.edu.sg/articles-commentaries/iseas-perspective/2023-42-southeast-asian-views-on-the-united-states-perceptions-versus-U.S.-objective-reality-by-lee-sue-ann/>.



dents to the ISEAS surveys evince greater skepticism and ambivalence about China's role in the region, even if they do identify China as the most influential external actor. With respect to the U.S. and China specifically, the 2023 ISEAS survey noted:

- China remains the most influential and strategic power in Southeast Asia (41.5%), followed by the U.S. (31.9%) and ASEAN (13.1%). But what is telling is that while China retains its top position, its influence has declined significantly from 54.4% to 41.5% in 2022.
- Many of those in the region who believe that China is the most influential political and strategic player are still worried about its growing influence. The 2023 report says that “64.5% of those who view China as the most influential economic power and 68.5% of those who see China as most influential in the political and strategic spheres, express their concerns about its expanding influence.” Also in 2023, respondents from nine of the ten ASEAN members viewed China as less influential than in 2022.
- When asked in 2023 which country they have the most confidence in to provide leadership to maintain the rules-based order and uphold international law, 27.1% of Southeast Asian respondents favored the United States, followed by 23% for the European Union, 21% for ASEAN, and 8.6% for Japan, and only 5.3% for China. And only 29.5% expressed “trust” in China, while 49.8% expressed “distrust.”

Thus, the Lowy and ISEAS surveys present somewhat contradictory data concerning the respective roles of the United States and China in Southeast Asia. While China appears to have more influence in most of the region, many Southeast Asians still view it with concern. The United States, on the other hand, is more trusted—yet deep uncertainties remain about Washington's commitment to steady engagement. And, significantly, China is viewed more positively by the general publics while the U.S. is seen more positively by regional elites. This is an intriguing and important difference. One implication of this finding is that China can be assumed to be more successful at reaching general publics across the region,²² while the United States has done a better job among elites. This suggests that the U.S. still has much more work to do among Southeast Asian citizens.

²² See Joshua Kurtlantzick, *China's Global Media Offensive*, op cit; Wang Zheng, “Tell China's Story Well”: Chinese Embassies Media Outreach in Southeast Asian Media,” *Perspective* (2022), no. 90: https://www.iseas.edu.sg/wp-content/uploads/2022/08/ISEAS_Perspective_2022_90.pdf.

IV. AMERICAN INTERESTS & PRESENCE IN SOUTHEAST ASIA

Broadly speaking, current U.S. Government priorities and preferences for Southeast Asia derive from its broader approach to building a “free and open Indo-Pacific.” The Biden administration’s *Indo-Pacific Strategy* was set forth in February 2022 and identified several straightforward goals: “The United States is committed to an Indo-Pacific that is free and open, connected, prosperous, secure, and resilient.”²³ With respect to Southeast Asia, the official U.S. document states:

- “[In] ASEAN, we see Southeast Asia as central to the regional architecture.”
- “The United States also welcomes a strong and independent ASEAN that leads in Southeast Asia. We endorse ASEAN centrality and support ASEAN in its efforts to deliver sustainable solutions to the region’s most pressing challenges. To that end, we will deepen longstanding cooperation with ASEAN while launching new high-level engagements on health, climate and environment, energy, transportation, and gender equity and equality. We will work with ASEAN to build its resilience as a leading regional institution and will explore opportunities for the Quad to work with ASEAN.”
- “The United States is making new investments in U.S.-ASEAN ties, including by hosting ASEAN leaders for a historic U.S.-ASEAN Special Summit—the first-ever to be held in Washington, D.C. We are committed to the East Asia Summit and ASEAN Regional Forum and will also seek new ministerial-level engagements with ASEAN. We will implement more than \$100 million in new U.S.-ASEAN initiatives. We will also expand bilateral cooperation across Southeast Asia, prioritizing efforts to strengthen health security, address maritime challenges, increase connectivity, and deepen people-to-people ties.”

Thus, the U.S. Government and a wide variety of private sector actors are extensively and deeply engaged throughout the region in all ten ASEAN countries—in four categories of interactions: diplomatic, commercial, security, cultural/educational (people-to-people).

U.S. Diplomatic Engagement

In 2022, at the 10th U.S.-ASEAN Summit in Cambodia, the United States and ASEAN elevated their relationship to a “Comprehensive Strategic Partnership.” This was one of many steps the Biden administration has taken to shore up diplomatic interactions with ASEAN. Still, when examining the U.S. role in the region more broadly and historically, diplomacy is perhaps the weakest link of the four categories. This shortcoming derives from several longstanding problems.

The geographic “tyranny of distance” is a reality that hampers official American presence in the region. It takes nearly 24 hours to fly between Washington DC and Southeast Asia, and when U.S. officials arrive they usually only have time to stop in two or three capitals at best. The most efficient way for American senior officials, including the President, is to attend the annual East Asian Summit (EAS)—which is intention-

²³ The White House, *Indo-Pacific Strategy of the United States* (Feb. 2022): <https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>, p. 7.

ally piggy-backed on to the annual U.S.-ASEAN Summit (and vice versa). These are the cornerstones of U.S. diplomatic engagement with the region every year. In 2022 President Biden also hosted a U.S.-ASEAN “Special” Summit in Washington (a first):



Source: The White House

While these multilateral meetings do afford a “one-stop-shop” approach to diplomacy, since the President can meet a number of Southeast Asian leaders in “bi-lats,” these meetings usually last not more than 15-30 minutes each (this is sometimes resented, according to ASEAN diplomats).

While the Secretary of State and other senior officials do visit the region every year, this schedule fluctuates by administration. To its credit, the Biden administration has made a dedicated effort to have Secretary Blinken and other cabinet officials to visit the region.²⁴ Unfortunately, when they do, more time is spent in official meetings and insufficient time is spent interacting with the publics. As a result, Southeast Asians have relatively little sense of American diplomacy. Visiting American officials need to better prioritize the public diplomacy aspects of their visits. Whenever possible, they should give a high-profile public speech and interact with civil society (with coverage in local media). For their parts, some U.S. ambassadors have minimal public profiles and limit themselves to official or diplomatic circles—they should make greater efforts to engage with societies outside the capital. Moreover, in recent years, several ambassadorships

²⁴ Only once before (the Obama administration) has the Secretary of State visited the region more frequently. In addition, the Vice-President and the Secretaries of Defense, Commerce, Energy, Health & Human Services, Transportation, Climate Change Envoy John Kerry, USAID Administrator Samantha Powers, and U.S. Trade Representative Katherine Tai have all visited the region during the first three years of the Biden administration. Secretary Blinken has attended the ASEAN Foreign Ministers annual meeting, after which a separate “Post Ministerial” Conference is held with the U.S., most recently in July 2023: <https://www.state.gov/secretary-antony-j-blinken-before-asean-post-ministerial-conference-with-the-united-states/>. After the meeting, Secretary Blinken outlined U.S. priorities for its relationship with ASEAN and Southeast Asia: <https://www.youtube.com/watch?v=rtDEhcVLdNA>.

have remained empty for all-too-lengthy periods.²⁵ Some U.S. embassies also resemble impregnable fortresses, reinforcing public perceptions of American remoteness.

All of this suggests a real shortfall in U.S. public diplomacy. Embassies in the region could and should do much more to inform Southeast Asian publics of the positive things that the U.S. Government and other American actors are contributing to the region.

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The Biden administration is to be commended for rolling out a lengthy set of initiatives in the region—in the areas of aid,²⁶ climate change mitigation and clean energy transition, COVID-19 mitigation,²⁷ public health, education, transportation, emerging technologies, environmental sustainability, ecosystem management, gender equality and women’s empowerment, food and water security, people-to-people exchanges, and other initiatives.²⁸ While commendable and indicative of the substance of U.S. programs in the region,

these initiatives are too often largely unreported and thus unappreciated in the region.

U.S. Security Engagement

The U.S. Department of Defense (DoD) views Southeast Asia in the contexts of the broader Indo-Pacific region and its preeminent U.S. concerns about China as a strategic threat, which Secretary of Defense Lloyd Austin has defined as the primary “pacing challenge” for the U.S. Armed Forces. DoD’s *National Defense Strategy* clearly states:

“The most comprehensive and serious challenge to U.S. national security is the PRC’s coercive and increasingly aggressive endeavor to refashion the Indo-Pacific region and the international system to suit its interests and authoritarian preferences. The PRC seeks to undermine U.S. alliances and security partnerships in the Indo-Pacific region.”²⁹

Specifically with respect to Southeast Asia, the *National Defense Strategy* states:

“We will invigorate multilateral approaches to security challenges in the region, to include by promoting the role of the Association of Southeast Asian Nations in addressing regional security issues. The Department will work with allies and partners to ensure power projection in a contested environment.”³⁰

²⁵ For example, Singapore went four years during the Trump administration without an ambassador, Bangkok remained unfilled from 2020-2022, and there was no ambassador to ASEAN for more than three years from 2019-2022.

²⁶ The U.S. provided \$860 million in aid assistance through the Department of State and USAID in 2022.

²⁷ The U.S. delivered 116 million doses of COVID-19 vaccines and over \$200 million in COVID-related assistance to Southeast Asia.

²⁸ These are all listed in See U.S. Department of State, “Fact Sheet: The United States-ASEAN Relationship,” August 3, 2022: <https://www.state.gov/the-united-states-asean-relationship/>.

²⁹ U.S. Department of Defense, 2022 *National Defense Strategy of the United States*: <https://media.defense.gov/2022/Oct/27/2003103845/-1/-1/1/2022-NATIONAL-DEFENSE-STRATEGY-NPR-MDR.PDF>, p. 4.

³⁰ *Ibid.*, p. 15.



U.S. Secretary of Defense Lloyd Austin Reviews Philippines Honor Guard
Source: USNI News

(1962). While both alliances have been shaky in recent years, the Biden administration has made significant efforts to revitalize them.

Under the new presidency of Ferdinand Marcos, Jr., the U.S.-Philippines alliance and Mutual Defense Treaty have recently had new life injected into them. During his state visit to Washington in May 2023, President Marcos received full military honors at the Pentagon and U.S. Secretary of Defense Lloyd Austin was unambiguous in reassuring him about the scope of the defense treaty: “It applies to armed attacks on our armed forces, coast guard vessels, public vessels, or aircraft in the Pacific, including anywhere in the South China Sea.” To reinforce the clarity of U.S. commitment, Secretary Austin added: “Make no mistake, Mr. President, we will always have your back in the South China Sea or elsewhere in the region.”³¹ Part of the new chapter in U.S.-Philippines defense cooperation importantly involves the U.S. use of four bases in Palawan and on the northern island of Luzon, just over 100 miles south of Taiwan.³² These could become crucial in any U.S. attempt to defend Taiwan.

With these two newly revived alliances, a close security partnership with Singapore, and growing security relationships with Indonesia and Vietnam, the U.S. Department of Defense and INDOPACOM are carrying out multiple cooperative programs across the region. The U.S. military also maintains a continual presence on land, at sea, and in the air with significant rotational deployments throughout the region. These contributions are, by far, the strongest suit of American presence in the area—but, as in other dimensions of U.S.-ASEAN relations—they are not as well known or appreciated in Southeast Asia as they could be.³³

Operationally, the heart and soul of the U.S. military and security assistance programs lies with the U.S. Indo-Pacific Command (INDOPACOM), based at Camp Smith in Honolulu, Hawaii. INDOPACOM and the U.S. Department of Defense undertake a wide range of bilateral and multilateral programs throughout the region.

Although the American security engagement in Southeast Asia is truly multifaceted and multinational, the twin anchors are the longstanding bilateral alliances and treaty commitments with the Philippines (dating to 1951) and with Thailand

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³¹ See U.S. Department of Defense, “U.S.-Philippines Agree to Modernize, Strengthen Alliance,” May 3, 2023: <https://www.defense.gov/News/News-Stories/Article/Article/3383809/U.S.-philippines-agree-to-modernize-strengthen-alliance/>.

³² See U.S. Department of Defense, “Leaders Discuss Partnership Between U.S., Philippines,” April 11, 2023: <https://www.defense.gov/News/News-Stories/Article/Article/3359437/leaders-discU.S.s-partnership-between-U.S.-philippines/>.

³³ One reason is that some partner countries (such as Brunei, Indonesia, and Malaysia) have sensitivities about their security collaboration with the United States.

Most Southeast Asian militaries have security assistance and military ties with the United States. These include military exercises and senior-level defense dialogues.

Multilateral military exercises include Rim of the Pacific (RIMPAC), Cope North, Cope West, Cope Thunder, Cope Tiger, Cobra Gold, Palawan Warrior, Balikatan, Pacific Angel, Garuda Shield, Pacific Partnership, Cooperation Afloat Readiness and Training (CARAT), and Southeast Asia Cooperation and Training (SEACAT), the Southeast Asia Maritime Law Enforcement Initiative (SEAMLEI), and the Expanded ASEAN Maritime Forum (EAMF). Bilateral exercises occur with every Southeast Asia state except Laos and Myanmar.

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.

In addition, U.S. support includes:

- International Military Education and Training (IMET) and Expanded IMET.
- Foreign Military Sales and Financing (FMS/FMF).
- Excess Defense Articles (EDA).

IMET is a flagship U.S. military program and is a principal mechanism for training foreign officers. This occurs on U.S. military bases in the region, at service colleges and the National Defense University in the continental United States, and at the Asia-Pacific Center for Security Studies (APCSS) in Hawaii. While the State Department determines which countries qualify for the IMET program, the Defense Department implements it. Since U.S. restrictions on Indonesia and Vietnam were lifted, every Southeast Asian country except Myanmar now qualify to participate in IMET.

The APCSS, established in 1995, is a component of IMET and is a uniquely important institution and contributor to U.S. security support for ASEAN (and other Indo-Pacific) countries.³⁴ Based in Honolulu, it administers a wide range of conferences and courses for security personnel from across the region. It now proudly claims an alumni network of 12,000+ from across the region—many of whom have become government officials. APCSS courses and workshops cover a range of topics: counterterrorism, crisis management, humanitarian assistance and disaster relief, and a range of “non-traditional” security subjects such as cyber defense, piracy, and public health.

In 2022 the Department of Defense also launched the Emerging Defense Leaders Program, which plans to invest approximately \$10 million each year to support a new network of Southeast Asian emerging defense leaders. Another important Department of Defense–led initiative is the Southeast Asia Maritime Law Enforcement Initiative, which was launched in 2013. The U.S. military and civilian intelligence agencies also maintain close ties with their counterparts in many Southeast Asian states.

The FMS/FMF programs now also operate in every ASEAN country except Cambodia, Laos, and Myanmar.

³⁴ A full description of APCSS can be found at: <https://dkiapcss.edu>.

Through these programs the United States is the principal supplier of new military equipment and weapons to Southeast Asian militaries. In addition, the Excess Defense Articles (EDA) program transfers used equipment to regional militaries. For example, the Philippines and Vietnam have received several decommissioned U.S. Coast Guard cutters.

Through all of these military assistance programs, the United States provides tangible support for Southeast Asian militaries. However, these programs are not well known in the region, largely because Southeast Asian governments are often reticent about allowing them to be publicized. As a result, Southeast Asians do not fully appreciate how the United States contributes to their security. This could be improved through better public diplomacy and “strategic messaging” by INDOPACOM and U.S. embassies in the region.

U.S. Commercial Engagement

The strength of the American commercial presence in Southeast Asia is also less well appreciated than is warranted by the deep roots American companies have throughout the region. Today, some 6200 American companies operate across ASEAN. The composition of U.S. business is highly diverse—spanning a variety of financial services, consulting services, insurance, healthcare, consumer goods, aircraft, energy, information technology, e-commerce, and other sectors. In aggregate, U.S. trade with ASEAN countries reached \$501 billion in 2022,³⁵ an all-time high. ASEAN is now America’s fourth largest export market.³⁶ The U.S. Department of Commerce estimates that more than 625,000 American jobs are supported by exports of goods and services to the ASEAN region. In 2020, 21 states had over \$1 billion in annual goods exports to Southeast Asia.

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Trade is enhanced by several government agreements—a bilateral U.S.-Singapore Free Trade Agreement, the ASEAN-U.S. Trade and Investment Framework Arrangement (TIFA), ASEAN-U.S. Expanded Economic Engagement, and U.S.-ASEAN Connect.

The Washington-based U.S.-ASEAN Business Council and the American Chambers of Commerce (AMCHAM) in each Southeast Asia country also do much to facilitate two-way trade and investment. AMCHAM’s annual *ASEAN Business Outlook Survey*, based on its survey of companies, is quite bullish about opportunities for U.S. businesses in the region. The vast majority of member companies expect their companies’ level of trade, investment, and profits in ASEAN to increase over the next five years (Vietnam, Indonesia, Myanmar, Singapore, and Thailand are identified as the fastest-growing markets with greatest growth potential for business expansion). As some American companies look to move portions of their supply chains outside of China in attempts to de-risk their investments, or otherwise establish new production facilities outside of the country, Southeast Asian nations are poised to be direct beneficiaries.

³⁵ Source: IMF Direction of Trade Statistics (2022).

³⁶ Source: Office of U.S. Trade Representative, “Association of Southeast Asian Nations” (2020): <https://U.S.tr.gov/countries-regions/southeast-asia-pacific/association-southeast-asian-nations-asean#:~:text=U.S.%20goods%20and%20services%20trade,totaled%20%24307.7%20billion%20in%202020.>

Another reality that often goes unrecognized is that the United States is also the *leading* investor in ASEAN. The total stock of U.S. FDI in the region totals \$328.5 billion (2020)—greater than China, Japan, and South Korea combined. Annual U.S. investment in the region average around \$25 billion per year (greater than China’s).³⁷ For its part, ASEAN also invested \$30.7 billion in the United States in 2020.³⁸

The American tourism and education businesses are also robust. In 2019, before COVID, 1.3 million people from ASEAN countries visited the United States, while more than 4.8 million Americans visited Southeast Asian countries. The 55,000 Southeast Asian students studying in U.S. universities contribute more than \$2 billion annually to the U.S. economy.

While the American business and commercial presence in ASEAN states is diverse, substantial, and growing, the U.S. trade position relative to China has declined every year since 2012. China’s trade with ASEAN has quadrupled since 2012 and is now approximately double that of the United States, reaching nearly \$1 trillion in 2022. This is startling when one considers that twenty years ago U.S. trade with ASEAN was three times that of China. Today, the U.S. retains a lead in services trade, but China far outpaces the U.S. in goods trade and is the top trading partner of every individual Southeast Asian country.

If the region is to maintain an independent and open posture—a principal stated goal of U.S. policy—a robust U.S. trade agenda is essential.

U.S. competitive disadvantages in the region are the result of a variety of factors, including China’s dominant role in supply chains and geographic proximity, its dominant role in global goods trade, market access facilitated by the China-ASEAN Free Trade Agreement (CAFTA), other barriers to trade for U.S. goods and services, and the trend toward regionalization. The Indo-Pacific is the world’s largest contributor to the build-up of preferential trade agreements globally, accounting for about half of the 330 preferential agreements worldwide. They are bilateral, regional, and multilateral, are broader in scope with deeper in substantive obligations. Of particular note are the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which reflect and reinforce the regionalization of trade. ASEAN countries figure prominently in these and countless smaller trade agreements. The U.S. is in none, and only has a single bilateral FTA (with Singapore).

Such trade agreements have long been a critical tool in contributing to ASEAN growth and development. Today, they are also a tool of geopolitics. Given the range of Preferential Trade Agreements (PTAs), regional economic integration, and China’s dominance in trade and its regional influence more broadly, the United States can ill-afford a diminished trade and economic profile in ASEAN or to absent itself from plurilateral or regional arrangements. All regional public opinion surveys indicate that U.S. economic influence in the region is significantly below that of China. Our meetings in Singapore amply confirmed this reality as well as the imperative need for U.S. participation in the region’s economic architecture.

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The ASEAN regional economy is trade dependent. If the region is to maintain an independent and open

³⁷ Source: ASEAN, “U.S.-ASEAN Economic Relations”: <https://asean.org/our-communities/economic-community/integration-with-global-economy/asean-U.S.-economic-relation/>.

³⁸ Office of the United States Trade Representative, op cit.

posture—a principal stated goal of U.S. policy—a robust U.S. trade agenda is essential. To the extent that the most recent U.S. initiative (the Indo-Pacific Economic Framework or IPEF) was referenced at all at our Singapore meeting, the regional views expressed were largely dismissive.

In the commercial domain, the United States has many strengths on which to build, particularly in ASEAN. But as we were warned by one participant: “Version 3.0 of the ASEAN-China FTA is coming soon. That will move the needle for ASEAN. The U.S. needs to do things that will move the needle – and if the U.S. cannot negotiate trade agreements, what can it do?” Another said, to overall agreement of the ASEAN participants, “The U.S. must join the regional economic architecture and pursue a regional FTA.” The message could not have been clearer.

Cultural and Education Engagement

While they are not as well known as they should be, American cultural exchanges and educational engagement in the region are all extensive and include the following elements:

- International Visitor Leadership Program (IVLP) brings either individuals or small groups (e.g., editors, journalists, think tanker researchers, etc.) to the United States for three-week visits.
- The Young Southeast Asian Leaders Initiative (YSEALI) has involved more than 100,000 young people aged 18 to 35 and an additional 80,000 engaged in its digital platforms. Under YSEALI several tailored initiatives exist. These include 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 U.S. for study-tours; and the U.S.-ASEAN Innovation Challenge which fosters new technological solutions to practical problems.
- The U.S. Mission to ASEAN administers the ASEAN Women Entrepreneurs’ Network (AWEN).
- Students from ASEAN countries also attend U.S. universities, with approximately 55,000 Southeast Asians currently studying on U.S. campuses.
- Fulbright and other educational exchange programs 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 30 Southeast Asian scholars to U.S. universities and think tanks for up to four months of research every year. American scholars also go to ASEAN under a wide range of university-to-university partnerships and other private means to teach and conduct research throughout the region.
- “Education U.S.A.” 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 Department of State’s International Speakers Program brings American professionals and public intellectuals to the region for public and private lectures and interactions.

- A wide variety of arts exchange programs such as American Music Abroad, Dance Motion U.S.A, and traveling art exhibitions from American museums.
- Touring professional and college sports teams.
- American Spaces, American Corners, and American Centers—are all physical spaces for programing, outreach, and various events. The “@America Center” in Jakarta is a particularly noteworthy initiative and a multimedia interactive facility which serves as a model for emulation in other countries.
- Radio Free Asia is a U.S. Government funded longwave radio service broadcasting 24/7 in a variety of Asian languages. Voice of America also counts millions of listeners throughout the region.

Public diplomacy should be about more than facilitating exchanges. What is missing is an integrated and intellectually sophisticated *public diplomacy narrative*.

All of these programs are evidence of U.S. Government efforts to engage Southeast Asians in cultural and educational domains. Many are truly commendable and impactful (notably Fulbright and YSEALI). However, it is also true that many—indeed most—of these programs are not well known in the region. More needs to be done to publicize them.

But these are all mainly in the realm of exchanges. Public diplomacy should be about more than facilitating exchanges. What is missing is an integrated and intellectually sophisticated *public diplomacy narrative* that clearly articulates the following elements:

- The value and benefits of Southeast Asia and ASEAN to the United States.
- The value and benefits of relations with the United States to Southeast Asia.
- The full range and value of U.S. private sector activities in Southeast Asia.
- How Southeast Asian engagement with the United States contrasts with China.

If the United States is to compete effectively across Southeast Asia with China (which has made major resource investments in its own efforts) it is imperative that the U.S. Government mount a major and sophisticated public affairs effort that includes these and other elements (see Section VII, Recommendation 11).

The United States and China compete across multiple domains in Southeast Asia, but the information domain is crucial. The “balance of influence” between the U.S. and China—as distinct from the “balance of power,” as the former Singaporean diplomat Bilahari Kausikan puts it—will be won or lost in the information space.³⁹ As one distinguished Southeast Asian expert at our Singapore conference noted: “China is kicking your butt in public diplomacy.” Another participant added: “The U.S. is in a battle of narratives [with China], whether you know it or like it. Get in the game!”

The ISEAS surveys noted above clearly indicate that there remains a reassuring reservoir of goodwill towards the United States and that America possesses real soft power in the region. But it has eroded in recent years and it cannot be taken for granted. More needs to be done to improve Southeast Asian understanding and appreciation of the full range of American activities in the region.

³⁹ Bilahari Kausikan, “Southeast Asia in the Age of Great Power Rivalry,” op cit.

V. CHINA'S FOOTPRINT IN SOUTHEAST ASIA

China's footprint in Southeast Asia is broad, deep, multifaceted, and a more evident part of the fabric of many Southeast Asian lives. It is also *much better known* than America's.⁴⁰ Part of the reason for this disparity is that China's government invests huge amounts of resources and effort into public diplomacy what it calls "external propaganda work" (对外宣传工作) in the region,⁴¹ devoted to selling China to Southeast Asian publics.⁴² These information-based efforts, largely through media and social media outlets, are all intended to convince Southeast Asians that China's roles and actions in the region are benign and constructive.

The PRC government and Chinese Communist Party (CCP) also invest much effort and many resources in its "united front" (统战) and other "influence" (影响) activities throughout the region.⁴³ Many are undertaken by the CCP Central Committee United Front Work Department, targeting the diasporas of the 18 million ethnic Chinese living in Southeast Asia, as well as at other key social actors. Other influence efforts are targeted at Southeast Asian political parties and politicians, and are directed by the CCP Central Committee International Department.⁴⁴ These include all-expenses-paid "soft power tours," bringing to China a wide variety of Southeast Asian politicians, journalists, educators, think tank researchers, and civil society actors.

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Given the pervasiveness of China's united front, information and disinformation, political influence, and intelligence activities throughout Southeast Asia, it is remarkable (and worrying) that Southeast Asian

⁴⁰ Anyone wishing to understand this subject should read three extremely well-researched and informative books: Murray Hiebert, *Under Beijing's Shadow: Southeast Asia's China Challenge* (Washington, DC and Lanham, MD: CSIS and Rowman & Littlefield, 2020); Sebastian Strangio, *In the Dragon's Shadow: Southeast Asia in the Chinese Century*, 2020; Donald K. Emmerson (ed.), *The Deer and the Dragon: Southeast Asia and China in the 21st Century* (Stanford: Stanford University Press, 2020). Also see David Shambaugh, *Where Great Powers Meet: America & China in Southeast Asia*, op cit.

⁴¹ See Joshua Kurlantzick, *Beijing's Global Media Offensive* (New York: Oxford University Press and Council on Foreign Relations, 2022); David Shambaugh, "China's External Propaganda Work: Missions, Messengers, Mediums," *Party Watch Annual Report 2018* (Washington, DC: Center for Advanced China Research, October 2018): <https://www.ccpwatch.org/single-post/2018/10/18/Party-Watch-Annual-Report-2018>.

⁴² See "China's Propagandists Court Southeast Asia's Chinese Diaspora: They are Winning Converts to China's Worldview," *The Economist*, November 20, 2021: <https://www.economist.com/asia/2021/11/20/chinese-propagandists-court-south-east-asias-chinese-diaspora>.

⁴³ For studies of China's united front work in Southeast Asia, see Amy E. Searight, "Chinese Influence Activities with U.S. Allies and Partners in Southeast Asia," Testimony before the U.S.-China Economic and Security Review Commission, April 5, 2018: https://www.USCC.gov/sites/default/files/USCC%20Hearing_Amy%20Searight_Written%20Statement_April%205%202018.pdf; Bilahari Kausikan, "Appendix 2: Singapore and ASEAN" in Larry Diamond and Orville Schell (eds.), *Chinese Influence and American Interests: Promoting Constructive Vigilance*, (Stanford, CA: Hoover Institution Press, 2019). For careful studies of China's united front operations globally see Anne Marie Brady, *Magic Weapons: China's Political Influence Activities Under Xi Jinping* (Washington, DC: Woodrow Wilson Center, 2017): https://www.wilsoncenter.org/sites/default/files/media/documents/article/magic_weapons.pdf; Anne Marie Brady, "Exploit Every Rift: United Front Work Goes Global," in *Party Watch Annual Report 2018*: https://docs.wixstatic.com/ugd/183fcc_5dfb4a9b2dde492db4002f4aa90f4a25.pdf; Clive Hamilton and Mareike Ohlberg, *Hidden Hand: Exposing How the Chinese Communist Party is Reshaping the World* (London: Oneworld Publications, 2020); Nadège Roland (ed.), *Political Front Lines: China's Pursuit of Influence in Africa* (Seattle and Washington, DC: National Bureau of Asian Research, June 2022): https://www.nbr.org/wp-content/uploads/pdfs/publications/sr100_politicalfrontlines_june2022.pdf.

⁴⁴ Studies of the CCP International Department include: David Shambaugh, "China's 'Quiet Diplomacy': The International Department of the Chinese Communist Party," *China: An International Journal*, Vol. 5, No. 1 (March 2007); Christine Hackenesch and Julia Bader, "The Struggle for Minds and Influence," *International Studies Quarterly*, Vol. 64, Issue 3 (September 2020): <https://academic.oup.com/isq/article/64/3/723/5855278>; Julia Bowie, "International Liaison Work for the New Era: Generating Global Consensus.?" *Party Watch Annual Report 2018*: https://docs.wixstatic.com/ugd/183fcc_687cd757272e461885069b3e3365f46d.pdf.

governments and experts appear relatively unaware—or unwilling—to acknowledge them. It is equally remarkable that what is known about these activities has been produced almost entirely by scholars and experts from outside the region. One can only surmise that this void of indigenous public and expert

Beijing enjoys largely positive ties with all ASEAN countries. Not a single Southeast Asian country has deeply strained ties with China.

knowledge is explainable by a combination of factors: namely, the opacity of China's activities and sensitivity on the part of Southeast Asians (either not knowing what China does or sensitivity about possible Chinese retaliation and/or the embarrassment of revealing just how thoroughly Southeast Asian societies have been penetrated by these Chinese influence activities). Given how much is now known about Chinese influence activ-

ities in other parts of the world (such as in Australia, Europe, North America, Africa, and Latin America) this would seem to be a subject area ripe for research by Southeast Asians themselves.

Diplomacy

China's formal state-to-state diplomacy with Southeast Asia is extremely extensive and intensive. Given their geographic proximity, Chinese diplomats regularly visit the region while Southeast Asian leaders are frequently invited to Beijing.

Formally, China has established a series of “strategic partnerships” with the region:

Brunei Darussalam—Strategic Cooperative Partnership (2018)

Cambodia—Comprehensive Strategic Cooperative Partnership (2018)

Indonesia—Comprehensive Strategic Partnership (2013)

Laos—Comprehensive Strategic Partnership of Cooperation (2018)

Malaysia—Comprehensive Strategic Partnership (2013)

Myanmar—Comprehensive Strategic Cooperative Partnership (2012)

Philippines—Relationship of Comprehensive Strategic Cooperation (2018)

Singapore—Comprehensive Cooperative Partnership Progressing with the Times (2015)

Thailand—Comprehensive Strategic Cooperative Partnership (2012)

Vietnam—Comprehensive Strategic Cooperative Partnership in the New Era (2018)

ASEAN—Strategic Partnership for Peace and Prosperity (2003)

Bilaterally, Beijing enjoys largely positive ties with *all* ASEAN countries. Not a single Southeast Asian country has deeply strained ties with China—even Vietnam, which has a long history of animosity and suspicion towards China, as well as contested maritime claims in the South China Sea, continues to maintain a comprehensive and productive relationship with its large neighbor to the north. The Philippines, which also has disputed claims and increasing tensions recently, nonetheless looks for Chinese trade and investment.

China has also established a multitude of interactive mechanisms with ASEAN as a whole:

CHINA-ASEAN INSTITUTIONS & MECHANISMS	
ASEAN-China Summit	ASEAN-China Transport Ministers Meeting
ASEAN Post-Ministerial Conference with China (PMC+1)	ASEAN-China IT and Telecommunications Ministers Meeting
ASEAN-China Senior Officials Consultations	ASEAN-China Health Ministers Meeting
ASEAN-China Joint Cooperation Committee	ASEAN-China Ministerial Meeting on Quality Supervision, Inspection, and Quarantine
ASEAN-China Free Trade Area Joint Committee	ASEAN-China Connectivity Cooperation Committee
ASEAN-China Defense Ministers Forum	ASEAN-China Police Academic Forum
ASEAN-China Ministerial Dialogue on Law Enforcement and Security Cooperation	ASEAN-China Agriculture Cooperation Forum
ASEAN-China Defense Ministers Informal Meeting	ASEAN-China Customs Coordinating Committee
ASEAN-China Ministerial and Senior Officials Meeting on Transnational Crimes	ASEAN-China Prosecutors General Meeting
ASEAN-China Joint Science & Technology Committee	ASEAN-China Heads of Intellectual Property Offices Meeting
ASEAN-China Science and Technology Partnership Program (STEP)	ASEAN-China Education Ministers Meeting
ASEAN-China Environmental Cooperation Forum	ASEAN-China Economic Ministers Meeting
ASEAN-China Business and Investment Summit	ASEAN-China Ministers Responsible for Culture and Arts Meeting
ASEAN-China Expo	ASEAN-China Cooperation Fund
ASEAN-China Cultural Forum	ASEAN-China Public Health Cooperation Fund
ASEAN-China Justice Forum	ASEAN-China Fund on Investment Cooperation
ASEAN-China Cyberspace Forum	ASEAN-China Think Tanks Network
ASEAN-China Business Council	ASEAN-China Center
ASEAN-China Youth Camp	ASEAN-China Environmental Cooperation Center
ASEAN-China Ministerial Meeting on Youth	ASEAN-China Friendship Organizations Meeting
ASEAN-China Forum on Social Development and Poverty Reduction	Lancang-Mekong Cooperation Mechanism

Sources: *Plan of Action to Implement the Joint Declaration on ASEAN-China Strategic Partnership for Peace and Prosperity (2016-2020)*; Ministry of Foreign Affairs of the People's Republic of China and the ASEAN-China Center, *1991-2016—25 Years of ASEAN China Dialogue and Cooperation: Facts and Figures* (Beijing: ASEAN-China Center, 2016).

These mechanisms show the breadth, depth, and degree of institutionalization of China-ASEAN relations. U.S. efforts come nowhere close with ASEAN multilaterally. Discussions with Southeast Asian diplomats also indicate that Beijing is the proactive party in initiating and convening many of these forums.

One of the key challenges facing Beijing in the future will be to more carefully calibrate its exchanges with ASEAN, since there is already a pervasive and growing unease about the extent of China's influence in the region. There is also a sense of China's "overwhelming" nature, as some ASEAN officials complain about "dialogue fatigue" and incessant demands. China's geographic proximity to Southeast Asia, the enormity of its governmental apparatus, its multitude of semi-governmental actors, the magnitude of its economy, the intensity of its diplomacy, and its unrelenting persistence, all have the potential to alienate Southeast Asians. Thus, China's attempts to "pull" the region within its grasp can actually have the exact opposite effect of "pushing" it away. Chinese regional diplomacy also sometimes exhibits a pushiness, demanding, even punitive posture. A senior Thai official described it this way:

"Thirty-five years ago when Chinese ministers came here, they were quite humble—nowadays it's no longer so. China now has power, and they are acting like it—they come here and tell us to do this and do that. The Chinese have a saying: 'The sky is high and the emperor is far away.' But the

emperor is not so far away now. The emperor now has both the will and capability to enforce its desires.”⁴⁵

China’s “Wolf Warrior” public diplomacy is also occasionally evident in Southeast Asia, while Beijing is very effective at “divide and rule” tactics vis-à-vis ASEAN. Since the organization operates on the principle of complete consensus, all Beijing needs to do is cultivate one or two governments in order to undermine majority-agreed policies or documents.

Cultural Exchanges

China and ASEAN also engage in a very wide range of cultural exchanges. These include: the Action Plan of China-ASEAN Cultural Cooperation; Double 100,000 Students Plan (which intends to send 100,000 students in each direction)⁴⁶; China-ASEAN Education Cooperation Weeks; China-ASEAN Disability Forum; China-ASEAN Women’s Training Center; China-ASEAN Youth Camp; China-ASEAN Young Leaders Scholarship; China-ASEAN Expo; China-ASEAN Belt & Road Forum; ASEAN-China Cultural Forum; China-ASEAN Information Harbor; ASEAN-China Green Envoys Program; China-ASEAN Ministers Responsible for Culture & the Arts; and China-ASEAN Public Health Cooperation Fund; Confucius Institutes (29); Confucius Classrooms (15); Chinese Cultural Centers; Chinese Chambers of Commerce; and targeted professional visitors (group) programs.

A wide variety of other cooperative mechanisms are listed in the official *ASEAN-China Plan of Action 2021-2025: Advancing ASEAN-China Comprehensive Strategic Partnership*.⁴⁷ The ASEAN-China Center in Beijing serves as a facilitator of many of these exchanges and is a useful source of information.⁴⁸



Source: Guangxi China (http://en.gxzf.gov.cn/2020-11/28/c_567519.htm)

⁴⁵ Cited in Shambaugh, *Where Great Powers Meet*, op cit, p. 56.

⁴⁶ Currently there are approximately 68,000 ASEAN students studying in China. See: <https://www.studyinchina.com.my/web/page/china-seeks-students-from-asean/>. There are approximately 120,000 mainland Chinese students studying in ASEAN universities (mainly in Singapore, Thailand, Indonesia, and Vietnam). See Yu Ran, “Chinese Students Spread Their Wings in Asia,” *China Daily*, November 18, 2022: <https://www.chinadaily.com.cn/a/202211/18/WS6376c870a31049175432a6f6.html>.

⁴⁷ https://asean.org/wp-content/uploads/2022/08/ASEAN-China-POA-2021-2025_Updated-with-ANNEX.pdf.

⁴⁸ <http://www.asean-china-center.org/english/>.

Trade and Investment

While diplomacy and cultural exchanges between China and ASEAN are robust, the most impressive component of this relationship lies in the trade realm (considerably less so in aggregate investment). In 2020 ASEAN became China's *leading* trade partner worldwide (quite an achievement). China has been ASEAN's No. 1 trading partner since 2009. The two sides are now nearing \$1 *trillion* in annual trade (\$975 billion in 2022). The rate of growth in trade levels is equally impressive: bilateral trade has *quadrupled* between 2010 and 2022.⁴⁹ Even the COVID-19 pandemic did not slow the momentum.

Clearly, the China-ASEAN Free Trade Agreement (CAFTA) has served as an important facilitator of this rapid growth. CAFTA came into force in 2010 and is now undergoing its third upgrade, which will further lower barriers and facilitate trade expansion. In 2022 China also acceded to the Regional Comprehensive Economic Partnership (RCEP), and it is a candidate to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), actively pursuing that initiative in the absence of the United States.

China and ASEAN are robust, the most impressive component of this relationship lies in the trade realm.

In contrast to China's enormous trade with ASEAN, its foreign direct investment (FDI) into the region is less substantial. Firm figures are hard to find, but the ASEAN Secretariat estimates range between \$7 and \$12 billion in PRC investment from 2019-2022 (by contrast, U.S. FDI was \$25 billion in 2022).⁵⁰ In addition, China provides considerable amounts of concessional loans to Southeast Asian countries via the BRI.

The Belt & Road Initiative in Southeast Asia

Southeast Asia has also been central to China's global Belt & Road Initiative (BRI). The southern Maritime Silk Road component of BRI includes a sprawling set of projects spanning the region and a number of separate country "corridors" and economic cooperation zones: the Bangladesh-China-India-Myanmar Corridor, China-Indochina Peninsula Economic Corridor, Nanning-Singapore Economic Corridor, Guangxi Beibu-Brunei Economic Corridor, Pan-Beibu Gulf Economic Cooperation Zone, Lancang-Mekong Cooperation Zone, China-Vietnam Two Corridor and One Circle Cooperation Zone. Some of the more notable projects include:

- An 1,800-kilometer highway from Kunming, the capital of Yunnan Province, to Bangkok;
- Three separate high-speed rail lines from Kunming down into Myanmar, Vietnam, and Laos;
- An 150-kilometer high-speed rail line between Jakarta and Bandung in Indonesia;
- An East Coast Rail Link (ECRL) with a cross-peninsula line connecting the Klang and Kuantan ports with points north along the east coast of the country up to the Thai border;
- Major port building and upgrading at Klang, Kuantan, Kuala Linggi, Malacca, and Penang in Malaysia; Kyaukphyu and Madaya Island in Myanmar; Tanjung Sauh, Jambi, and Kendal in Indonesia; Kompot and Sihanoukville in Cambodia; and Maura in Brunei;

⁴⁹ Figures from China's Mission to ASEAN: http://asean.china-mission.gov.cn/eng/stxw/202302/t20230221_11028599.htm.

⁵⁰ See: <https://asean.org/our-communities/economic-community/integration-with-global-economy/asean-china-economic-relation/>; <https://research.hktcd.com/en/article/OTUxMzk0NDE0>; https://www.statista.com/statistics/722607/china-outward-fdi-flows-to-asean-by-country/?gclid=Cj0KCQjw1_SkBhDwARIsANbGpFujid95XBG1ttpkYlYgw_Tg7OSAZ24JzSpuc8SX4jAkdzEmM49FpkaAiHREALw_wcB.

- A 479-mile long oil and gas pipeline from Yunnan through Myanmar to the Bay of Bengal;
- Major bridge projects in Penang, Malaysia; southern Leyte to Surigao City, Luzon-Samar, and Panay-Guimaras-Negros in the Philippines; and across the Mekong River between Laos and Thailand;
- A new airport in Phnom Penh, Cambodia and expansion of the airport in Luang Prabang, Laos;
- An expressway from Phnom Penh to Sihanoukville in Cambodia;
- Subway expansion in Hanoi, Vietnam;
- Four hydropower dams in Laos, two dams and two hydropower plants in Cambodia, one plant in Myanmar, two in Indonesia, and one in Vietnam.

With all of these, and other, BRI projects already underway and more on the drawing board or under negotiation, China's infrastructure impact is impressive. Yet, while there was originally initial enthusiasm about BRI and recipient countries initially welcomed China's infrastructure investments, since 2017 concerns have arisen. These have centered around the terms of financing and potential for accumulation of exces-

Southeast Asia has also been central to China's global Belt & Road Initiative (BRI).

sive debt, the quality of the infrastructure and appropriateness of some infrastructure projects, environmental impacts (and lack of environmental feasibility studies), the excessive use of Chinese (rather than local) labor, and the geopolitical implications of China's expanded reach into the region. As a result, some BRI projects have stalled, some are being renegotiated, and others have been terminated. Many BRI investments have also been

overstated by Beijing, with significant gaps between promises and actual outlays. That said, the BRI is grand strategy on an enormous scale, which the United States was slow to appreciate.

Security

The final category of China's footprint in Southeast Asia is in the realm of security and military-to-military relations, which has several dimensions and concerning aspects.

The first are China's expansive territorial and maritime claims in the South China Sea, its island-building reclamation, and the militarization/fortification of these bases in the Spratly and Paracel Islands. Vietnam, Malaysia, Brunei, and the Philippines all have overlapping claims and disputes with China, while China's "Nine-Dash Line" bumps up against Indonesia's territorial waters around its Natuna Islands. China's coast guard and maritime militia ships have also been increasingly aggressive in patrolling these disputed waters, while Chinese fishing fleets have shown little respect for these nations' sovereignty or fishing rights.

The South China Sea issue is therefore *the* most troublesome security issue between China and the maritime Southeast Asian states. The Arbitral Tribunal in The Hague, which rules on certain disputes related to the United Nations Convention on the Law of the Sea, unanimously invalidated China's claim to "historical rights" to the South China Sea in its 2016 ruling. Yet, China has refused to back down and honor the international legal ruling. As a result, the parties are at a standstill while the claimant nations all play a cat-and-mouse naval game with China in their adjacent waters.



Source: <http://www.paxetbellum.org/2021/03/12/a-code-of-conduct-for-the-south-china-sea>

The second concern, from Southeast Asia's standpoint, is the increasingly broad radius and regularity with which China's navy now regularly operates. Now possessing about 350 surface combatant ships and dozens of submarines, the People's Liberation Army Navy (PLAN) regularly deploys its ships throughout the Southeast Asian littoral, through the Strait of Malacca, and into the Indian Ocean and Western Pacific. China's Coast Guard, now the largest in the world, also maintains a regular presence in these regional waters.

In a more cooperative vein, China's military interacts with its Southeast Asian counterparts in a variety of ways. There are high-level meetings and dialogues between defense ministers and ministries. China also trains some Southeast Asian military officers (from Myanmar, Cambodia, Malaysia, Singapore, and Thailand). The PLAN pays occasional ship visits to all maritime ASEAN countries, and engages in bilateral naval exercises with Malaysia, Singapore, and Thailand. Beginning in 2018 a joint China-ASEAN annual multilateral naval exercise has also taken place, involving multiple Southeast Asian navies.

Finally, China is a source of weaponry for some Southeast Asian states (Cambodia, Indonesia, Myanmar, Malaysia, the Philippines, and Thailand). Still, China's current arms sales (about \$2-3 billion per year, according to SIPRI⁵¹) are dwarfed by those of the United States, Russia, and the UK.

Despite these activities, China's military relationships in Southeast Asia remain quite limited and rather shallow, coming nowhere near the breadth and depth of U.S. military and security assistance programs and activities in the region.

⁵¹ See Siemon T. Wezeman, *Arms Flows to South East Asia* (Stockholm: SIPRI, 2019): https://www.sipri.org/sites/default/files/2019-12/1912_arms_flows_to_south_east_asia_wezeman.pdf.

VI. SOUTHEAST ASIAN VIEWS OF THE UNITED STATES AND CHINA

The above sections of this report have catalogued and examined the different dimensions of American and Chinese presence in Southeast Asia. In this section, we turn to the analysis and views of our Southeast Asian dialogue partners, who included former senior government officials, think tank leaders and senior researchers, and scholars. The following pages of direct quotes are drawn from these Southeast Asian participants' written papers, from their oral presentations at the Singapore conference, and from the more informal dialogue that followed those presentations. Due to the conference's "no attribution" rule, participants are not identified here by name, institutional affiliation, or country.

The Working Group felt it very important to offer this sampling of regional views so as to allow Southeast Asians to "speak for themselves." Our Singapore conference was motivated and designed primarily as a mutual "listening exercise"—for Americans to listen carefully to Southeast Asians and vice versa. While American and Southeast Asian viewpoints often diverge in some important ways, it is hoped that readers of this report and the U.S. Government (for whom it is primarily intended) will become more sensitive to these perspectives and will pay due attention to them in formulating future U.S. policies towards the region.

SOUTHEAST ASIAN VIEWS ON REGIONAL ORDER

"Can the U.S. imagine a situation in which the U.S. is no longer a preponderant power in the region?"

"Multipolarity is rising, is emerging, small and medium-sized states like it. But the U.S. still sees itself as unipolar, but really it is asymmetrical multipolarity: India, Japan, ASEAN. If the U.S. can accept and act and conduct diplomacy in those terms, [your influence] can last for a long time."

"Multipolarity is good for the region, because it gives agency to Southeast Asia."

"If U.S. pursues unipolarity, you will face resistance. The challenge for the U.S. is how to step up the game for a multipolar region, but still remain the biggest pole."

"It is now a two-superpower world—for us it doesn't matter who is on top, as long as we can extract benefits from each."

"It is important to remember that not every country reads China the same way the U.S. does. That's why U.S. and Southeast Asia are frustrated with each other. Southeast Asia deals with China in our way, and we won't say China is an adversary or an enemy. The region is nervous about a new Cold War."

"Many in the region see the U.S. as being provocative. There is a sense that the momentum is toward the U.S. demonizing China, and the U.S. should not do that. This is creating sympathy for China."

"America's weight is much different now—it used to be much greater."

"Version 3.0 of the ASEAN-China FTA is coming soon, which will further reduce tariffs. That will move

the needle for ASEAN. The U.S. needs to do things that move the needle—and if the U.S. cannot negotiate trade agreements, what can it do?”

“The U.S. must join the regional economic architecture and pursue a regional FTA. Mutual market access is key.”

SOUTHEAST ASIAN VIEWS ON CHINA IN SOUTHEAST ASIA

“There is a [Chinese] narrative [in the region] of terminal U.S. decline, economic decline, domestic dysfunctionality, etc.—all of which Beijing broadcasts on CCTV, Phoenix TV, and many other outlets. This has been going on for ten years—saying that you cannot trust the U.S. commitment, and there is a sense of inevitability. The U.S. is portrayed as a troublemaker, destabilizing the world, especially after the Ukraine war, it is stirring up trouble in the South China Sea, and threatening war.”

“China has made inroads in the press, pushing pro-Beijing lines, and the Chinese are making investments in Southeast Asian media. It also uses less formal social media like YouTube, TikTok, chat platforms like WeChat, WhatsApp. And their messaging is consistent. Southeast Asians are bombarded, and it creates a sense of confusion about what the U.S. is doing.”

“The PRC is also targeting overseas ethnic Chinese communities—but this is risky because it is tearing at ethnic tensions in Southeast Asia.”

“China prioritizes practical matters and overlooks human rights in its aid and investment. Economic development is our primary concern.”

“The geography of the region cannot be changed, and the history of the countries in the region with China cannot be changed.”

“There is no systemic response [to China] across the region, no real pushback, and there is fear of pushback, because of examples [of Chinese retaliation] like Australia.”

“Concerning China, it has its points of attraction, as well as coercion, but what they really want is to condition the mind to do what they want you to do, but without direct orders from China.”

“The phrase ‘prosperity and stability’—this pretty much summarizes the Chinese approach. This is very attractive given recent history in much of Southeast Asia.”

“The PRC model appeals to some rather than others. In authoritarian countries it has more appeal.”

“In the South China Sea, China says ‘what is mine is mine, what is yours is also mine’.”

“Talking to Chinese officials is difficult, because they are vague, and you need to guess at what they want.”

“The BRI will create integration. Thailand is one of the corridors of BRI, and it will change mainland Southeast Asia.”

“China is perceived as patronizing and tends to try and force its point of view on regional countries.”

“China’s growing presence in the region has also perpetuated some backlashes. Some investment projects have received immense criticism over the environmental pollution, social, or security concerns.”

“With China’s growing economic influence comes increasing concern among ASEAN member states about its aggressiveness in the South China Sea and intimidation of smaller states. Distrust of China is thus more widely felt in the region.”

“On the economic front, China’s engagement in Southeast Asia is largely seen as a positive element.”

“The PRC can easily ride roughshod over the territorial claims of its neighbors given the vast asymmetry in capabilities.”

“China’s increasingly assertive posture in global affairs in general, and in the South China Sea in particular, has caused unease among regional countries. Many Southeast Asian countries, especially claimant states in the South China Sea, increasingly view China as a security threat.”

SOUTHEAST ASIAN VIEWS ON THE UNITED STATES IN SOUTHEAST ASIA

“The United States should rapidly develop its expertise on Southeast Asia in government and academia. The U.S. currently has a wealth of China and Northeast Asia expertise. Unfortunately, knowledge about Southeast Asia has atrophied after the Vietnam War, as the United States rushed to escape the shame of defeat. Subject matter expertise can provide policymakers and the public with more useful perspectives for engaging with Southeast Asia—that can translate into more appropriate and effective policy.”

“There is a history of the U.S. in Southeast Asia—the Vietnam war, the invasion of Cambodia, bombing of Laos, and support for military regimes in other places—and this history has contemporary effects.”

“You [the U.S.] should promote the ‘protect your autonomy’ idea in Southeast Asia.”

“Do not assume that Singapore represents Southeast Asia. You must talk to others beyond Singapore. Do not ignore small countries.”

“Bilateralism (not multilateralism) seems to characterize U.S. relations with ASEAN.”

“The U.S. approach to the region has often been perceived as heavily emphasizing security while neglecting economic aspects.”

“The U.S. should engage more deeply in ‘soft areas’, such as education, resource development, technology transfer, trade and commercial relations, rather than security.”

“With the slew of other security challenges from emerging threats, ASEAN member states will want more U.S. assistance and expertise in dealing with climate change, biosecurity and safety, and sustainable development.”

“The U.S.’ longstanding preeminent role in Southeast Asia has been underpinned by its strength in supplying the public goods [for the region]—security, stability, prosperity.”

“The U.S. has become more responsive in recent years to what the region wants and expects.”

“Southeast Asians do not buy the ‘Free and Open Indo-Pacific’ strategy. Their understanding is that it puts the region in a geopolitical frame. The Quad undermines ‘ASEAN Centrality’—this is a sort of ‘respectful disrespect’ in working around ASEAN.”

“The U.S. needs to be careful not to come across as the bad guy, given Chinese mediation of the Saudi-Iran problem, and its proposal for Russia-Ukraine peace.”

“Southeast Asia sees the U.S. as picking another fight [over Taiwan]. There is caution and alarm by what is coming out of the U.S., and that it is dragging U.S. with it.”

“U.S. diplomats are frankly getting worse.”

“The approach taken by the U.S. in the region has been inconsistent and self-serving.”

“We have long had a love-hate relationship with the U.S.—and yet we always offer our visitors a Coke.”

“The U.S. has been contributing to postwar reconstruction [in Cambodia]. USAID projects are often seen—you see the signs everywhere.”

SOUTHEAST ASIAN VIEWS ON U.S. PUBLIC DIPLOMACY

“The U.S. has a lot of intrinsic goodwill in the region, even though it has a complicated history. We generally don’t have that many anti-American protests in Southeast Asia, but you should grow the goodwill—not sit on the goodwill.”

“You should improve your strategic messaging. It is unclear in U.S. strategy and public diplomacy. For example, what is the objective for mobilizing partners? Is it to balance or contain [China]? Maintain open sea lanes? Contain China from being a technology power? If all of the above, which one has greatest priority?”

“What is the singular message [concerning China and Southeast Asia] that the U.S. wants to get across?”

“Many people in Southeast Asia, Singapore included, do not know about or understand the full value of U.S. economic and security cooperation in the region. Relevant information should be made readily available and repeated in public and in private. Such outreach can counteract some of the narratives amplifying the dangers and risks of U.S. engagement in the region.”

“Outright disinformation about U.S. positions, such as ambitions to spur conflict or the use of environmental concerns to keep Asia down, should be directly addressed whenever they appear.”

“Only the United States would listen to Southeast Asia, not the Chinese; only the U.S. would take feedback and re-do its policies. During the Trump administration we had problems with his “Indo-Pacific Strategy,”

and ASEAN rejected it. Then Biden broadened it, changing the Indo-Pacific Strategy. It became more about public goods. Our feedback was acted upon by the administration.”

“There should be a better public diplomacy posture and strategy by the U.S. to engage individual Southeast Asian countries.”

“The idea of ‘Democracy vs. Autocracy’ is not attractive.”

“You must get your [U.S.] diplomats up to speed. Chinese diplomats are very good—they knock on doors, they work harder. American diplomats are less attractive than Chinese ones.”

“Among the specific changes [in U.S. policy] that would benefit Southeast Asia are: (a) more concrete and credible economic engagement; (b) a more consistent diplomatic engagement at the bilateral and regional levels; (c) maintaining a robust strategic commitment but without specifically targeting a single power; (d) a reduced emphasis on value-based external policy, especially the ‘democracy vs. autocracy’ dichotomy; and (e) avoiding the ‘with U.S. or against U.S.’ rhetoric.”

SOUTHEAST ASIAN VIEWS ON U.S.-CHINA RIVALRY

“There are conflicting perspectives about China in Southeast Asia. We have lots of problems with China, but we put up with it, we are less bothered about it—but the U.S. is more bothered about it.”

“It is important to remember that not every country reads China the same way that the U.S. does. That is why the U.S. and Southeast Asia are frustrated with each other. The region is nervous about a new Cold War.”

“One key assumption of engagement was that by opening China it would change China somehow. Southeast Asians were never under any illusion of that we could change China. Southeast Asian views were just the opposite, seeing Americans always trying to change others.”

“U.S.-China engagement is essential for Southeast Asia. Now that it has become a rivalry, this is a hard new reality for the region.”

“In looking at U.S.-China relations in the broader context, China is ascendent, and there is no avoiding China.”

“The phrase ‘quick to teach, but slow to learn’ best describes the behavior of both the U.S. and China in the last decade.”

“In recent decades, while the U.S. remains the principal supplier of security, China is emerging as a major provider of regional prosperity and an active partner in ASEAN-led multilateralism at a time of relative U.S. neglect of economic statecraft and fluctuating diplomacy.”

“We are concerned about China. We have our problems with China, but they are different than the way the

U.S. deals with China. We would not call them an enemy, and we have to be careful or we will be bullied.”

“Many in the region see the U.S. as being provocative. The U.S. is demonizing China, and the U.S. should not do that. Bullying of China, over the Wuhan virus, and other things, is making China look like an underdog. This is creating sympathy for China.”

“I don’t buy the argument that the ‘U.S. does not want to contain China’—the U.S. is definitely trying to contain China in the diplomatic, security, economic, technology, and other spheres.”

“Overreaction to competition by Washington could be as destabilizing as premature and excessive accommodation to Beijing.”

“The U.S. still has a store of goodwill in Southeast Asia, but it is diminished. Many choose China as the most important.”

“The only time when Southeast Asia will have to make a choice would be with conflict over Taiwan, but even if a Taiwan conflict occurs, you will likely just hear bland statements.”

“We want assistance in deterring China in the South China Sea but are worried that it might provoke China.”

“To better respond to U.S.-PRC competition in Southeast Asia, ASEAN must resolve the collective action and coordination problems among its members. Absent a common position and a mechanism that encourages the adoption, as well as maintenance, of such a shared approach, ASEAN’s ability to navigate U.S.-PRC competition will be reduced. However, there appears to be neither the political will nor the appetite for ASEAN reform.”

VII. POLICY RECOMMENDATIONS FOR THE UNITED STATES

This final section is composed of policy recommendations for the United States, divided into two sections:

1. **Recommendations from Southeast Asian experts.**
2. **Recommendations from the Working Group.**

POLICY RECOMMENDATIONS FROM SOUTHEAST ASIAN EXPERTS

Southeast Asian participants in the Singapore workshop offered a variety of specific recommendations for the U.S. Government and policy. The following are either verbatim recommendations or close paraphrases:

1. **Be Consistent in the U.S. approach to the region.** America's greatest failing and weakness is its episodic governmental engagement. The approach taken by the U.S. in the region has often been inconsistent and self-serving—which leads to the perception that the United States may not be a reliable partner in the long term.
2. **Forget about American “primacy.”** The region is now genuinely multipolar, and China may, in fact, be the region's primary power. America is only one of many regional actors.
3. **Tone down rhetoric about the so-called “Rules-Based Order.”** Southeast Asians see hypocrisy in such American protestations and view these as Western rules imposed on non-Western countries. One participant observed: “The so-called Liberal International Order is neither liberal, international, nor an order.”
4. **U.S. cultural capital remains strong, but it needs to be tapped and promoted.** While there is a deep residual respect for the United States in ASEAN, its reputation has slipped in recent years.
5. **U.S. military-military engagement and presence is America's strongest and best asset in the region.** Maintain it, but there is no need to publicize or boast about it.
6. **Develop a much more comprehensive approach to the region, beyond security and mil-mil.** More intensive diplomatic engagement is needed, and cultural and public diplomacy require improvement, but joining the regional economic organizations is imperative.
7. **Get in the regional economic game!** If you can't join CPTPP or RCEP, then give serious thought to negotiating a regional U.S.-ASEAN FTA (as China has had since 2010). Some substantial degree of market access to the American market will be required.
8. **Do much better on U.S. public diplomacy in the region.** The U.S. must figure out a coherent and persuasive public affairs strategy and find the budget for it. Perceptions are key. The U.S. should identify a singular message concerning how the U.S. would like the region to evolve, especially in the context of rising U.S.-China competition.
9. **Get American diplomats up-to-speed.** American diplomats, and diplomacy, in the region are seen as much less effective than Chinese diplomats.

10. **Understand the importance of “face time” at the leadership level.** Southeast Asian leaders deserve more than 15-20 minutes of “sideline” conversations with POTUS at regional meetings.
11. **Take ASEAN seriously as an organization, and not just pursue bilateral relationships.** Staff at the U.S. Mission to ASEAN needs to be considerably increased (U.S. only has a few officers while China has 20+ in its Mission). Develop ASEAN-wide initiatives, rather than just pursuing regional relations on a bilateral basis.
12. **Don’t try to “out-China China” economically.** China has strong comparative advantages in goods trade and building infrastructure. Emphasize American commercial comparative advantages in services, banking and finance, and consumer retail.
13. **Do not try and convince Southeast Asians of China’s malign ways.** If China’s behavior is interventionist, condescending, or runs against the interests of Southeast Asian countries, it will be self-evident. Being lectured and told by the U.S. not to trust China can potentially have the opposite effect.
14. **The Biden administration’s emphasis on democracy vs. authoritarianism does not go down well.** The world and the region are not so easily divided, and human rights is often a sensitive issue.
15. **Factor the Middle East into U.S. Southeast Asian policy.** The American support of Israel and on the Palestinian question is a source of resentment among some in the region.

POLICY RECOMMENDATIONS FROM THE WORKING GROUP

1. **Do not exclusively or primarily view the region through the lens of U.S. competition with China.** Focus on the region in its own right, respecting its own intrinsic importance.
2. **The U.S. should just play to its strengths, be confident and proactive, and adopt a comprehensive and positive approach to the region—not just reactive to China.** Rather than appear obsessed with China, the U.S. should actively pursue regional and bilateral relationships with Southeast Asian countries for their own intrinsic reasons. The United States seeks to be a more dependable and benign partner.
3. **The U.S. should expressly welcome a multi-actor regional order.** This is not only what ASEAN seeks but is already the reality. Encourage and welcome active regional roles to be played by Japan, India, South Korea, Australia, Canada, and the European Union. These countries are all “multipliers” for the United States, as they are all democracies, security partners or allies, and they share liberal values.
4. **The U.S. should prioritize and fund programs that help restore its soft power appeal and increase its influence in the region.** Polls show that the United States still has a reservoir of goodwill and respect in Southeast Asia—but its soft power, prestige, and respect in the region are frayed and slipping.
5. **The President (POTUS), cabinet-level, and sub-cabinet level officials, Congressional Members and staff delegations (CODELs) should visit the region more regularly.** Showing up goes a long way in Southeast Asia, and all of these individuals need greater exposure to, and education about, Southeast Asia.

6. Concerning Congress:

- Pass the “Providing Appropriate Recognition and Treatment Needed to Enhance Relations (PARTNER) with ASEAN Act,” a bipartisan piece of legislation that seeks to formally upgrade the diplomatic status of ASEAN, bringing the regional bloc in line with other regional groupings such as the European Union.
- Build on the success of the bipartisan U.S. House ASEAN Caucus to increase communications between ASEAN legislators and Members of Congress, and to promote mutually beneficial U.S.-Southeast Asian economic, cultural, and security relations.
- Given the growing importance of Southeast Asia globally and to the United States, interested Members of the U.S. Senate should consider forming their own bipartisan ASEAN Caucus.

7. The U.S. urgently needs to involve itself in the regional economic architecture. Economic integration in Asia is proceeding at breakneck speed, and includes China fashioning an alternative order through a variety of initiatives. The United States cannot absent itself from the regional economic order and remain broadly relevant, particularly in light of the continuing erosion of the U.S. trade position in ASEAN and its general neglect of “economic statecraft.” The U.S. should:

- Join CPTPP and consider joining RCEP. To the extent that certain aspects of the CPTPP are problematic, the U.S. should work with existing members and the U.S. Congress to address genuine shortcomings in a realistic manner.
- Make IPEF (Indo-Pacific Economic Framework) more economically concrete and credible. Explain in clear terms what it offers to regional states.
- Carefully consider commencing negotiations for a Reciprocal Trade Agreement with ASEAN or a sub-set of ASEAN states, with mutual market access.

Play to American strengths in commerce. While ASEAN runs a surplus in goods trade with the United States, the United States has a number of significant strengths and comparative advantages over China in the region. These lie in services, information technology, FDI, commercial aircraft and aviation, defense equipment and services, consumer retail, banking and finance, standards, legal and consulting services, non-corrupt corporate practices, environmental and labor standards, and supply chain resiliency. While the U.S. cannot compete with China in infrastructure spending in ASEAN, the U.S. should continue to pursue initiatives with its partners in the region that emphasize resilient, sustainable, quality infrastructure.

8. Develop and implement a coordinated Regional Development Initiative. Components should include:

- Sustained levels of official development assistance (ODA) to continental Southeast Asian countries via the Lower Mekong Initiative.
- Strengthen public health and disease control, secondary education, food security, water security, and environmental sustainability.
- Emphasize good governance, transparency, non-corrupt business and aid practices.
- Focus on institutional capacity building.

- Brand all these activities with a “U.S.A” label.
- 9. Strengthen U.S. Embassy capacities throughout the region.**
- Avoid ambassadorial vacancies.
 - Prioritize appointment of ambassadors who are Foreign Service Officers or distinguished Americans with Southeast Asia background and language skills.
 - Appoint Defense Attachés who are Foreign Areas Officers (FAOs) with Southeast Asia expertise.
 - Develop a strong cohort of Southeast Asia Foreign Service Officers (FSOs).
 - Staff U.S. embassies with adequate numbers of language qualified personnel. Provide funding and incentives to help them travel widely in-country and interact extensively with local communities.
 - Engage ASEAN much more *multilaterally*. Increase staffing in the U.S. Mission to ASEAN in Jakarta from current levels of 3-5 diplomats to 10 or more (by comparison, China has more than 20 staff). Assign a high-profile ambassador with deep Southeast Asia experience.
- 10. U.S. intelligence and counter-intelligence agencies should strengthen existing work with Southeast Asian counterparts on a wide range of regional and global issues.** This should also include cooperation in improving awareness of China’s united front, disinformation, and espionage activities in Southeast Asia.
- Strengthen human intelligence (HUMINT) collection in the region.
 - Increase the size and strength of analytical staff on Southeast Asia in U.S. intelligence agencies in Washington and at U.S. INDOCOM Headquarters.
- 11. Prioritize and dramatically increase U.S. public diplomacy (PD) across the region.** U.S. Government public diplomacy in Southeast Asia is underperforming and becoming a liability. A region-wide, integrated, and intellectually sophisticated PD strategy, with inputs from regional embassies as well as knowledgeable outside experts, is needed to give coherence to the strategy. Consideration should be given to elevating and coordinating PD strategy at the National Security Council (NSC) in Washington. Specifically, the PD strategy should include:
- Publicizing the full range of American activities in the region, not limited to U.S. Government programs and policies. Southeast Asians are under-informed about the extent and positive effects of the American presence in, and contributions to, the region. Much of the American presence in Southeast Asia is undertaken by private sector actors—companies, NGOs, consultancies, educational institutions, cultural actors, etc. There needs to be better branding and identification of these actors with the United States.
 - Develop effective narratives to promote American interests and values in the region.
 - Develop effective narratives to counter Chinese propaganda in the region.
 - Fund approximately 10-20 distinguished American speakers per year on the State Department’s Speakers program (the Department should recruit well-known speakers, remunerate them appropriately, and tailor lecture topics for maximum impact).

- Replicate the highly successful “@America Center” in Jakarta in all Southeast Asian capitals.
- Send one NBA team per year on a regional tour every year. It will have a huge soft power impact!
- Make more concerted efforts to increase the number of in-region policy speeches, press conferences, town halls, TV appearances, and other forms of direct and media-based engagement by visiting senior U.S. officials.
- PD officers in every U.S. embassy should regularly interact with leading journalists and educators on a continual basis.
- Prioritize and amply fund the State Department’s International Visitor Leadership Program (IVLP) targeted at key Southeast Asian opinion shapers. This program pays multiple dividends.
- USG should partner together with the East-West Center and U.S.-ASEAN Business Council on a variety of tailored programs in the region.
- Continue and expand funding for YSEALI (Young Southeast Asian Leaders Initiative), track alumni, and organize events (YSEALI should be a lifelong cohort experience). YSEALI has been a signature success story.

12. Increase a variety of educational exchange programs:

- Aim to increase the number of Southeast Asian students in U.S. universities from the current total of 55,000 to 75,000 per year by 2030. There is no greater long-term investment that the United States could make in Southeast Asia.
- The Departments of Education and State should work closely with a consortium of American universities to enroll and fund these students. U.S. embassies in the region should help to facilitate (and this will require hiring of local contract staff).
- Ensure that at least half of these students are on fully-funded scholarships, with the other half funded at the 50% level by the Department of Education (DOE) (with supplemental funding through host universities). Relatively few Southeast Asian families can afford the high price of U.S. university tuition and living expenses—scholarships are therefore essential.
- Continue and prioritize the U.S.-ASEAN Fulbright Visiting Scholars Program (currently about 10 per year).

13. Systematically strengthen Southeast Asian Studies in U.S. universities. Over the long term, the United States cannot effectively engage with Southeast Asia without the people and expertise.

- Department of Education funded National Resource Centers (NRCs) for Southeast Asia could be increased from the current seven (Cornell, Northern Illinois, UCLA, UC-Berkeley, Wisconsin, Washington, Hawaii-Manoa) to ten. East Asia NRCs (Chinese, Japanese, Korean Studies) currently total 13.
- Channel DOE funding for Southeast Asia adjunct faculty and courses at key schools of international affairs (Georgetown, George Washington, Johns Hopkins SAIS, Tufts Fletcher, Columbia, Princeton).

- Explore establishing Department of Education funded internships in Southeast Asia for these students.
- 14. Establish a dedicated Track 2 channel of American and Southeast Asian former officials and leading non-governmental experts as an officially sponsored U.S.-ASEAN activity.** It should meet at least annually with direct input to the ASEAN Secretariat and U.S. Government.
- 15. Continue the full range of in-country military/security assistance programs.**
- Continue sending/funding Southeast Asian military, foreign service, and intelligence officers to the Asia-Pacific Center for Security Studies in Honolulu.
 - Continue, regularize, and build-out bilateral and multilateral joint exercises.
 - Expand in-country training for military personnel, and in Hawaii and the continental United States where necessary.
 - Establish regular virtual short courses on regional security issues (to be managed by APCSS).
- 16. Prioritize Non-Traditional Security (NTS) assistance.**
- The U.S. Navy and Coast Guard should partner with ASEAN navies and coast guards to combat illegal fishing, smuggling, piracy, and other “gray zone” illicit activities.
 - Provide more decommissioned U.S. Coast Guard vessels to certain ASEAN states.
 - Strengthen existing maritime domain awareness (MDA) cooperation with ASEAN militaries.
 - Provide in-country training programs and at APCSS (Honolulu) on NTS topics.
 - Continue freedom of navigation operations (FONOPS) in the South China Sea, and make sure ASEAN member know how this protects their interests.



Navigating Shared Futures