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China's ASEAN Invasion

by John Lee

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PRESIDENT BUSH'S November 2006 visit to Singapore, Indonesia and Vietnam for the Asia-Pacific Economic Cooperation (APEC) forum was of enormous interest to Southeast Asians. It was a rare but excellent opportunity to discuss America's strategic role in the region—one, unfortunately, that was not taken. While there was a full agenda—fighting terrorism and disease, promoting economic freedom and human rights—the president failed to lay out a U.S. vision for regional security. And he seemed to ignore the reality of intensifying Southeast Asian security dilemmas and competition.

China, anticipating an "Asian century", does not underestimate the region's strategic importance—including the shipping lanes within the Malacca Straits and South China Sea. Moreover, it is clear that China's Southeast Asian ambitions exist *at the expense* of current and future American strategic influence. Behind all of this diplomacy lies a hardened but creative application of realist strategy.

While the United States remains ascendant in the region, it lacks the capacity to imagine strategic disaster. Americans think they hold nearly all the aces, because U.S. influence, maintained through a network of security partners, appears impregnable. As such, the American military presence is conspicuous, robust and generally welcome.

But America is becoming a careless and tired superpower. To most observers in Southeast Asia, the Chinese are out-thinking, out-enthusing and out-flanking America's more sedate and settled diplomatic efforts. While the United States remains the backbone of the region's security structure, China's flurry of diplomatic activity is gradually wearing down traditional Southeast Asian resistance to, and reasoning against, a rising China. Regional politics and the strategic balance are complicated, and the United States cannot simply revamp Asian alliances to face "unnamed over-the-horizon threats" (i.e., China).

America has been losing ground since the late 1990s, when China decided to charm rather than intimidate. The good news is that there is still time to re-engage Southeast Asian states at little cost. To do so, however, requires more adaptive and flexible thinking—and changing America's psychology remains the essential challenge.

Recent History

THE ASSOCIATION of Southeast Asian Nations (ASEAN) was stitched together during the height of the Cold War (in 1967) as a pact pledging the signatories—many of whom were facing domestic insurgencies—to "non-interference" in each other's affairs. The original signatories were the Philippines, Indonesia, Malaysia, Singapore and Thailand. ASEAN was never intended as a genuine security community or even as a membership alliance. Instead, an ill-defined consensus approach to regional concerns took shape with loosely stated goals of promoting regional economic growth,

political stability, social progress, and cultural development and understanding. Nevertheless, in the words of former Indonesian Foreign Minister, Ali Alatas: "The truth is that politics attended ASEAN at its birth." Interstate rivalries existed and other countries could exploit internal threats to the association. Its principles of respecting sovereignty and renouncing the use of force played an important reassuring role for these fledgling countries and regimes.

The fledgling five founding members had concerns about internal Communist-led revolutionary movements and felt vulnerable to Soviet and Chinese activity in the region. Consequently, ASEAN received strong U.S. support, which helped stabilize and restrain interstate rivalries and provided security against Soviet and Chinese interference. When the Cold War ended, the United States lost strategic interest in the region. Unsurprisingly, after the collapse of the Soviet Union and the end of Cold War—era proxy wars, many predicted ASEAN's demise. Great-power interest waned and some predicted the re-emergence of unsettled rivalries between member states.

But the rise of China, in particular, spurred the organization's revival in the mid-1990s. Even though the collective military might the group could project was never that formidable, the appearance of unity proved effective against China following various incidents in the South China Sea.

A continued U.S. presence was crucial to holding Chinese ambitions in check while stabilizing ASEAN rivalries, planting the seeds of American complacency. The United States need not re-think and re-sell a vision of why its continued engagement in the region served the interests of Southeast Asian states. During the 1990s there was often a lack of any genuine appreciation of the vital interests of both sides. And the best American strategic minds were focused on other regions.

This meant that peripheral issues in Southeast Asia, like personal spats (most notably between then—Vice President Gore and Malaysian Prime Minister Mahathir over the latter's imprisonment of Malaysian deputy leader Anwar in 1998), received almost as much attention as strategic issues.

September 11 brought renewed American interest in Southeast Asia, to the extent that the region was seen as a second front in the War on Terror. Of particular concern were radical Islamic groups operating in Indonesia, Philippines, Thailand and Malaysia. The United States moved quickly to enhance military cooperation with those countries and renew links with Singapore—even though the United States still had human-rights concerns.

But America did little with respect to the question of China. If anything, terrorism pushed strategic questions further into the background. In the most abstract form, the "expansion of freedom and opportunity in this vital part of the world" defined American interests, as President Bush declared in a radio address marking his November 2006 trip to Southeast Asia. At the ground level, encouraging economic prosperity through free trade and other forms of economic cooperation took the guise of a "strategy" under the umbrella of fighting the War on Terror.

In reality, beyond tactical cooperation in counter-terrorism and the reinvigoration of existing military ties, superficial U.S. thinking offered little else—much less strategic consideration of China's rise. Instead, a blunt liberal-democratic logic prevailed: Regional prosperity would mean continued support for the liberal-democratic order backed by American power and hegemony. This would, in turn, bolster regional support for the United States as the leader in the War on Terror and strengthen America's credentials as ASEAN's preferred security partner.

But any talk about a Southeast Asian trend toward serious regional security cooperation remains more

myth than reality.

Indeed, member states have consistently rejected plans to transform ASEAN into a security alliance, preferring talk of a "security community" of common values and principles. Even "security community" is an overstatement—they merely seek a peaceful setting for dispute management. As Greg Sheridan recently noted in these pages, these states do not seriously entertain notions of postmodern, trans-state associations. There remain significant rivalries and disputes among members, and the organization is far from a "regional bloc", much less a "security community" of any sort.

Yet Southeast Asian states should not be underestimated in terms of strategic creativity. Although realists normally put forward balancing and bandwagoning as the only strategies available to smaller states, Southeast Asian nations have historically employed "counter-dominance" *vis-à-vis* great powers and "counter-interference" *vis-à-vis* each other. The mid-1990s revival of ASEAN as a counter-dominance strategy (led mainly by Malaysia) has shaped modern politics in the region. The purpose and general effectiveness of the strategy can be seen in several ways.

For example, though ASEAN has played only a consultative role in security matters, forums such as the ASEAN Regional Forum (ARF) draw in and maintain U.S. involvement in the region and engage the Chinese. The Malaysians were arguably the first to see this possibility of using ASEAN as part of a counter-dominance strategy. This explains why Malaysia spent so much energy wooing China to engage with ASEAN and promoting China's self-proclaimed "peaceful development" to other ASEAN members. It also explains why, on the one hand, ASEAN states are wary of allowing the United States to use the organization to "encircle" China, yet on the other hand, put forward ARF—in which America is a participant—as the preferred political and security forum in the region. The Joint Vision on the ASEAN-U.S. Enhanced Partnership affirmed this in November 2005.

Essentially, ASEAN engaged the United States, Japan and China in a framework that leverages its members' influence. The tendency for member states to emphasize ASEAN, and not the summits that ASEAN members are party to, (such as the 2006 East Asian Summit) must be seen in this light.

ASEAN additionally defines security concepts and processes that in reality underpin a counter-dominance strategy. For example, it is hard to rebuff something called the Treaty of Amity and Cooperation (TAC)—in actuality a mutual non-intervention agreement.

Third, ASEAN provides a forum and context through which member states jostle for power and influence without destabilizing relations between themselves. Indonesia was, prior to the Asian financial crisis in 1997, the commonly acknowledged leader in the region. Since then, the struggle for influence has gained pace, especially between Indonesia and Malaysia.

Arguments over whom to invite and exclude from the inaugural East Asian Summit (EAS) gives us a taste of Southeast Asian power politics. Malaysia wanted to exclude Australia, but Singapore and Thailand launched a strong counter-campaign; to them, Australia would balance Malaysian influence. In the final compromise, participants were asked to sign the TAC (Australia acquiesced). Afterward, such jealousies were largely kept behind closed doors while all participants carefully stage-managed optimism about Southeast Asian regionalism.

Finally, security is a much more comprehensive notion for Southeast Asian states than it is for Western ones, which tend to differentiate between domestic and international security. Security for

Asian states includes internal social stability and even "regime security." Americans, who see it as a matter of moral and intellectual principle to separate the two, often fail to accept this. Nevertheless, it is the primary logic of Southeast Asia linking "comprehensive security" with so-called "Asian values" and rejection of Western notions of individual and political rights. It is therefore not surprising that the security community that arose out of the ninth ASEAN Summit in Bali in 2003 adopted the notion of comprehensive security as the guiding concept. This "comprehensive security" included "broad political, economic, social and cultural dimensions."

It is clear that ASEAN serves as protection against what many states see as the United States' Western democratization agenda. This explains the reluctance by member states to allow Western countries (especially America and Australia) to dominate forums, and it provides further explanation of why these states are keen to emphasize ASEAN as the lead player in any security regime.

China's Learning Curve

ASEAN'S COMPREHENSIVE security" concept is a natural fit for the Chinese, who themselves have had to defend a spotty human-rights record. Moreover, where Chinese diplomacy was once seen as ham-fisted and clumsy, it is now recognized as urbane and creative. The overall sophistication and energy of Chinese strategy has caught the United States by surprise.

China has tried hard, with some success, to remodel its diplomatic image from "rogue dragon" to "satisfied with the status quo"—a country willing to work within existing structures, an economy seeking win-win relationships. China's recent charm offensive is both a defensive and a proactive strategy. It is defensive since China, aware that the United States is uneasily watching, is in no position to challenge America and is not keen to offer a strong reason to contain its rise. Moreover, as mentioned, China has no desire to drive ASEAN states further toward the Americans.

However, this charm offensive is also proactive, since China is actively wooing the region towards itself and away from the United States. This is China's strategy of indirect competition. Signing the 2002 Declaration and acceding to the TAC were parts of a concerted public-relations campaign; holding out the prospect of an ASEAN-China Free Trade Agreement was an act of economic seduction. Trying to sell the New Security Concept (NSC) at the 1997 ASEAN meeting, which set out a vision emphasizing cooperative security, multilateral dialogue, confidence-building measures and peaceful dispute resolution, was a more far-reaching initiative. The NSC mirrors ASEAN principles and implies the move away from alliances (namely those with the United States) toward a regional, multilateral security community or structure.

In more recent times, China used ASEAN-led forums to exclude the United States and propose greater regional security cooperation in the absence of America (e.g., the ASEAN + 3 and ASEAN + China forums). The offer to host the second EAS, though politely declined, was an obvious show of enthusiasm to lead America-excluding forums.

More generally, these efforts aim to arouse enthusiasm for Chinese regional leadership. China has launched almost thirty ASEAN-China mechanisms in recent years. Almost thirty years since the first U.S.-ASEAN dialogue, there are only seven U.S.-ASEAN bodies, and they meet infrequently. Multilateral strategic logic is China's best hope for achieving regional influence beyond its current military capacities. Asian diplomacy and hospitality is presented as a peaceful and more sociable counterpoint to American and Western unilateralism and insensitivity.

America: Business as Usual?

SINCE WORLD WAR II, the United States' "strategic culture" has been to lead military alliances against perceived competitors and enemies. NATO was successful: Members shared common ground in terms of strategic and social culture as well as political objectives. But in Southeast Asia the record is modest. The Southeast Asia Treaty Organization was formed as part of the worldwide U.S.-led anti-Communist alliance but never really wielded significant force.

The post-Cold War administrations have been committed to continuing the bilateral model, despite periodic expressions of support for multilateral security forums. The Asian experience suggests that bilateral defense relations have been the only relations that count in terms of containing strategic competitors. America seeks to ensure that no other power can dictate the terms of regional or global security. For confronting a rising China, U.S. strategy is really one of business as usual; the belief is that the structure is in place to limit Chinese regional influence and further entrench U.S. dominance.

At first glance, the American "hub and spokes" model is working. Though all alliances and agreements exist ostensibly to guarantee sovereignty and territorial integrity, this assumes America's forward defense positions and, hence, U.S. regional dominance. Alliances with Japan, the Philippines, South Korea, Thailand and Singapore remain firm, not to mention the *de facto* alliance with Taiwan. Defense cooperation with Malaysia, Indonesia and New Zealand is significant. Importantly, India is becoming a strategic partner of sorts. It is no wonder that China feels "encircled" in east and Southeast Asia.

Australia, among America's staunchest War on Terror allies, is perhaps the greatest success. The 2006 U.S. *National Security Strategy* even called the alliance a "model." But this type of thinking is where the problems start—the Chinese great-power challenge presents a different logic than the struggle against global Islamists does. Whereas anti-terrorism (if not every U.S. anti-terrorism tactic) has broad support, the rise of China engenders ambivalence. It is accepted as legitimate and inevitable, and the country exerts a political and economic pull on other states in the region. The United States is attempting to circumscribe China's strategic choices, but there is ample evidence that bilateral alliances have serious limitations for controlling an ambitious and rising China.

First, defense alliances and partnerships are rarely fungible, in that America cannot simply expect partners to accept changes. For example, countries such as Malaysia, Thailand, Singapore and Indonesia encourage an American military presence largely to ensure a stable environment and keep each other in check. Without overt Chinese aggression, these states would be extremely reluctant to allow the United States to reinterpret the rationale as one of overt containment. Even Australia (America's strongest ally in Southeast Asia) and the Philippines (arguably the Southeast Asian country most concerned about China's rise) would hesitate to join any explicitly "anti-Chinese" alliance.

This is particularly the case given China's economic clout. Although the country's importance to ASEAN economies is sometimes exaggerated, China is seen as the region's primary economic-growth driver. Talk of a China-ASEAN Free Trade Agreement, while just talk, reflects this momentum. Moreover, the tendency for China to offer economic incentives for smaller states to fall in line with Chinese strategic thinking (and economically punish those that do not) further strengthens this growing influence.

Second, enthusiasm for America's re-engagement with Southeast Asia should not be mistaken for enthusiasm towards America's strategic agenda in the region. In this sense, there is a worrying disconnect between American and Southeast Asian strategic thinking and priorities.

The War on Terror may have prompted a re-engagement with Southeast Asia, and the renewed interest may have been generally welcome, but these states do not see the war as their highest *strategic* priority. Indonesia and Malaysia are Muslim states, and Thailand has a considerable Muslim population. This, along with events in post-invasion Iraq, makes it difficult for governments to openly embrace the War on Terror. Read any newspaper or current affairs magazine in the region: Fighting terrorism is a functional and cooperative activity between the domestic law-enforcement and intelligence agencies of respective states.

Understandably, terrorism-focused American engagement is beginning to irritate many states. Many suspect that the United States sees its allies as far-flung lieutenants to be discarded when the job is done. Secretary of State Rice helped along this suspicion by failing to attend the ARF in Laos in July 2005—a decision that played badly in the region. Neither was President Bush’s unimaginative and stale-sounding agenda, presented during a visit in late 2006, helpful in terms of conveying an interest in the region that extends beyond terrorism.

The upshot is that while America remains the lead partner in terms of defense relations, its political *leadership* is slipping. The Chinese have grasped the opportunity to extend their influence with tireless and immaculately executed diplomacy.

China is branding itself an Asian partner sensitive to the priorities and problems of Asian nation-states and employs a language that sells in the region. Where the United States sounds high-handed, the Chinese sound practical. Where President Bush speaks about global terrorist networks, Chinese President Hu Jintao speaks about promoting domestic stability and confronting local problems. Moreover, where American presidential visits can come off like Caesar greeting distant subjects, Beijing has become skilled at flattery, localizing messages and promoting regional rather than global agendas. A combination of U.S. neglect and Chinese imagination is nudging states in the region toward China.

Will America Respond?

HOWEVER, THERE is good news for the United States. Albeit warily, all ASEAN states (with the exception of Myanmar) want a predominant America keeping the region in balance, underpinning the stability needed for economic development.

Revealingly, despite China’s growing economic pull and rigorous diplomacy, states have resisted persistent Chinese calls for greater regional security cooperation. Chinese initiatives such as the New Security Concept fail, while groupings that include China and exclude the United States achieve tangible agreements only in non-traditional security areas. Contrast this with the ARF attended by the United States, upheld as the primary security forum. Meanwhile, security pacts with the United States (e.g., those of Malaysia, Singapore, Thailand and the Philippines) have been kept while other states, including Indonesia, nurture military links with America.

It is also significant that China’s proposal at the 2006 ASEAN-China forum for cooperation in maritime security stoked Malaysian concerns and was greeted with considerable skepticism by ASEAN members. Moreover, while it surprised some that ASEAN rejected China’s offer to join the Southeast Asia Nuclear Weapon Free Zone (which the United States rejects), the rejection occurred on the grounds that ASEAN preferred all nuclear powers to join at the same time. This shows a clear reluctance to let China out-manuever other powers on hard security matters. It is noteworthy that Malaysia supported a greater political role for Japan in the face of Chinese opposition.

It is true that the U.S. inclination to work through tedious multilateral structures is historically poor. One could also make the argument that the sham collective security set-up only works because there is already an effective hegemon in the region, or at least a stable balance of power. Perhaps we can forgive America's impatience with multilateral "talk fests" that achieve few solid outcomes and understand why there is only a perfunctory commitment to multilateral obligations in the region.

However, by dismissing these forums as talk fests, the United States fails to understand why Southeast Asian states use them for leverage—with larger powers and each other. Effective hegemons exploit pre-existing mindsets and processes of regional states rather than dismiss them. Embracing Southeast Asian multilateralism would go a long way toward re-branding the United States as a cooperative and shrewd superpower rather than an arrogant and distant one.

America needs to become, once again, a *Southeast Asian* leader, not just a global one.

John Lee is a visiting research fellow at the Centre for Independent Studies in Sydney, and managing director at L21 Pty Ltd, a research organization.

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www.nixoncenter.org