

## The Arena

Southeast Asia in the Age of Great-Power Rivalry

By Bilahari Kausikan

When I served as a Singaporean diplomat, I once asked a Vietnamese counterpart what an impending leadership change in Hanoi meant for his country's relations with China. "Every Vietnamese leader," he replied, "must get along with China, every Vietnamese leader must stand up to China, and if you can't do both at the same time, you don't deserve to be leader."

As U.S. President Joe Biden begins his term in office, his team should heed those words. Southeast Asia is the epicenter of the competition between China and the United States. To different degrees and in their own ways, every country in the region has adopted that approach to China—and to the United States, too.

Southeast Asia has always been a strategic crossroads, where the interests of great powers intersect and sometimes collide. It is naturally a multipolar region, never under the sway of any single external power, except for in the brief period of Japanese occupation during World War II. Today's competition between China and the United States is just another phase of a centuries-old dynamic that has embedded the instinct to simultaneously hedge, balance, and bandwagon in the region's political DNA.

Americans seem to find this difficult to grasp. There is a strong tendency to view the region in binary terms: if the region is not "free," it is "red"; if democracy is not advancing, it must be in retreat; if the Association of Southeast Asian Nations (ASEAN) does not embrace the United States, it is in danger of being captured by China. This simplistic attitude has led to several policy failures, including, most disastrously, the Vietnam War.

Three outstanding books offer timely correctives to this misguided view through country-by-country accounts of the ambivalence and unease with which Southeast Asians view China's role in the region. Murray Hiebert's masterly and monumental *Under Beijing's Shadow* is the most detailed and nuanced of the three. Like Hiebert, Sebastian Strangio focuses on China's relations with countries in the region in *In the Dragon's Shadow*, whereas David Shambaugh frames *Where Great Powers Meet* around the theme of U.S.-Chinese competition.

China's size and economic weight no doubt stoke anxieties among its Southeast Asian neighbors, worries that have been accentuated by the aggressive foreign policy of President Xi Jinping. But those concerns must be weighed against the necessity of maintaining political and economic ties with Asia's biggest power. No country in Southeast Asia will accept an exclusive relationship with China or the United States or any other power. No country will pick a side.

### NOT FOR A MESS OF POTTAGE

Many outside observers often assume—perhaps unconsciously but still insultingly—that the countries in the region are all so irredeemably corrupt, terminally naive, or simple-minded that they would sell their national interests for a mess of pottage. The authors of these books don't make that mistake. Economic ties are not to be lightly disregarded, but no ASEAN member

structures its relations with China solely on the basis of trade and investments. Nationalism remains a potent political force.

Hiebert is particularly adept at exposing the undercurrents, which he aptly describes as “the complex cocktail of hope and anxiety,” “anticipation and uneasiness,” that lies beneath the surface of China’s relations with its smaller southern neighbors. This is true even with countries highly dependent on China, such as Cambodia and Laos. Among the strongest sections of Hiebert’s book are those in which he examines these countries, exposing the complexity of attitudes toward China and how small nations can still exercise agency despite their dependence on Beijing. For instance, he notes how the leaders of Laos—an “underpopulated and heavily indebted” country—spent five years wrangling with China over a railway project to secure terms “that they could live with.”

I happened to be in Vientiane, the capital of Laos, in early 2016, when the ruling Lao People’s Revolutionary Party held its Tenth National Congress. A friend—a party member—told me that some senior people would be dismissed for being too pro-China. I was skeptical. But two Politburo members, President and General Secretary Choummaly Sayasone and Deputy Prime Minister Somsavat Lengsavad, were indeed sacked.

Laos has real institutions—most important among them a Leninist-style vanguard party, whose interests are paramount—and although it is hemmed in by China and does not have much room to maneuver, it uses those institutions as best it can. Cambodia, by contrast, is what Shambaugh calls the only “full-blown Chinese client state” in ASEAN, a description that Hiebert echoes. Unlike in Laos, the leadership in Cambodia is almost totally personalist: Prime Minister Hun Sen has described support for China as “Cambodia’s political choice,” and his choices are the only ones that matter in Cambodia.

Still, not everyone in Cambodia is brimming with enthusiasm about Hun Sen’s subservience to China. In January 2018, the governor of Preah Sihanouk wrote a letter to the Interior Ministry complaining of how Chinese investment had led to a surge in crime and caused “insecurity in the province.” It is a biological inevitability that Hun Sen’s personalist leadership must end. Cambodia’s status as a Chinese client state may prove to be only a phase.

These books make clear that China has serious liabilities in Southeast Asia—although not necessarily the ones identified by observers in the West. Some Western analysts, for example, tend to view warily Beijing’s cultivation of Chinese diaspora communities, seeing these minorities as a potential fifth column. Xi has claimed the support of “all Chinese” for his version of “the Chinese dream,” arousing suspicions about China’s intentions.

But all three books demonstrate that in Southeast Asia, where the relationships between ethnic Chinese and indigenous populations are often fraught with underlying tensions, the Chinese diaspora is not at all an obvious advantage for Beijing. The authors recognize that there is no simple correlation between ethnicity and influence. The mere presence of ethnic Chinese communities in Southeast Asian countries doesn’t necessarily serve China’s interests.

In 2018, during the Malaysian general election, the Chinese ambassador openly campaigned for the leader of the ruling coalition’s ethnic Chinese party, breaking a fundamental norm of diplomatic conduct: noninterference. The ruling coalition lost, and its successor promptly renegotiated several economic projects backed by China. During a visit to China later that year, Mahathir Mohamad, the new Malaysian prime minister (he had previously served as prime

minister from 1981 to 2003), pointedly warned that Chinese actions in the region might resemble a “new version of colonialism.”

Western observers tend to see China’s actions in the South China Sea, where it has steadily encroached on the maritime borders of its neighbors, as the clearest example of Beijing’s expansive ambitions. As Hiebert and Strangio make clear, however, in Southeast Asia, there is as much anxiety about China’s activities in another body of water: the Mekong River, which runs through five of the ten ASEAN member states and does not receive enough attention from international relations specialists.

Strangio reminds readers that “China’s economic and political influence flows down the Mekong River into Southeast Asia” and that China’s “valve-like control” of the river’s upper reaches “gives Beijing considerable control” over its southward flow. China’s dam-building projects on the upper Mekong are already reducing the flow of water downriver.

The Cambodian and Laotian economies still largely rely on subsistence agriculture. Leaders in Cambodia and Laos may not care too much about what China does in the South China Sea, but they will have to think hard about an issue that potentially poses an existential threat to the livelihoods of their own people. If China’s actions on the Mekong do not make Phnom Penh and Vientiane rethink how they conduct their relations with China, then other ASEAN members should reconsider the organization’s relationship with them.

## **MANAGING MISTRUST**

Some readers might be surprised by the suggestion that in an area in the shadow of a major power, a regional multilateral organization wields real influence. But ASEAN does. None of these books deals adequately with the organization. Shambaugh’s is the only one that devotes a chapter to it. This is not surprising.

Few scholars really understand how ASEAN works. Its fundamental purpose is not to solve problems but to manage mistrust and differences among its members and stabilize a region where even civility in relations is not to be taken for granted, thus minimizing the opportunities for great-power interference.

Even some ASEAN leaders do not seem to understand this. In July 2012, when Cambodia was serving as the chair of the organization, ASEAN for the first time failed to agree on a foreign ministers’ joint communiqué. Hor Namhong, the Cambodian foreign minister, refused to accept any compromise on language regarding the South China Sea, insisting that there should be no mention of the issue at all. He clearly did so at China’s behest; Fu Ying, China’s vice foreign minister, barely bothered to conceal her hovering presence at a meeting she had no business attending.

Only a week later, however, Marty Natalegawa, then the foreign minister of Indonesia, persuaded Cambodia to join ASEAN’s consensus on the South China Sea. The text of the statement was largely taken from previously agreed-on documents, and in some instances, the final language was stronger than the compromises Cambodia had rejected just the previous week. Phnom Penh’s haphazard attempt to please Beijing proved to be singularly clumsy and ultimately only a waste of time. Fu’s bosses in Beijing cannot have been too pleased to have China’s heavy hand blatantly exposed to no purpose. And ever since, Cambodia has not been quite as foolishly intransigent on discussions of the South China Sea.

No country needs to allow Beijing to define its national interests in order to maintain a close relationship with China. With the limited exception of Cambodia, no ASEAN member sees a need to neatly align its interests across different domains with any single major power. The diplomacy of ASEAN and its members is naturally promiscuous, not monogamous.

Shambaugh claims that “ASEAN states are already conditioned not to criticize China publicly or directly.” But ASEAN states do not publicly criticize the United States or any other major power, either. They don’t publicly criticize others not because they are “conditioned” by anyone but because public criticism forecloses options and reduces the room for diplomacy.

Small countries can maneuver only in the interstices between the relationships of major powers. The essential purpose of ASEAN-led forums such as the annual East Asia Summit, which brings together ASEAN member states with the likes of Australia, India, Japan, Russia, South Korea, and the United States, is to maximize those interstitial spaces, deepening the region’s natural multipolarity.

### **THE AMERICAN COUNTERWEIGHT**

Some external powers, of course, matter more than others. Absent the United States, no combination of other powers can balance China. Not every ASEAN member will say so in public, but most members seem to recognize this fact.

At the end of the 1980s, Philippine domestic politics and a natural disaster compelled U.S. forces to vacate Subic Bay and Clark Air Base. In 1990, Singapore, which had long backed a U.S. military presence in Southeast Asia, concluded a memorandum of understanding, or MOU, with Washington that allowed some U.S. forces to use Singaporean facilities. At the time, several ASEAN members loudly and vehemently criticized the deal. But there was nary a whisper when Singapore signed an agreement regarding greater defense and security cooperation with the United States in 2005 or when the 1990 MOU was renewed in 2019.

That change of attitude reflects the region’s growing disquiet with Chinese behavior, which all three books document. Chinese policy often provokes opposition. For instance, both Hiebert and Strangio explore in detail the Myitsone dam project in Myanmar. As Strangio notes, from the moment Myanmar signed an agreement for the dam with a Chinese state-owned firm in 2006, “opposition was nearly universal.” The project was suspended in 2011, but, as Hiebert writes, as late as 2019, “the Chinese ambassador’s ham-fisted and tone-deaf lobbying [to revive the project] prompted renewed protests against the dam in cities across the country.”

A great merit of Shambaugh’s book is its detailed analysis of how China’s growing footprint in Southeast Asia has not led to a reduction of economic or security relations with the United States. In some cases, relations with the United States have even expanded. Unlike many other scholars, Shambaugh understands that Southeast Asian countries do not see the choices available to them in binary, zero-sum terms.

Shambaugh is, however, only partly correct when he concludes that “Southeast Asia never had better relations with the United States, and vice versa,” than it did during the Obama era. It was comforting to hear an American president speak about making Asia the central concern of U.S. foreign policy. It was flattering when President Barack Obama made time to attend ASEAN meetings. His 2012 visit to Myanmar, meant to encourage its authoritarian regime’s incipient liberalization, was a bold stroke. The crafting of the Trans-Pacific Partnership was a major achievement in a region where trade is strategy.

But soft power, which Obama had in abundance, is inadequate without the exercise of hard power—and Obama had little stomach for that. In 2012, his administration brokered a deal between Beijing and Manila regarding Scarborough Shoal, in the South China Sea. When China reneged on the terms of the deal by refusing to remove its ships from the disputed area, Washington did nothing. In 2015, Xi promised Obama that China would not militarize the South China Sea. But when Beijing did so by deploying naval and coast-guard assets to intimidate ASEAN claimant states in 2016, the United States again did nothing. Obama's failure several years before, in 2013, to enforce a redline on Syria's use of chemical weapons had undermined the credibility of U.S. power—and China took notice.

U.S. President Donald Trump's rejection of the Trans-Pacific Partnership on assuming office in 2017 was a slap in the face to U.S. friends and allies. But not everything he did was necessarily wrong. However incoherently and crudely, Trump seemed to instinctively understand the importance of demonstrating hard power. When he bombed Syria in 2017 while at dinner with Xi, he did much to restore the credibility of American might by showing his willingness to use force.

Trump also explicitly rejected China's claims in the South China Sea and empowered the U.S. Seventh Fleet to conduct freedom-of-navigation operations to challenge them. Freedom of navigation is a right, and other countries do not need China's permission to exercise it. By contrast, during Obama's second term, the Pentagon and the National Security Council sparred loudly over the wisdom of such operations, undermining their intended effect.

Because he was Obama's vice president, Biden cannot distance himself easily from what happened on Obama's watch. Friend and foe alike will scrutinize Biden's every move for any sign of weakness. He will likely fine-tune U.S. policy, but not fundamentally shift direction, on China and trade. His administration will make and communicate policy with more coherence and consideration for friends and allies than did Trump's. The atmospherics of U.S. diplomacy will improve after the bluster and chaos of the Trump years. All of this will be welcome. But it will be for naught if U.S. foreign policy lapses back into Obama's reluctance to use hard power.

Biden should be cautious about promoting American values in response to Trump's indifference to them. Such values are not necessarily a strategic asset in Southeast Asia, where they are not shared by all. "Democracy" is a protean term, "human rights" is subject to many interpretations, and Southeast Asia generally places more emphasis on the rights of the community than on those of the individual.

The United States has not deployed forces on the mainland of Southeast Asia since the end of the Vietnam War. As an offshore balancer, the United States will always find it difficult to determine just how it should position itself: too forceful a stance against China will evoke fears of entanglement in the region; too passive a stance will elicit fears of abandonment. This cannot be helped. But Biden must avoid Obama's mistake of thinking that the United States needs to de-emphasize competition to secure Beijing's cooperation on issues such as climate change. As any undergraduate student of international relations should know, cooperation is not a favor one state bestows on another. If it is in its interest, Beijing will cooperate. States can and do compete and cooperate simultaneously. That understanding is fundamentally what Southeast Asia expects of the United States.

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