



**US-Southeast Asia Relations:  
Augmented Presence**

**Sheldon Simon  
Arizona State University**

The Obama administration has achieved only a portion of its Asian rebalance strategy in Southeast Asia. Washington is repositioning elements of the US Navy to the Pacific, engaging in “freedom of navigation (FON) patrols” in the South China Sea, and along with Tokyo, providing assistance to Vietnam and the Philippines to enhance their abilities to monitor and defend their maritime territories. The president and secretaries of state and defense are regularly attending ASEAN-based meetings to demonstrate US commitment to Asia. President Obama regularly promotes the Trans-Pacific Partnership (TPP) and Malaysia and Vietnam are changing domestic practices to meet TPP criteria. Despite these advances, US presidential electoral politics are presenting new obstacles as the Republican and Democratic presidential candidates now oppose the TPP, and the prospect for passage in the US Congress before the end of the year is problematic. Meanwhile, the US has urged caution to Southeast Asian officials with respect to the UNCLOS Arbitral Tribunal’s decision on the South China Sea. Although the US has completely removed the arms embargo from Vietnam, human rights concerns continue to trouble US relations with Hanoi as well as Bangkok, Nay Pyi Taw, Vientiane, and Phnom Penh.

**Background**

At its beginning in 2009, the Obama administration identified Asia as the most important world region for America’s future. Initially describing the turn to Asia as a “pivot,” the US shifted to the term “rebalance” so that it would not be seen as an abandonment of its European allies. The “Obama Doctrine” has tried to reconfigure US global leadership through “burden sharing” and greater US military restraint. In Asia, this involves strengthening existing alliances and developing new partnerships. However, US commitments to the Middle East, South Asia, and Eastern Europe have negatively affected Washington’s ability to focus on the Asia-Pacific. The Obama administration’s liberal-internationalist goals must adjust to limited financial means and *realpolitik* considerations.

A combination of the Budget Control Act of 2011 and the onset of sequestration in 2013 meant that the Pentagon faced a reduction in previously planned spending of about \$1 trillion over 10 years. Consequently, the Obama administration accentuated the limitations to US power and the virtues of restraint. These more modest aspirations were articulated in the 2015 National Security Strategy’s assertion that the United States should lead in combination with allies and

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partners and that military power was only one of many tools at its disposal. Washington has strengthened alliances with the Philippines and Australia, rotating naval ships and marines through the territory of the latter and implementing an Enhanced Defense Cooperation Agreement (EDCA) with the former. Additionally, the US has developed varying forms of “strategic partnerships” with several countries, including Burma (Myanmar), Vietnam, Singapore, Malaysia, Indonesia, and India. These partnerships entail regular security meetings, joint military exercises, and, in the case of Singapore, rotational navy deployments.

According to Secretary of Defense Ashton Carter at this year’s US Naval Academy commencement ceremony: “The Defense Department is operationalizing the defense part of the rebalance by sending our most advanced capabilities to the region... [Some] of our Navy and Marine Corps examples [include] stealthy *F-35* fighters, *P-8 Poseidon* maritime patrol aircraft, and our newest surface ships, including our cutting-edge stealth destroyers, all to the Pacific.” Carter concluded that they “demonstrate the United States commitment to playing an essential and pivotal role in the Asia-Pacific for decades to come.”

Among the most prominent US military activities in the Pacific are its freedom of navigation (FON) patrols. Secretary Carter has stated: “The United States will fly, sail, and operate wherever international law allows ... and the South China Sea will not be an exception. Inaugurated in 1979, the FON patrols are conducted routinely to demonstrate that the US provides a “public good” – protection of the sea lines of communication. The FON patrols take place unilaterally, bilaterally, and multilaterally with the South China Sea being a particularly important venue. Related to the FON patrols are US efforts to help its partners develop maritime domain awareness through capacity-building programs that include navy and coast guard training, the provision of coastal radars, and the sale or donation of ships and aircraft.

A new Southeast Asia-wide five-year \$425 million Pentagon program, the Southeast Asia Maritime Security Initiative, involves the Philippines, Vietnam, Indonesia, Brunei, Thailand, and Singapore to develop multilateral cooperation for South China Sea protection. Creating regional capabilities to monitor and patrol countries’ exclusive economic zones (EEZ) is important because few maritime boundaries in the South China Sea have been delineated. As maritime expert Sam Bateman points out in the Aug. 4 *RSIS Commentary*, the EEZs of the mainland countries – China and Vietnam – overlap with those of the insular countries – the Philippines, Malaysia, Brunei, and Indonesia. These intersections need to be addressed through diplomacy but are so far unresolved because China refuses to acknowledge the necessity of multilateral negotiations. For China, only bilateral settlements are acceptable.

### **Arbitral Tribunal decision: Southeast Asian caution**

Four Southeast Asian states (Philippines, Vietnam, Malaysia, and Brunei) contest overlapping claims to portions of the South China Sea – all contesting with China and some with each other. The Southeast Asian claimants base their cases on the 1982 UN Convention on the Law of the Sea (UNCLOS) that provides each with 12 nautical mile (nm) territorial seas and 200nm Economic Exclusive Zones (EEZs) from their land borders or continental shelves. In 2013, the Philippines formally requested an UNCLOS Arbitral Tribunal to rule on numerous land features in the South China Sea to determine whether they qualified as rocks, islands, or simply reefs and

shoals that were exposed at low tide. If the latter, they were entitled to no sovereign status; if they were islands, they generated both territorial waters and EEZs; if they were rocks, they only warranted 12nm territorial waters. The July 12 Arbitral Tribunal decision is based on UNCLOS, which is considered by renowned maritime authority Robert Beckman to be “the most elaborate and complex dispute settlement regime contained in an international treaty.” The Tribunal ruled that no land features in the South China Sea under dispute are islands – above sea level 24 hours per day and able to sustain human habitation. Rather, what appear to be South China Sea islands in the Philippines’ EEZ are just rocks, so there are no overlapping EEZ claims. This means that Reed Bank, which has great potential for hydrocarbon resources, is in Manila’s EEZ; so, too, is Mischief Reef, which is currently occupied by China, and Second Thomas Shoal on which the Philippines has grounded an old navy vessel to prevent China from occupying the reef. None of the features that China has built into islets with facilities for a military presence qualifies as an island as defined by UNLCOS. The bottom line in the Arbitral Tribunal’s ruling, according to Beckman’s analysis, is that China has no legal basis under UNCLOS to claim the right to fish or explore for oil and gas in the EEZs of the ASEAN claimants bordering the South China Sea. In short, the decision endorsed all the Philippines’ hopes in bringing the action before the Tribunal.

While all ASEAN claimants (as well as Indonesia, which has a separate dispute with China over Jakarta’s EEZ extension from the Natuna Islands) were expected to welcome the ruling, only Manila and Hanoi displayed unalloyed satisfaction with the outcome. Fellow claimant Brunei has been silent as have nonclaimants Cambodia and Laos, although Cambodian Prime Minister Hun Sen echoed China’s insistence that the court’s decision was a “political conspiracy” and that his country would not support the decision.

None of the ASEAN-based meetings in July and August produced an unambiguous endorsement of the Tribunal’s ruling because Cambodia and Laos refused to support a statement that would go against China, their primary economic backer. Even the US urged caution, emphasizing the importance of diplomacy by ASEAN and between the claimants and China. White House spokesman Josh Earnest stressed that, “We want to protect the billions of dollars of commerce that flows through the South China Sea. We want to protect ... the shipping lanes in that region of the world. And we want to make sure that those competing claims don’t devolve into some sort of military confrontation.” Going further, one US official averred: “This is ... not some attempt to rally the region against China, which would play into a false narrative that the US is leading a coalition against China.” Insofar as ASEAN states identified a path forward, it was expressed by Malaysia one day after the Tribunal’s ruling, calling upon ASEAN to implement its earlier Declaration of Conduct of Parties in the South China Sea (DOC) “in its entirety” and for the “early conclusion of a Code of Conduct (COC) between the ASEAN states and China.” These aspirations have been expressed for many years. The most important provisions of the DOC are that all signatories agree to settle disputes peacefully and that they agree to do nothing to disturb the status quo with respect to South China Sea features. Neither of these stipulations has been followed, however, and progress toward a new formal COC is premised on the successful implementation of the DOC. Moreover, following the Tribunal decision, the COC should now address the blockading of features occupied by contesting states, the construction of artificial islands, militarization, along with managing encounters at sea. This is a very tall order, indeed, since even upholding the status quo under DOC was never achieved. The most optimistic take on the South China Sea’s future based on the Tribunal’s decision was stated by

Secretary of State John Kerry during a July 27 visit to Manila when he said that “We hope to see a process that will narrow the geographic scope of the maritime disputes, set standards for behavior in contested areas, lead to mutually acceptable solutions, perhaps even a series of confidence-building steps.”

The new Philippine administration led by President Rodrigo Duterte has suggested that the South China Sea dispute be discussed in multilateral talks, involving the claimants, the United States, Japan, and Australia. The purpose of these talks would not be to resolve sovereignty issues, but rather to devise plans for the joint development of maritime resources. (An effort was made in the early 2000s by the Philippines, Vietnam, and China to survey the seabed below the offshore waters near the Philippines, but the results were never released.)

Finally, worth mentioning is the impact of the Arbitral Tribunal’s decision on global commerce. If smaller Asian countries are more assertive regarding their South China Sea rights, for example, in expanding their fishing operations or oil and gas exploration, the potential for conflict increases. Because tens of thousands of ships traverse these waters daily, shipping and maritime insurance firms could significantly raise their rates to cover an increased risk of conflict. So far, China’s building of artificial islands has not led to an increase in those fees, but if the Tribunal’s ruling leads to more physical confrontation, that is certainly a possibility.

### **The Trans-Pacific Partnership: “much ado...”**

The economic component of the Obama administration’s rebalance is focused on the Trans-Pacific Partnership (TPP), a multi-country consortium that includes Canada, Chile, Mexico, New Zealand, Singapore, Australia, Brunei, Malaysia, Vietnam, Japan, and the United States (with Indonesia and Thailand expressing interest in future membership). The agreement eliminates trade barriers and tariffs while streamlining trade and investment rules and procedures. When Hillary Clinton, the Democratic presidential nominee, was secretary of state she termed TPP the “gold standard” of trade agreements because it covered not only trade but also investment, labor rights, and the environment. In an analysis conducted by the US International Trade Commission, the TPP is estimated to lead to an increase in US GDP by its 15<sup>th</sup> year of \$42.7 billion and the creation of 128,000 more full-time jobs. However, these numbers would barely register in an economy that already generates \$18 trillion a year.

The agreement protects the interests of the US pharmaceutical industry and the interests of developed countries’ workers vis-à-vis low cost third world labor. It particularly helps improve worker rights to organize and bargain collectively in countries such as Vietnam where no free labor organizations currently exist. In Malaysia, the government is cracking down on human trafficking because TPP membership requires Kuala Lumpur to do so. Free labor unions and collective bargaining should raise wages in developing countries.

The TPP would eliminate 18,000 tariffs that its members currently place on US products and strengthen environmental protection standards. Nevertheless, Southeast Asian countries have lengthy grace periods under TPP to meet its labor and environmental requirements. For example, the TPP provides a five-year compliance window for Vietnam to meet its labor commitments followed by an assessment period of two years. In case of a labor dispute after this period, the

TPP includes a dialog mechanism prior to a TPP dispute settlement arrangement. In all, this would provide Vietnam with about 10 years before a TPP ruling could occur. In Malaysia, the TPP plan does not hold employers fully accountable for forced labor.

Despite the Obama administration's hopes for a smooth Congressional approval for TPP authorization, the upcoming US elections have dimmed that prospect. Normally supportive of trade agreements, with Donald Trump as candidate, the Republican Party seems to have turned against the TPP as the party's current base of poor and working-class voters spurn international trade accords that particularly disadvantage unskilled labor. Democrats have traditionally been averse to trade agreements because labor unions see them as costing jobs for US working people. Although Hillary Clinton helped negotiate TPP when she was secretary of state, as the Democratic presidential nominee, she has said she now opposes it. In fact, for both parties, defeating the TPP has become a major component of their campaigns.

President Obama, however, insists that the trade agreement is not only a key component of the rebalance but also an important counter to China's efforts to dominate Asia-Pacific trade and investment activities. Already a dominant trade partner for most Asian states, the PRC is also proposing new investment opportunities through its Asia Infrastructure Investment Bank and its One Road, One Belt initiative. Obama has argued that if the US fails to enact the TPP, it would cede Asia's economic future to China; Beijing would set the rules and norms for Asian economic activity for years to come. This, in turn, would undermine the region's trust in US commitments.

### **US security presence in Southeast Asia**

There are two ways the US contributes to security in Southeast Asia: the first involves the presence of US air, naval, and land forces; the second is military assistance to allies and partners, emphasizing maritime domain awareness and defense capabilities. As early as the first Obama administration, the president announced that 60 percent of US naval assets would be deployed to the Pacific by 2020. A recent demonstration of this enhanced naval power was the unusual June deployment of two carrier battle groups for a training mission in Southeast Asia east of the Philippines. The *John C. Stennis* and *Ronald Reagan* engaged in air defense drills, sea surveillance, air combat simulations, and long-range strikes. ASEAN media reported on the carriers' maneuvers. Even normally nonaligned Malaysia, in an apparent response to China's expression of outrage at the carriers' presence, issued a June 23 statement by Kuala Lumpur's deputy defense minister who averred: "The US ships have been in the area several times. We have no problem with their presence.... It is normal for big ships to sail through these areas." The two carriers deployed 12,000 personnel, 140 aircraft, and six smaller warships. The choice of the Philippine Sea for the maneuvers keeps US forces out of range of Chinese missiles and other area denial capabilities. The *Stennis* has been operating regularly in the South China Sea. In an interview carried in the June 13 *Defense News*, a US Navy official stated that while trying not to be provocative, "we're working to get used to operating in close proximity to a close competitor navy.... The last time we did this was in the 1990s."

One of the most important US security partners in Southeast Asia has been Singapore. Changi Naval Base was constructed specifically to serve US *Nimitz*-class aircraft carriers. As President Obama said during Prime Minister Lee Hsien Loong's visit to Washington in early August:

“Singapore is an anchor for the US presence in the region.... Our defense relationship remains one of the closest in Southeast Asia, with hundreds of American ships and aircraft rotating through Singapore each year.... Singapore’s interest in purchasing *F-35* aircraft [and] the possibility of Singapore troops training on Guam” are all under discussion. Singapore and Washington concluded an Enhanced Defense Cooperation Agreement in 2015 that links the two in cyber defense and counterterrorism. Elaborating on the purpose of US defense ties in the Pacific, President Obama explained that it was “not a matter of active conflict, but rather creating an architecture, a framework of rules and norms that keeps the peace and that has underwritten security for the region....” Singapore also hosts four US Navy littoral combat ships on rotation and the most modern of the navy’s maritime surveillance aircraft, the *P-8A Poseidon*. The *P-8s* share surveillance information not only with Singapore’s forces but also with its neighbors, thus broadening regional awareness of Southeast Asia’s maritime security environment.

The US is also working with Vietnam to establish defense ties. Over the last three years, a comprehensive partnership has been established and partial arms sales were restored. In 2016, the remaining ban on US weapons has been lifted, though continuing human rights concerns mean that arms sales will be decided on a case-by-case basis linked to Hanoi’s progress on human rights issues. Washington has pledged to provide Vietnam with 18 patrol boats. Hanoi has also asked Japan to provide coast guard vessels. India, too, is planning to assist Vietnam in weaponizing two frigates acquired from Russia. Delhi has additionally given Hanoi a credit line sufficient to buy 10 new patrol boats.

While lifting the US arms embargo on Vietnam is certainly welcome in Hanoi, its practical effect is limited. Cost constraints and political divisions in Hanoi will suppress the desire for US weapons. The country will likely continue to rely on traditional partners, particularly Russia. The US security goal for Vietnam is to assist in strengthening Hanoi’s maritime domain awareness to better defend its own territorial waters. Hence, the offer of patrol boats and aid in the areas of maritime intelligence and surveillance was made.

### **US political and human rights concerns in Vietnam**

One major stumbling block in the path to full normalization of US-Vietnam relations is the politics of the country’s communist leadership, particularly with respect to human rights. Human Rights Watch has described Vietnam as one of the world’s most repressive countries. In a May visit to Hanoi, Assistant Secretary of State for Democracy, Human Rights, and Labor Tom Malinowski urged Hanoi “to release political prisoners without condition.” However, Deputy Secretary of State Antony Blinken praised Hanoi for “some progress” on human rights by permitting independent trade unions for the first time – a condition for Vietnam’s entrance into the TPP. Although President Obama met six Vietnamese civil society leaders in his late May visit to the country, several other activists who were scheduled to meet him were prevented from doing so. The president complained “there [are] still areas of significant concern” with respect to “free speech, freedom of assembly, [and] accountability with respect to governance.” While Obama insisted that the US was not trying to impose its form of government on Vietnam, there are some values that should be seen as universal, including free speech, assembly, and a free press that have been, in fact, enshrined in Vietnam’s own Constitution.

When President Obama completely lifted the arms embargo on Vietnam, he acknowledged that human rights remain “an area where we still have differences.” Obama also announced the establishment of a new Fulbright University in Vietnam (FUV) in collaboration with Arizona State University during his visit. While the emphasis at FUV will be science and technology, if US universities are the template, freedom of inquiry could become a human rights issue.

### **The Philippines: anxious ally**

Under President Aquino, Philippine-US political and military relations prospered with the implementation of the Enhanced Defense Cooperation Agreement (EDCA). However, Philippine leaders have always been concerned about whether the 1951 Mutual Defense Treaty between the two countries commits Washington to defend Philippine forces in the disputed areas of the South China Sea, particularly around Scarborough Shoal, in the same way the US has pledged to defend Japanese forces in the vicinity of the Senkaku Islands in the East China Sea. In 2015, President Aquino insisted that Washington must respond militarily if China reclaimed Scarborough Shoal and began to militarize it. Failure to do so would undermine America’s “moral ascendancy and the confidence of its allies.” In fact, the US does not have a commitment to defend the Philippine Spratly islands’ claims in the same manner as the Senkakus. The latter were included under the 1960 US-Japan Mutual Defense Treaty. Philippine acquisition of some of the Spratly islands occurred in the 1970s and, therefore, are not covered by the 1951 MDT. Rather, with respect to the South China Sea, the US position is that it “does not interfere in sovereignty issues.”

Nevertheless, at a July 27 press conference in Manila, Secretary of State Kerry referred to the Philippine-US defense treaty as a “cornerstone of security in the region for decades,” emphasizing the regional role for US deployments in the country. Going further, Kerry emphasized the importance of humanitarian assistance and disaster relief that US forces in the Philippines play in the aftermath of natural disasters. US Ambassador Philip Goldberg echoed Kerry when he stated that the US can “preposition supplies for humanitarian assistance.” Both Kerry and Goldberg also underlined the role of US forces in training their Philippine counterparts and modernizing the Philippine Armed Forces.

In May, President-elect Rodrigo Duterte displayed a more ambivalent attitude toward the US alliance. While agreeing soon after taking office that “We are allied with the West and depend on America and the rest for our defense,” he also said, “America will never die for us.” Moreover, the new chief of the armed forces, Lt. Gen. Ricardo Visaya, stated in late June that internal security will take precedence over external defense and that “the military will invest more in speed boats and helicopters.” Defense Minister Delfin Lorenzone said the defense budget should be spent on winning security at home rather than buying fighter jets to protect its waters, as the Philippines would not be going to war with any country. These statements suggest that Philippine external defense remains dependent on a robust US regional presence.

Despite these caveats, the Philippines is acquiring new *FA-50* fighter jets from South Korea and is also budgeting for two new frigates, two long-range patrol aircraft, two anti-submarine helicopters, and surveillance radar. Washington, in late July, also transferred a third retired Coast Guard cutter to the Philippine Navy. US surveillance planes – *EA-18 Growlers* – were

deployed in May and June to train Philippine Air Force pilots in sea surveillance and maritime domain awareness. Also in July, Washington transferred four patrol boats to the Philippine Maritime Police for use off Palawan province in maritime and environmental law enforcement.

Japan is also helping to arm the Philippines. The first of 10 new multi-role response vessels (MRRV) was delivered in August for search-and-rescue operations and improving fisheries protection. Earlier in March, the Philippines became the first Southeast Asian country to sign an agreement with Japan for the transfer of defense equipment and technology. Among the fruits of this agreement is a Japanese commitment to lease five surveillance planes, including a training package for Philippine pilots. The EDCA along with the transfer of US and Japanese ships and aircraft are certainly contributing to the buildup of the Philippines' ability to monitor nearby waters. However, as the Center for New American Security estimated in a May article in *Policy Forum* by Maria Ortuoste, the Philippines needs several more corvettes and frigates, four to six midget submarines, and several *F-16* fighters to be able to patrol its maritime domain. These acquisitions are beyond Manila's plans and budgets.

### **Political concerns in Thailand and Burma**

US interactions with Thailand have been strained since the 2014 military coup that led to a significant reduction in US military relations under a US law that requires the cessation of arms sales to any country that overthrows a democratically elected government. On Aug. 7, Thailand held a referendum on a new constitution written essentially by the ruling military junta. Leading up to the referendum, Thai authorities forbade political campaigns opposing the new document. In May, US Ambassador Glyn Davies expressed concern at the arrest of activists opposing the latest iteration of the constitution saying, "We remain concerned by the continual limits on human rights and fundamental freedoms in Thailand, including undue restrictions on freedom of expression and peaceful assembly, and the practice of trying civilians in military courts, courts that lack free trials." The ambassador went on to urge Thai authorities to "open discussion and public participation in shaping the country's future, including the charter draft and public referendum that will be held in August." These requests not only were ignored by the Thai government, but on May 17 Prime Minister Prayut Chan-ocha angrily responded that the US envoy's negative attitude will "backfire" and that the ambassador's remarks reflect his lack of knowledge about Thailand.

Over the last two years, Thailand has signed weapons orders with China and Russia. High-level visits have been exchanged between Bangkok and Beijing and Moscow. Nevertheless, Thailand still cohosts the annual multi-nation *Cobra Gold* military exercises with the US, although the exercises have been scaled back in the last two years and have emphasized humanitarian assistance and disaster relief more than traditional military scenarios. Thailand's military remains connected to and deeply rooted in US expertise, while arms purchases from new sources complicate the logistics budget and procedures for Thai armed forces.

On a more positive note at the end of June, the US State Department annual Trafficking in Persons Report (TIP) raised Thailand to Tier 2 from the lowest Tier 3 level to which it was assigned in 2014 following the military coup. Upgrading Thailand is expected to have a positive effect on consumers, importers, and retailers in US and European markets. Washington has

stated that the upgrade to Tier 2 is based solely on the improvement in Thailand's Trafficking profile; it is also true that the Tier 2 designation coincides with Thailand's interest in joining the TPP as soon as it is open for new members.

Burma did not fare as well as it went from Tier 2 to the worst TIP level, Tier 3. The downgrade appears to be an attempt to prod Burma's new democratically elected government to curb the use of child soldiers and forced labor. The US move is also directed at the continued persecution of the Rohingya Muslim minority. The lowest TIP designation for Burma came just weeks after the US Treasury Department lifted a broad array of sanctions against the country's banks and businesses in recognition of its democratization efforts. Washington estimates that 125,000 Rohingya are confined to camps under strict travel restrictions. Human rights advocates, while applauding the decision to downgrade Burma's TIP ranking, were concerned about Thailand's upgrade and the decision not to downgrade Malaysia after the discovery last year of more graves along the Malaysia-Thailand border believed to contain trafficking victims.

### **Indonesian President Jokowi and maritime security**

President Joko Widodo (Jokowi) sees Indonesia as a "maritime fulcrum" in Southeast Asia linking the Indian Ocean and South China Sea. Concerned about China's Coast Guard encroaching on Indonesian waters around the Natuna Islands, Jokowi increased Indonesia's defense budget by 16 percent in 2015 and another 10 percent in 2016. The Indonesian armed forces in late June announced the construction of several military bases in the Natunas, augmenting the capacity of Ranai Air Base to accommodate the country's *F-16s*. And, apparently emulating China's strategy of employing fishing fleets to assert sovereignty, in mid-July, Rizal Ramli, coordinating minister for maritime affairs, announced the government plans to move 400 wooden boats to the islands by this October.

The Natunas comprise a group of 272 islands at the northern edge of Riau Islands Province. President Jokowi's "maritime fulcrum" has three main priorities: building sea and air defenses in and around the islands, exploiting fisheries and natural gas production, and developing logistics throughout the Indonesian archipelago. Nevertheless, these plans will take time. In the meantime, Indonesia's Coast Guard and Navy must deal with the incursion of Chinese, Malaysian, and Vietnamese fishing craft into Natuna's waters. Jakarta has captured many of these boats and regularly blows them up.

### **Looking ahead**

A new US Maritime Security Initiative (MSI), announced at the July 2015 Shangri-La Dialogue, has a current budget of \$425 million to strengthen the maritime capacities of Indonesia, Malaysia, Thailand, Vietnam, and the Philippines over the span of five years. Washington hopes to collaborate on establishing a common operating picture in the South China Sea for these countries as well as boosting their interoperability. Ultimately, the MSI would augment the US "hub and spokes" structure for its Asian alliances. The hope is that greater cooperation among these countries with Washington will reduce some of the operational burden on the US. This is a tall order, especially given US defense budget constraints. It will be up to the next president to determine whether Asia retains the priority the Obama administration aspired to give it.

## **Chronology of US - Southeast Asian Relations**

### **May – August 2016**

**May 2-12, 2016:** ASEAN Defense Ministers Meeting Plus (ADMM+) naval exercise hosted by Brunei includes three Russian warships for the first time.

**May 3, 2016:** Myanmar's Foreign Ministry asks the US Embassy to stop using the term "Rohingya" in referring to the persecuted Muslim community in Burma. US Ambassador Scot Marciel says it is normal to call a people by the name they wish to be called.

**May 6-8, 2016:** Assistant Secretary of State for East Asian and Pacific Affairs Daniel Russel visits Laos for a series of meetings on the Lower Mekong Initiative, the ASEAN Regional Forum, and the East Asia Summit.

**May 9-10, 2016:** Assistant Secretary Russel visits Vietnam for discussions on maritime security and human rights progress.

**May 10, 2016:** *USS William P. Lawrence*, a guided-missile cruiser, conducts a freedom of navigation patrol near Fiery Cross Reef, an artificial island built by China in the South China Sea. The Philippines, Taiwan, and Vietnam also claim Fiery Cross Reef.

**May 11-12, 2016:** Assistant Secretary of State Russel visits Malaysia, the host for this year's ASEAN-US meetings.

**May 13, 2016:** Vietnam's Foreign Ministry issues a statement ahead of President Obama's May 22-25 visit that a US decision to lift the lethal arms embargo against Vietnam would reflect growing "trust" between the two countries.

**May 16, 2016:** Thai Prime Minister Prayut Chan-ocha excoriates US Ambassador Glyn Davies' criticism of Thailand's human rights situation, claiming the critique would "backfire."

**May 17, 2016:** Obama administration lifts a broad range of sanctions on Myanmar, particularly on state-owned banks and businesses, in recognition of the country's move toward democracy.

**May 22, 2016:** Secretary of State John Kerry meets State Counsellor Aung San Suu Kyi in Nay Pyi Taw. The joint press conference discusses the plight of the country's Rohingya Muslims and Kerry expresses appreciation for Myanmar's commitment to nuclear nonproliferation.

**May 23-25, 2016:** President Obama visits Vietnam and announces that the US arms embargo is now completely lifted.

**May 24-27, 2016:** US and Thailand conduct naval exercise *Guardian Sea* in the Andaman Sea.

**May 25, 2016:** Secretary of State Kerry delivers an address on the establishment of the Fulbright University Vietnam in Ho Chi Minh City.

**June 1-5, 2016:** US and Malaysian naval forces hold annual *Cooperation Afloat Readiness and Training (CARAT)* exercises in Sabah State and Sulu Sea waters. The maneuvers include amphibious landings and gunnery drills.

**June 3-5, 2016:** Most ASEAN defense leaders attend the annual Shangri-La Dialogue in Singapore. US Secretary of Defense Ashton Carter also attends.

**June 6-10, 2016:** US and Philippines conduct *CARAT* military exercise at various locations in and near the Philippines.

**June 6-18, 2016:** US and Cambodia conduct *Pacific Angel* military exercise. They are joined by service members from Australia, Vietnam and Thailand in working with local nongovernmental organizations to provide humanitarian assistance.

**June 14-22, 2016:** The 22<sup>nd</sup> annual US-Thai *CARAT* exercise is held with shore and sea-based events, including air defense, helicopter operations, ASW training, surface warfare maneuvering, and joint amphibious landings.

**June 15, 2016:** Four US Navy *E/A-18 Growler* aircraft and 120 personnel arrive at Clark Air Base to train Philippine pilots for sea patrol.

**June 19, 2016:** US aircraft carriers *John C. Stennis* and *Ronald Reagan* sail together in exercises in the Philippine Sea.

**June 30, 2016:** US government's annual *Trafficking in Persons* [report](#) upgrades the Philippines to the top tier of those with improved records, downgrades Myanmar to the bottom tier, and upgrades Thailand to Tier 2.

**July 6, 2016:** US Ambassador to Burma Scot Marciel visits the segregated Muslim community in Rakhine state and says he will raise their concerns with State Counsellor Aung San Suu Kyi.

**July 8, 2016:** United States turns over four patrol boats to the Maritime Group of the Philippine National Police. The boats will be based on Palawan for law enforcement patrols in what Manila calls the West Philippine Sea (South China Sea).

**July 14, 2016:** US House of Representatives Foreign Affairs Committee passes a resolution, urging Cambodia to improve democracy, rule of law, and human rights before the 2018 general election and end the persecution of opposition lawmakers.

**July 17-19, 2016:** US Assistant Secretary of State Tom Malinowski visits Cambodia and warns that Washington could end bilateral military ties if the Cambodian forces commit human rights violations. He also demands that Phnom Penh drop all charges against the opposition party and permit an independent investigation of the murder of government critic, Kem Lay.

**July 20, 2016:** US Justice Department charges relatives and close associates of Malaysian Prime Minister Najib Razak with embezzling more than \$3 billion from the country's sovereign wealth fund. The US is seeking to seize \$1 billion in US-based assets.

**July 21, 2016:** US Navy and Marines begin 22<sup>nd</sup> annual *CARAT* exercise with Singapore Navy.

**July 25-27, 2016:** Secretary of State Kerry at the ASEAN Foreign Ministers meeting praises ASEAN for speaking up for "a rules-based international order." He also attends the ASEAN Regional Forum and East Asia Summit.

**July 27, 2016:** Secretary of State Kerry visits the Philippines and meets Foreign Secretary Perfecto Yasay as well as President Rodrigo Duterte. Kerry announces a grant of \$32 million for law enforcement training, while also emphasizing the importance of human rights and rule of law in democratic countries.

**July 31-Aug. 5, 2016:** Singapore Prime Minister Lee Hsien Loong visits Washington to meet President Obama and members of Congress, stressing trade and security. The visit also celebrates the 50th anniversary of diplomatic relations.

**Aug. 5, 2016:** Philippine President Duterte accuses US Ambassador Philip Goldberg of interfering in Philippines elections earlier this year, using a slur in referring to the ambassador.

**Aug. 7, 2016:** Thai voters approve a draft constitution put forth by the military government in a referendum, with 61 percent of votes in favor. Critics warn that the constitution would grant inordinate power to the military.

**Aug. 8, 2016:** US State Department says it summoned Philippine Chargé D'affaires Patrick Chuasoto, to discuss President Duterte's "inappropriate" remarks about Ambassador Goldberg.

**Aug. 9, 2016:** Thai Prime Minister Prayuth Chan-o-cha confirms that a general election will take place around November 2017.

**Aug. 10, 2016:** US State Department of State releases its annual *Report on International Religious Freedom*. The report includes specific criticisms of Brunei's implementation of its Sharia Penal Code Myanmar's new laws related to the "protection of race and religion," and Vietnam's recently released draft law on religion and belief.

**Aug. 22-26, 2016:** Fifteenth annual *Southeast Asia Cooperation and Training (SEACAT)* military exercise to collaborate and execute responses maritime security challenges such as smuggling and piracy among naval forces from Singapore, Brunei, Indonesia, Malaysia, the Philippines, Thailand, Bangladesh, Cambodia, and the United States is held with the Singapore Navy's Multinational Operations and Exercises Center (MOEC) as the main coordinating center.