The difficulties of the Trump administration in forging a coherent foreign policy were on display in US relations with Southeast Asia in the early months of 2018. The Department of Defense played an outsized role as both Secretary of Defense James Mattis and Chairman of the Joint Chiefs of Staff Joseph Dunford made visits to the region. The customary menu of multilateral and bilateral exercises with Southeast Asian militaries, including the 37th round of the annual Cobra Gold exercises, reassured security partners of continued defense cooperation. However, piecemeal diplomatic activity by the US underscored perceptions that the Trump administration has downplayed the region’s significance, exacerbated by heightened rhetoric about the still-undefined “free and open Indo-Pacific region.” Chinese assertiveness in the South China Sea and the Rohingya refugee crisis continued to be of mutual concern, but were overshadowed by the emerging dialogue on the Korean Peninsula and growing trade tensions between China and the US, leaving Southeast Asian governments in a reactive mode.
State Department in turmoil, the military leads in engagement

The diplomatic season in Southeast Asia tends to downshift into a lower gear in the early months of the year as the chair of the Association of Southeast Asian Nations (ASEAN) rotates to a new member state, with Singapore assuming that role in 2018. The first of the two annual ASEAN Summits, usually in April, is an internal one, while the second involves ASEAN’s external partners and culminates in the East Asia Summit. By contrast, Southeast Asian relations in support of defense relations are more evenly distributed over the year and are jump-started in February with the conduct of the annual Cobra Gold exercises in Thailand. Cobra Gold is co–chaired by the United States and Thailand and, in the 2018 event, included a total of 29 nations.

The gap between these two cycles for US–Southeast Asia relations was further widened this year by disorganization within the Trump administration. Under the leadership of Secretary Mattis, the Department of Defense continued to function as the premiere foreign affairs agency in Southeast Asia, fielding top officials and reshaping political as well as security relations.

If the Department of State has largely been missing in action in Southeast Asia in recent months, it is because it has been MIA in the broader US foreign policy process. The departure of Secretary of State Rex Tillerson and the nomination and confirmation process for his successor, Mike Pompeo, created a temporary vacuum in US diplomacy worldwide. Moreover, although Southeast Asia benefits from the majority of US ambassadors to the region coming from the career ranks of the Foreign Service, critical policy–level appointments in Washington are still unfilled. All three assistant secretaries of State who have visited Southeast Asia thus far in 2018 serve in an acting capacity. Filling the slot for assistant secretary of State for East Asia/Pacific has been particularly difficult: as a new Congress convened in January, the administration declined to re–nominate Susan Thornton for the position. There appears to be no interest in the administration in identifying, much less nominating, a US ambassador to ASEAN, although there are no signs that the White House will try to eliminate the position.

In March 2018, the Office of Management and Budget’s submission for the Fiscal Year 2019 budget again attempted to slash the international affairs budget by 30 percent compared to FY17. Southeast Asia would feel the impact of this cut not only in constricted diplomacy but also in reduced economic assistance to a number of countries. However, it is expected that this “groundhog day budget” will meet the same fate as the FY18 submission and that Congress will raise funding levels for the State Department and the US Agency for International Development in the appropriations process.

Politically fractured and inward–looking, the US Congress pays less attention to Southeast Asia than in recent years. Some initial steps have been taken to reverse this trend, including the return of a bipartisan Congressional Caucus on ASEAN, established in January 2017 and co–chaired by Representatives Joaquin Castro and Ann Wagner. The Senate has taken up the problem of the Rohingya crisis in Myanmar, with a draft bill introduced by Sen. John McCain that is under consideration by the Senate Foreign Relations Committee.

Removing political obstacles through defense diplomacy

It has therefore fallen to the Department of Defense to maintain a high profile for the United States in Southeast Asia. Accordingly, it has sought to assure regional governments of US staying power, particularly in the South China Sea; increase the US “soft power” quotient through humanitarian assistance and disaster relief; help to maintain dialogue and cooperation on terrorism as Southeast Asia faces new challenges from the Islamic State and like–minded groups; and, in some cases, alter political dynamics in a bilateral relationship through defense diplomacy.
Regular bilateral and multilateral exercises involving US and Southeast Asian militaries, as well as port calls for the visits of US Navy ships, number in the hundreds annually and provide evidence to nervous Southeast Asian governments of continuity in US relations with the region. This does not totally offset fears in the capitals with significant maritime concerns that the United States lacks a strategy to check Chinese militarization of artificial islands in the South China Sea, but it functions as an adequate placeholder for the time being.

In early 2018, two high-profile visits to the region by US defense officials provided two of the few headlines in US relations with Southeast Asia. The visit to Indonesia and Vietnam by Secretary of Defense Mattis in January was steeped in substance and symbolism. Both countries are in DoD’s sights as emerging security partners – but not treaty allies – of the United States, each with significant maritime issues with China. Mattis was traveling on the heels of the release of the US National Defense Strategy (NDS), one tenet of which is to build stronger security relationships and networks in regions such as Southeast Asia to keep ahead (or at least abreast) of China and Russia. In Jakarta, Mattis met President Joko Widodo and Defense Minister Ryamizard Ryacudu. During his visit, Mattis sought not only to strengthen US-Indonesian defense ties but also to open the door to a political shift in US views of Indonesia. He stated publicly that he believed Kopassus, the Indonesian special operations unit that was blacklisted by the United States in the 1990s for its human rights abuses in East Timor, had reformed sufficiently and would be an appropriate partner for the US military at this time. For two decades, Indonesian officers have been held to a process known as “Leahy vetting” – named for Sen. Patrick Leahy – which denies US visas and assistance to foreign officers guilty of human rights abuses.

Leahy himself has said that he believes Indonesia has progressed since the Suharto regime used Kopassus as a “criminal enterprise,” but he is not convinced that the unit has been truly transformed. Apart from possible congressional opposition to a full relationship with Kopassus, Mattis may find that Indonesian politics hamper his attempt to renew full ties with Kopassus. In the 2019 presidential elections, Joko is expected to face his strongest competition from Prabowo Subianto, the late Suharto’s former son-in-law, who was associated with Indonesian military Special Forces in the 1990s and banned from entry into the United States. A brisk effort from the Pentagon to re-establish relations with Kopassus during a contentious election could be viewed in Indonesia as an attempt at electoral interference.

Secretary Mattis’ visit to Vietnam, his first to the country, coincided with the 50th anniversary of the Tet Offensive. Assuming this irony was intentional, it served as a backdrop for the progress made since then in US-Vietnam relations broadly, and bilateral security ties in particular. In Hanoi, Mattis met Vietnam’s President Tran Dai Quang; Communist Party Secretary General Nguyen Phu Trong; and Defense Minister Ngo Xuan Lich. He pronounced Vietnam and the United States to be “like-minded countries,” and gave as examples of common norms respect for freedom of navigation, for international law, and for national sovereignty. Mattis also thanked the Vietnamese leaders for adhering to sanctions on North Korea, implicitly acknowledging that doing so had come at some economic cost to Vietnam.

The main “deliverable” of Mattis’ trip to Vietnam was to come two months later, when the Carl Vinson Strike Force – comprised of nuclear-powered aircraft carrier USS Carl Vinson; cruiser USS Lake Champlain; and destroyer USS Wayne E. Meyer – arrived in DaNang. The visit marked the first docking of a US aircraft carrier in Vietnam since the Vietnam War. With a gesture to the past, members of the Carl Vinson Strike Force crew visited a treatment center for Vietnamese who had been exposed to Agent Orange.
Dunford leads on ties with Thailand

In February, Gen. Joe Dunford, chairman of the Joint Chiefs of Staff, visited Bangkok and met Prime Minister Prayuth Chan-ocha and Army Chief Gen. Ranchaiyan Srisuwan. Dunford’s visit was intended to reaffirm the US-Thailand alliance and consult in advance of the Cobra Gold exercises later that month. In contrast to recent years, when continuation of Cobra Gold was held to be in doubt (if only in theory) because of the 2014 coup in Thailand, there seemed to be little doubt that the exercises would go forward as usual.

As with Mattis’ visit to the region, Dunford reaffirmed US defense ties with the host country but also effected a political change. He was the first chairman to visit Thailand since 2012, breaking the implicit ban on visits to Bangkok by high-level US defense officials because of the coup. Although careful to refer to the Thai government’s pledge to hold elections by the end of 2018 – a promise that the Prayuth government may not fulfill – Dunford reinforced views that the Trump administration has taken a more realpolitik approach to Thailand than did Obama.

Alliance maintenance

Dunford’s visit to Thailand was occasioned in part by perceptions that Thailand is drifting toward China because of recent discord with the United States, primarily over the 2014 coup. Although there is some truth to this, it oversimplifies Bangkok’s historical and complex need to balance — and continually rebalance — its foreign relations across the board, a practice that helped Thailand be the only Southeast Asian country not to be colonized by a Western power in the 19th century.

Since the end of the Cold War, Thailand has sought to balance relations with Washington and Beijing. It looks to the US for security and to China for economic growth. However, tensions exist within each of these functions. The US response to the 2014 coup and, more recently, the seeming distraction in Washington that cuts into most US foreign relations, remind Bangkok that constant adjustments are needed in Thailand’s security policy. This is not necessarily zero-sum, however: a diminution in defense relations with Washington does not mean an automatic realignment toward Beijing. In the long run, Washington’s challenge in maintaining the US-Thailand alliance is not in countering China, but in bringing the alliance into the 21st century, since Thailand and the United States no longer share a common and vital threat to their national security.

Thailand is often less than happy with its economic relations with China. It aspires to rise rapidly up the supply chain and needs deeper trade ties to the United States, the European Union and Japan to do so. Bangkok and the European Union have agreed to resume talks on a free trade agreement later this year; negotiations were suspended following the 2014 coup.

Japan’s economic value to Thailand as a rival of China is not only in foreign direct investment – it remains Thailand’s largest investor – but also in infrastructure projects. The Japan Bank for International Cooperation has proposed that Japan and China come together to build a high-speed railway system in Thailand, the first-ever attempt for these two countries to cooperate on an infrastructure project in a third one. In this way, Tokyo hopes to capitalize on China’s Belt and Road Initiative but also to blunt China’s edge in building infrastructure in Southeast Asia.

The United States is not competitive in this sector – US infrastructure proposals tend to be too costly and lack concessory funding for the host country – but Washington has a stake in a more multilateral approach to infrastructure in Southeast Asia. However, Bangkok has signaled that it expects a stronger economic relationship with the US and is pressing Washington for bilateral trade concessions.

Maintenance of the US-Philippines alliance is centered more squarely on security issues – both the South China Sea and terrorist threats, particularly in Mindanao. Following a successful meeting between Presidents Trump and Duterte in Manila in November 2017, the relationship appears to have levelled off. Opinion polling suggests that the Philippine public has confidence in US leadership – the highest in Southeast Asia – and that there is continued receptivity to the US-Philippine alliance. This was shored up in March by the US transfer to the Philippines Air Force of the Scan Eagle Unmanned Aerial System, through the Foreign Military Financing (FMS) program.
Under Duterte, Manila continues to play Beijing off against Washington and, not unlike Thailand, attempts to balance an alliance with the US with a growing economic relationship with China. There is some greater attention from the US to economic relations with the Philippines, not only because of the alliance but also because of strong Philippine growth rates. A possible US-Philippines free trade agreement is not likely to materialize despite casual references by Trump to such a deal, but they have had a mildly positive impact on Manila. However, neither China nor the United States is an important investor in the Philippines: they are both outdistanced by Japan, Taiwan, Singapore, and the Netherlands.

For the time being, Washington and Manila will have difficulty enough forging a clear path for the alliance. Last year’s siege in Marawi City brought counterterrorism more into the center of the alliance, but closer cooperation on this issue has also brought charges from Duterte that botched operations are the fault of US rather than Philippine forces.

At the same time, there are growing signs that Duterte’s compromises with China on maritime issues may be coming apart. In recent months, proposed joint development of disputed features has become a political football in Philippine politics. Any genuine joint development agreement (JDA) would have to overcome Philippine constitutional barriers and, moreover, may not square with the 2016 UNCLOS Arbitration Tribunal decision. Lacking the silver bullet of a workable JDA, Duterte will continue to rely on Washington for security assistance, albeit grudgingly.

Disenchantment over trade

Southeast Asian countries that are members of the Trans-Pacific Partnership – or that aspire to join – suffered another (albeit more minor) disappointment in April when President Trump hinted that he was considering backtracking on his decision to withdraw the United States from the TPP. On April 12, he told a Congressional group that he had instructed the US Trade Representative Robert Lighthizer and new White House Economic Advisor Lawrence Kudlow to study the possibilities of the US rejoining the TPP. A week later, however, he posted a message on Twitter that decried the trade regime as bad for the United States. In the interim, members of the Comprehensive and Progress Trans-Pacific Partnership (the successor to TPP, sometimes called the TPP 11) made public their agnostic views of welcoming Washington back into the agreement, having just agreed upon a revised framework.

Trump’s maneuver was more likely an attempt to resolve differences within the White House on trade, a contest that hardliners such as White House trade advisor Peter Navarro appear to have won. While the Obama administration attempted to sell the TPP as a means of countering China’s growing economic dominance, the Trump White House views the agreement as a liability in stemming Chinese trade. It reasons that China would transship products through TPP members such as Vietnam, which are heavily dependent on Chinese materials in manufacturing.

At this point, few if any Southeast Asian governments believe that they can improve trade relations with the United States under the Trump administration. In early 2017, the White House declared that it would shelve multilateral trade agreements in favor of negotiating bilateral ones, but no Southeast Asian country appears to be a serious candidate for a stepped-up agreement.

Instead, Southeast Asian governments are now more focused on avoiding tariffs and other restrictions on trade with the United States that would worsen current trade dynamics. At the April rounds of discussion on the US-Thailand Trade and Investment Framework Agreement (TIFA) hosted by the USTR, Washington pressed Bangkok on reducing the US trade deficit with Thailand. Bangkok’s objective was primarily damage control: to avoid a review of its Generalized System of Preferences; to stay off the list of countries censured for attempts to use the currency exchange market to US disadvantage; and to seek an exemption from US tariffs on steel and aluminum.

But all trade shifts create winners and losers, and Southeast Asia contains both in the steel and aluminum tariffs. Barriers to steel imports to the United States could flood Southeast Asia with cheap steel as Chinese companies compete with steel exported from Russia and Turkey. High growth countries such as Vietnam and the Philippines will benefit. However, it will also disadvantage Southeast Asian steel producers, such as Thailand, and thwart ASEAN plans to develop steel self-sufficiency for the region.
The Rohingya crisis

Although an agreement between Bangladesh and Myanmar to begin repatriation of the 600,000-plus Muslim Rohingya refugees back to Rakhine State is in place, there has been little evidence of implementation. Many Rohingya are reluctant to return to Myanmar without sound guarantees of their safety. They fear permanent confinement in holding camps under the Tatmadaw, Myanmar’s military. Satellite pictures of the military’s destruction of Rohingya villages left empty by the flight of refugees reinforces this fear.

ASEAN’s ability to influence the situation appears to be limited to official statements of concern. Notwithstanding the ASEAN principle of noninterference in the internal affairs of a member state, Indonesia and Malaysia advocate collective action of some kind, arguing that the refugee crisis affects the region as a whole. Hoping to dodge regional criticism, Myanmar State Counselor and Foreign Minister Aung Sang Suu Kyi declined to attend the ASEAN Summit in Singapore April 27–28, the first ASEAN Summit she has missed since 2016. In the end, the chairman’s statement from the Summit delivered a fairly standard paragraph on the Rohingya crisis, noting continuation of the crisis but praising the efforts of the Myanmar and Bangladesh governments to resolve it.

The State Department applied two instruments to help alleviate the Rohingya crisis in early 2018. In January, it declared Myanmar to be a “country of particular concern” (CPC) under the Religious Freedom Act. This designation allows the secretary of State to impose sanctions, but none as yet have been announced. In April, the State Department announced an additional $50 million in humanitarian assistance to help resolve the crisis.

Congress has also acted in the face of the continuing crisis. The Senate Foreign Relations Committee is in the process of considering S2060, the Burma Human Rights and Freedom Act of 2018. Introduced by Sen. John McCain, the bill would reinstate import restrictions on jade and ruby imports from Myanmar and urge the administration to place additional Burmese military officials involved in atrocities in Rakhine State on the Specially Designated Nationals (SDN) list. An SDN designation prohibits an individual from entering the United States and freezes his or her assets. The bill is given a 50 percent chance of passing before Congress adjourns in December, although five other bills imposing sanctions on Myanmar voted into law over the past 20 years remain on the books, even though most of the provisions of those bills were lifted by executive order during the Obama administration.

Wariness about a “Free and Open Indo-Pacific Region”

Since last fall’s APEC Leaders Meeting and East Asia Summit, Southeast Asian leaders have sought clarification from the four “Quad” governments – the United States, Japan, Australia, and India – about the scope and implications of the Indo-Pacific concept for the Asia-Pacific region. A minimal interpretation – increased efforts to include India in regional activities – is generally acceptable to Southeast Asian governments. However, many leaders are bothered by more extensive interpretations of the concept and fear that it would reconfigure regional architecture to downgrade “ASEAN centrality” as the foundation for regional forums and exercises.

These explanations are difficult to obtain from US policymakers, although they all have language on an Indo-Pacific region in their talking points, because there has been little discussion on this concept in Washington. Singapore Prime Minister Lee Hsien Loong expressed skepticism and warned that it could divide the region into blocs. At the April ASEAN Summit, Indonesian President Widodo called for a proactive attempt on ASEAN’s part to ensure that an Indo-Pacific framework did not replicate existing regional structures. He also urged that Beijing be brought into an Indo-Pacific community from the beginning, to avoid the perception that its main purpose was to contain China.

Looking ahead

Southeast Asian leaders are cautiously optimistic that US diplomatic activity in the region will pick up with the confirmation of Mike Pompeo as secretary of State. Relations will be buoyed to some extent as the ASEAN season moves into full swing with the ASEAN Regional Forum in August and the East Asia Summit in November. As the ASEAN Chair, Singapore’s strong relationship with the United States will help to keep Washington engaged.
Singapore hopes to play a larger role than normal. In late April, Prime Minister Lee stumped to make Singapore the venue for the prospective and much-publicized meeting between President Trump and North Korean leader Kim Jong Un. The city-state maintains diplomatic relations with both countries, but in proportions far more favorable to the United States. Playing this role would be an achievement not only for Singapore but also for ASEAN, and would reaffirm the group's claim that “ASEAN centrality” remains a valid foundation for Asia-Pacific regional architecture.

However, Southeast Asian leaders have by now accepted that they are not likely to receive sustained attention from Washington during the Trump administration, particularly in economic relations. The lack of clear policy objectives from the administration continues to raise questions about US reliability as a security partner as well. Southeast Asian governments will not eschew opportunities to improve relations with the United States; however, they will also invest time and attention in cultivating stronger relations with a broader spectrum of regional powers to hedge against US disinterest and isolation.
CHRONOLOGY OF US-SOUTHEAST ASIA RELATIONS

JANUARY – APRIL 2018

Jan. 4, 2018: Primarily because of the continuing crisis with Rohingya refugees, the State Department redesignates Myanmar as a “country of particular concern” on religious freedom.


Jan. 22–24, 2018: Secretary of Defense James Mattis visits Indonesia, the first of two stops in Southeast Asia to strengthen what the National Defense Strategy terms “networked security architecture” while addressing a range of bilateral and multilateral issues, including the situations in Iraq and Syria.

Jan. 24–25, 2018: Secretary Mattis visits Vietnam, his first trip to the country but the sixth visit by a US secretary of defense.

Feb. 5, 2018: At the Singapore Air Show, Acting Assistant Secretary of State for Political-Military Affairs Tina Kaidanow urges Southeast Asian governments to purchase US military equipment as a means of upholding freedom of navigation in the South China Sea.

Feb. 7, 2018: Chairman of the Joint Chiefs of Staff Gen. Joe Dunford meets Thailand’s Prime Minister Prayuth Chan-ocha and Army Chief Gen. Ranchaiyan Srisuwan in Bangkok. Dunford is the first chairman to visit Thailand since 2012.

Feb. 8 – 13, 2018: Acting Assistant Secretary of State for Consular Affairs Carl Risch visits Cambodia, Thailand, and Myanmar to discuss legal obligations to accept the return of those countries’ nationals that have been ordered removed.

Feb. 13, 2018: 2nd Lt. Catherine Mae Gonzales becomes the first female aviator from the Philippines to be selected for the Aviation Leadership Program, a US Air Force scholarship.

Feb. 21–25, 2018: Two US Congressional delegations, from the House Appropriations Committee and the House Judiciary Committee, visit Laos to discuss Lao government efforts to strengthen the rule of law and counter corruption.

March 5–10, 2018: Aircraft carrier USS Carl Vinson visits DaNang, accompanied by cruiser USS Lake Champlain and destroyer USS Wayne E. Meyer, the first docking of a US aircraft carrier in Vietnam since the Vietnam War.

March 5, 2018: Amphibious assault ship USS Bonhomme Richard arrives in Manila for a port visit, enabling US crew members to provide assistance to some of the 90,000 Filipinos displaced by the eruption of the Mayon volcano in January.

March 12–23, 2018: US and Indonesian air forces conduct Cope West 2018 exercises, designed to strengthen interoperability. The air forces fly 136 sorties and cover a broad range of capabilities, from air-to-air fighter training to aircraft maintenance.

March 14, 2018: The US turns over the Scan Eagle Unmanned Aerial System to the Philippine Air Force; the $13.2 million system is provided through the Foreign Military Financing (FMS) grant program.

March 26, 2018: Deputy Secretary of State John Sullivan meets Indonesia’s Foreign Minister Retno Marsudi and Malaysia’s Foreign Minister Anifah Aman in Washington, in the context of establishing bilateral strategic partnerships with both countries.
March 29–April 13, 2018: Southeast Asia phase of annual Pacific Partnership exercises opens in Brgnkulu, Indonesia aboard the USNS Mercy. Involving 800 military and civilian personnel, Pacific Partnership is the largest annual disaster relief exercises in the Pacific region. Subsequent activities are conducted in Malaysia and Singapore.

April 2–3, 2018: Acting Assistant Secretary of State for East Asian and Pacific Susan Thornton visits Malaysia to co-chair the US-ASEAN Strategic Dialogue with Malaysia’s Ministry of Foreign Affairs Secretary General Dato Ramlan Ibrahim.

April 5, 2018: In a statement the State Department says it is “deeply troubled” by the conviction and sentencing of six dissidents in Vietnam.

April 10, 2018: Acting Assistant US Trade Representative for Southeast Asia Karl Ehlers meets Thai trade officials in Washington, to discuss reducing the US trade deficit with Thailand and other issues under the US-Thailand Trade and Investment Framework Agreement (TIFA).

April 11, 2018: Aircraft carrier USS Theodore Roosevelt and guided missile cruiser USS Bunker Hill arrive in Manila for a port visit.

April 11–12, 2018: US Pacific Air Forces hosts first airman–to–airman talks with the Indonesian Air Force at Joint Base Pearl Harbor-Hickam. Expected to become an annual event, the two air forces discuss a broad spectrum of issues, from aviation safety to cybersecurity.

April 12, 2018: In a meeting with members of Congress, President Trump reveals that he has asked US Trade Representative Robert Lighthizer and White House economic advisor Lawrence Kudlow to study the benefits and drawbacks of rejoining the Trans-Pacific Partnership, raising hopes in the region, especially with Vietnam, of a US re-entry.

April 18, 2018: President Trump tweets that “While Japan and South Korea would like us to go back into TPP, I don’t like the deal for the United States.”

April 23, 2018: State Department announces $50 million in additional aid to address conditions of Rohingya refugees and other affected population in Myanmar’s Rakhine State.


April 27, 2018: In the 2018 Special 301 Report, US Trade Representative places Indonesia on the Priority Watch List for failure to protect intellectual property rights or otherwise deny market access to US companies that rely upon protection of IPR. Of less concern, Thailand and Vietnam were placed on the Watch List for IPR.