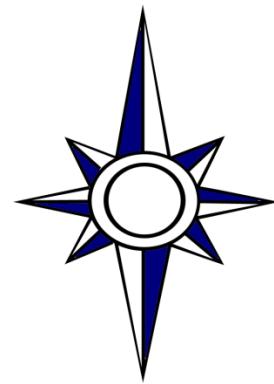


# Comparative Connections

A Triannual E-Journal on East Asian Bilateral Relations



## US-Southeast Asia Relations:

### Philippines – An Exemplar of the US Rebalance

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The Philippines under President Benigno Aquino III has linked its military modernization and overall external defense to the US rebalance. Washington has raised its annual military assistance by two-thirds to \$50 million and is providing surplus military equipment. To further cement the relationship, Philippine and US defense officials announced that the two countries would negotiate a new “framework agreement” under the 1951 Mutual Defense Treaty providing for greater access by US forces to Philippine bases and the positioning of equipment at these facilities. Washington is also stepping up participation in ASEAN-based security organizations, sending forces in June to an 18-nation ASEAN Defense Ministers Plus exercise covering military medicine and humanitarian assistance in Brunei. A July visit to Washington by Vietnam’s President Truong Tan Sang resulted in a US-Vietnam Comprehensive Partnership, actually seen as a step below the Strategic Partnerships Hanoi has negotiated with several other countries. Myanmar’s president came to Washington in May, the first visit by the country’s head of state since 1966. An economic agreement was the chief deliverable. While President Obama praised Myanmar’s democratic progress, he also expressed concern about increased sectarian violence that the government seems unable (or unwilling) to bring under control.

#### The rebalance and the Philippines

While the Obama administration’s foreign and defense policies’ rebalance to Asia is portrayed as a “whole of government” endeavor, involving civilian as well as security agencies, its military components have received the most attention, especially in Southeast Asia. China’s maritime claims in the South China Sea have led the ASEAN states to welcome an enhanced US military presence, stepped up joint exercises, and the provision of more military equipment to Southeast Asian allies and partners. Indicative of this regional welcome for an enhanced US military presence was a June statement by Malaysian Navy Chief Adm. Abdul Aziz Jaafar stating that the presence of the US Navy in Southeast Asia will have a positive impact on regional security and that he looks forward to more military exchanges.

Other examples of a growing US military profile in Southeast Asia include Singapore’s offer to host up to four littoral combat ships for exercises with ASEAN navies; the rotational presence of up to 2,500 US Marines and an unspecified number of Air Force combat jets in northern and western Australia; the planned transfer of six destroyers from Europe to the Pacific; and maritime patrol aircraft and UAVs for rotational deployments in Singapore and Thailand as cited by the July 15 edition of *Defense News*. As for concerns that the significant reduction incurred by the US defense budget beginning in 2013 resulting from the wind down of the wars in Iraq and Afghanistan as well as the Congressional sequestration, US Pacific Command (USPACOM)

Commander Adm. Samuel Locklear at the annual Singapore Shangri-La Dialogue in June averred: “Even under the most severe budgetary predictions, the US defense will still make up 40 percent of all defense spending in the world.” Activities that are scheduled to grow include military exercises with allies and partners.

The Southeast Asian state that may arguably be considered the focal point of the US rebalance is the Philippines. A defense treaty ally from 1951, but with one of the weakest navies and air forces in the region, the Aquino government has linked its own program for territorial defense to the US rebalance. Manila has acquired two old *Hamilton-class* ex-US Coast Guard cutters that have become flagships for the navy and will also receive six river patrol boats. It is purchasing 12 FA-50 fighter jets from South Korea to initiate the rebuilding of the Philippine Air Force. The Philippine military’s shopping list also includes radar systems, anti-submarine helicopters, amphibious assault vehicles, and surface-to-air missiles.

Washington also agreed in late July to raise its military assistance to the Philippines by two-thirds from \$30 million to \$50 million. Since 2002, the US has provided the Philippines with \$312 million in military aid as well as surplus equipment such as the two *Hamilton-class* cutters. In fact, President Benigno Aquino has laid out a \$1.82 billion multi-year military modernization program emphasizing the navy. Washington has been approached with the shopping list described in the preceding paragraph. In discussions with the US, these acquisitions will be designed to improve maritime domain awareness in what the Philippines has named the West Philippine Sea.

In addition to building its own capabilities, Manila is also increasingly relying on the US Seventh Fleet. On July 31, Foreign Secretary Albert del Rosario stated that US Navy surveillance aircraft have been providing “crucial intelligence on Chinese military activities” in disputed areas of the South China Sea for the past several years. Also in July and August, Philippine and US defense officials announced that upcoming negotiations would provide for greater access by the US military to Philippine bases through a new “framework agreement” that would be “nested” under the 1951 Mutual Defense Treaty, therefore not requiring any additional action by the Philippine Congress. Both sides also affirmed that no new agreement would provide for either a permanent US military presence or the basing of US combat aircraft, which is prohibited under the Philippine constitution. The proposed framework agreement would authorize the positioning of US equipment and the rotation of more US personnel for longer periods of time than currently allowed on Philippine military bases. During a visit back to the Philippines in early July, Manila’s ambassador to Washington praised the prospect of greater US troop access to the Philippines as paving the way for more joint military training and modernization for the Philippine armed forces.

Parallel to the US rebalance for the Philippines is the establishment of a strategic partnership with Japan on July 27. With the beginning of Prime Minister Abe’s second term, maritime security cooperation has become a main pillar in Japan-Philippine strategic cooperation. Japan’s approach has been capacity building of the Philippine Coast Guard by providing 10 patrol boats through a loan agreement. As Manila’s only strategic partners, President Aquino has offered access for the US and Japan to Subic Bay Naval Base, the former US naval facility facing the South China Sea. Moreover, the Philippine government has stated that it supports a rearmed

Japan to balance China in the Asia-Pacific even if Tokyo amends its pacifist constitution. For Japan, maritime assistance to the Philippines may be a way of diverting some of China's naval assets away from the East China Sea. As Japan's defense minister put it in a June visit to the Philippines, the two countries would cooperate "in terms of the defense of remote islands." More broadly, Prime Minister Abe in his July 27 press conference stated: "I intend to attach particular importance to our relationship with ASEAN." ASEAN members Brunei, Malaysia, Vietnam, and the Philippines are all involved in overlapping maritime claims in the South China Sea.

President Aquino's offer of the use of Philippine bases to the US and Japan has elicited condemnation from Philippine nationalist and leftist commentators as an attack on the country's sovereignty. In late June, Sen. Juan Ponce Enrile stated that the bases offer would be a violation of the 1999 Visiting Forces Agreement (VFA) which provided only for temporary deployments of US soldiers. The new arrangement seems to allow them to stay in the Philippines for an unlimited period. Philippine Defense Secretary Voltaire Gazmin replied to this concern by differentiating the situation of US forces and potentially those from Japan. The latter, he explained, could only have access to Philippine facilities after Tokyo and Manila negotiate a separate VFA. However, US forces, according to Gazmin, would be able to preposition aircraft to be used in exercises with the Philippines to save on turnaround time and fuel instead of having to bring them from bases in Hawaii, Guam, or Okinawa. Gazmin went on to assure Filipinos that the United States and various allies would not be permitted to build their own bases in the Philippines. Their forces would be located on Philippine facilities.

Former Philippine presidential spokesman Ricardo Saludo in the July 13 issue of *The Manila Times Online* warned that the permanent deployment of US and Japanese forces in the country would make China add these facilities to its ballistic missile targets, thus bringing the Philippines closer to war with the PRC. At the very least, Saludo claimed, China would increase its own naval deployments in the South China Sea to balance any US and possibly Japanese permanent air and naval presence in the Philippines.

In August, the Philippine Department of Foreign Affairs – in hopes of dampening the controversy over an enhanced US military presence through the VFA – stated that the negotiations under way would simply be an executive agreement under existing defense pacts and within the bounds of the Philippine constitution. This statement was in response to a claim by Sen. Miriam Defensor-Santiago that any base access agreement would require Senate concurrence. So, the traditional disagreement continues between those nationalists and leftists who view any enhanced US military role in Philippine defense to be a retrogression toward the country's colonial history vs. the mainstream Philippine leadership who believe that Washington can help the Philippines build its own defense capacity and in an extreme security confrontation with China could be called upon for protection under the 1951 Mutual Defense Treaty. In practical terms, for the Manila government, the Philippine-US relationship constitutes a deterrent against PRC adventurism.

### **ASEAN and maritime multilateralism**

A major goal of the US rebalance is to enhance maritime stability in Asia-Pacific waters. As Asian nations build up their own navies, there is a need for "rules of the road." Hence, for

several years the ASEAN states have attempted to craft a code of conduct (CoC) for the South China Sea. A milestone was reached on Aug. 14 in Thailand when a two-day informal meeting of ASEAN foreign ministers agreed to a united front in future discussions of a draft code with China scheduled for the end of August and mid-September. The US has long supported this projected CoC, most recently in another endorsement by USPACOM Commander Adm. Locklear at the June Shangri-La Dialogue in Singapore and by Secretary of State John Kerry at the July ASEAN Regional Forum. At the Shangri-La conference, Secretary of Defense Chuck Hagel for the first time invited all ASEAN defense ministers to meet in Hawaii in 2014. Other recent indicators of Washington's augmented ASEAN ties include participation in the Expanded ASEAN Defense Forum and a proposal for an expanded ASEAN seafarer training program as well as a promise to join the Regional Cooperation Agreement on Combating Piracy and Armed Robbery (ReCAAP). The Obama administration has raised US participation in all ASEAN-based organizations as another sign of acknowledging Southeast Asia's importance.

Among the most intriguing of Washington's enhanced ASEAN endeavors has been US participation in ASEAN Defense Minister Meetings Plus (ADMM+) activities. In the past year, under ADMM+ auspices, the US and Indonesia are cohosting antiterrorism training in September, and in June elements of the US Pacific Fleet participated in an 18-nation joint exercise in Brunei focusing on military medical cooperation involving humanitarian aid and disaster relief.

### **The US and Vietnam: approach-avoidance relations**

In discussions with an official of the Institute for South China Sea Studies of the Diplomatic Academy of Vietnam in June, this author was told that Vietnam would like to have joint naval exercises with the United States as well as support to build Vietnam's own capacity for maritime protection. Hanoi would welcome training from both the US and Japan. More specifically, the official asked for US and Japanese attention to Vietnam's Coast Guard and that Washington share more real time technical intelligence on developments in the South China Sea. Nevertheless, State Department officials also in June told a congressional subcommittee that weapons sales to Vietnam are on hold until the country's human rights situation improves. Hanoi has jailed 43 dissidents in the first six months of this year, twice the pace of 2012. According to testimony by then Acting Assistant Secretary of State for East Asian and Pacific Affairs Joseph Yun on June 5, "more than 120 political prisoners are in jail for exercising their right to freedom of expression."

In a series of background briefings in July by Carlyle Thayer, a well-known Vietnam expert from Australia, burgeoning trade relations between the United States and Vietnam were detailed. President Truong Tan Sang's July 24-26 visit to Washington where he met President Obama elicited the announcement of a "US-Vietnam Comprehensive Partnership" to provide an "overarching framework" for advancing the relationship. However, this designation is somewhat less than the strategic partnership first broached by Secretary of State Hillary Clinton in 2010. In fact, Hanoi has formed strategic partnerships with 11 countries since 2001, but not yet with the United States. Thayer speculates that hard liners in the Hanoi leadership did not want to elevate the relationship to that level. The less formal comprehensive partnership is neither a plan of action nor a high-level coordination body; it will create dialogue mechanisms at the ministerial

level for political and diplomatic relations, economic ties, science and technology education, environment and health, war legacy issues, defense and security, human rights, and culture, sports, and tourism. However, these sectors are already subjects of bilateral discourse. There are no innovations here.

Nevertheless, President Sang's visit may be judged a success as it was the first high-level meeting in five years and included an agreement for regular consultation at the foreign minister level. Additionally, Vietnam decided to apply for membership in the trade-based Trans-Pacific Partnership (TPP). Also noteworthy is that the visit's concluding joint statement included specific references to cooperation between the US oil companies Exxon Mobil and Murphy Oil with Petro Vietnam. Sang also reached out to both houses of Congress, State Department, and the influential think tank Center for Strategic and International Studies. Meeting Secretary Kerry, he emphasized that "major powers, including the United States, have an important responsibility in dealing with hot spots in the region such as the East Sea [South China Sea]."

### **Myanmar: A White House visit but continued human rights concerns**

President Thien Sein's May visit to the White House, the first by Myanmar's head of state since 1966, followed by six months President Obama's historic trip to Myanmar. Departing from official State Department policy, Obama repeatedly referred to the country as Myanmar as a sign of respect of the government's reform agenda. Emphasizing economic relations, a long awaited Trade and Investment Framework Agreement (TIFA) was signed on May 21, establishing a dialogue on trade as well as an understanding that International Labor Organization standards should be followed by Myanmar's workers. The two governments also pledged to build transparency in the country's notoriously corrupt energy sector where opacity constitutes a significant obstacle to US companies' entry.

Human rights groups criticized President Obama for inviting Thein Sein at a time when depredations against Muslims continue throughout the country. Hundreds of thousands have been displaced, and there is little indication that security forces are doing anything to prevent the attacks and may even be complicit in them. Nevertheless, most US economic sanctions have been lifted, and the Treasury Department is now permitting US companies to offer financial services and make new investments. Limitations on military assistance to Myanmar continue, however, including the prohibition of the country's armed forces personnel to attend the International Military Education and Training (IMET) – in this author's opinion an unwise policy given the fact that IMET emphasizes the importance of civilian leadership and respect for human rights in civil-military relations.

The US Congress, too, has expressed dismay at the behavior of Myanmar's military. The June National Defense Authorization Act asks the Department of Defense to determine the military's responsibility for human rights abuses "before expanding military-to-military cooperation beyond initial dialogue and isolated engagements." Moreover, effective July 1, US companies doing business in Myanmar must issue public reports detailing the steps they are taking to respect human and labor rights, protect the environment, and avoid corruption. Although there are no explicit penalties for noncompliance, the US Chamber of Commerce lobbied against these requirements as making US businesses less competitive than their European

competitors. Among the requirements is a provision to report any payment exceeding \$10,000 to government agencies, any contact with the Myanmar military, arrangements with private security companies, and the specifics of any purchases of land or real property.

On a separate dimension, Washington remains concerned about continued military cooperation between Myanmar and North Korea. US Assistant Secretary of State Philip Crowley on July 17 at a press briefing stated that Nay Pyi Daw needed to clarify military cooperation with the DPRK in building an underground nuclear complex. The North Korean relationship is troubling to the United States and, on July 2, the Obama administration sanctioned a Myanmar general for arms trade involvement with Pyongyang. US citizens are barred from doing business with Lt. Gen. Thein Tay, the head of Myanmar's Directorate of Defense Industries. A US Treasury official stated that the proceeds from these sales "directly support North Korea's illicit activities." The US action stopped short of penalizing the Myanmar government, which has continued to take "positive steps" in severing its military tie with Pyongyang.

In fact, two members of Thein Sein's delegation meeting President Obama in May were among Myanmar's most senior generals, who had changed their uniforms for business suits. A few years ago their presence in Washington would have been impossible due to sanctions against the regime. Now, their welcome was a signal that the US accepted the military's entrenched grip on power. While the military's monopoly and dominance of industries have been significantly eroded, their control of internal security has not. In collaboration with the notorious national police, they have for the most part stood aside while Buddhist mobs have beaten Muslim citizens and destroyed their homes and businesses. Currently, there is little evidence that sectarian violence in Myanmar is abating or that the government is moving to repress it. Thus, a whole new problem arises in US-Myanmar relations.

### **A few concluding thoughts**

US policies toward Southeast Asia have an almost schizophrenic quality. On the one hand, the rebalance represents US strategic interests, working to enhance bilateral diplomatic relations with allies and partners and helping their armed forces to build their defense capacities. On the other hand, Washington seems to interfere in the domestic politics of several states – Philippines, Vietnam, Burma, Laos, and Cambodia – criticizing their human rights records as well as rampant corruption. The Philippines is taken to task for extra-judicial killing of journalists, Vietnam and the other Indochinese states for jailing political dissidents and suppressing demonstrations against land seizures, and Myanmar for its growing sectarian violence. While these US policies seem contradictory, they are probably the inevitable outcome of a liberal, democratic great power's support for both the regional defense status quo and the promotion of human rights and good governance. This dynamic tension in US foreign policy complicates the rebalance, though there is probably no way to square this circle.

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

### **May - August 2013**

**May 2, 2013:** US lifts a sweeping ban on visas for Myanmar officials, further easing sanctions despite the increase in ethnic violence. Nevertheless, Washington extends Myanmar's "national emergency status" because of continued human rights problems.

**May 2, 2013:** US Defense Department report to Congress notes that Myanmar has still not stopped the import of weapons from North Korea.

**May 6, 2013:** Joint statement is released by the 26<sup>th</sup> ASEAN-US Dialogue in Washington. Discussions include political-security, economic, and socio-cultural issues and attendees include senior officials of all member states and the ASEAN Secretariat.

**May 6, 2013:** Thai Foreign Minister Surapong Tovichakchaipol visits Washington with talks emphasizing security ties.

**May 16, 2013:** Soldiers from Idaho National Guard engage in a joint peacekeeping exercise with elements of the Cambodian Army. This is the fourth joint effort begun originally in 2000.

**May 20, 2013:** Myanmar's President Thein Sein meets President Obama who, while praising the country's political reforms, states that it must release more political prisoners and take steps to end ethnic violence against Muslims.

**May 20, 2013:** State Department's annual report on religious freedom voices alarm at the lack of "any improvement in religious freedom" in Myanmar.

**May 21-29, 2013:** US and Indonesia conduct annual *Cooperation Afloat Readiness and Training (CARAT)* exercises, involving four Indonesian and three US ships and 4,000-5,000 personnel.

**May 31-June 2, 2013:** At the 12<sup>th</sup> annual Shangri-La Dialogue in Singapore US Defense Secretary Chuck Hagel reassures Asia that the US would maintain its "decisive military edge" in the region. He also invites ASEAN defense ministers as a group to meet in Hawaii in 2014.

**June 3-7, 2013:** US and Cambodia conduct an air transport exercise with a number of other countries participating. The biannual exercise includes air drops of humanitarian aid. US Ambassador William Todd affirms the exercise is part of the US rebalance.

**June 6, 2013:** Malaysia's naval chief Abdul Aziz Jaafar states that the US Navy's presence in Asia has a "positive impact" and helps maintain peace and stability.

**June 7, 2013:** US Pacific Fleet command ship, *USS Blue Ridge* visits Malaysia's Port Klang for four days, its first port call in Malaysia since 2008.

**June 15-23, 2013:** Littoral combat ship *USS Freedom* takes part in a *CARAT* exercise with Malaysia.

**June 17, 2013:** US State Department annual report on persecution of minorities criticizes the Indonesian government for failing to prevent attacks and apprehend those responsible for the destruction of one of the country's two remaining synagogues.

**June 17-20, 2013:** ASEAN Defense Ministers Plus group, including the US, carries out a humanitarian assistance exercise involving over 2,000 personnel from 18 countries in Brunei.

**June 18, 2013:** US Secretary of the Navy Ray Mabus in Manila discusses security issues with Philippine Defense Secretary Voltaire Guzman and Philippine Armed Forces Chief of Staff Emmanuel Bautista.

**June 20-26, 2013:** Gen. Do Ba Ty, chief of the General Staff of the Vietnam People's Army, visits the Pentagon and meets Chairman of the Joint Chiefs of Staff Gen. Martin Dempsey, the first such high-level visit nearly 40 years after the Vietnam War.

**June 22, 2013:** US State Department's annual trafficking in persons report contains a blistering indictment of Thailand for the fourth consecutive year for corrupt officials engaging in sex trafficking as well as protecting sweatshops.

**June 25, 2013:** Myanmar bans the July 1 issue of *Time* magazine because its cover article attributes anti-Muslim violence to Buddhist terrorism. The cover features the photo of a controversial monk accused of encouraging the violence.

**June 27, 2013:** Defense Secretary Voltaire Guzman states that Manila can allow the United States, Japan, and other allies to use Philippine bases to help the Philippines roll back China's extensive claims in the West Philippine Sea (South China Sea).

**June 28-July 2, 2013:** The US and Philippine navies hold their annual *CARAT* exercises which includes an exercise off the coast of Zambales province near the China-occupied Scarborough Shoal. The exercise emphasizes interoperability and involves desk top as well as sea maneuvers.

**July 1-2, 2013:** Secretary of State Kerry attends his first ASEAN-US Foreign Ministers Meeting followed by the annual meeting of the ASEAN Regional Forum in Brunei.

**July 2, 2013:** US Treasury Department sanctions a Myanmarese general in charge of military procurement for continuing to purchase military equipment from North Korea – a practice prohibited by US law and UN Security Council resolutions.

**July 12, 2013:** Cambodian Prime Minister Hun Sen, after US State Department pressure, pardons exiled opposition leader Sam Rainsy, allowing him to return to Cambodia in time for the July 28 general election, although he is subsequently barred from seeking election.

**July 15-26, 2013:** US and Singapore hold their annual *CARAT* exercises, focusing on maritime warfare capabilities and involving 1,400 personnel. It is the first Singapore *CARAT* involving the littoral combat ship *USS Freedom*.

**July 18, 2013:** Vice President Joe Biden at George Washington University delivers a speech prior to his trip to India and Singapore, emphasizing that the Asia-Pacific rebalance includes both sides of the ocean – Asia and Latin America.

**July 24-26, 2013:** Vietnam's President Truong Tan Sang visits Washington at the invitation of President Obama to discuss bilateral and regional issues.

**July 26-27, 2013:** Vice President Biden visits Singapore, emphasizing the positive effect of the US presence in Southeast Asia's prosperity and stability.

**July 31, 2013:** Philippine Foreign Minister Albert Del Rosario announces that the US will raise its military assistance next year by two-thirds from \$30 million to \$50 million.

**Aug. 2, 2013:** US Deputy National Security Advisor Ben Rhodes, visiting Malaysia, states that President Obama sees the country as a “strong partner” and an important partner in strengthening US relations with ASEAN.

**Aug. 6, 2013:** A second *Hamilton-class* former US Coast Guard cutter joins the Philippine Navy. Provided *gratis*, Manila spent \$15 million to add updated weapons and communications.

**Aug. 6, 2013:** Secretary of State Kerry sends a congratulatory message to ASEAN on its 46<sup>th</sup> anniversary, noting that the “the United States stands with you as a steadfast partner.”

**Aug. 12, 2013:** Cambodia cancels or postpones military cooperation programs with the US and other countries that have challenged Phnom Penh's recent disputed election.

**Aug. 20-24, 2013:** US Trade Representative Michael Froman attends the ASEAN Economic Ministers Meeting, which has become the unofficial economic track of the East Asia Summit.

**Aug. 22-29, 2013:** Secretary of State Hagel travels to Asia with stops in Malaysia, Indonesia, Brunei, and Philippines. While in Brunei he participates in the second ASEAN Defense Ministers Meeting Plus (ADMM+), the security ministerial input for the East Asia Summit.