Challenging ASEAN: The US Pivot Through Southeast Asia’s Eyes

By Donald K. Emmerson

INFORMED AMERICAN OBSERVERS tend to hold clear-cut opinions about the Obama administration’s “pivot” toward Asia. Some like it because it challenges China; they hope it will deter hegemony. Others dislike it for challenging China too much; they worry about a new cold war. Still others are selective; they like some parts of the pivot but not others.

In Asia, many of the officials, analysts and activists who follow the pivot’s progress have not made up their minds. They are waiting to see whether the new US policy can induce China to become more co-operative, avoiding both hegemony and escalation, and what benefit they and their countries can derive from increased American attention.

As much as China is front and center for the US and Asia, the American pivot is not all about the dragon. It is also very much about the 10 member states of the Association of Southeast Asian Nations (ASEAN) that have to live with China as a big neighbor down the street. In its vaguest sense, the pivot (or “rebalance”) is a turn toward Asia writ large. But it is particularly in Southeast Asia that the pivot’s three themes — security, economy, and democracy — are most evident.

SECURITY

The accent on security was already clear in the concern for freedom of navigation in the South China Sea expressed by US Secretary of State Hillary Clinton at the ASEAN Regional Forum in Hanoi in July 2010. Words turned into deeds when President Barack Obama literally pivoted through Australia en route to the East Asia Summit in Bali in November 2011, stopping in Darwin to announce that 2,500 US marines would eventually be stationed there. In April 2012 a first contingent of 200 rotated through an Australian base near Darwin before going on training missions in Thailand and Malaysia. Two months later Singapore agreed to host in rotation as many as four US combat ships.

Southeast Asian officials had diverse reactions to the initial emphasis on security in Washington’s renewed interest in the region. One might have thought that along the spectrum of ASEAN states from the most to the least deferential toward China — from Cambodia to the Philippines respectively — the gamut of reactions would have run from jeers to cheers. It did not.

No government was willing to denounce the pivot and jeopardize the chance of somehow benefitting from it. Some hoped for American approval or aid, but virtually all were aware of the possible advantage they might gain from being reached out to by a powerful “other” power — other than China. The shift in Washington’s attention from Afghanistan to ASEAN could easily be seen by Southeast Asian policymakers as a way to slow if not reduce their own increasing exposure to Beijing’s strength. In this hypothetical sense, one rebalance fostered thoughts of another.

At the same time, the pivot’s association with security unbalanced the policy itself. Assertions of American military power, including Defense Secretary Leon Panetta’s promise in June 2012 to ratchet up the share of US naval forces allocated to the Pacific Ocean from 50 to 60 percent, overshadowed the pivot’s economic rationale. On such occasions, the policy’s goal of tapping into the material dynamism of emerging Asia seemed to be more of an afterthought than a priority.

This imbalance of security over economy tended to legitimate a division of labor that from an American viewpoint could only seem invidious. By enlarging its already robust profile in the west-Pacific, the US Navy would even more thoroughly underwrite the maritime security that ASEAN economies need to continue profiting from Chinese trade and investment. The pivot appeared to reinforce a formula that, cruelly put, ran thus: Americans would make the peace; Asians would make the money.

Meanwhile, the economic regionalization of East Asia has proceeded apace, linking Southeast Asia’s economies ever more tightly to China and raising the specter of an eventually integrated Asian economy — huge, booming and Sinocentric — to which America would lack access. It is in America’s interest to thwart this prospect. Accordingly, if the actual purposes of Obama’s pivot could be summarized in a single word, that word was, and remains, inclusion, in terms of both security and economy. Viewed from Washington, American leadership in East Asia is desirable, but participation in arrangements for East Asia peace and growth is essential.

ECONOMY

The premier official vehicle for East Asian economic integration to date has been ASEAN Plus Three (APT), which links the 10 Southeast Asian states to their main Northeast Asian partners — China, Japan and South Korea. For the US, APT is not apt. As of now, America could no sooner gain membership in this East Asian grouping than Japan could join the Organization of American States. APT is by no means an economic threat to the US. Depending on future developments, however, it could someday serve its members to the disadvantage of outsiders.

The pivot did move the US to join the East Asia Summit, whose roster of members now augments the 13 APT states by five: Australia, India, New Zealand, Russia and the United States. When Obama inaugurated US mem-

The US pivot toward Asia has been viewed largely through the lens of American security and economic competition with China.

Within that context, writes Donald K. Emmerson, Washington is also deepening its involvement in ASEAN in terms of both security and trade. At stake is ASEAN’s vaunted centrality as it negotiates a path between the two big powers.
bership in this inclusive forum at its 2011 Bali meeting, he might have been expected to emphasize trade and investment. He did not. Southeast Asian diplomats and journalists gathered for that event saw the pivot reduced to a plan for deployment: American marines rotating through Darwin and US combat ships anchoring in Singapore while Chinese vessels harassed rival claimants in the South China Sea.

But any inclinations to portray the pivot as a purely military play were unfair. Obama had traveled to Darwin and Bali from Honolulu. In Hawaii he had hosted the annual gathering of leaders from the 21 member economies in the Asia-Pacific Economic Co-operation (APEC) forum. At that meeting he claimed progress in ongoing talks involving the US and eight other APEC members — four of the ASEAN 10 (Brunei, Malaysia, Singapore and Vietnam) plus the non-Asian economies of Australia, Chile, New Zealand and Peru. These nine have been trying to form a Trans-Pacific Partnership (TPP) that could become the template for an eventual all-inclusive Free Trade Area of the Asia-Pacific (FTAAP) — an achievement that has eluded APEC since its own formation in 1989. With the recent addition of Canada and Mexico, 11 countries are now negotiating the TPP. The talks’ 15th round took place in New Zealand in December 2012. (The Philippines has expressed an interest in possibly joining the deliberations, as have Japan and Taiwan.)

The Obama administration has taken other steps to activate the economic side of the pivot. In July 2012 in Cambodia, Secretary Clinton co-hosted the first US-ASEAN Business Forum, whose participants included the largest delegation of American businesspeople ever to visit Southeast Asia. A US-ASEAN Extended Economic Engagement (E3) initiative was also launched. Its agenda includes helping to prepare Cambodia, Indonesia, Laos, Myanmar and the Philippines to meet the obligations that membership in the TPP would entail regarding labor, the environment and intellectual property rights, among other issues. Washington hopes thereby to make it easier for these countries to join the TPP should they wish to do so.

US officials are not so crass as to link economic access to security assurances explicitly in a quid pro quo. But the pivot’s economic agenda does tacitly remind ASEAN of the full-spectrum purpose of the US reach-out to Southeast Asia, at least in American eyes.

DEMOCRACY

Democracy distinguishes the pivot least. As a policy priority in Washington, spreading democracy in Asia has been upstaged by security concerns and economic worries, China’s naval moves and America’s fiscal woes prominent among them. Meanwhile, in Southeast Asia, with few exceptions, turning a blind eye remains the “ASEAN Way” of dealing with the domestic political failings of the association’s members.

The US did quickly move to support the dramatic (if still partial) political opening of Myanmar. But even in that democratizing narrative, security and economics loomed large. President Thein Sein’s own reasons to promote reform reflected less a conversion to liberal ideology than a nationalist wish to reduce the country’s overdependence on China on the one hand, and a desire to catch up with the economies of the modern world on the other.

While celebrating the democratic consequences, Washington treated these motivations as opportunities for strategic access. Had democracy been a major theme of the American pivot, Obama might not have attended the ASEAN summit in Cambodia in November 2012 as a guest of that country’s brutal despot Hun Sen. American policy in Southeast Asia has been more about showing up than staying away or dressing down.

CHALLENGING ASEAN

For years, ASEAN has been on a roll. Its creative diplomacy in spinning off one multilateral forum after another has earned it global respect as the unexcelled impresario of East Asian regionalism. Yet there was always something fortuitous and provisional about its performance. ASEAN has succeeded in no small part thanks to timing and by default. Since its birth during the Cold War, it has occupied a political space that external events have successively renewed by undermining the plausibility of big-power control: the bloody chastening of American ambition in Vietnam; the turn toward pragmatism in post-Mao China; the Soviet Union’s self-shrinkage into Russia and irrelevance; and the strategic reticence and economic stagnation of Japan.

Viewed from Southeast Asia, the times have now changed in at least two ways. First, and most importantly, China’s spectacular material ascent and now military assertion appears to have emboldened its current leaders to retire Deng Xiaoping’s advice to “hide your strength [and] ride your time.” Second, to the extent that the American pivot is a response to this challenge, it appears to open an ambiguous future. If Sino-American rivalry escalates, ASEAN’s members could split into China-deferring and China-defying camps, ruining the group’s ability to lead. In contrast, a peaceful balancing of power between Beijing and Washington could refurbish space for ASEAN to operate independently between the two.

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invited Brunei, Malaysia and Vietnam to a December meeting of the four ASEAN claimants in Manila. The goal was to see if they could develop a joint approach to China’s assertion of “indisputable” primacy across nearly all of the South China Sea. The three invitees were unwilling to come, however, arguably for fear of antagonizing China, and the meeting has been indefinitely postponed.

If the four ASEAN claimants cannot settle their own differences, China will remain free to pursue its bilateralist hub-and-spokes approach to ensuring for itself a privileged place in the maritime heart of Southeast Asia. Nor can the US be expected to support a more equitable ASEAN solution if one does not exist. As the controversy drags on, Southeast Asian analysts are becoming accustomed to the prospect that a demarcation and allocation of claims to the South China Sea and its resources may never occur, except eventually on China’s terms.

ECONOMIC COMPETITION

With regard to the pivot’s economic dimension, ASEAN has developed an independent stance between the US and China, albeit one that leans modestly in the latter’s direction. Again, ASEAN is divided. Of its member states, only Brunei, Malaysia, Singapore and Vietnam were among the 11 governments negotiating the US-backed TPP in Auckland in December 2012.

At its summit in Phnom Penh a month before, ASEAN could have pleased China by supporting Beijing’s preferred vehicle for regional economic co-operation, namely the 13-member APT, which necessarily excludes the US while limiting the non-ASEAN checks on Chinese influence to Japan and South Korea. ASEAN agreed instead to launch negotiations toward a new entity: a 16-member Regional Comprehensive Economic Partnership (RCEP) that would augment the APT by adding three more potential restraints on China — Australia, India and New Zealand.

The economic rationale for including these six non-ASEAN states was that they already have free-trade agreements with ASEAN. But five of the six — all but China — are democracies oriented more or less toward the West. The potentially China-balancing value of that distribution was not lost on those who proposed the RCEP as a superior alternative to the APT. That said, a slight tilt toward China is still evident in as much as the RCEP omits the US, just as China is not part of the TPP. (Ironically, beyond balancing China, the participation of India could complicate the fate of the RCEP itself insofar as New Delhi’s interests and priorities may prove incompatible with Beijing’s.)

The result is a benign race between two vastly different models of economic integration: the non-American, loosely declarative RCEP that subsumes existing arrangements versus the American-promoted, intrusively “gold-standard” TPP that requires domestic reform. The first effort is meant to bring post facto consistency to the “noodle bowl” of ASEAN’s FTAs. The second approach is to innovate breadth, depth and consistency in detail and from the start. In principle, the RCEP is open to US participation, and China is not legally barred from joining the discussions on a TPP. But the two negotiations will move forward on separate tracks.

The challenges reviewed above hardly augur the end of ASEAN. But the group’s centrality on matters of security and its creativity on economic questions are being tested in two very different ways: by Beijing’s strategy of assertion in the south China Sea and by the pressure for inclusion represented by Washington’s pivot toward Southeast Asia. The results are not yet known. For now, however, the case for optimism is, and is likely to remain, distinctly weaker on regional security than it is for the region’s economy.