

SOUTHEAST ASIA BULLETIN



CSIS SOUTHEAST ASIA INITIATIVE

CSIS launched the CSIS Southeast Asia Initiative in January 2008 to provide a venue for greater focus, examination, and analysis of Southeast Asian affairs within Washington's policy community. The initiative includes regular roundtables, conferences, studies, and forums to spotlight developments in the region. CSIS will also partner with other interested organizations and individuals within and outside Washington to maximize the flow of information, analysis, and outreach on Southeast Asian affairs in the United States.

An important component of the initiative is the monthly *Southeast Asia Bulletin*, which provides a timely overview of key developments, events, and facts about the region and offers a forum for short essays by official and unofficial commentators on regional affairs.

Feedback on the *Southeast Asia Bulletin* is welcome and can be directed to Brian Harding, research associate, at bharding@csis.org.

U.S. Alliances and Emerging Partnerships in Southeast Asia:
Out of the Shadows

The following is the executive summary of *U.S. Alliances and Emerging Partnerships in Southeast Asia: Out of the Shadows*, a report of the CSIS Southeast Asia Initiative released in July 2009. The full report can be found [here](#).

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Hillary Clinton's visit to Indonesia on her first trip abroad as U.S. secretary of state signaled that the Obama administration intends to pay renewed attention to Southeast Asia. This is a welcome development due to the significance of U.S. interests in the region. Enhanced U.S. engagement with Southeast Asia will naturally involve greater attention to the Association of Southeast Asian Nations (ASEAN) and other multilateral forums, but key U.S. interests in the region will continue to be pursued through bilateral partnerships. This will include not only U.S. treaty allies—Thailand and the Philippines—but also key emerging players, particularly Indonesia, Malaysia, Singapore, and Vietnam.

This report assesses the health and potential of these partnerships and offers recommendations to incoming policymakers as they consider the way forward in U.S. policy toward the region.

In summary, the authors found the health of the six bilateral relationships examined as follows:

- The U.S.-Thailand alliance continues to benefit the two countries, but deep-seated and longstanding issues trouble the relationship.
- The U.S.-Philippines alliance is in surprisingly good health and provides the United States with significant benefits, a finding contrary to common assumptions on the state of the relationship.
- U.S.-Singapore relations are extremely strong, and a perceived lack of U.S. attention to the region in general is the only sore area.
- U.S.-Indonesia relations are sound and have the greatest potential among the partnerships examined to be significantly elevated in coming years.
- U.S.-Malaysia relations are positive, and there exists significant room to deepen the partnership in coming years.
- U.S.-Vietnam relations are positive and growing, with Vietnam eager to engage the United States as a prospective partner and player in regional affairs.

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One must be careful not to make sweeping generalizations about “Southeast Asia” as a single, unified entity. Nonetheless, several common themes emerged in the six countries examined that deserve summary mention:

- Southeast Asian nations are generally satisfied with the state of their respective bilateral relationships with the United States.
- Southeast Asian nations almost universally desire more U.S. engagement, both in bilateral and regional terms.
- Southeast Asian nations are concerned that the Obama administration’s mantra of “change” will alter the U.S. approach to their respective bilateral relationships. They also worry that a Democratic administration will tend toward protectionism and that human rights concerns may emerge to constrain relations.
- Southeast Asian nations want the United States to engage more actively in ASEAN-led regional frameworks.
- Southeast Asian nations—particularly Indonesia and Malaysia—desire a more “balanced” and less belligerent U.S. foreign policy, particularly in the Middle East and specifically related to the Israel-Palestine question and the Iraq War.
- Southeast Asian nations welcome increased Chinese engagement in the region. However, many remain wary of the implications, particularly in military affairs. Japan’s engagement in the region is universally welcomed, but the consensus is that Tokyo underplays its hand. India’s increasing presence is welcomed, but its influence is nascent.
- Southeast Asian nations seek to engage all major powers but want no single power to dominate.

To better achieve U.S. interests in Southeast Asia, this report recommends the following:

- The United States should seek to reinvigorate its engagement of alliance partners Thailand and the Philippines to test the possibilities of greater strategic convergence and cooperation.
- The United States should take advantage of an apparent opening to steadily cultivate broader and deeper relationships with emerging powers Indonesia, Vietnam, and Malaysia.
- The United States should ensure that development of its bilateral (and potential multilateral) relationships complement its commitment to regionalism, particularly ASEAN.
- The United States should show up at the appropriate regional institutions at the appropriate level on a regular basis.
- The United States should work closely with leading Southeast Asian nations on economic issues as a core element in promoting the future of U.S. bilateral—and indeed regional—relations.

The United States in the end finds itself in an excellent, indeed advantageous, position in Southeast Asia. A reservoir of good will toward the United States remains extant in the region. Indeed, when a region desires more U.S. engagement, particularly a region as strategically important to U.S. interests as Southeast Asia, it would be foolhardy to ignore that circumstance or take it for granted. It requires that U.S. elites, although consumed by several other compelling immediate challenges, take a look again at a region largely neglected over the last generation or more, in order to consider longer-term strategic benefits. The Obama administration has gotten off to an excellent start in this regard and President Obama’s planned trip to the region around the time of the APEC summit in November 2009 will likely provide further ballast. Persistence and follow-through are required, though, lest expectations raised are later dashed, leaving a trail of disappointment and missed opportunities for the United States in the heart of the Asia-Pacific region—the world’s most dynamic, vital, and strategically important region in the twenty-first century.

RECENT TIMELINE OF EVENTS

June 3, 2009: Malaysian prime minister Najib Tun Razak visits China to commemorate the 35th anniversary of relations between the two countries. Najib and Chinese president Hu Jintao use the occasion to discuss closer cooperation between their nations in light of the global economic crisis.

June 8, 2009: Thai prime minister Abhisit Vejjajiva visits Malaysia to discuss the insurgency on the Thai/Malaysian border. On the same day, a bomb blast in a mosque in southern Thailand kills 11.

June 9, 2009: Following the June 8 attack on the mosque in southern Thailand, a spokesman for the Thai army responds to accusations of possible involvement by the military, calling the act “barbaric” and saying the insurgents were trying to garner popular support.

June 9, 2009: Burmese troops battling ethnic Karen insurgents drive more than 4,000 Karen villagers from their homes during fighting. The refugees flee across the border to Thailand, where they take shelter in Buddhist monasteries.

June 10, 2009: Thailand sends troops to strengthen their border with Burma following the flood of Karen refugees into their country. The 4,000 Karen who have crossed the border are confined by Thai authorities to camps, where they join approximately 100,000 other refugees.

June 10, 2009: Malaysian navy chief Admiral Abdul Aziz Jaafar apologizes to Indonesia over violation of the Ambalat maritime zone by Malaysian forces. **See Major Regional Developments.**

June 17, 2009: The father of Indonesia president Susilo Bambang Yudhoyono’s daughter-in-law is convicted on corruption charges and sentenced to four and a half years in prison. The closely watched case gives a boost to Yuhoyono’s anticorruption bone fides.

June 19, 2009: Aung San Suu Kyi celebrates her 64th birthday in Insein prison, where she waits to hear the results of an appeal by her defense to reinstate witnesses that the court previously dismissed.

June 21, 2009: Two Burmese lawyers are jailed for 18 months for leading prayers for the release of Aung San Suu Kyi and other democracy activists in Burma. Their conviction was for “insulting religion.”

June 29, 2009: Burma’s supreme court rejects the appeal by Suu Kyi’s legal team to reinstate the previously dismissed witnesses, allowing only two of the proposed four witnesses to testify. The prosecution presented 22 witnesses.

June 30, 2009: Malaysian prime minister Najib Razak proposes reforms to encourage foreign investment, including a substantial revision to Malaysia’s long-standing law that requires 30 percent of businesses to be owned by ethnic Malays.

MAJOR REGIONAL DEVELOPMENTS

Alarms in Ambalat

Tensions flared between Indonesia and Malaysia in June over the disputed Ambalat maritime region. The contention over the Ambalat bloc, an area in the Celebes Sea rich in crude oil, dates to 1979, when Malaysia published a map of its maritime boundaries that claimed the region. Despite an International Court of Justice (ICJ) ruling in Malaysia's favor, Indonesia has contested the claim ever since and claims a portion of the region as sovereign territory.

The dispute has recently intensified, with the Indonesian navy accusing Malaysia of violating Indonesian territory in the region more than 100 times since 2007—19 of those times in May 2009. Malaysia accuses Indonesia of violating the maritime border as well. On May 25, a Malaysian patrol boat crossed seven miles into Indonesian waters, where it was stopped by an Indonesian ship. The Indonesians nearly opened fire on the Malaysian boat before it withdrew. The incident sparked a flurry of communication between the two governments and prompted several meetings between defense ministry officials and parliamentarians from each country as well as phone calls between Indonesian president Susilo Bambang Yudhoyono and Malaysia prime minister Najib Razak. In the end, Malaysian navy chief Abdul Aziz Jaafar offered an apology on June 10 to the Indonesian people. Meetings to determine the fate of the disputed area are scheduled for July in Kuala Lumpur.

EVENTS TO WATCH OUT FOR IN JULY

July 23, 2009: The 16th ASEAN Regional Forum will be held in Thailand.

A Burma–North Korea Nexus

Burma came into the news in June when it emerged that it was the likely destination of a North Korean vessel suspected of carrying illegal arms. This came on the heels of a June 12 UN **Security Council Resolution** that banned all North Korean weapons exports, most imports, and called for tougher inspections of North Korean cargo. These new measures come as a result of North Korea's May 25 underground nuclear test.

The aging North Korean ship, the Kang Nam 1, was shadowed by U.S. Navy vessels until forced to return home on June 28 rather than risking inspection while refueling or upon arrival in Burma. Burma appeared a passive actor in the ordeal, with most attention drawn to North Korean malfeasance. However, the incident also brought to light the alarming possibilities of the Burma–North Korea relationship.

Burma and North Korea share strong but shadowy ties as Asia's two pariahs, although the two countries only resumed diplomatic relations in 2007 after they were suspended in 1983 when North Korean commandos set off a bomb in Rangoon that killed 18 South Koreans in an unsuccessful assassination attempt of South Korean president Chun Doo-hwan. However, relations improved in the 1990s, and North Korea became a source of arms for Burma, often willing to accept payment in barter. North Korea has also been suspected of assisting Burma in constructing elaborate tunnels under Burma's new capital Naypyidaw, and some observers are concerned that North Korea may be assisting Burma with nuclear technology.

U.S. ENGAGEMENT IN THE REGION

June 1, 2009: U.S. secretary of defense Robert Gates visits the Philippines to discuss U.S. cooperation in battling terrorism in the Philippines. The visit was the first by a U.S. defense secretary to the Philippines, a treaty ally, in more than a decade. Details of the meeting can be found [here](#).

June 4, 2009: U.S. commerce secretary Gary Locke meets with Singapore's minister of trade and industry Lim Hng Kiang to discuss bilateral trade relations. A press release can be found [here](#).

June 8, 2009: U.S. secretary of state Clinton meets with Indonesian foreign minister Wirajuda in Washington to discuss the relationship between the United States and Indonesia and other matters of import in Southeast Asia. A transcript of their joint press conference can be found [here](#).

June 8, 2009: The annual U.S.-Vietnam Political, Security and Defense Dialogue, cochaired by the U.S. assistant secretary of state for political-military affairs and the Vietnamese vice minister of foreign affairs, is held in Washington. Details about the meeting are available [here](#).

June 7–10, 2009: U.S. trade representative Ron Kirk visits Bali, Indonesia, for the Cairns Group 33rd Annual Ministerial Meeting to discuss various trade and agricultural issues. A statement can be found [here](#).

June 12, 2009: Laos and Cambodia are removed from a U.S. trade blacklist banning financial support in Marxist-Leninist countries. The move allows U.S. businesses to receive U.S.-backed loans for operations in those countries.

MISCELLANEOUS FACTS U.S.-SOUTHEAST ASIA RELATIONS

- In 2007 only 2,954 Americans studied in the six major Southeast Asian nations examined in the above-mentioned report. Each of those countries had more students studying in the United States, ranging 3,976 Singaporeans to 9,004 Thais.
- There are nearly 1.4 million Filipinos living in the United States and almost 4,000 Filipino students studying in the U.S., compared to a scant 100 American students studying in the Philippines.
- In 2007 the U.S. military engaged in approximately 855 military exchanges, exercises, or ship visits in the region.
- The Treaty of Amity and Commerce between the United States and Thailand dates back to March 20, 1833. It is the oldest U.S. treaty with any Asian nation, and was arranged under the Jackson administration.
- China, Japan, and the United States are among the top five trading partners for all six Southeast Asian nations examined in the above-mentioned report.