Foreign Policy Recommendations

BEYOND THE REBALANCE: ENHANCING US ENGAGEMENT IN SOUTHEAST ASIA

A COLLABORATIVE TASKFORCE REPORT BY STUDENTS OF SINGAPORE MANAGEMENT UNIVERSITY AND THE UNIVERSITY OF SOUTHERN CALIFORNIA

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Greetings

Less than one-and-half years left in the Obama presidency, the US domestic and global challenges continue as the country engages Asia as its foreign policy priority through “rebalancing” announced in the former Secretary of State Clinton’s 2011 remarks. During this period, East Asia has experienced increased tension and volatility. As China’s influence expands and its power display becomes forceful in both South and East China Seas, concerns and expectations for the US role within the region rise. How has the United States contributed to the regional stability and prosperity in the world under the great power competition? What can be learned from the last four years of the US foreign policy to the region that could be learned for the next US administration? With these questions in mind, a group of 22 students from the University of Southern California (USC) and Singapore Management University (SMU) came together in a class named “America’s Pacific Century.” The goal of the course was to produce this Policy Task Force Report with recommendations to the incoming President in 2017 regarding the future course of American foreign policy in Southeast Asia (SEA).

The program commenced in April 2015 with a mixture of lectures about political, economic, cultural and social backgrounds of both Asian countries, the US, and the relationship between the regions. Then, through the course of travels in Washington D.C., Los Angeles, Kuala Lumpur and Singapore, the students met with a wide range of experts – from the State Department in the US to the Asia-Pacific Economic Cooperation (APEC) Secretariat in Singapore, and the Asia-Pacific Roundtable (APR) in Kuala Lumpur. These meetings helped to provide differing perspectives on the efficacy of the rebalance thus far, and what needs to be changed or continued going forward. In addition, classroom dialogue between the students from Singapore and America helped to give a holistic view of contrasting issues.

The students then grouped themselves into arenas of interest within the rebalance – political, economic, security and sociocultural issues. They used both primary and secondary data, with information gathered from interviews done in the US and in Singapore, along with insights gained during APR, to brainstorm recommendations for the future. This culminated in a presentation at the American Chamber of Commerce in Singapore where the recommendations were presented to an audience, and invaluable feedback was gathered that was then incorporated into the Report.

The following report is the joint effort of 22 students, with guidance from the professors Saori N. Katada (USC) and James T. H. Tang (SMU). The students have full ownership of the intellectual property within this report, and fully committed to the recommendations presented here.

Lastly, and most importantly, we would like to extend our gratitude to the many people who have enabled our students to produce this report and who have helped to make this program a success. The time that our various interviewees have devoted to us has also been indispensable for the production of this Report, and we are deeply thankful for their guidance and expertise. We appreciate greatly for the effort of the administrative assistants from USC and SMU who have arranged this program. We also thank Scot Macdonald for his great editorial and report production work.

We are delighted to present to you here “BEYOND THE REBALANCE - Enhancing US Engagement in Southeast Asia”, from the USC-SMU Joint Program.

James T. H. Tang
Saori N. Katada
The United States is experiencing a crucial moment in its relationship with SEA; a moment when reflection on the past and forward thinking have great importance in shaping US goals and policy decisions. Four years after the announcement of the US “pivot” towards Asia, an evaluation of the successes and shortcomings of US efforts in SEA is necessary to ensure a continued and successful US presence in the region as the Obama administration’s term comes to a close.

Reflecting on US policies and actions towards the Asia-Pacific region during the past few years, three main issues stand out as areas of focus to enhance US engagement in the region:

1. **Sustainability of US presence**: Ensure adaptability and dynamism of US policies and relations to maintain US involvement in the region

2. **Development of architecture in the region**: Increase development of structures, such as norms, expectations, and regularity, to solidify US presence and enhance relationships with Asian nations

3. **US response capacity to a wider range of issues**: Proactively survey the landscape to determine which issues need to be addressed now, rather than reactively in the future, and create an innovative framework for such a response capacity

To address the many issues in US-SEA relations, our task force has grouped our recommendations into four key areas:

1. **Political**: SEA is undergoing an immense geopolitical shift. With this change in dynamics, the US has to diversify the way it engages the Asia-Pacific region. It must maintain its presence at high-profile regional conferences such as APEC, ASEAN+8 and the ASEAN Regional Forum (ARF), while reinforcing multilateral engagements with ASEAN and amplifying cooperation with China to prevent misunderstandings between countries.

2. **Economic**: The US should seek to create a Free Trade Area of the Asia-Pacific (FTAAP) region. This can be achieved through pursuing high Trans-Pacific Partnership (TPP) standards and supporting multilateral organizations that are not US creations. It is critical that the US help SEA reach the high standards of the TPP through establishing tailored regulations at the bilateral level and establishing standards for different economies at their individual development levels. The US should encourage domestic businesses by providing knowledge through consultancy services. It is also crucial for the US to continue assisting the development of infrastructure and technology in SEA. Finally, to ensure the greatest returns on its investment in the region, the US must actively support anti-corruption efforts in SEA.

3. **Security**: With respect to security, the US approach to engagement with the region can be improved and intensified. Greater military diplomacy with SEA countries in terms of military-to-military relations, joint exercises and heightened Humanitarian Assistance and Disaster Relief (HA/DR) are fundamental. Boosting cooperation with local security forces to combat terrorism and facilitating information sharing between forces should be encouraged, although the thrust of security policy should be the promotion of regional integration with ASEAN at its core.

4. **Sociocultural**: To increase cultural sensitivity and understanding, the US should enhance its preexisting public diplomacy efforts, including traditional forms such as educational scholarships and cultural exchanges, as well as bolstering efforts in emerging fields such as digital diplomacy and corporate exchanges.
Introduction/Background

Before discussing the US perspective, it is necessary to assess the current status of SEA. The region is undergoing a confluence of sorts; a lessening of the distance between disparate issues and a heightening of integration. Where once terrorism, energy security, the drug trade, and human security existed separately, we are moving toward a common framework for understanding and addressing all these issues. Where once we might have said, “China is rising,” now the narrative emphasizes that it is Asia as a whole which is rising. Within SEA, regional integration is becoming more attainable because the distance between areas of cooperation – and the distance between actors themselves - is decreasing.

The US must be active in this environment. The goal for the US and SEA should be to control this convergence; harnessing interconnectedness to bring states closer together on issues of shared interest, while using shared interests to improve relations in areas of contention. SEA regionalism still faces issues in terms of security tensions, institutional weaknesses, and disparate interests that have thus far frustrated efforts to move toward more robust regional governance. These challenges extend beyond the region because they are also, at their broadest level, challenges to the sustainability of America’s presence in the region.

Our recommendations stem from the need for the US to preserve its current level of engagement, and ensure that America remains relevant. The pillars of US policy should be:

1. Enhancing engagement and diversifying the channels of interaction
   - Regularity and predictability should be added to existing relationships, making them easier to understand for the parties involved and more robust.
   - The US should include a wider group of actors, not only at the state level but also at the multilateral and grassroots levels

2. Collaborative leadership
   - The position of greatest strength and leverage is in an organization; sitting at the table with ASEAN nations instead of dictating its agenda from abroad. It is from this position that the US can leverage its strength, which has the added benefit of reducing friction by diverting bilateral interactions into a regional forum.

3. Commitment reassurance diplomacy
   - The US must exhibit its intention to remain active in the region. It is crucial to demonstrate that the US is in SEA to stay, and continues to be invested in regional goals and initiatives.

Our recommendations prioritize these areas and the concept of non-traditional engagement. Many strategies exist for addressing various upcoming issues, but these have not yet been incorporated as core tenets of US policy, a fact we want to change. Our recommendations do not constitute a reduction in the US’s traditional military presence or in the importance of its bilateral allies. Rather, it emphasizes areas in which cooperative potential is increasing. The strategies we propose represent a retooling of US prerogatives, not an overall strategic change in direction. The brunt of policy development should be in emerging areas, while maintaining the platform of traditional engagements that constitute the existing architecture.
BACKGROUND OF THE REBALANCE

In Secretary of State Hillary Clinton’s 2011 speech on “America’s Pacific Century,” she emphasized that the US must “increase investment - diplomatic, economic, and strategic” in SEA. Her speech was the first official marketing of the Obama Administration’s new foreign policy that would significantly shift the focus from traditional areas in Europe and the Middle East to the Asia Pacific region. Originally termed the ‘pivot to Asia,’ this policy was later renamed a ‘rebalance towards Asia,’ since the Administration did not want the change to be perceived so much as a stationary pivot, but rather as a rebalance of US attention in Asia to plan for future challenges and opportunities.

According to National Security Advisor Tom Donilon, the rebalance is comprised of five major areas, including strengthening key alliances, deepening partnerships with emerging powers, building constructive and stable relationship with China, empowering regional institutions, and building regional economic institutions. As part of its proclaimed “strategic turn” toward Asia, since the fall of 2011 the US has, among other steps:

- Announced new troop deployments to Australia, new naval deployments to Singapore, and new areas for military cooperation with the Philippines
- Stated that, notwithstanding reductions in overall levels of US defense spending, the US military presence in East Asia will be strengthened and be made “more broadly distributed, more flexible, and more politically sustainable”
- Released a new defense planning document that confirmed and offered a rationale for the rebalancing to Asia while retaining an emphasis on the Middle East
- Joined the East Asia Summit (EAS), one of the region’s premier multinational organizations
- Secured progress in negotiations with twelve nations in a TPP, the first mega free trade agreement (FTA) of the 21st century

The administration’s shift from the Middle East and increased emphasis on the Asia-Pacific region appears to have been prompted by the growth of China’s military capabilities and its increasing assertiveness of claims to disputed maritime territory, possibly challenging freedom of navigation and the US’s ability to project power in the region. Although China’s rise was an important element for the strategic aspect of the rebalance, in larger terms the change was President Obama’s attempt to address the growing economic importance of the Asia-Pacific region. It is not only an anticipation of the rise of China, but also the rise of the SEA region, as growth in most ASEAN economies is expected to continue to rise even as China’s growth slows. With more than 600 million people in ASEAN countries and as much as two-thirds of the population under the age of 35, there is an enormous untapped labor potential and diversity that represents an opportunity and a challenge. Many of the budding economies in SEA are experiencing transitions towards democracy, and therefore it is more important than ever for the US to maintain a strong and supportive presence in the region. Efforts to cut the US federal government’s budget, particularly the defense budget, threatened to create a perception in Asia that the US commitment to the region is waning. However, at such a pivotal moment in the development of Asia’s security and economic architecture, it is imperative that the US sustains its engagement in the region to positively influence social, political, and economic developments.

The rebalance has been a success in certain areas. The rebalance has strengthened relations with existing allies. With existing treaties and a framework of historical cooperation, the US has been able to express its desire for deeper cooperation and move toward a substantive increase in bilateral cooperation with Japan, South Korea, Australia, the Philippines, and Thailand--the

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1 CRS report https://www.fas.org/sgp/crs/natsec/R42448.pdf
2 Obama speech to YSEALI leaders
core Asian allies that are “the fulcrum of the pivot” according to Hillary Clinton’s article on the rebalance. Particularly with the Philippines, an increase in defense cooperation has been initiated with little turbulence, perhaps in light of a Filipino desire to balance a rising China.

The US has also accomplished its goal of setting up a framework for empowering regional institutions. With ASEAN and the EAS as core institutions in the region, the US has sent an ambassador to ASEAN and consistently sent high-level representatives -- including the President -- to regional summits. Despite criticism asserting that the lack of US presence in the pre-Obama period has been overstated, a general increase in diplomatic presence deserves due credit. Compared to the Bush era, where the sum of bilateral and multilateral visits totaled six in the first term and ten in the second, the Obama administration visited Asia 16 times in the first term. The US has succeeded in establishing a strong framework for its multilateral diplomatic engagements in the region.

Though others may choose to see the glass half empty in terms of US-China relations, many take the view that the level of stability in relation to other historic great powers is impressive and unprecedented. With high-level visits such as those by Secretary of State John Kerry to China, the “cool” relations between the two countries have warmed appreciably. Particularly in light of territorial disputes in the South China Sea and the emergence of a more assertive China, this stability is noteworthy. Furthermore, the two nations have successfully engaged in specific areas of cooperation, such as on climate change. The US-China climate change agreement in November 2014 is an example of a platform on which the two powers have established common ground upon which to increase collaboration. With such successes, the Obama administration’s initiative to engage constructively with China has been successful.

Though strategic direction and rhetoric have been strong, it is important to recognize the areas that have lacked substance and should be improved. Firstly, the US has not shown clear action in its initiative to engage with the emerging powers of Burma and Indonesia. Particularly with Indonesia, the US successfully established a comprehensive partnership in 2010, but since then its policies have lacked substance and actual policy action. As a result, lukewarm economic and security relations have characterized the existing relationships. Secondly, despite the commendable level of stability in US-China relations and success of cooperation initiatives, the rebalance is often seen by the Chinese as a platform for containment. The rebalance and the TPP have sent signals of a US intent to exclude China, only reinforced by the US decision to not join the AIIB. Thirdly, the slow and arduous process of the passing of the TPP, with all the domestic political debate that has taken place on Capitol Hill, has been a significant setback to the rebalance. Without the TPP, the rebalance is deprived of its comprehensiveness, in that its increased military presence lacks the strategic economic/political component. The slow process has threatened the legitimacy and validity of the agreement as well as the region’s confidence in the US commitment to SEA. The TPP was also incomplete in that it excluded major regional economic partners, including Indonesia, the Philippines, and China, despite the fact that these are some of the largest economies in the region. Though a vital component of the TPP is its high standards, the lack of inclusion of major regional economic powers brings into question its ability to serve as a regional platform for cooperation.

When the new administration enters office, the next era of the rebalance will begin. At
that time, the successful components of the past administration’s policies should continue, and the areas of weakness must be remedied with increased substantive action. This does not, however, discredit the success of the existing policies and the beneficial history of US presence in the region. What is necessary going forward is a retooling of the visibility of the rebalance. A shuffling of the priorities in the rebalance is crucial; one in which military and other traditional points of emphasis are equally balanced with non-traditional components such as humanitarian aid collaboration and people-to-people diplomacy. The next era of the rebalance requires new recognition of these priorities in order for the US to strategically engage with SEA and improve its policies to achieve US goals.
Political

Since the announcement of the rebalance in 2011, and even over the course of the past decade, the US has made a strategic political commitment toSEA not only on a traditional bilateral basis, but also within the emerging network of multilateral regional forums. This commitment came at a prudent time, when many SEA countries were becoming apprehensive about the dualism being pushed upon the region by China and its positive-sum economic agenda and its more aggressive and self-entitled security and geopolitical agenda.

An analysis of the internal political developments of the majority of SEA nations makes it apparent that the US has a limited window of opportunity to engage these countries. The US has to engage on a politically multifaceted basis to reassert its role as an undisputed leader, paramount stakeholder, and benevolent wielder of influence in the region. This engagement must be multifaceted on both a two- and three-dimensional basis if the US wishes to accommodate the rapid and ongoing economic and political developments in the region, and successfully retain its status as a regional powerbroker for the long-term. We will seek to ground our pursuit of long-term strategic policy recommendations for US foreign policy in SEA by analyzing the major domestic political developments in each of the major SEA state actors.

EXISTING PARTNERSHIPS

Thailand

Of the five countries comprising SEA's mainland core (Cambodia, Laos, Myanmar, Thailand, and Vietnam), Thailand is the only country with a history of cooperation and partnership with the US. This alliance, along with the US’s longtime security presence in the Philippines, is critical for the US as the foundation for a new strategic network of mutually beneficial relationships in the region. However, the recent overthrow of Prime Minister Yingluck Shinawatra’s government in 2014 has put a disappointing hold on any major diplomatic or security cooperation between the US and Thailand over the past year. The coup, a military response to severe political deadlock and several corruption scandals, has returned stability and order to the day-to-day lives of many Thais, and the country’s stock market has rebounded after declining during the months of political stalemate that defined the twilight of Yingluck’s government. It is worth noting, for the sake of addressing the US’s unequivocal condemnation of the military junta, that the coup has been characterized not only by general popular support, but also by the ruling junta’s relatively relaxed restrictions on free speech, assembly, and the press, as well as an explicitly articulated timeline towards returning to democracy. Given the nature of this different, or what Kitti Prasirtsuk calls “accommodative” coup, the US must exercise significant caution in allowing the issue of democracy to overshadow its more pressing strategic concerns with regards to Thailand. As Simon Tay, chairman of the Singapore Institute of International Affairs, explained during his speech to the APR, the US has, to its own detriment, allowed its prioritization of democracy to interfere with its long-term goals for the region. Its harsh rhetoric against and reluctance to grant legitimacy to the (temporarily) ruling military junta has pushed the interim government out of necessity towards other avenues of financial and political patronage in lieu of the support the US has given Thailand for decades. The US must adjust its foreign policy approach to be more responsive by engaging the new Thai government, and by allowing the

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6 “Two-dimension” refers to the different levels of foreign policy engagement; i.e. economic or security.
“Three-dimension” refers to engaging with various government and non-state institutions; i.e. multilateral forums and Track 2 diplomacy.
more pressing concerns of continued economic development and security cooperation to set the tone for this bilateral relationship. This form of tailored diplomacy is crucial or the US may find one of its most important allies in the region out of geopolitical necessity tilt towards China. In doing so, the US will have suffered a severe setback in its ongoing effort to forge a new US-centered SEA based on the foundation of existing alliances. A less dogmatic and more pragmatic approach to political engagements must be adopted.

Singapore

In the wake of the passing of founding father Lee Kuan Yew, and an increased desire in the country for greater civil liberties, the political climate in Singapore is experiencing a slow but subtle shift. In the past few years, opposing parties have claimed their biggest victory since independence, winning six of the 87 seats in parliament. Therefore, the US cannot take Singapore’s historic stability for granted, but instead the US should actively prepare for an evolving political landscape. It is essential that the US recognize that there is a shift in the “Asian way” of politics within Singapore towards a system of governance with increasing citizen participation and multi-party governance. Even with such changes, the US will likely be able to rely on Singapore as an anchor of regional stability and continued financial growth for the foreseeable future. The US can also engage Singapore to support the US goal of being a leading actor in the region when engaging with SEA on a multilateral basis, since Singapore supported the TPP, and this relationship can be leveraged for other multilateral regional goals.

Philippines

Severe corruption and lack of transparency in domestic politics have long affected the otherwise close US-Philippine alliance, harming the alliance’s credibility. Moreover, the Enhanced Defense Cooperation Agreement (EDCA) signed in April 2014, which will face final approval from the Supreme Court in July, will have a significant impact on bilateral and regional security. EDCA holds the potential to be the most credible deterrent against China’s claims in the South China Sea, and to serve as a forerunner of US security plans in the region. The agreement is vital to America’s commitment militarily to the region as it expands US presence from Japan through the Philippines and Singapore all the way to Australia. The agreement not only reassures the Philippines but also all of SEA through the potential for increased military-to-military, humanitarian, and disaster relief coordination with ASEAN countries. However, the US must view the domestic pushback of EDCA in the Philippines as being based on Asian values. Because of shared colonial histories, all SEA nations, except Thailand, which was never colonized, are wary of foreign influence in domestic politics. These common values are grounded in the ASEAN treaty clause relating to noninterference in domestic affairs and mutual respect for sovereignty. The US must adhere to these regional codes of conduct to effectively engage with not only regional governments but with SEA citizens as well.

Brunei Darussalam

The current era of US-Brunei relations has consisted of “joint-military exercises, strong trade relations and multilateral cooperation on humanitarian military projects” according to the US Department of State. Despite President Obama having to cancel his trip due to a US government

14 Ibid.
shut down, the Administration has engaged in friendly relations with the monarchy.\textsuperscript{15} Brunei, a sultanate, has increased its visibility in the region, chairing ASEAN in 2013. Its economic strengths in oil and gas have even led to prospects for major investment, with its inclusion in the dialogue surrounding the TPP.\textsuperscript{16} The US engagement in Brunei serves as a prime example of the US adopting a new tailored diplomacy approach to the region. Democracy does not have to be a prerequisite for engagement, and Brunei’s sultanate government does not negate its potential for economic relationships to take advantage of its oil and gas resources. This approach can be expanded to other countries in the region, most notably Thailand.

**EMERGING PARTNERSHIPS**

*Myanmar*

Myanmar has gone in the opposite direction as Thailand over the past year. The defrosting of relations between Myanmar and the US has been credited to the relaxation of restrictions on human rights, the release of political prisoner Aung San Suu Kyi, the promise of free elections later this year, and the gradual liberalization and opening of the Burmese economy to the international market. Though pressing issues such as political corruption and freedom of speech still warrant US concern, President Thein Sein’s push for a stable “democratic transition” and successful 2015 national elections\textsuperscript{17} are undoubtedly steps in the right direction.

Though the issue of democracy has understandably become the most important policy interest in Myanmar for the US, as with Thailand, the US would do well to ensure that its budding relationship with the Burmese nation does not become exclusively predicated on the issues of human rights and democracy. The US should strive to forge the same deep economic and strategic partnerships with Myanmar that it has sought with other questionably democratic countries such as Vietnam. The US should adopt a foreign policy approach that prioritizes pragmatism over dogmatism as it wades through uncharted territory in its negotiations with Myanmar. Though the Obama administration can hold its head high as it sends its first ambassador to Myanmar this year, it must be mindful of the many domestic political issues that will continue to plague Myanmar for years to come, including severe ethnic conflict (i.e. the Rohingya crisis), rampant poverty and malnutrition, and a chronic lack of infrastructure and government services.

These massive, domestic institutional issues will continue to make the political climate in Myanmar fragile at best as it enters its first true democratic transition\textsuperscript{18} but the country is confident in its eagerness to escape Western sanctions (which would afford it some reprieve from its confining dependence on China) and move towards the same norms that have afforded its neighbors (such as Indonesia and the Philippines) economic prosperity. It is especially crucial for the US government to understand the “Asian” way of politics in Myanmar, and leverage multilateral ties in the SEA region to advance democracy in the region, while not compromising strategic geopolitical goals. This can be achieved by using ASEAN as the central architecture to encourage Myanmar’s path towards democracy. With all this in mind, the US must be sure to deepen its relationship with Myanmar on a holistic level, while encouraging democratic processes.


\textsuperscript{16} Ibid.


Vietnam

Although diplomatic relations with Vietnam were normalized two decades ago, only recently has the relationship between the US and Vietnam gained significant substance. Since the start of its Reform Era (beginning with its diplomatic reconciliation with China and the US in the 1990s), Vietnam has practiced a “Swinging Policy” that involves “careful and constant rebalancing”\(^{19}\), this overtly articulated flexibility in the foreign policy arena provides the US with a unique opportunity to forge a strong partnership with a key player in SEA.

In the wake of Vietnam’s recent tensions with China over the South China Sea and its simultaneous and increasingly reluctant economic dependence on China, the country is looking to the US for increased presence and leadership in the region. As China’s incursions into the South China Sea pose an increasingly aggressive geopolitical threat to Vietnam, the government of Prime Minister Dung has exhibited a pronounced willingness to cooperate on a multitude of issues, including joint military exercises and agreements, as well as increased economic partnership and cooperation with the US (most notably its key role in the ongoing TPP negotiations).

On separate occasions, Prime Minister Dung and President Truong have explicitly stated that US involvement in “tempering regional tensions” would be welcome\(^{20}\) in terms of aiding Vietnam’s strategic interests and stabilizing the region as a whole. With US-Vietnamese trade expected to surge to $57 billion by 2020, Vietnam is and will be the largest ASEAN supplier to the US market. Combined with the passage of the TPP (of which Vietnam will be a prime beneficiary, particularly due to its large garment industry) and the 2011 defense cooperation agreement,\(^{21}\) relations between Vietnam and the US are at the most productive they have ever been. If the United States continues to engage in such a comprehensive manner with the most rapidly developing country in SEA’s mainland core, it will reap major benefits in securing a stronger relationship with ASEAN and enhancing its stature in the region.

Malaysia

Under Prime Minister Najib Razak, the future of US-Malaysian relations is uncertain due to domestic challenges from former Prime Minister Mahathir Mohamad and others within his own party who threaten the effectiveness of his foreign policy.\(^{22}\) A vital American partner as well as a key player in ASEAN, the US will need to support Najib as the new administration seeks to chart a clearer direction for the partnership. The US-Malaysian partnership will be vital in the region as Malaysia will be one of the TPP members to promote higher trade standards in the region. The US could use this relationship to engage multilaterally and to strengthen economic ties in the region.

Indonesia

Though current President Jokowi was elected by popular vote and is expected to spearhead reforms, cohesive policy making may pose a challenge due to the 12-party split in the Parliament. The US-Indonesia Comprehensive Partnership under President Obama and President Susilo Bambang Yudhoyono has paved the way for strong cooperation between the


\(^{20}\) Ibid.


nations, but domestic disunity in Indonesia may hinder implementation. Jokowi has said he intends to address human rights and democratic governance issues, historic thorns in US-Indonesia relations, but a lack of foreign policy experience and domestic disunity make for unpredictability.

It is vital for the US to remain patient and strive for policy initiatives, especially related to human rights and democracy, only when they are feasible. The US can also use Indonesia as a platform to engage multilaterally with other nations on human rights, given that Indonesia is the unstated leader of ASEAN. This responsive approach will prove more effective as the US will not seem to be a top-down power but an engaged actor in the region operating through regional institutions. For the US to take a “leading from within” approach, a strong partnership with a regional leader such as Indonesia is essential.

RECOMMENDATIONS

Based on our analysis of the political environment in most of the ASEAN member countries, we propose three major US strategic goals for SEA. We recommend that the US adopt a responsive and committed foreign policy approach to the region, with the understanding that positive-sum outcomes are possible on multiple fronts. For example, the fact that the US has recognized the positions of countries such as Vietnam, the Philippines, and Thailand in the ongoing South China Sea territorial dispute does not necessarily mean that relations with China will sour overall. The binary mentality that defined the country-to-country relationships of the 20th century no longer need characterize those of the Pacific Century. Within this “responsive” engagement, the US should adopt a “tailored” approach to diplomacy (similar to Vietnam’s “Swinging Policy”) that embraces pragmatism with regards to maintaining focus on its overall strategic goals in the Asia-Pacific region. The US should avoid allowing dogmatism and political ideology to unduly influence its policy decisions in the region, as witnessed in Thailand. The US risks losing major strategic ground if it permits its selective concern for issues such as democracy and civil rights to overshadow its broader goals and vision for the region.

The US must continue to amplify the volume and substance of its commitment to SEA not only by continuing to fortify existing and emerging partnerships, but also by re-dedicating itself to developing multilateral political forums in the region such as the EAS and the ARF. The US must support ASEAN as the centerpiece for the architecture of future political engagement. When considering the region as a whole, the US must delicately balance reinvigorated bilateral dynamics with new multilateral engagements. Strategic danger lies in the geopolitical tightrope the US will be forced to walk over the next few decades: peril lies in concentrating too much on bilateral relationships at the expense of engaging the region through the many multilateral platforms that have afforded it recent strategic success, even while the US risks neglecting the nuances of each country’s differing levels of economic growth and sociopolitical development. Achieving balance between these two opposing policy considerations will be challenging. Success will require the formation of a complex web of partnerships solidified by willing reliance on the US for continued regional security and prosperity.

The US and China must resist the temptation to demarcate the Pacific into their own respective spheres of influence; no SEA nation wants to be compelled to choose a side between these two hegemons, and it is in neither powers’ interest to make them do so. By fostering competitive cooperation with China, the US will effectively signal to SEA that it is interested in preserving stability and continued prosperity in the region for the long-term. The US and China have to make considerable efforts to find common ground for cooperation, be it on the environment and

23 Ibid.
climate change, or disaster relief efforts and humanitarian aid, as they have done in the past. By shifting the focus from competition to finding areas of collaboration, the US-China relationship may be able to reach a heightened frontier of diplomacy.

With these three major considerations, we hope that the US can construct a retooled and sustainable SEA political architecture that will anchor its presence in the Asia-Pacific region for decades to come.
Economic

We are in an exciting period when the construction of a framework for SEA can shape a brighter future not only for the region’s economic growth, but for the world’s economic growth. In the past few decades, East Asia has seen tremendous growth that has made it the most dynamic region in the world. Despite political tension with China, the US and China often seem to forget that they share the common goal of sustaining a stable and prosperous SEA region. The US must seek to develop the FTAAP through bilateral and multilateral means to ensure a prosperous future not only for itself but also for all of SEA.

MULTILATERALISM

During the APR, Dr. Il Houng Lee said that the ratio of global trade volume to GDP growth increased at a rate of 2:1 over the past two decades. Nowhere is this more apparent than in SEA, where increased economic integration has made both small and large nations interdependent. However, the proliferation of bilateral FTAs established between 2002 and 2015 started to complicate trade by imposing different rules, standards and regulations. This complex entanglement of different FTAs became known as the “Spaghetti Bowl” Effect as it created overlapping rules and contradictions in Asia. Ironically, the rising number of FTAs is starting to erode East Asia’s fundamental strength as a foundation of the global supply chain. In light of this, there lies a greater need for East Asia to adopt a wider regional free trade framework than to create more bilateral FTAs.

Seek to develop the FTAAP

We see conflicting interests in the region as the US promotes its TPP, China pushes the Regional Comprehensive Economic Partnership (RCEP), India and Australia pursue their own Asia-focused initiatives, and ASEAN builds its ASEAN Economic Community (AEC) for greater regional integration. In the future, as both small and large countries try to increase their importance in shaping regional economic frameworks and enhance their geopolitical influence, the competition among FTAs in the Asia-Pacific region will only increase. The growing competition for resources, complexity of trade agreements and future geopolitical tensions will require greater connectivity and collaboration between regional powers and ASEAN. As an ultimate solution to this Spaghetti Bowl problem, the US should seek to create a FTAAP to ensure regional economic and political stability for the foreseeable future.

Importance of High TPP Standards

The next US administration should continue to negotiate the TPP’s high standards in the areas of intellectual property protection, labor, the environment, and e-commerce, among others, to achieve gradual market liberalization in the Asia-Pacific region. The TPP is the first mega cross-regional FTA in the 21st century and it can lead to a more stable economic environment, allowing for greater foreign direct investment (FDI) in the region and increased specialization in the global supply chain. US policymakers should seize this opportunity to be proactive, rather than reactive in their approach to the Asia-Pacific economic regime by creating high standards for the still-developing ASEAN countries to aspire to. In the future, a post-TPP world could feature a convergence to TPP standards or a divergence to two or three different standards. Nevertheless, the different standards may begin the capacity building required throughout the region that could allow all countries to move toward meeting the higher TPP standards, and in due time, this may converge into a FTAAP in which the US can partner with East Asia to write the rules together.

Leadership from Within – Supporting other Multilateral Organizations

For this gradual convergence to occur, it is essential that the US lead from within by supporting
multilateral organizations, including those that are not its own creation. China and the US are on track to be each other’s largest trading partner by 2022, and with almost $600 billion in trade they are much more interdependent than any previous great powers. Both countries must learn to work together in future multilateral economic agreements in order to continue regional and global development. We recommend that the Administration take a more supportive outlook on Chinese and other Asian-led multilateral economic efforts, and look for areas of cooperation. For example, the Chinese-led Asian Infrastructure Investment Bank (AIIB) can collaborate with the Japanese- and Western-led Asian Development Bank and World Bank to bring about inclusive growth by providing much needed capital to developing SEA countries. This approach was supported in President Obama’s recent speech to the Young South East Asian Leaders Initiative (YSEALI) (which contrasted with his previous fear of China ‘writing the rules’), when he welcomed Chinese infrastructure investment in a vastly underfunded region.

Another Asian-led FTA, the RCEP, sets much lower standards compared to the TPP, but with the support of the US it could help many developing countries get on track to eventually reach TPP standards. One US ally, Australia is open to discussion about the TPP, RCEP and AIIB. Consequently, Australia will have a say in the development of these multilateral agreements from within by cooperating with China and SEA countries. While the US already missed the opportunity to join the AIIB as a founding member, it is not too late for the next US administration to enhance multilateral efforts in the SEA by participating from within.

BILATERAL TIES

It is not enough that the US create a multilateral structure for the economy of the SEA; it is essential that the US also strengthen bilateral ties with SEA countries. These individual bilateral economic frameworks, tailored to the needs of different economies at their particular development level, can serve as stepping stones for SEA countries to eventually reach TPP standards. The three key areas that can be addressed through bilateral engagement are creating more stable investment environments, developing infrastructure, and tackling corruption.

Creating a Better Investment Climate in SEA

As the adage goes, businesses do business with other businesses. However, the US government can play an important role in creating an environment that facilitates business and investment, helping both US firms and the ASEAN nations.

As noted above, the ASEAN region is one of the most economically outward-oriented of any region in the world. In the 1994 Bogor Goals, APEC committed itself to “the long-term goal of free and open trade and investment in the Asia-Pacific,” with APEC’s industrialized countries pledging to reach certain standards by 2010 and underdeveloped countries by 2020. Significant progress has been made in liberalization, but it tends to be uneven across APEC economies and sectors. Of course, APEC does not include all of the SEA countries. So while the Administration should continue to support the implementation of the Bogor Goals, we recommend that the Administration build on the 2006 US–ASEAN Trade and Investment Framework Agreement by concluding negotiations on a joint statement on Shared Principles for International Investment, as well as on a US–ASEAN Trade Facilitation Agreement. These agreements would be important steps in building a framework to support a future US–ASEAN FTA, and eventually a FTAAP.

While the benefits of economic liberalization are clear, we advise the Administration to support a more accommodating, gradual liberalization process in SEA. Pushing for rapid liberalization has exposed still-developing countries throughout the world to economic instability, which has too often translated into political and social upheaval. Such an approach in no way serves

US strategic objectives in Asia. Instead, countries need to be allowed to preserve economic stability in times of crisis, even if the measures they use contrast sharply with conventional liberal economic theory. The IMF has already begun to support this sort of smart liberalization, such as by taking a more permissive attitude towards capital controls in times of crisis. The Administration should also take this approach in bilateral relations, as well as at the Bretton Woods institutions.

**Building Stronger ASEAN Economies**

The US should help build stronger economies in individual SEA countries and the region as a whole. The US participates in several existing initiatives focused on fostering a better business environment (APEC’s Ease of Doing Business Plan, the ASEAN Single Window, and the ASEAN Connectivity through Trade and Investment or ACTI), as well as increasing the capacity of small- and medium-sized enterprises (SMEs) in SEA nations (the US-ASEAN Expanded Economic Engagement or E3, the APEC Boracay Agenda to Globalize MSMEs, and the US-ASEAN Alliance for Competitive SMEs).

Many of these programs have a relatively short time frame, typically around five years. As these programs begin to expire, the Administration should conduct a holistic evaluation to create even stronger partnerships. Along with continued support for creating a better business environment and more competitive SMEs, we recommend the Administration target SEA countries’ financial institutions. In many ASEAN nations the financial sector is heavily protected, but still underperforms. We suggest the US provide technical training when invited, as well as use its political clout to encourage countries to impose smarter regulations and permit increased competition. In all areas, strengthening the rule of law is key.

The US should also support greater regional integration to deepen economic opportunities for both itself and ASEAN members. The AEC is a great step in that direction, but even after the December 2015 deadline there will still be measures that need to be implemented. The US should continue to provide technical support and encouragement to ensure the AEC is fully implemented, and then improved in the coming years. America can also support and encourage Bretton Woods coordination with regional institutions and regulators such as the Chiang Mai Initiative Multilateralization (CMIM) and its surveillance body, the ASEAN+3 Macroeconomic Research Office (AMRO).

Regional institutions are often better received in the region, since the US is not “standing over” the ASEAN countries, but rather “sitting with them,” in the sense that they are local. Their economists have local language skills, contacts, and cultural understanding. However, regional institutions are still in the infant stage, so the US (and the international organizations it staffs and has a large say in running) can provide technical support and share information. With deeper regional integration and economic liberalization comes increased risk of financial contagion and cyclical volatility, so it will be important to build mechanisms that can detect these dangers early and act quickly and competently to manage them.

**Facilitate American Trade and Investments in SEA**

The US can also work through several different channels to encourage US trade and investments in SEA. Some top business leaders mentioned that it is “not in our DNA” to think in international terms, but that in our increasingly interconnected world going abroad will be key for firms’ long-term survival. We recommend the Administration consolidate the various global trade promotion programs in the Departments of Commerce and State, and the US Trade Representative’s Office. It should also more effectively coordinate the various programs. The remaining programs should focus on training American SMEs to conduct business abroad;
analyzing the highly effective German and Korean programs would be an admirable place to discover effective policies.

We also advise the Administration to make it clear to our partners in SEA that if they want to attract more and higher quality US investment, they will need to make some reforms. Many US firms are hesitant to invest in SEA countries due to relatively weak intellectual property rights, opaque and unnecessary regulations, and weak rule of law (especially problematic in many ASEAN countries are expropriation and compensation mechanisms, dispute settlement processes, and property rights). Engaging in bilateral investment treaties with the US, as well as concluding negotiations on the joint statements for the US – ASEAN Shared Principles for Trade and Investment mentioned earlier, will reassure US firms, who will then increase their economic activity in the region. It will also make it easier for ASEAN countries to trade amongst themselves.

*Infrastructure Development*

There is a need to develop transport and technology infrastructure in underdeveloped SEA countries to set the stage for growth and market liberalization. US partnerships with ASEAN and APEC, as well as programs such as the Lower Mekong Initiative, have helped develop SEA economies and find solutions for regional challenges. However, there is still a lack of institutional capability, infrastructure and human capital in many SEA countries, often due to insufficient funding. Therefore, we propose the following measures to help the US lead from within to help develop the region.

*Corruption*

The US should take an active role and *lead from within* to curb corruption in SEA. Corruption is an overarching issue that affects the ease of doing business, effectiveness of development, and trust in a country’s institutions. It is in the US interest to curb corruption in the region, since it threatens regional integration and infrastructure development that could otherwise raise economies to TPP standards.

For regional integration to take root, trading infrastructure needs to be constructed or upgraded. Unfortunately, the construction industry is consistently ranked as the most corrupt industry worldwide. Corruption often results in poorly constructed and maintained infrastructure, which slows regional integration and will impede the infrastructure development proposed in the *Infrastructure Development* section above. Furthermore, the higher costs caused by corruption discourages investment in infrastructure.

Corruption is already a topic of discussion and several anti-corruption initiatives are in place. The fight against corruption was discussed at the 2005 US-ASEAN Dialogue, while APEC members endorsed the need to work together to curb corruption. Despite all the high-level talks, a majority of SEA countries, including APEC members, still score poorly on the corruption perception index. The US should capitalize on this performance gap and use it to engage Asia and pursue its economic goals of a less corrupt and more efficient marketplace.

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RECOMMENDATIONS

We recommend a series of actions the US should implement to further economic development in SEA. The US should join the AIIB, while submitting a list of concerns as Australia has done. The pool of funds is necessary in upcoming years to fund the development and upgrading of infrastructures in the region. The US should also send technological experts to developing SEA countries to help in developing key hard infrastructures. Advisors should work closely with local contractors and provide them the knowledge and expertise locals lack.

The US should encourage NGOs to help local governments calculate how much tax revenue is required per annum to fund development projects. In the event that there is a surplus, tax rates could be lowered; when there is a budget deficit, the US could provide financial aid to ensure that the development projects continue. If the budget deficit is too wide, the US should identify the inherent economic flaw and work with China to close the deficit.

We suggest that the US should seek to impose tougher regulations that apply beyond US borders to reduce the probability and opportunities for companies to exploit workers. Under such an initiative, fair wages, reasonable working hours, and safe working conditions should be compulsory. Penalties should be tough against companies who exploit cheap labor in developing countries. Substantial fines could be paid to affected communities to ensure fair compensation. Such fines would serve as a deterrent and an incentive to improve a company’s image. Regulations could be gradually made more stringent to allow companies time to comply.

The US should work with local governments to monitor companies, local and US-based, granting greater power to local governments to take action against any company that violates the new labor laws. The US should support local governments by blacklisting noncompliant companies, thereby restricting their ability to conduct business in the region.

A bilateral agreement should be negotiated to include foreign companies that have demonstrated social responsibility on a recommendation list. Such a list would boost a firm’s image and reputation, as well as enhance their business, incentivizing firms to continue to have a good track record and encourage more countries to meet the new tougher regulations.

The US should offer more scholarships to SEA students to study in the US, establish more quality schools in SEA developing countries, and send more US citizens to work as teachers to teach children from a very young age to improve their English-language proficiency and help the next generation. In education, the US should encourage local governments to emphasize economics, science and engineering in their syllabi, which are arguably the most crucial subjects required for nation building.

We also recommend that the US assist SEA governments in translating discussion points and recommendations raised in relation to corruption at multilateral dialogues and forums into tangible actions. Recommendations should be focused on economies that are not yet ready to participate in the TPP and be implemented in ways to ensure that receiving states feel a sense of ownership of the reform process. The US could assist in formulating local laws that comply with the United Nations Convention against Corruption. Local governments in the region could be encouraged to request subject-matter experts to be stationed in areas that have problems to assist in evaluating issues, implementing solutions and monitoring progress. The US could establish an exchange program to share and transfer best practices of governance, including open and competitive procurement processes. Finally, the efforts of local civil societies in combating corruption could be coordinated by well-funded US NGOs to avoid duplication of resources.
Security

Since 2011 a core aspect of US foreign policy towards East Asia has been protecting US national interests and maintaining influence in the region by improving security ties with SEA countries. While the US’s recent efforts include a new posture targeting the SEA security environment, it also contains a strategic policy towards the region that is “geographically distributed, operationally resilient, and politically sustainable.” Such a change in the US’s strategic focus is evident in both its traditional and nontraditional security pursuits with countries throughout SEA, and has resulted in a more expansive and influential US security presence in the Asia-Pacific region.

However, the US walks a fine line between increasing its levels of military engagement in the region and propagating negative perceptions of its expansion. Despite the fact that the US has reoriented its military presence by gradually moving its forces into East Asia, observers in both the US and SEA argue that the military component of the pivot has been “overemphasized and characterized as the driver of US policy.” This is especially noticeable in the US plans to send “70,000 [Army] troops to the Asia-Pacific region as a part of its new general regional alignment,” and recent commitment to send sixty percent of its forward-deployed naval forces to East Asia by 2020.

The US has succeeded in increasing its military presence in East Asia since it formally announced its reorientation to the region in 2011; a change the US should maintain. However, the US needs to refocus and rebrand its defense strategy. The US should shift the priorities of its military/diplomatic strategies with SEA countries. While this includes improving military-to-military relations with SEA countries through more joint military exercises and a larger HA/DR influence in the region, it also calls for the US to work with SEA security forces to combat local terrorists. The US should also promote ASEAN centrality by encouraging the establishment of an ASEAN-led regional code of conduct, and mechanisms that address territorial disputes, human trafficking, refugee issues, global health threats, climate change, and cybersecurity.

SEA has risen in importance relative to East Asia as a whole and deserves more sustained attention and a proactive regional policy. Therefore, the US should adopt a more holistic security approach towards SEA to not only promote peace and prosperity in an increasingly important part of the world, but to further institutionalize the US’s commitment to the Asia-Pacific region.

INCREASING ENGAGEMENT WITH STRATEGIC PARTNERS AND ALLIES IN SEA

To increase levels of cooperation with its SEA strategic partners and allies, the US should foster stronger military-to-military relations through joint exercises and humanitarian aid preparation measures, and encourage the creation of a joint platform that allows for information sharing to combat regional terrorism threats.

Since 2011, the US has expanded its security ties with SEA countries by participating in several established and new joint military exercises. The US participates in more than 150 exercises with East Asian militaries annually. In addition, the US has expanded its engagement programs by spending “over $100 million [on a program that] includes 18 major exercises involving joint military forces, interagency activities, and 30 partner nations,” and has participated in more

32 Ibid.
exercises in SEA by “expanding military engagement with Brunei, India, Indonesia, Malaysia, Singapore, Vietnam, and other partners.”

However, with the threats of a nuclear North Korea and a rising China, the US has participated in comparatively more exercises with its allies in Northeast Asia. This includes not only the bilateral Max Thunder, Buddy Wing, Key Resolve, and Foal Eagle exercises with the Republic of Korea, but also the bilateral Iron Fist exercise with Japan, all of which have been held in just the past few months.

To enhance military-to-military relations with its strategic partners and allies in SEA, the US needs to participate in more established and new joint exercises with countries such as Indonesia, Malaysia and Singapore. These exercises include the 2014 Malus Amphex exercise with Malaysia and the 2014 Phiblex exercise with the Philippines. The US should encourage SEA countries to participate in multilateral joint exercises similar to the Kiwi Flag exercise with Singapore, Australia, France, and New Zealand. Taking part in multilateral exercises would help SEA participants boost mutual trust and deepen cooperation with foreign militaries, but also learn from more advanced militaries and prepare for shared regional challenges.

The US has expanded its involvement with SEA militaries by sending HA/DR missions to SEA in times of crisis. In the past few years, the US has participated in regional HA/DR missions, including aid efforts after Typhoon Haiyan in 2013 in the Philippines and the search for the missing Malaysian airliner in 2014. The US is well prepared to contribute to HA/DR efforts in SEA because of its ability to share aid strategies in ARF meetings and its US Pacific Command-sponsored training workshops.

Yet ASEAN’s faltering economic growth limits the funds available for HA/DR preparedness, and forces such funds to compete with other government spending. In the aftermath of Typhoon Haiyan, analysts questioned ASEAN’s ability to lead disaster relief efforts within its periphery because of its lack of resources and manpower in comparison to those of the United Nations. However, major natural disasters, such as floods, earthquakes, volcanic eruptions, and tsunamis are common in SEA and have made HA/DR a high priority for ASEAN.

Therefore, the US should enhance its HA/DR role to support SEA countries in the wake of natural disasters and to display its intention to remain engaged with the region. The US first needs to encourage, and possibly fund, tabletop exercises that SEA militaries can participate in to prepare their national forces for future disasters. The US should emphasize the importance of civil-military coordination, and encourage SEA countries to teach motivated members of civil society the skills necessary in “setting up mobile clinics, providing clean water, and/or running nutrition programs.” Furthermore, the US should work with the countries that face the greatest risks for natural disasters to create more HA/DR hubs to assist in the efficient transfer of emergency supplies. If the US enhances its HA/DR role in the region through close cooperation with SEA governments and civil societies, it would not only allow the US to save

33 Ibid.
36 Ibid.
38 Ibid 8.
thousands of lives, but would also reassure its allies that it is committed and willing to fulfill its duties to the Asia-Pacific region.

With the emergence of radical Islamic movements, specifically the Islamic State (ISIS), terrorism has become a key issue in SEA. At the 2015 Shangri-La dialogue, Singapore Prime Minister Lee Hsien Loong emphasized that there were enough ISIS fighters in the region to form their own unit, with more than 500 from Indonesia and dozens from Malaysia. With a steady source of funds and adept use of social media, ISIS has garnered support from regional militant leaders. The US has already become involved by helping to fund and train Indonesia’s counter-terrorism unit. The number of US troops deployed to the region has recently increased and will continue to grow over the next few years. The US has also begun initiatives in intelligence sharing to combat ISIS in the region.

**PROMOTING ASEAN CENTRALITY AMONG SEA COUNTRIES**

The US wants ASEAN nations to be central actors in setting regional codes of conduct in relation to global norms and state conformance on issues including territorial disputes, human rights regulations, global health threats, environmental issues, and cybersecurity. These issues are transnational and require collective collaboration among all SEA nations with the US supporting and promoting ASEAN leadership and initiatives.

**Territorial Disputes**

The South China Sea is a highly disputed area. Its strategic location offers military, economic and strategic value, especially the islands. This has led to several disputes over the past few years. The Spratly Islands are the most recent focus of tension. There are six countries vying for control of the Spratly Islands: China, Taiwan, Vietnam, Malaysia, Brunei, and the Philippines. China, Taiwan and Vietnam claim historic rights to control the territory because of past records indicating ownership. The remaining nations, as well as Vietnam, rely on a legal argument to claim control. According to the United Nations Convention on the Law of the Sea (UNCLOS), a portion of the Spratly Islands lie within their Exclusive Economic Zone (EEZ), which effectively
grants them ownership of a portion of the Islands. Figure 1 offers a visual illustration of the contested Islands.

China’s increasing aggression with regards to the Spratly Islands dispute has resulted in tension between China, ASEAN and the US, given the latter’s close ties with some of the other countries involved, such as the Philippines. ASEAN has tried to establish a code of conduct and to find a solution to the dispute, but so far has been unsuccessful. However, it would be undesirable for all if the US becomes overly involved. The US has extensive interests in the dispute because freedom of navigation in the region is crucial for its military and economic presence in SEA. The US also wants to ensure regional stability, which bolsters prosperity for the US and SEA. The US has close ties to both sides of the dispute and choosing sides could have devastating results for US economic, political and military partnerships.

It is clear that the dispute needs to be resolved, but without over-involvement from the US. Therefore, the US should invest in developing a regional architecture that will build capacity, strengthen regional institutions and reaffirm alliances while building new partnerships with ASEAN states. In doing so, the US should emphasize ASEAN centrality and ultimately defer to ASEAN and the regional dispute-resolution mechanism to avoid playing a central, active role.

Human Trafficking and Refugees

Human security is a relatively new concept that encourages the understanding of security in an interdisciplinary and individual-centered way. Human security focuses on issues ranging from human trafficking, refugees, human rights, genocide, resources, and the environment. It sees these issue areas as both a cause and an effect of a state’s security. For example, income inequality, a non-traditional security (NTS) issue, often results in discontent and potentially violence. Conversely, security threats from abroad may result in destruction of lives and resources, leading to poverty.

Human trafficking poses one of the greatest—if not the greatest—threat to human security in SEA. Of the 2.5 million people trafficked globally, 1.4 million, 56%, are trafficked in Asia and the Pacific. It is unfortunate, but not surprising, that the majority of victims are young and poor. Sex trafficking is a major component of human trafficking, and many of the victims are women. According to the International Labour Office, human trafficking generates more than $150 billion a year. What many do not realize is that human trafficking is often used to fund drug and arms trafficking, organized crime, and terrorism. Therefore, human trafficking is not only a humanitarian and human rights concern but a security threat.

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More than 120,000 Rohingya have fled Burma in the past three years, mostly with human traffickers, who have smuggled them across the Burmese-Thai and Malaysian borders. With Thailand’s crackdown on land-based human trafficking, Rohingya smuggling has shifted to sea routes. Earlier this year, thousands of Rohingya took to shoddy boats to flee Burma, only to be left at sea with little food or water. The United Nations High Commission for Refugees (UNHCR) estimates that 3,500 arrived in Malaysia and Indonesia already, while 2,500 remain at sea.\(^{45}\)

Presently, the US is active in three programs seeking to address human trafficking and refugees. A program launched by USAID in collaboration with ASEAN and Australian Aid, MTV EXIT (End Exploitation and Trafficking) raises awareness of human trafficking in a unique and engaging way. By hosting live concerts, outreach events, and television programs, MTV Exit has reached more than 94 million people.\(^{46}\) Through this outreach, trafficking has been transformed from an abstract threat to a reality with clear avenues for individual actors to educate themselves and make a difference.

MTV Exit suggests that non-traditional approaches to human trafficking can be used to reach new audiences and encourage participation from influential non-state actors. Furthermore, beyond security measures, US and ASEAN have and can continue to collaborate in bringing awareness to this issue and shaping it as a key security priority.

Millennium Challenge Corporation (MCC) is an US foreign aid agency that uses competitive funding methods to encourage good governance, economic freedom, and investment in the citizens of other countries.\(^{47}\) MCC’s unique approach requires countries to meet certain standards. Eligibility is determined by using data, including human trafficking reports. When nations no longer meet certain standards, they risk losing funding. MCC has distributed more than $8.4 billion in aid.\(^{48}\) MCC’s most successful case has been the Philippines. When faced with the loss of funding because of human trafficking, the Philippines allocated more resources to anti-trafficking programs. Convictions of traffickers tripled and the number of victims rescued quadrupled.\(^{49}\)

Global Health

The 2003 SARS epidemic forced a reassessment of the security and public health implications of a global health crisis based on how Asia and SEA nations responded as the viral disease spread to more than 37 countries, with China at the epicenter. According to the Asian Development Bank, the total cost of SARS exceeded $17 billion,\(^{50}\) while revealing a highly interdependent region linked by travel and trade, politics and security. This forced ASEAN to reconsider a new security framework for not only the emergence of infectious disease threats but also for chronic diseases, food security, and HIV/AIDS. In SEA, nearly 5 million people live with HIV/AIDS, contributing to one-sixth of the global burden, and the regional leading cause of death is non-communicable diseases, such as respiratory-related illnesses.\(^{51}\) This one case in China exposed the shortcomings of Asian nations in their ability to handle the unpredictability and enduring effects of global health threats.


\(^{49}\) Ibid.

\(^{50}\) Asian Development Bank. SARS economic impact. 2005.

\(^{51}\) World Health Organization. Closing the gap by putting key populations at the heart of the Asia-Pacific Response to HIV/AIDS. WHO regional office for Southeast Asia. 2014.
Presently, the US is heavily involved in several programs seeking to address global health issues in SEA. Launched in 2003, the President’s Emergency Plan for AIDS Relief (PEPFAR) is the largest global response to a single disease. Focusing on Africa, it seeks to provide cost-effective programming for antiretroviral treatment, education, and collection and analysis of data.52

During the ASEAN Health Minister’s Meeting Plus 3 (AHMM +3), health ministers from Japan, China, Korea, and all 10 ASEAN nations meet biennially to collaborate and devise solutions for the region’s most pressing health issues, which in 2014 include non-communicable diseases and strengthening primary health care systems.53 The US should continue to support such existing frameworks and offer technical, infrastructure or mediating assistance to the development of AHMM +3 initiatives.

The World Health Organization's International Health Regulations (IHR) sets the guidelines and rules for member states when faced with health emergencies that have the potential to spread beyond state borders.54

The Global Health Security Agenda (GHSA) is a 2014 US-led initiative that stands in contrast to the Obama administration’s 2009 Global Health Initiative by focusing on diplomatic collaboration with 30 countries, five in ASEAN, non-governmental organizations, and international institutions from various disciplines. The GHSA promotes global health as a top foreign policy through 3 pillars: prevent, detect, and respond through vaccination campaigns; biosurveillance; and Emergency Operations Centers to respond to immediate security health threats, such as epidemics.

Climate Change

SEA is a region that is vulnerable to environmental change, and contains more than half of the World Risk Index’s top twenty countries most affected by climate change. Climate change brought on by the burning of fossil fuels has resulted in a host of continual problems in SEA, including rising sea levels, floods, drought, poverty, and declining agricultural productivity. While the US has been working with ASEAN to manage the impact of such issues on SEA, efforts can be increased to not only aid human and urban development, but also strengthen US multilateral relations with ASEAN.

Energy Security

SEA is facing an energy security challenge55 due to the rapid expansion of its middle-class and jump in energy consumption cause by urban development. Its energy needs are expected to increase over the next few decades, creating potential competitive tensions over regional sources of energy. Current non-renewable sources of energy are derived from coal, natural gas and imported oil. However, projections reveal that ASEAN states will become largely energy deficient by 2035.56 Due to the economic and increasingly geopolitical implications of a potential energy crisis, the US should enhance its efforts to engage with ASEAN to develop new sources of energy and ensure the sustainability of current regional reserves.

One of the security threats faced by ASEAN is the rivalry over land and maritime areas that contain oil and/or gas reserves, especially involving China. This has manifested itself in South

52 PEPFAR. Funding and Results. The US president’s emergency plan for AIDS relief. 2014.
53 ASEAN Plus 3 Minister’s Meeting. Joint statement of the 6th ASEAN plus 3 health minister’s meeting. Association of Southeast Asian Nations. 2014.
China Sea conflicts, including China’s deployment of an oil rig in disputed waters off Vietnam in 2014, which resulted in the worst deterioration of Vietnam-China relations in two years. While the US called China’s actions “provocative,” it needs to play a stronger role in supporting ASEAN sovereignty, in addition to working with ASEAN to build energy capacity as a bridge to a time when renewable energy sources provide SEA’s energy needs.

Cybersecurity

An increasing reliance on technology has been accompanied by rising threats to SEA as hackers continually devise methods to infiltrate cyber systems to achieve their criminal and espionage goals. Cybersecurity is increasing in prominence at the national and regional levels, and requires more than one silver bullet as it is multidimensional, hard to visualize and to many, an esoteric concept that is difficult to comprehend.\textsuperscript{57} It is crucial to understand that cyberspace adds a new dimension to both economic competition and politically driven conflict for business, transactions, networking, and scheduling, given its unrivaled convenience. The need to safeguard the content of individuals’ private lives and national actors is of paramount importance for the region.

ASEAN plays an important role in cybersecurity. First, its centrality in the wider regional Asia-Pacific architecture and perceived status as a neutral body means that ASEAN has an important role to play in international cybersecurity cooperation, particularly in the context of US-China relations and given the recent political focus on the impact of state and economic cyber espionage. While China is also concerned about targeted cyber threats, its use of cyberspace to gain military and economic advantages has created “an implicit commonality of interests” among other regional powers. Second, while citizens in many areas of the region still do not have access to information and communications technology (ICT), the numbers are rising. Of 2.1 billion Internet users worldwide, most are located in Asia (922.2 million). China alone has 485 million users—more than any other country or region, including Europe and the rest of Asia—and an Internet penetration of only 36.3%. ASEAN has a population of slightly more than 600 million.\textsuperscript{58} Despite the region's importance, national and regional efforts to adopt comprehensive cybersecurity strategies have been slow and fragmented, reducing the security of the region and potentially undermining the proper functioning of markets.

The US Department of Defense (DOD) recently decided to “treat cyberspace as an operational domain”\textsuperscript{59} alongside air, land and space. The National Institute for Standards and Technology (NIST), a non-regulatory federal agency in the Department of Commerce, was charged with helping “critical infrastructure owners and operators reduce risks in industries such as power generation, transportation and telecommunications.”\textsuperscript{60}

In 2014, the agency generated a final revised version of “Improving Critical Infrastructure Cybersecurity.” It is a flexible framework that can be used by organizations of any size, sophistication, or degree of cyber risk. It is a guideline to assess their existing cybersecurity program or to build one from scratch, set goals for cybersecurity that are in sync with their business environment, prioritize opportunities for improvement, or establish a plan for improving or maintaining their cybersecurity. It is also a valuable tool to help executives understand their company’s security practices. Executives may use the framework to see how

\textsuperscript{57} Heinl, C. H. (2014). Regional Cybersecurity: Moving Toward a Resilient ASEAN Cybersecurity Regime. \textit{Asia Policy}, (18), 131-159

\textsuperscript{58} Ibid.


their company's cybersecurity practices measure up to the framework's standards, understand where their company's vulnerabilities lie, and determine if they are doing enough.\textsuperscript{61}

The US should adopt a similar structure for ASEAN through a mentor relationship to share its technological and network facilities. Doing so will create a platform for the US to retain its diplomatic connections with ASEAN countries, while establishing a cybersecurity requirement framework based on a common language to communicate cybersecurity requirements. An organization can use the framework to communicate the organization's cybersecurity requirements to its various stakeholders. Such a framework would help ensure long-term coordination in training and capacity in cybersecurity, which promotes the enhancement and sustainability of the framework. Lastly, computer emergency response team cooperation among ASEAN members should be improved.

**RECOMMENDATIONS**

The US has laid a strong foundation for its future security initiatives in the region. But for the US to sustain its engagement, it must be more expansive in its scope, addressing not only military issues but nontraditional security issues as well. Doing so requires an understanding that NTS issues require an interdisciplinary and collaborative approach. Expanding engagement will not be easy, but is crucial for increasing channels of cooperation between the US and ASEAN, and for securing the future stability of the region.

Although the US has already started taking actions to address terrorism in tandem with some ASEAN nations, there is much more that could be done. The recommended next steps include the US continuing to work closely with local security forces to strengthen resistance to domestic terrorist groups and to hinder militant recruitment efforts. The US should assist ASEAN in creating stronger regional mechanisms to increase anti-terrorism communications and information sharing between ASEAN states to circumvent the spread of radical Islamist ideology propagated through social media.

The US should make issues of human security a priority in its foreign policy. As seen with refugees and human trafficking, the US must understand human security in an interdisciplinary and individual-centered way and approach these issues in more multi-level and collaborative ways.

To combat human trafficking in SEA, the US must continue its bilateral engagement with SEA nations. The US should continue funding its MCC program, using the Philippines as a framework. It should continue its engagement with INTERPOL, the ASEAN Commission for the Promotion and Protection of the Rights of Women and Children (ACWC), the ASEAN Intergovernmental Commission on Human Rights, and other relevant agencies. It should also expand its engagement with economic organizations, such as APEC, the ASEAN-US Partnership for Good Governance, Equitable and Sustainable Development and Security (PROGRESS), multinational corporations, such as Microsoft and Google, and grassroots organizations.

When the UN Convention Relating to the Status of Refugees was established in 1951, it was created with Europe in mind. However, Asia-Pacific is not Europe, and its unique history is not reflected in the Convention. Many of SEA's problems stem from its colonially drawn borders, which have placed various—often antagonistic—ethnic and religious groups in the same state. Consequently, many of the people of concern in this region are not refugees, a term that implies being outside one's nation, but internally displaced persons (IDPs). Therefore, international refugee regimes should be amended to reflect the nature of peoples of concern in the region,

\textsuperscript{61} Ibid.
many of whom are stateless or internally displaced. The US should encourage ASEAN nations to cooperate to make their laws concerning refugees and human trafficking more similar, if not identical.

In the realm of global health, the US should reconfigure the US Global Health Security Agenda to broaden the scope of diseases to include a wider range of non-infectious and chronic diseases that commonly occur SEA. Funding for global health initiatives has gone primarily towards PEPFAR and the President’s Malaria Initiative (PMI), both of which focus on Sub-Saharan Africa. PEPFAR received about $52 billion from Congress through FY 2013, while funds for “Action Packages” in GHSA were only $45 million. “Action Packages” are the foundation of GHSA because they provide specific, coordinated actions such as increasing preventative measures through a functioning vaccine delivery system. Therefore, we recommend the US increase funding of GHSA to ensure “Action Packages” can fulfill their objectives. Such funding will facilitate regional and global collaboration between states participating in GHSA. However, only five of the ten ASEAN countries participate in GHSA. The US should not only encourage all ASEAN nations to participate in GHSA, but to also serve as “Action Package” leaders. As leaders, ASEAN members can offer an ASEAN perspective on the region’s pressing health threats that commonly characterize the region, including respiratory-related illnesses, HIV/AIDS, malaria, non-communicable diseases, tuberculosis, reproductive health, and access to clean drinking water. The US should broaden the scope of diseases that GHSA focuses on to encourage a larger ASEAN presence in these health initiatives.

In terms of climate change, the US can strengthen USAID initiatives by developing a common regional mechanism for ASEAN climate change programs, which would emphasize the accountability and transparency of governments in conducting such initiatives. This regional framework would be based on recommendations in previous ASEAN climate change declarations. As outlined in the ASEAN Socio-Cultural Community (ASCC) Blueprint of 2009-15, a joint US-ASEAN Climate Change Initiative can be developed to connect existing initiatives, draw on US climate change expertise, and prepare project timeframes in the areas of combating illegal logging, reducing haze and greenhouse gas emissions, and conserving water resources.

In light of the ongoing maritime disputes in the South China Sea, climate change, which is an issue that all ASEAN countries recognize as a threat, presents a unique opportunity for the US to increase its non-traditional cooperation with ASEAN. USAID works with ASEAN to conduct climate change initiatives, for example through its “Lowering Emissions in Asia’s Forests” (LEAF) program. This program seeks to reduce greenhouse gas emissions in SEA, while conserving local biodiversity and improving the lives of vulnerable populations.

The US can develop a joint ASEAN Climate Change Fund to manage and distribute climate change impact funds to vulnerable countries. Many ASEAN states rely on foreign aid during natural disasters, such as bilateral donations from the US, EU and other SEA states, as well as from regional organizations such as the International Monetary Fund and the Asian Development Bank, which seek to promote economic growth in member states. However, an

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62 UNHCR defines a refugee as a person fearing persecution living OUTSIDE their state. Therefore, other nations do not have the jurisdiction to assist internally displaced persons persecuted by their own government.

63 US Department of Health and Human Services. PEPFAR. Global programs and initiatives. 2014.


area of concern is the potential mismanagement of aid funds in recipient countries, much of which may never reach affected communities. Therefore, a main directive of the Fund would be to liaise directly at the community level with local leaders to determine the amount of funding needed by vulnerable areas, and ensure that funds are equitably distributed.

The US can also initiate an annual ASEAN-led Climate Change Conference to increase citizen consultation in government, private sector and civil sector efforts to combat climate change. ASEAN participates in the annual UN Climate Change Conference, which seeks to assess member progress in managing climate change. However, to increase the efficiency of each country’s environmental policies and measures, a bottom-up approach from the grassroots level needs to be taken, where citizens and community leaders at the Conference can be educated on the potential impacts of climate change policies, and consulted on which types of programs would benefit them the most.

The US should recognize climate- and environmentally-induced migration as one of the major challenges the world faces in the 21st century. The US’s primary concerns should be ensuring proper living conditions and safety for migrants and promoting sustainable development. The State Department also should expand its definition of human trafficking to include organ trafficking.

The US should work with regional governments and NGOs to regulate energy use in commercial sectors. In Malaysia, for example, commercial buildings account for 32%69 of total energy consumption. Initiatives such as the ASEAN Plan of Action for Energy Cooperation can be strengthened to promote good energy management practices in regional commercial and manufacturing sectors, such as regulating energy use through the Energy Efficiency Index and working with NGOs to enhance public awareness of energy conservation in the workplace.

The US should collaborate with ASEAN to strengthen renewable energy financing plans to support the development of clean and renewable energy sources, including enhancing the development of biofuels, wind, solar, and hydropower dams, as well as funding research and development projects to support the necessary technology. Through cross-collaboration with private sector and R&D firms, the US can further build on existing APEC programs to improve agricultural technologies and green building codes and rating systems. Continued exchanges in sustainable energy funding and technology will create a stronger web of multilateral cooperation with ASEAN.

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Social/Cultural

Stable socio-cultural bonds between the US and SEA are an essential component of the US rebalance towards Asia. While having a strengthened relationship with SEA through the enhancement of socio-cultural bonds is less tangible than other aspects covered in this report, it is important that these bonds are built and emphasized equally. A nuanced understanding of the SEA region will facilitate a deepening integration between the US and the region in the security, economic and political realms. This aspect is even more pertinent when considering the increasing stake the US has in the region and its increasingly active participation in multilateral institutions such as the APEC and EAS.

There have been numerous initiatives established by the US government to reach out to SEA through dialogues, partnerships and agreements. However, differences in culture may impede these approaches. Therefore, an enhanced holistic two-way understanding of both sides will help smooth discussion and improve cooperation processes. The gap in cultural understanding can be viewed from several aspects including differences in history and values which led to different political and economic trajectories; and traditional and new media portrayals of SEA. Such differences highlight a pressing need to bridge the social/cultural gap, which can be addressed using a two-pronged approach: an external component focused on enhancing public diplomacy efforts in ASEAN countries, and an internal component promoting a deeper understanding of SEA by the US public.

EXTERNAL PUBLIC DIPLOMACY

While a lack of cultural understanding still exists, the US government has effectively employed public diplomacy efforts, engaging each ASEAN country through the promotion of culture, academics and education. This allows the US to flex its diplomatic muscles through the use of soft power in the region with the cooperation of ASEAN. To address these issues externally, our policy recommendation is to continue promoting public diplomacy programs more intensively to further inculcate positive sentiment towards the US in SEA. In particular, we recommend an increase in people-to-people interactions, such as cultural exchanges and academic grants. Examples include additional US-sponsored grants/scholarships to allow SEA students to receive a university education in the US; increasing cultural exchanges sponsored by the US for younger SEA students to visit the US; and more academic exchanges for US and SEA university professors to guest lecture at the other’s universities. Such initiatives raise cultural awareness and promote cross-cultural exchange. One successful example of this type of public diplomacy is how the US embassy in Vietnam sponsors the H.H. Humphrey program, which sends Vietnamese academics to the US to study and intern for a year in their field of study.

We also suggest that the US look to new fields of public diplomacy such as digital diplomacy. US 21st Century Statecraft (Digital Diplomacy) uses the Internet and new digital communication technologies to help achieve diplomatic goals. Part of the mission of the Bureau of Resource Management’s Office of Diplomacy is focused on “advancing diplomacy by providing effective knowledge-sharing initiatives.” Current efforts regarding digital diplomacy have succeeded. In 2012, US-sponsored mobile apps were developed to help during natural disasters, such as the Haiti earthquake. This bolsters internal and external diplomatic efforts by the US by taking advantage of the Internet and technology. As stated in a Foreign Policy article on digital diplomacy, “In today’s interconnected world, individuals and organizations—not just countries—can play a defining role in international affairs, and the State Department needs to capitalize on this new landscape.” Two additional ways in which the US can use digital diplomacy are social media and traditional news media.

The US should also take advantage of social media. By connecting people at home and abroad via new technologies, social media’s “Diplo-media” has far-reaching effects. Most content is created to advance broad US national interests, and has been used as a form of public diplomacy in countries with which the US has diplomatic ties. Social media’s real-time monitoring function and the ability to engage directly with a mass audience can help shape US perceptions of Asia and Asian perceptions of America. However, this form of public diplomacy must be approached with caution and local sensitivities must be considered to avoid negative outcomes.

The traditional mass media - print, broadcast and online news - has the ability to shape US domestic public perceptions regarding US foreign policy towards Asia as well as SEA citizens’ perceptions of the US. When examining US citizens’ attitudes towards actors in the rebalance and our relationship with SEA and China, it is important to remember the ways in which media shapes and influences opinions. The increased connectivity and reach of the internet presents an opportunity for the US to increase coverage of US-Asia relations to enhance public knowledge of foreign relations with Asia, as well as of cultural differences and similarities.

INTERNAL PUBLIC DIPLOMACY

Historical paths taken by both the US and SEA countries vary greatly, which has led to the formation of different perspectives, ideals and values. These in turn have led to differing perceptions and behavior.

One of the more striking discourses that was heavily featured in SEA in the 1990s was the “Asian Values” championed by then Prime Ministers Dr. Mahathir (Malaysia) and Mr. Lee Kuan Yew (Singapore). These values were cited as one of the key components that led to successful nation building and foreign policy formation. The concept of “Asian values” has been contrasted with “Western values,” thereby framing it as an East-West dichotomy. Asian values emphasize community, which leads to order and harmony, while Westerners value individual liberty. In addition, Asian values place significance on hard work, as well as respect for leaders and family.

While efforts have been made to bridge the cultural differences between the US and SEA through various public diplomacy initiatives by the US government, a gap still exists because of differing values. Therefore, the domestic dimension of US public diplomacy should be enhanced to encourage US citizens and officials to better understand the culture and history of SEA countries. Though these efforts are geared toward the US audience, the development of foreign policies will be improved as cultural understanding increases. As Cynthia Schneider observed, “cultural knowledge and understanding lie at the heart of every foreign policy challenge.”

The different historical cultural narrative of each side impacts the shaping of foreign policy. A critical challenge for the US government is to recognize the nuances in the cultural history of the various SEA nations and to formulate policies that are conducive to these differences. However, the recognition of cultural differences at the government level also needs to be balanced with a greater cultural understanding by the US public. Foreign Service officers spend months to years studying the languages and culture of their assigned country, yet this education does not flow down to the US public. With the lack of a top-down dissemination of information, it would be advantageous to approach the issue with a bottom-up approach. The government and civil society should work together to create cultural awareness in US citizens.

Without a doubt, the opinion of the US public is a powerful influence on US foreign policy, and yet often the two do not align because of a disconnect in knowledge both in foreign relations and cultural insights. While there are news sources available and various publications from

think tanks, a change must occur in the US education system to enhance the cultural awareness of the US public and address the discrepancies between public opinion and foreign policy priorities. It is not enough to depend on political leaders and government officials to make US foreign policy decisions, since it affects all citizens, even though the connection between the issues are oceans away and the centrality of local SEA events is sometimes difficult to recognize.

Our policy recommendation for bridging the cultural gap is to add a new dimension to the US public diplomacy process: domestic diplomacy. We suggest that the government collaborate with civil society to create educational programs in the US focused on the history and culture of Asian nations to impart cultural knowledge to US students. One way this initiative can be implemented is through summer or year-long programs for high school students. The “We the People” program is a yearly competition sponsored by the Center for Civic Education which encourages high school students to learn about the US government and the Constitution. The Department of State could create a parallel program for US-Asia relations to introduce this subject to high school students in collaboration with civil society.

Another avenue to promote cultural awareness is by creating opportunities for US businessmen and businesswomen to work with their Asian counterparts so as to deepen their understanding of Asian business practices, which will contribute to greater fluidity in the economic realm. Research has been conducted about the differences in leadership styles by individuals from different cultural backgrounds and the subsequent perceptions of team members. Cultural differences exist regarding the importance and value of leadership, and results show that particular styles and approaches to leadership may not be as successful with all cultural groups. By promoting corporate exchanges between Americans and Asians, the immersion in different business styles will foster better relations across cultures.

In addition, the frequency and promotion of government-sponsored events that showcase Asian countries to the US public should be increased. This will allow the public to become more familiar with the various cultures of SEA. For example, Singapore Day is an event organized by the Overseas Singaporean Unit to engage overseas Singaporeans and their families in major cities for a day of familiar sights, tastes and sounds. The US government could organize events in partnership with foreign governments, but instead of only being available to Asian expatriates, events should be geared toward all Americans to improve cultural understanding.

A final suggestion for reaching a larger US audience is sponsoring and promoting events such as Asian film festivals, which can be a popular medium to provide insight into certain aspects of Asian culture, just as Hollywood is able to reach audiences in Asia. While there are Asian film festivals in cities in the US, such as the Los Angeles Asian Pacific Film Festival and the Asian Film Festival of Dallas, with collaboration between the government and civil society, these events can be used for domestic diplomacy with even greater possibilities of bridging the cultural gap between Americans and Asians.

RECOMMENDATIONS

Our combined external and internal policy recommendations for the social and cultural aspects of US foreign relations will provide bi-directional efforts to increase cultural understanding, allowing smoother collaborations.

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We recommend that the US increase the number of people-to-people interactions, such as through cultural exchanges and academic grants (Humphrey, YSEALI, Fulbright). The US should also use the emerging fields of Public Diplomacy such as E-Diplomacy and E-Media to reach US and SEA audiences, as well as to enhance and broaden US public diplomacy practices to address the US, in addition to foreign publics. Finally, the US should seek to collaborate with civil society and SEA governments to promote educational programs, corporate exchanges, and cultural events to increase cultural understanding in a reciprocal and bidirectional fashion.
Closing Remarks

The recommendations presented in our report are characterized by common priorities: collective leadership, renewed cooperation (especially in non-traditional areas), and promotion of regional integration. An elevation of these priorities constitutes a change in focus for US foreign policy. It incorporates frontiers of cooperation, such as energy, terrorism, and collaborative leadership as core tenets of US foreign policy. These areas have long received attention, but have remained peripheral to the US’s larger strategic aims. This needs to change with the next administration.

Through the policy recommendations presented by this task force, we propose a more inclusive set of strategic pillars that will assist with the reorganization of US strategic interests. These pillars are defined by strategic deepening of relationships (adding frequency and regularity to interactions, while including more actors), collaborative leadership (leveraging the US’s position from within institutions, and supporting their initiatives), and commitment reassurance diplomacy (maintaining that the US will not divert its attention from the region).

Our policy recommendations do not alter the bulk of US foreign policy, since they maintain or strengthen US engagements along a number of pre-existing lines. Rather, our advice targets the scope of US foreign policy interests and the inclusivity of US objectives. A broader, more inclusive policy agenda will be vital to sustaining America’s presence in SEA. The landscape of SEA is moving away from traditional areas of cooperation and towards a system that is currently undefined. The capacity of the US to adapt will depend on its ability to address a wide range of issues, and incorporate these issues into its strategic lexicon.

If it follows these recommendations, the US will have the ability to secure its position in the region and continue to provide the stability that has traditionally characterized its presence. We hope that the recommendations made by this task force can be implemented by the incoming administration to enhance our strategic relations with and within the Asia-Pacific region.
Appendix

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Singapore (June 4-11)

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