

**THE REBALANCE TO SOUTHEAST ASIA****By Marvin C. Ott and Julia Allen**

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The "Pivot" toward East Asia (subsequently rebranded as the "Rebalance") was first articulated by Secretary of State Clinton in an October 2011 article. Yet the implications and significance of what was a broad strategic commitment has remained largely unappreciated by the Congress, the media, and the public. This is decidedly less true inside the Pentagon and at the U.S. Pacific Command where the magnitude and peril of America's new undertaking is far better understood. Within American security circles it is also understood that the real focus of the Rebalance is Southeast Asia. That is where China has already altered the territorial status quo and it is where U.S. and Chinese military deployments are most likely to confront one another.

The strategic situation, in a word, is this. China has enjoyed a spectacular rebirth as a major economic and military power – on a scale relative to the rest of the region not seen since the height of the Ming Dynasty in the 15th century. It has become increasingly clear that China intends to employ its new capabilities to establish a regional preeminence over Southeast Asia that includes control of the maritime reaches of the South China Sea. That semi-enclosed sea is transited by the busiest commercial sea lanes on the planet – waterways that carry oil and other commodities vital to Japan and the Republic of Korea. Those same Sea Lanes of Communication (SLOCs) are used almost daily by the U.S. Seventh Fleet as it deploys through its AOR – from bases in Northeast Asia through Southeast Asia and on to the Indian Ocean.

A Chinese ambition to "own" the South China Sea and to exercise a kind of policy veto over the decisions of Southeast Asian governments has profound implications for U.S. national interests, but it does not necessarily predetermine U.S. policy. It is entirely possible to imagine a U.S. strategic choice to acquiesce to China's broad regional ambitions in return for some specific understandings, particularly regarding freedom of transit through the South China Sea. This, in fact, is what President Xi may have had in mind when he touted a "new kind of great power relationship" when he met with President Obama at Sunnylands. Under this formulation the U.S. would recognize that the era of American strategic preeminence in East Asia was over and a new era of Chinese dominance had dawned. Washington would make a wise decision to give way – and the peace and prosperity of the region would be preserved and enhanced. The South China Sea would be occupied and administered by Chinese authorities, both civil and military, while the Mekong River System was brought under operational Chinese control by a series of mega dams built on its headwaters in southern China.

But Washington did not play its assigned part. U.S. officials soon stopped referring to the "New Model" and, more importantly, embraced the Pivot/Rebalance and in so doing committed the U.S. to a strategy designed to contest and frustrate Chinese ambitions, particularly in the South China Sea. At the July 2010 meeting of Foreign Ministers representing the 26 governments comprising the ASEAN Regional Forum, Secretary Clinton formally declared a U.S. commitment to the South China Sea SLOCs as a "global commons" (belonging to no single country) and to a multilateral diplomatic process to address overlapping territorial claims by several nations in the South China Sea. On the face of it, both propositions were quite anodyne, but they provoked an incendiary reaction from the Chinese Foreign Minister – because they directly challenged China's view that the South China Sea is an integral part of China and other claims (by Vietnam, Malaysia, Brunei, and the Philippines) have no standing. As a spokesman for the Ministry of Defense put it in the aftermath of the ARF – China has

“indisputable sovereignty” over the South China Sea.

And China has moved rapidly and with singular determination to validate its claims with the actual occupation of territory. Land features in the South China Sea formerly controlled by Vietnam and the Philippines have been seized and occupied by China. A number of Chinese military facilities (airfields and ports) on reefs and atolls have been built or are under construction; the South China Sea is being prepared as a battle space. Already the entire northern tier of the South China Sea has been brought under effective Chinese control –and that is not going to change.

The “mission” then, of the Rebalance is a daunting one – to stymie China’s further territorial expansion and frustrate Beijing’s determination to reduce the independent states of Southeast Asia Chinese vassals – privileged vassals in many respects but vassals nonetheless. This must be accomplished in the teeth of a very rapid buildup of Chinese maritime military power and a fierce determination to restore China’s historic primacy in the region. So far the Rebalance has produced statements, agreements, and some modest redeployment of military assets – but nothing that has actually impeded China’s expanding control of Southeast Asia’s maritime domain. Something more – much more—needs to be done. There is a growing consensus among U.S. security strategists that the success of failure of the rebalance will depend heavily on the degree of regional buy-in to the strategy. The opportunity is there because China’s activities have generated a growing reaction – both fear and alarm – in Southeast Asian capitals. For these governments the Rebalance offers the only viable means of resisting China’s demand for primacy. For the U.S., regional support offers the only plausible means of sustaining an effective Rebalance strategy over time.

As a consequence of World War II in the Pacific and an early Cold War response to the communist challenge, the U.S. signed formal defense agreements not only with Japan and the Republic of Korea, but also with Australia, the Philippines, and Thailand. In each case the U.S. supplied a public good – security – in return for access and support. The result was a security system often characterized as “hub and spoke.” This configuration has remained essentially in place to this day – with the important caveat that major military bases operated by the U.S. in Thailand and the Philippines during the Cold War became inoperative or irrelevant by the early 1990s. Yet at the same time a process of organic elaboration has added several additional components and layers of complexity – creating the exquisitely intricate environment in which the Rebalance must now play out.

US-Thai Relations: A Mixed Bag

In the context of the Vietnam War, Thailand’s alliance with the U.S. was intimate and highly operational with Thai airfields hosting U.S. heavy bombers attacking North Vietnam on a regular basis. But the signing of the Paris Accords ending America’s Indochina wars plus the Nixon Doctrine signaling a strategic withdrawal from Southeast Asia left Bangkok feeling abandoned and exposed next to a triumphant Hanoi – and embittered by American perfidy. The U.S.-Thai alliance did not end, but it entered a period of severe neglect. Efforts over the last decade to breathe new life into the Alliance were hamstrung by the political paralysis in Bangkok as “Red Shirts” and “Yellow Shirts” faced off in a prolonged contest for control of the government. The political contest has been punctuated by periodic military coups which trigger restrictions in U.S. law curtailing military assistance – and in turn generate resentment in the Thai military further degrading the climate in bilateral security cooperation. Nevertheless, the alliance remains legally/formally intact and both capitals continue to view it as serving an important strategic function. Despite the latest coup (2014) the U.S. has continued to support Thailand’s hosting of the annual Cobra Gold multinational military exercise. But so long as the Rebalance has a South China Sea focus, Thailand, a non-littoral, non-claimant state, will remain at the periphery of U.S. strategy. Thailand is also more intrinsically comfortable with growing Chinese influence than any other country in the region.

The US and Australia: The Closest of Allies

Australia is another matter entirely. Formal defense ties rest on the ANZUS Treaty (1951) which originally included New Zealand as a full partner. From a U.S. strategic perspective Australia has the disadvantage of location; it’s a very long way from almost anything else. But Australia has the advantage of modern capabilities – military, technology, and intelligence. Given its relatively small population and economy, Australia must carefully prioritize its defense expenditures. But in a number of niche areas the Aussies are world class. More important, Australia has demonstrated the will and capacity to interact effectively with highly advanced elements/counterparts in the U.S. armed forces. Equally impressive, from an American perspective, Australian governments, both Labor and Conservative, have invested in the alliance by committing Australian equipment and personnel as expeditionary forces fighting along-side the U.S. in its multiple far-flung military campaigns including Korea, Vietnam, Afghanistan, and Iraq. Add to this, two more factors. Australian leaders decided long ago to rely heavily on

procurements of advanced American equipment (e.g., F-35 Joint Strike Fighter) thereby making the armed forces of the two countries highly interoperable. Finally, there is a longstanding, intimate intelligence relationship that includes both shared information and analysis and shared facilities, as well. All this adds up to a strategic relationship that is as close as any the U.S. has anywhere. Anyone who has watched U.S. and Australian military personnel interact will have been impressed how easy and comfortable that relationship is.

The US and the Philippines: An Alliance Revived

The Philippines defense relationship with the U.S. has had a far more volatile history. It was born out of American colonial rule and the decision to grant the Philippines independence (fulfilling a prior commitment) in 1947. There was also a special legacy out of World War II; Filipino resistance units fought alongside U.S. commandos and later regular forces against Japan's occupation of the archipelago. This legacy forged a close bond between the two armed forces – unusual for a former colony and its former master. Philippines independence came on the cusp of the Cold War and, very soon, the Korean War. The Philippines, itself, faced a serious domestic Communist (Hukbalahap) insurgency. In 1951 the two countries signed a Mutual Security Treaty (MST) that committed the U.S. to the defense of the Philippines in return for leases allowing the U.S. to build and utilize a large number of military facilities, including major bases at Subic Bay Naval Station and Clark Air Force Base. These played an important support role in the U.S. military effort in both Korea and Vietnam. With the end of the Cold War, political support for the bases waned in both Manila and Washington and the leases that authorized them were allowed to lapse at the beginning of the 1990s. For the next two decades the treaty obligations remained on the books but were treated as something close to a dead letter as neither country saw a compelling shared security threat.¹ That all changed in 2012 when Chinese maritime forces drove Filipino fishermen away from some of their traditional fishing grounds in the South China Sea and seized land features the Philippines views as its own. President Benigno Aquino staked out a position of protest and resistance regarding Chinese actions and moved to revivify the alliance with the U.S. In April 2014 following a visit to Manila by President Obama, the two governments signed an Enhanced Defense Cooperation Agreement (EDCA) that provides for the renewed rotation of U.S. military forces, ships, aircraft and equipment through the Philippines, including Clark and Subic. However, Washington has not acceded to a long-standing Philippines request to subsume Manila's territorial claims in the South China Sea under the MST. There is one important caveat; the MST does cover Philippines ships and aircraft if attacked while on/over the high seas (read South China Sea). This creates multiple obvious scenarios that might draw U.S. and Chinese maritime forces into a confrontation.

Singapore: A De Facto Ally

In terms of strategic geography, Singapore is the opposite of Australia – a tiny speck of land but an absolutely central location. When the U.S. seemed about to lose its defense presence in the Philippines, Singapore, fearing a strategic vacuum in Southeast Asia, moved to anchor U.S. power by providing the Pentagon with such facilities (including an aircraft carrier pier) as its limited land area would permit. An acute sense of vulnerability has bred a decision-making elite obsessed with national security. Embodied in its founder and first Prime Minister, the late Lee Kuan Yew, the Singaporeans have become Southeast Asia's preeminent strategists – convinced Singapore's survival depends on always being smarter and thinking further ahead than anyone else in the neighborhood. This mindset has led them to cultivate close defense ties with the U.S. – the only country with the capacity to underwrite regional stability and security – and to act as a brake on Chinese ambitions. Singapore's declared strategic priority is to facilitate a continued, robust, American military presence in maritime Southeast Asia.

A series of agreements beginning with a 1990 MOU allow use of Singapore's facilities for naval repairs and port visits (including aircraft carriers) and air force rotational deployments. The principal logistics agent for the 7th Fleet, Commander, Logistics Group Western Pacific, moved from Subic to Singapore in 1992. A Defense Cooperation Agreement authorizes annual strategic policy dialogues among senior officials as well as joint exercises. In 2013 the U.S. Navy deployed its first advanced Littoral Combat Ship to Singapore – to be followed by three more for rotational basing by 2018. Not surprisingly, Singapore has long been Washington's preferred interlocutor on all things strategic in the region. For all practical purposes, Singapore has become a de facto ally without a formal agreement to that effect. But Singapore, with its primarily ethnic Chinese population, has also maintained close proprietary ties with China – and Singapore's leaders have been liberal with their advice to both Beijing and Washington.

¹ A partial exception to this generalization occurred after 9/11 when the Bush Administration declared that a jihadist threat in the southern Philippines constituted a "second front" in the Global War on Terror. As a result U.S. military trainers and civil affairs units were sent to advise and assist the Philippines army.

Vietnam's Paramount Security Concern: China

The military logic of the Rebalance argues for an expansion and diversification of U.S. defense cooperation with other Southeast Asian countries beyond this core group. The most interesting, and potentially consequential, of these is Vietnam. Vietnam occupies a unique strategic position given its shared land and sea borders with China (and three millennia of close interaction between the Viet and Han peoples) – and its recent history of a decade-long war with the U.S. But the historical record also includes a still more recent (1979) brief, bloody border war with China in which the PLA sent thirty army divisions across the border to punish Hanoi for its invasion and occupation of Cambodia. For the Vietnamese this simply validated that China had been, and always would be, Vietnam's paramount security concern. Hanoi has not forgotten or forgiven China's 1974 seizure of the Paracels archipelago in the South China Sea – seen by Vietnam as an integral part of its sovereign territory.

It took two decades after the end of the Vietnam War, but by the mid-1990s the first formal steps toward building a military-to-military relationship between the U.S. and Vietnam had begun. As China's military power and assertiveness grew, Hanoi had only one plausible partner to provide a counterweight and even a modicum of protection – America. In the twenty years since those first, highly choreographed, interactions, military to military relations have grown at a controlled but steady pace. U.S. naval ship visits to Vietnam have become regular events. In June 2012 Secretary of Defense Panetta visited Cam Ranh Bay aboard a U.S. Naval Supply ship and hosted a delegation of senior Vietnamese military officers. Recently, in response to Vietnamese lobbying, the U.S. partially relaxed restrictions on the sale of lethal weaponry to Vietnam. There are clear indications that Washington is also prepared to assist Vietnam with its Coast Guard and with “maritime domain awareness” (coastal radars, communications systems, and reconnaissance aircraft). The pace and depth of cooperation is carefully calibrated in both capitals with several constraints in mind. The U.S. continues to look for “demonstrable progress on human rights” while Vietnam's Party leadership sees U.S. pressure for political reform as a threat to its rule. Also, Vietnam must constantly gauge China's reaction to signs of warmth between the Pentagon and Vietnam's Ministry of Defense. Both defense establishments have clearly indicated their desire for closer ties – but how far and how fast remains a matter of careful calculation. There is one other unspoken factor in U.S. thinking. Vietnam is the one country in Southeast Asia that U.S. defense officials believe will, if pressed hard enough by China, actually fight.

Malaysia: Close Economic Ties with China, Close Security Ties with the US

Malaysia and Indonesia both fall into a category of friendly, non-allies with modest but growing defense ties with the U.S. – while both cultivate friendly ties with China including some degree of military-to-military cooperation. Malaysia has been notable for the fact that security ties (defense and intelligence) were maintained undisturbed through the long period of political/diplomatic discord coinciding with the tenure of Prime Minister Mahathir (1981-2003). The political climate has warmed considerably since Prime Minister Najib Razak took office in 2010 – and with it the potential for increased defense cooperation. Malaysian receptivity has grown as Chinese naval/maritime forces have begun to appear in waters at the extreme southern end of the South China Sea very near Malaysia. At Kuala Lumpur's request the U.S. has provided support to Malaysian plans for new naval base at Bintulu on the South China Sea. The Malaysian Defense Minister declared that his country was “keen to draw on the U.S. Marine Corps' expertise and [has] been in discussions with the U.S. over support, training, and expertise exchange.”² Malaysia has also allowed U.S. reconnaissance aircraft to conduct unpublicized patrols over the South China Sea from a Malaysian naval base on Labuan Island. A “senior level strategic dialogue” has become an annual feature of U.S.-Malaysian defense interaction. Planners in the Pentagon see significant upside potential in U.S.-Malaysian defense relations – but again the possible pace and scope remain very much uncertain. An important constraint derives from Malaysia's deep economic ties with China and the degree that the Malaysian political elite are vested in that relationship. In April 2014 President Obama became the first U.S. President to visit Malaysia in forty-eight years.

Indonesia: Growing Unease with China, Growing Security Ties with the US

Indonesia, the largest and most important country in Southeast Asia, has never had a close security partnership with the U.S. In the Sukarno era (1949-1965) relations became overtly hostile as the Indonesian leader strengthened his ties with the Indonesian Communist Party and with China. With the overthrow of Sukarno and the advent of a Western-oriented “New Order” government under President Suharto political, economic, and diplomatic ties greatly improved. But the Indonesian armed forces nurtured an abiding suspicion of the U.S. military rooted in CIA paramilitary support for a 1950's era anti-communist secessionist movement centered outside Java. The Indonesian army's long record of brutality in East Timor, much

² Dzirhan Mahadzir, “Malaysia to establish marine corps, naval base close to James Shoal,” *Jane's Navy International* (October 16, 2013). Defence Minister Hishammuddin is highly regarded in the Pentagon.

of it witnessed by the international media, and its subsequent suppression of anti-Suharto student protests in Jakarta all left it (in American eyes) with a deeply stained human rights record. Congressionally generated sanctions heavily restricted U.S. military interaction with Indonesian counterparts. The fall of Suharto, the remarkable emergence of a functioning Indonesian democracy, and shared counterterrorism concerns following 9/11 all chipped away at the restrictions on military-to-military cooperation. Critical disaster relief provided by the U.S. Navy in response to the epic 2008 tsunami plus growing Indonesian unease regarding China's expansionist activities in the South China Sea have set the stage for a closer Indonesian-U.S. security relationship than has ever existed. The two militaries conduct annual consultations at the senior officer level and since 2010 have participated in joint military exercises.³ Washington has lifted the ban on lethal weapons sales – to include Apache attack helicopters expected to enter into service in Indonesia in 2016. Later this year President Jokowi will visit the White House. That visit could well provide an occasion for additional “deliverables” in defense cooperation.

Myanmar's Turn toward Democracy

Myanmar (Burma) and the U.S. began a period of deep estrangement following student demonstrations against the ruling military junta (1988) and the junta's abrogation of the results of an election (1990) in which the political opposition led by Aung San Suu Kyi had triumphed. The U.S. and Europe responded with stringent sanctions that drove Myanmar into deep dependence on China for economic, diplomatic, and military support. But with elections in 2011, Myanmar began an unexpected turn toward democracy and civilian rule. Aung San Suu Kyi was released and allowed to resume political activities. Full diplomatic relations between Washington and Naypyidaw were restored; most sanctions were suspended and both Secretary Clinton and President Obama visited Myanmar. Despite these developments, military-to-military relations remain tightly constrained. U.S. cooperation with Myanmar's military has included allowing observers during the last two Cobra Gold exercises, and exchanges and workshops regarding human rights and civilian control of the military. Last year Secretary of Defense Hagel invited Myanmar to send a representative to the first meeting of ASEAN defense ministers held in the U.S.

Despite this modest level of activity the upside potential for military-to-military relations is intriguing. It is clear that Myanmar's senior military leaders are anxious to reduce their dependence on China. It is also clear that they regard the U.S. military as the global gold standard – and therefore highly attractive. But none of this will produce significant tangible results unless Myanmar's military can markedly improve its record concerning human rights and violent suppression of minority ethnic groups – while demonstrating a convincing commitment to continued consolidation of democracy and civilian rule.

The Significance of the US-Southeast Asia Strategic Alignment

What does this diverse, protean, collection of alliances, partnerships, arrangements, and facilities add up to strategically? In the context of the rebalance they constitute a significant but indeterminate asset. They offer real facilities and infrastructure support (notably Singapore, the Philippines, and Australia). Allied commitments suggest some tangible operational support in the case of certain military contingencies.⁴ The *potential* for additional limited access to other facilities exists in the case of Vietnam and possibly Malaysia and/or Indonesia. All this, in turn, conveys a degree of diplomatic/political/symbolic support – that the U.S. is not operating alone or without friends as it tries to make the rebalance strategically effective. This, in turn, rests on a shared perception that U.S. and Southeast Asian strategic interests align. This is the bedrock of the Rebalance.

At the end of the day, the Rebalance can only be effective – and sustained over time – if it empowers countries in the region to stand up to China. That, in turn, will require that the U.S. demonstrate both the will and the capability – militarily – to deter China's further territorial expansion. It will also require that Southeast Asian governments adopt the Rebalance as their own and work with the U.S. to build the capacity to make it strategically viable.

³ Any experienced observer of these interactions will be struck by how much warmer relations are between the two militaries compared to the 1980s and 1990s.

⁴ In a related development, the governments of Japan and the U.S. have agreed to updated “Defense Guidelines” that will greatly facilitate cooperation between the two militaries in real contingencies.