

Great Powers and Hierarchical Order in Southeast Asia

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Analyzing Regional Security Strategies

When the Cold War ended in the early 1990s, many leading scholars offered a bleak prognosis for East Asia: with the decline of the Soviet Union and the rise of China, the region would move toward an unstable multipolar order, as the United States drew down its forces, Japan remilitarized, China's economic and military power grew, and other countries in the region began to engage in arms races.¹ More than a decade and a half later, however, East Asia has not descended into intense security competition with a high risk of violent conflict as predicted; instead an interim order that incorporates the United States, China, and other major regional players continues to prevail.

Why has East Asia enjoyed relative stability and peace in the post-Cold War era? The answer can be found partly in great power dynamics. The region has remained stable since 1990 largely because the United States has maintained its web of alliances and its deep economic and strategic involvement in the region; and it has avoided major conflicts partly because China has chosen not to aggressively challenge the status quo. These great power policy decisions, however, have also been influenced by the actions and persuasion of other regional states. In particular, the relatively peaceful transition so far may be the result of two complementary strategies on the part of key East Asian states such as Japan and leading countries of Southeast Asia: (1) the building of regional multilateral institutions that serve to regulate exchanges, develop norms, and create regional identity, thereby institutionalizing cooperation among the major powers and socializing China; and (2) indirect balancing

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1. Aaron L. Friedberg, "Ripe for Rivalry: Prospects for Peace in a Multipolar Asia," *International Security*, Vol. 18, No. 3 (Winter 1993/94), pp. 5–33; Richard K. Betts, "Wealth, Power, and Instability: East Asia and the United States after the Cold War," *International Security*, Vol. 18, No. 3 (Winter 1993/94), pp. 34–77; Gerald Segal, "The Coming Confrontation between China and Japan?" *World Policy Journal*, Vol. 10, No. 2 (Summer 1993), pp. 27–32; and Richard Bernstein and Ross H. Munro, "The Coming Conflict with America," *Foreign Affairs*, Vol. 76, No. 2 (March/April 1997), pp. 18–32.

against potential Chinese (or other aggressive) power by facilitating the continued U.S. security commitment to the region.²

While a discussion of broader East Asian security must focus on Northeast Asian dynamics such as the China-Japan relationship and the situation on the Korean Peninsula, Southeast Asia and the Association of Southeast Asian Nations (ASEAN) have become an important focus for those seeking to develop an understanding of regional strategies to cope with the changing distribution of power after the Cold War. At the same time, rapidly improving Sino-Southeast Asian ties since the mid-1990s have garnered attention and some concern among U.S. policymakers, observers, and scholars. In June 2004 Assistant Secretary of State for East Asian and Pacific Affairs James Kelly claimed that China was “challenging the status quo aggressively,” citing as the only example Beijing “expanding its influence in Southeast Asia by enhancing its diplomatic representation, increasing foreign assistance, and signing new bilateral and regional agreements.”³ While most Asia scholars note that China’s successful “charm offensive” has assuaged many but not all suspicions in Southeast Asia, other analysts see that its growing economic clout and deft diplomacy already mean that “China is rapidly becoming the predominant power in Southeast Asia . . . leaving in question the U.S. role and commitment to the region, even with traditional allies and friends.”⁴

Southeast Asia’s mixed approaches to regional security after the end of the Cold War and with the rise of China, however, are not easily characterized using the prevailing lenses in international relations theory. They have generated debates about whether realist balancing or liberal institutionalism is more salient in explaining regional stability, and at which juncture of the power transition.⁵ More specifically, scholars disagree over two sets of questions:

2. See Yuen Foong Khong, “Coping with Strategic Uncertainty: The Role of Institutions and Soft Balancing in Southeast Asia’s Post-Cold War Strategy,” in J.J. Suh, Peter J. Katzenstein, and Allen Carlson, eds., *Rethinking Security in East Asia: Identity, Power, and Efficiency* (Stanford, Calif.: Stanford University Press, 2004), pp. 172–208. The concept of “soft balancing” here predates the application of the term to post-Iraq reactions to U.S. foreign policy, as discussed later in this article.

3. James A. Kelly, “An Overview of U.S.–East Asia Policy,” testimony before the House International Relations Committee, Washington, D.C., 108th Cong., 2d sess., June 2, 2004, <http://www.state.gov/p/eap/rls/rm/2004/33064.htm>.

4. Robert G. Sutter, *China’s Rise in Asia: Promises and Perils* (Lanham, Md.: Rowman and Littlefield, 2005), pp. 177–208; Avery Goldstein, *Rising to the Challenge: China’s Grand Strategy and International Security* (Stanford, Calif.: Stanford University Press, 2005), pp. 172–174; and Dana R. Dillon and John J. Tkacik Jr., “China and ASEAN: Endangered U.S. Primacy in Southeast Asia,” Background, No. 1886 (Washington, D.C.: Heritage Foundation, October 19, 2005), p. 1.

5. See, for instance, Michael Leifer, “The ASEAN Regional Forum: Extending ASEAN’s Model of Regional Security,” Adelphi Paper, No. 302 (London: International Institute for Strategic Studies, 1996); and Yuen Foong Khong, “Making Bricks without Straw in the Asia-Pacific?” *Pacific Review*,

(1) whether Southeast Asia is balancing against China or accommodating, aligning, or even bandwagoning with it;⁶ and (2) whether the much-touted ASEAN-led regional institutions that have been created since the early 1990s have indeed moved toward a regional security community, or are merely talk shops playing into the hands of great power interests.⁷

This dichotomous approach to understanding Southeast Asian regional security strategies is problematic, as neither a straightforward realist nor an exclusively liberal interpretation is sufficient to account for the security thinking and practices in this region. On the one hand, these regional security strategies do not conform to the range of realist predictions. According to Kenneth Waltz's pure power calculations, Southeast Asian states, as secondary states that are relatively free to choose, ought to "flock to the weaker side" so that they can balance against the dominant power in the system.⁸ But Southeast Asian states have not aligned with China specifically to balance against greater U.S. power.⁹ To some extent, Stephen Walt's modified notion of balance of threat does help to explain Southeast Asian states' reluctance to balance against the United States and their reservations about alignment with China.¹⁰ Whereas the United States is widely perceived to be a benign offshore power, many of these states distrust Chinese intentions for reasons of geographical proximity, historical enmity and interference, contemporary territorial dis-

Vol. 10, No. 2 (1997), pp. 289–300. Leifer argued that the existence of a stable balance of power was a prerequisite for successful regional security institutions; Khong countered that regional institutions were a critical mechanism for "defusing the conflictual by-products of power-balancing practices" while regional states were trying to forge a stable balance of power. Khong, "Making Bricks without Straw in the Asia-Pacific?" p. 296.

6. See especially Denny Roy, "Southeast Asia and China: Balancing or Bandwagoning?" *Contemporary Southeast Asia*, Vol. 27, No. 2 (August 2005), pp. 305–322; Amitav Acharya, "Containment, Engagement, or Counter-dominance? Malaysia's Response to the Rise of China," in Alastair Iain Johnston and Robert S. Ross, eds., *Engaging China: The Management of an Emerging Power* (London: Routledge, 1999), pp. 129–151; and David C. Kang, "Getting Asia Wrong: The Need for New Analytical Frameworks," *International Security*, Vol. 27, No. 4 (Spring 2003), pp. 57–85.

7. The extremes of this debate are represented by Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order* (New York: Routledge, 2000), on the one hand, and David Martin Jones and Michael L.R. Smith, "Making Progress, Not Progress: ASEAN and the Evolving East Asian Regional Order," *International Security*, Vol. 32, No. 1 (Summer 2007), pp. 148–184, on the other.

8. Kenneth N. Waltz, *Theory of International Politics* (New York: McGraw-Hill, 1979), p. 127.

9. Those most closely aligned with China—Cambodia, Laos, and Myanmar—are so inclined more from the lack of options vis-à-vis other major power backers than out of a specific calculation of countering U.S. power. See Jürgen Haacke, "Myanmar's Foreign Policy toward China and India," Adelphi Paper, No. 381 (London: International Institute for Strategic Studies, 2006); and Sisowath Doung Chanto, "Cambodia," in Evelyn Goh, ed., *Between and Between: Southeast Asian Strategic Relations with the U.S. and China*, IDSS Monograph, No. 7 (Singapore: Institute for Defence and Strategic Studies, 2005), pp. 83–92.

10. Stephen M. Walt, *The Origins of Alliances* (Ithaca, N.Y.: Cornell University Press, 1987).

putes, and rising economic competition.¹¹ Although Southeast Asian leaders have now banished the “China threat” from their rhetoric, the “China challenge” remains prominent in the regional lexicon, and almost every country’s leaders express worries about the territorial disputes in the South China Sea and about potential conflict between China and the United States over Taiwan. Yet there is little evidence of direct internal or external balancing against China by states such as Indonesia, the Philippines, and Vietnam, which have the most acute historical, territorial, and political disputes with it.¹² They are severely limited in their capabilities for a serious arms buildup, and they have not undertaken exclusive alliances with other external powers or neighbors. Singapore, which has been strengthening its military capabilities, has no any direct military dispute with China and is not targeting China directly. Meanwhile, all Southeast Asian allies of the United States also maintain strategic partnerships with China.

Part of the problem with applying realist analysis to Southeast Asian strategic preferences rests with realism’s indeterminacy about the behavior of secondary or small states.¹³ Decisions by small states about balancing are influenced by a host of other calculations, including the high political and material costs of balancing strategies,¹⁴ threat assessments across issue areas, and cultural or ideational influences. Robert Ross has usefully argued that smaller East Asian states are generally accommodating to China’s growing economic and especially military prowess, and it is only those that are less directly vulnerable to China’s military power that are strengthening alignments with the United States.¹⁵ Yet, he does not account for the range of strategies to engage

11. For a detailed discussion of these threat perceptions, see Evelyn Goh, “Southeast Asian Perspectives on the China Challenge,” *Journal of Strategic Studies*, Vol. 30, No. 4 (August 2007), pp. 809–832.

12. Vietnam was a suzerain state of China for more than 1,000 years and was repeatedly attacked by China in the thirteenth, fifteenth, and eighteenth centuries, and again in 1979; and the two countries have active disputes over the Paracel and Spratly Islands in the South China Sea. China and the Philippines also had armed clashes over the Spratlys in the 1990s. Indonesia has had long-standing concerns about China’s interference in its domestic politics in the form of the latter’s support of Chinese communist insurgents and incitement of its small but economically powerful Chinese minority population.

13. For a review of this aspect of the literature, see Robert S. Ross, “Balance of Power Politics and the Rise of China: Accommodation and Balancing in East Asia,” *Security Studies*, Vol. 15, No. 3 (July–September 2006), pp. 355–395, at pp. 362–364.

14. Randall L. Schweller, “Unanswered Threats: A Neoclassical Realist Theory of Underbalancing,” *International Security*, Vol. 29, No. 2 (Fall 2004), pp. 159–201; and Stephen R. David, “Explaining Third World Alignment,” *World Politics*, Vol. 43, No. 2 (January 1991), pp. 233–256.

15. Ross, “Balance of Power Politics and the Rise of China.” Singapore, the Philippines, and Japan are among the strongest balancers he identifies.

with China that these smaller East Asian states adopt alongside alignment with the United States. In contrast, David Kang argues that East Asia's tradition of hierarchical relations has prevented balancing against China. Working from another realist perspective that holds international politics to be marked by a succession of hierarchies rather than recurrent multipolar balancing,¹⁶ he points out that prior to the intervention of Western powers, states in East Asia were used to an asymmetrical regional order in which Chinese domination meant relatively little intervention by China in their affairs, and so was perceived as a source of stability and benefit. Kang's implication is that East Asian states are more comfortable with deferring to a strong China than others might think: thus the United States will not succeed in finding support for an outright balancing strategy.¹⁷

The debate about the role of regional institutions in managing power transitions and creating stability in East Asia is, on the other hand, even more indeterminate. Judging the transformative potential of these institutions is difficult because so many of the key "hard" cases of regional security conflicts are not dealt with through these institutions; because the states concerned do not treat these institutions as channels of first resort in managing or preventing or resolving conflicts but instead rely on bilateral and other avenues; and because insufficient time has passed to allow scholars to test claims of socialization assessment and to assess questions of who is socializing whom.¹⁸ This context renders premature attempts to prove or disprove liberal institutional and constructivist theories. Moreover, regional institutions such as ASEAN should not be analyzed in isolation, but in relation to the more realist security strategies that regional states obviously pursue at the same time.

In the context of the increasing role China plays in regional security vis-à-vis the United States, understanding the strategic thinking of Southeast Asian states is an important element in formulating an effective U.S. regional strategy. The controversy over how to characterize Southeast Asian regional security strategies stems in part from which aspect of Southeast Asian relations with China and the United States scholars choose to focus on—whether they

16. See, for instance, Robert Gilpin, *War and Change in World Politics* (Cambridge: Cambridge University Press, 1983).

17. David C. Kang, "Hierarchy and Stability in Asian International Relations," in G. John Ikenberry and Michael Mastanduno, eds., *International Relations Theory and the Asia-Pacific* (New York: Columbia University Press, 2003), pp. 163–190; and Kang, "Getting Asia Wrong."

18. See Amitav Acharya and Evelyn Goh, eds., *Reassessing Security Cooperation in the Asia-Pacific: Competition, Congruence, and Transformation* (Cambridge, Mass.: MIT Press, 2007), pp. 1–17; Jones and Smith, "Making Process, Not Progress"; and Alice D. Ba, "Who's Socializing Whom? Complex Engagement and Sino-ASEAN Relations," *Pacific Review*, Vol. 19, No. 2 (June 2006), pp. 157–179.

place more emphasis on economic and political engagement with China or on military ties with the United States—and how they define balancing and bandwagoning.¹⁹ There is an obvious need to account for complex Southeast Asian strategies beyond this simplistic dichotomy. How can scholars cut through these theoretical disagreements to understand how Southeast Asian strategies for coping with systemic changes relate to wider East Asian stability? How do the strategies of these small states interact with great power dynamics, and to what extent are the former able to influence regional order?

This article adopts a focus on regional order that enables scholars to explain how the strategic alignment and institution-building phenomena in Southeast Asia are related, and to what ends. Southeast Asian regional security behavior defies straightforward applications of realist or liberal logic because the strategic thinking here has been aimed at facilitating the transition to a certain kind of regional order, rather than simply responding to systemic changes by choosing sides. Deriving from Hedley Bull's seminal work, adopting the lens of international or regional order means focusing on the way in which interstate relations proceed along largely well known channels and patterns, which limit unpredictability and stabilize expectations between states. Although accepting that self-help is an important characteristic of an anarchical international system, Bull suggests that states also cooperate to varying extents through five key "institutions of international society"—"a set of habits and practices shaped toward realization of common goals." These are the balance of power, international law, diplomacy, the great power managerial system, and war.²⁰ This "international order" framework allows scholars to ask holistic questions about the mechanisms by which regional relations are regulated and how the relative roles and positions of states are negotiated, as opposed to discrete queries about particular choices of strategic behavior.

The following analysis takes into account the profoundly ambivalent feelings Southeast Asian states have regarding China, giving greater credit to the depth of strategic thinking present in the region and recognizing significant ac-

19. See, for example, the exchanges in Amitav Acharya, "Will Asia's Past Be Its Future?" *International Security*, Vol. 28, No. 3 (Winter 2003/04), pp. 149–164; David C. Kang, "Hierarchy, Balancing, and Empirical Puzzles in Asian International Relations," *International Security*, Vol. 28, No. 3 (Winter 2003/04), pp. 165–180; and Nicholas Khoo, Michael Smith, and David Shambaugh, "Correspondence: China Engages Asia? Caveat Lector," *International Security*, Vol. 30, No. 1 (Summer 2005), pp. 196–213.

20. Hedley Bull, *The Anarchical Society: A Study of Order in World Politics* (London: Macmillan, 1977). The common goals of international society that Bull identifies are the preservation of the state system and the society of states; maintenance of the external sovereignty of individual states; international peace; limitation of violence in international interactions; honoring of agreements; and observation of the rules of property (mutual recognition of territorial jurisdiction of states).

tivism on the part of these small states in shaping the regional order. It is commonplace to hear that Southeast Asia does not want to have to choose between the United States and China, that the region is “hedging,” with the implication that these countries cannot decide which way they will lean.²¹ This article fleshes out the conceptual thinking that underlies this avoidance strategy. It finds that instead of merely adopting tactical or time-buying policies, key Southeast Asian states do have strategic preferences and have actively sought to influence the shaping of the new regional order.

The “order” framework used here consists of two dimensions: processes that regulate interstate relations and expectations toward common goals; and outcomes in terms of systemic attributes, particularly the distribution of power. Writing on Asia, Muthiah Alagappa has suggested that the main order-producing and order-maintaining processes, or pathways that sustain the present security order, include hegemony, balance of power, concert, multilateral institutions, bilateralism, and self-help.²²

In the following analysis, I argue that institution building, balancing, and modified hegemony are central order-producing mechanisms according to Southeast Asian strategic thinking. The first two sections begin by analyzing the distinct conceptualizations of two main pathways to order in the region: “omni-enmeshment” of major powers and complex balance of influence. This analysis overcomes the problems posed by the artificial theoretical boundaries and limited queries of existing works, to show how the different strands of regional security strategies are related. The third section further demonstrates that, taken together, these two pathways are aimed at facilitating a regional order that hinges on a preferred hierarchical power distribution that retains U.S. superpower predominance while assimilating China into the regional great power tier below that of the United States. This finding suggests that there is a significant coincidence of preferences between Southeast Asian states and the

21. For recent discussions of “hedging,” see Evelyn Goh, *Meeting the China Challenge: The U.S. in Southeast Asian Regional Security Strategies*, Policy Studies Monograph, No. 16 (Washington, D.C.: East-West Center, 2005), pp. 2–4; Evan Medeiros, “Strategic Hedging and the Future of Asia-Pacific Stability,” *Washington Quarterly*, Vol. 29, No. 1 (Winter 2005/06), pp. 145–167; and Evelyn Goh, “Understanding ‘Hedging’ in Asia-Pacific Security,” PacNet No. 43, August 31, 2006, <http://www.csis.org/media/csis/pubs/pac0643.pdf>.

22. Muthiah Alagappa, ed., *Asian Security Order: Instrumental and Normative Features* (Stanford, Calif.: Stanford University Press, 2003), pp. 33–105. He builds on the work of Andrew Hurrell and Barry Buzan, who mediate Bull’s account by distinguishing between different levels of order or international society. See Hurrell, “Society and Anarchy in the 1990s,” in B.A. Roberson, ed., *International Society and the Development of International Relations* (London: Pinter, 1998), pp. 17–42; and Buzan, “From International System to International Society: Structural Realism and Regime Theory Meet the English School,” *International Organization*, Vol. 47, No. 3 (Summer 1993), pp. 327–352.

United States for retaining a forward U.S. military presence and U.S. economic and political engagement in the region. More than that, Southeast Asia recognizes the critical importance of maintaining overall U.S. preponderance in the region. In other words, paying serious attention to Southeast Asian strategies and strategic preferences shows that fears of Southeast Asia voluntarily moving exclusively into the Chinese sphere of influence or bandwagoning with China are misplaced.

Two caveats about the following analysis must be offered at the outset. First, it concentrates on describing and explaining the strategic thinking and policy manifestations of Southeast Asian states regarding regional security, so as to fill an important gap in the literature. The analysis here does not extend to an evaluation of the extent to which these strategic and policy preferences and actions are in fact successful in achieving their aims; this is a task left to further research. Second, time and space constraints preclude a comprehensive discussion of the individual strategies of the ten states in what is a very diverse sub-region.²³ The expansion of ASEAN since the late 1990s has further deepened the divides between the organization's original and more recent members, making a coherent regional stance even more elusive.²⁴ The following analysis therefore makes only limited claims about this institution as a whole. Where policies of ASEAN the regional organization are discussed, this is stated clearly, but the article places more emphasis on the policies of individual states. It focuses on the key original ASEAN states (Indonesia, Malaysia, the Philippines, Singapore, and Thailand) and Vietnam, given their greater activism in regional security issues. These states do have differences in the way they assess the threats and opportunities associated with China and the United States, as well as in their domestic constraints and rhetoric, which are highlighted in the analysis. As demonstrated in what follows, however, in spite of their differences, these states share important similarities regarding their strategic thinking about regional order.

"Omni-enmeshment" of Major Powers in the Region

The first of two key pathways to regional order in Southeast Asian strategies is the "omni-enmeshment" of major powers. I use the term "enmeshment" here

23. The ten ASEAN states are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

24. For comparisons of the key ASEAN states' strategies, see Goh, *Meeting the China Challenge*; and Goh, *Between and Between*.

to refer to the process of engaging with a state so as to draw it into deep involvement into international or regional society, enveloping it in a web of sustained exchanges and relationships, with the long-term aim of integration. In the process, the target state's interests are redefined, and its identity possibly altered, so as to take into greater account the integrity and order of the system. This concept falls in the spectrum between ideas of engagement, on the one hand, and of security communities, on the other. It goes further than engagement because it includes the longer-term goal of identity alteration, and because it is better able to accommodate multiple objects or targets. But it does not go as far as security community building, as the emphasis here lies more in securing a workable *modus vivendi* among key actors, which could be achieved through a range or mixtures of means.²⁵

Existing works describe Southeast Asia's strategies to engage China by political and economic means, through bilateral efforts, and through the use of multilateral regional institutions.²⁶ Yet these efforts at developing closer economic relations, creating political/security dialogues, exchanges, and cooperation, and establishing military exchanges and relationships are aimed not only at China but also at the United States, as well as at other major regional players such as Japan, South Korea, and India. Thus, I argue that Southeast Asian states have in fact adopted a broader, multidirectional, "omni-enmeshment" strategy.²⁷

Southeast Asian states do fear a potential transition toward an unstable multipolar regional system with a number of major powers competing against one another. To hedge against this possibility, they have chosen neither to pick sides nor to exclude certain great powers, but rather to try to include all the various major powers in the region's strategic affairs. After the end of the Cold

25. On engagement, see Alastair Iain Johnston and Robert S. Ross, eds., *Engaging China: The Management of a Rising Power* (New York: Routledge, 1999); and James Shinn, ed., *Weaving the Net: Conditional Engagement with China* (New York: Council on Foreign Relations, 1996). The key works on security communities are Karl W. Deutsch, Sidney A. Burrell, and Robert A. Kann, *Political Community and the North Atlantic Area* (Princeton, N.J.: Princeton University Press, 1957); and Emmanuel Adler and Michael Barnett, eds., *Security Communities* (Cambridge: Cambridge University Press, 1998).

26. See Alice D. Ba, "China and ASEAN: Renavigating Relations for a 21st-Century Asia," *Asian Survey*, Vol. 43, No. 4 (July/August 2003), pp. 622–647; Yuen Foong Khong, "Singapore: A Time for Economic and Political Engagement," in Johnston and Ross, *Engaging China*, pp. 109–128; and David Shambaugh, "China Engages Asia: Reshaping the Regional Order," *International Security*, Vol. 29, No. 3 (Winter 2004/05), pp. 64–99.

27. The term is related to the notion of the "omnidirectional" diplomacy adopted by Japan after World War II, which was aimed at developing, in particular, economic relations with many countries at the same time, without limiting Japan to its U.S. ally and Western countries. See Takashi Inoguchi, *Japan's Foreign Policy in an Era of Global Change* (London: Pinter, 1993).

War, concerns about the changing distribution of power among the key states in the region led to strategic reassessments. The leading Southeast Asian states differed on which major power they thought was most threatening as the next potential regional hegemon—for example, Indonesia and Malaysia were worried about China, whereas Singapore was more concerned about Japan—but they also feared the potentially destabilizing effects of a fractious U.S.-Japan alliance and deteriorating U.S.-China relations.²⁸ Unsurprisingly, these states converged on an omnidirectional strategy, at least at the publicly expressed collective level. Since the 1990s these states have pushed for a regional security structure that would involve as many big powers as possible, through their engagement in regional institutions and through bilateral arrangements with individual member states. The idea is to encourage these powers to develop closer economic and political relationships with Southeast Asia as a whole, and to build stronger political and defense relationships with individual countries, so as “to deepen interdependence and to strengthen their sense of having a stake in the region’s security, so that they would be more interested in helping to maintain regional stability.”²⁹

This rationale draws from liberal institutionalist approaches in international relations. For instance, the United States’ “liberal grand strategy” toward its great power rivals has been characterized as consisting of three related elements: opening up, tying down, and binding together.³⁰ These elements also describe the aspirations of Southeast Asian states in their omni-enmeshment strategy. First, like the United States under the Clinton administration, Southeast Asian states want to help open up China to trade, investment, and cultural and educational exchange, so that its elites and people can be exposed to the outside world. As the former prime minister of Singapore counseled in 1996, China had to be given “every incentive to choose international cooperation,” first by achieving access to “economic opportunities to [grow] peacefully”—that is, through access to overseas markets and membership in the World Trade Organization—so that it would “slowly understand that integration with other major economic powers will be much more beneficial than going it alone and trying to extend its sphere of influence.” This opening pro-

28. See Acharya, *Constructing a Security Community in Southeast Asia*, p. 168.

29. Singapore Foreign Ministry official, interview by author, Singapore, June 2004. Filipino and Thai Foreign Ministry officials agreed with this explanation in interviews by author in Manila and Bangkok in August 2004.

30. G. John Ikenberry and Jitsuo Tsuchiyama, “Between Balance of Power and Community: The Future of Multilateral Security Cooperation in the Asia-Pacific,” *International Relations of the Asia-Pacific*, Vol. 2, No. 1 (February 2002), pp. 69–94. See also Thomas Pedersen, “Cooperative Hegemony: Power, Ideas, and Institutions in Regional Integration,” *Review of International Studies*, Vol. 28, No. 4 (October 2002), pp. 677–696.

cess will create linkages and interdependence, which will in turn strengthen the vested interests of segments of government and society in favor of maintaining stable external relations.³¹ But Southeast Asian aims are wider: states in the region also want to open up linkages between the other great powers and China, to stimulate greater strategic interdependence between them, because “what we really want to do is help the ‘elephants’ get to a point where their interests are so intertwined that it would be too costly for them to fight.”³² Second, key Southeast Asian states share the notion that inviting countries into international or regional organizations can tie them down by creating expectations and obligations through membership. Over time, membership itself may socialize these countries into embracing the principles and norms of the institution. At base, these small countries are most concerned about norms of sovereignty, noninterference in domestic affairs, and peaceful resolution of conflicts. But there have also been claims that the “ASEAN way” of informal, consensual, and incremental decisionmaking and focus on confidence-building measures have persuaded China especially to adopt a “mutual security” discourse, more transparency about its military plans, and multilateral approaches to its territorial disputes in the South China Sea.³³ Third, Southeast Asian states fervently pursue the aim of binding together the potential great power adversaries in the region in institutions to mediate their balancing tendencies. As John Ikenberry and Jitsuo Tsuchiyama put it, “By binding together, surprises are reduced and expectation of stable future relations dampen the security dilemmas that trigger . . . dangerous strategic rivalry . . . By creating institutional connections between potential rivals, channels of communication are established which provide opportunities to actively influence the other’s evolving security policy.”³⁴

REGIONAL OMNI-ENMESHMENT POLICIES

The Southeast Asian strategy of enmeshing all major powers that can influence regional security requires their involvement in regional multilateral institutions, multilateral and bilateral free trade agreements, bilateral security ex-

31. Lee Kuan Yew, acceptance speech at Architect of the New Century Award, Nixon Center, Washington, D.C., November 11, 1996, <http://www.nixoncenter.org/publications/YEW96.html>.

32. Senior Malaysian policy adviser, interview by author, Kuala Lumpur, February 2003. The reference is to the popular saying, “Whenever elephants fight or make love, the grass gets trampled.”

33. The extent, scope, and direction of socialization in international institutions is now a subject of debate within constructivist circles. See Alastair Iain Johnston, “Socialization in International Institutions: The ASEAN Way and International Relations Theory,” in Ikenberry and Mastanduno, *International Relations Theory and the Asia-Pacific*, pp. 107–162; Ba, “Who’s Socializing Whom?”; and “International Institutions and Socialization in Europe,” special issue, *International Organization*, Vol. 59, No. 4 (Fall 2005), pp. 801–1079.

34. Ikenberry and Tsuchiyama, “Between Balance of Power and Community,” p. 78.

changes, and multilateral security cooperation. At the regional level, ASEAN has been the main channel of engagement with external powers, developing on the traditional practice of having “dialogue partners,” starting with the first Post-Ministerial Conference in 1978 involving Australia, Canada, the European Union, Japan, New Zealand, and the United States. China, India, Russia, and South Korea were added to the list in the 1990s. Although these dialogue partnerships were initially aimed at enhancing ASEAN’s economic ties with the major developed countries, they were subsequently targeted at inducting secondary and rising powers into the regional order. This is seen as essential in helping to diversify the sources of Southeast Asian strategic and economic stability.³⁵

Of the more concrete ASEAN-led initiatives, the ASEAN Regional Forum (ARF) is a key example of the strategy of engaging many big powers, bringing as it does China, India, Japan, Russia, the United States, and even the European Union into regional security dialogue. The forum is an annual dialogue involving foreign ministers, “to foster constructive dialogue and consultation on political and security issues of common interest . . . and to contribute to efforts towards confidence building and preventive diplomacy in the Asia-Pacific region.” The process also involves a network of think tanks in member countries that helps to generate studies on multilateral cooperation, ranging from conceptualizations of preventive diplomacy to policy recommendations on transnational security issues.³⁶ The other key regional enmeshment institution is the ASEAN Plus Three dialogue process, which serves to tie China, Japan, and South Korea more tightly into exchanges with ASEAN, particularly in economic matters. The key aim of the institution, which was set up after the Asian financial crisis of 1997–98, is finance cooperation. Its two main initiatives are the Chiang Mai Initiative, designed as a regional mechanism to provide short-term liquidity support to member countries experiencing balance of payment difficulties; and the Asian Bond Markets Initiative to further develop local bond markets in the region in an attempt to address currency mismatches that are believed to have contributed to the crisis.³⁷

35. See Rodolfo Severino, *Southeast Asia in Search of an ASEAN Community: Insights from the Former Secretary-General* (Singapore: Institute of Southeast Asian Studies, 2006), pp. 256–341.

36. See ASEAN Secretariat, “Overview,” <http://www.aseansec.org/92.htm>; Rosemary Foot, “China in the ASEAN Regional Forum: Organizational Processes and Domestic Modes of Thought,” *Asian Survey*, Vol. 38, No. 5 (May 1998), pp. 425–440; Evelyn Goh, “The ASEAN Regional Forum in United States East Asian Strategy,” *Pacific Review*, Vol. 17, No. 1 (March 2004), pp. 47–69; and Hiro Katsumata, “Establishment of ASEAN Regional Forum: Constructing a ‘Talking Shop’ or a ‘Norm Brewery’?” *Pacific Review*, Vol. 19, No. 2 (June 2006), pp. 181–198.

37. Chu Shulong, “ASEAN Plus Three and East Asian Security Cooperation,” in Acharya and Goh, *Reassessing Security Cooperation in the Asia-Pacific*, pp. 155–176; and Markus Hund, “ASEAN

Scholars disagree about the achievements of the ARF and ASEAN Plus Three processes, but from the point of view of assessing their effectiveness as mechanisms for omni-enmeshment, there is evidence that the targeted major powers have been eager and competitive in subscribing to membership and the norms associated with these initiatives. On the economic front, for instance, ASEAN's attempts to foster greater openness and interdependence through trade agreements with major powers have met with impressive levels of uptake. Shortly after the United States and Singapore announced talks for a free trade agreement (FTA) in 2000, China decided to open negotiations for an FTA with ASEAN, which was endorsed in June 2001, with a target date of completion in 2010.³⁸ Japan followed suit by signing its first regional FTA with Singapore in January 2002, and by proposing to launch talks in 2008 for an FTA with ASEAN, also with a target date of 2010.³⁹ South Korea has agreed to implement an FTA with ASEAN by 2016. Furthermore, Australia signed an FTA with Singapore in July 2003, and announced in November 2004 that it would begin negotiations for an ASEAN-wide FTA. After signing FTAs with Singapore and Thailand in 2004–05, India is currently negotiating an FTA with ASEAN.

Diplomatically, too, ASEAN's omni-enmeshment strategy has led to competitive ascription among the major regional powers. This was demonstrated in the process by which these regional powers have adopted ASEAN's core body of principles, the Treaty of Amity and Cooperation (TAC), in recent years. China and India were the first extraregional states to sign on to the TAC in 2003, but they were followed closely by Japan, Russia, and South Korea in 2004, and by Australia in 2005.⁴⁰ As the acknowledged driver of the regional multilateral institutions embodied in the ASEAN Plus Three and ARF processes, ASEAN held out the adoption of its TAC norms—which include mutual sovereignty, territorial integrity, noninterference in domestic affairs, peaceful settlement of disputes, and renunciation of the use of force⁴¹—almost

Plus Three: Toward a New Age of Pan-East Asian Regionalism? A Skeptic's Appraisal," *Pacific Review*, Vol. 16, No. 3 (August 2003), pp. 383–417.

38. The Singapore-U.S. FTA was signed in 2004; talks for a bilateral Singapore-China FTA are expected to be concluded by 2008.

39. Kwan Weng Jin, "Japan Moots Regional Trade Pact by 2010," *Straits Times*, April 5, 2006.

40. See Evelyn Goh, "Singapore's Reaction to Rising China: Deep Engagement and Strategic Adjustment," in Ho Khai Leong and Samuel Yu, eds., *Reassessing China-ASEAN Relations: Global Changes and Regional Challenges* (Singapore: Institute of Southeast Asian Studies, 2005), pp. 307–327; "FTAs with ASEAN Vital, India Told," *Straits Times*, October 20, 2004; and "Australia Finds Way to Sign Southeast Asia Non-aggression Pact," Agence France-Presse, May 20, 2005.

41. These are unexceptional principles, as they are drawn from the United Nations Charter, although there have been concerns that they may be used to limit the treaty obligations of U.S. allies in the region. Japan and Australia were worried that their scope for supporting possible U.S. military intervention in the region may be circumscribed by the TAC's insistence on nonintervention

as a marker of membership in regional society, by making it a prerequisite for participation at the East Asia Summit (EAS) in December 2005. As the first pan-Asian summit meeting, the EAS brought together the heads of state of ASEAN, Australia, China, India, Japan, New Zealand, and South Korea.⁴² Although the substantive implications of the EAS—like those of the TAC—may be debated, the symbolic value of the summit as a vision of an “Asian security order for Asians,” was undeniable. Hence, there is debate in Washington about whether the United States itself should accede to the TAC as a step toward being included in the EAS process, but also as a gesture to back up its claims to be an integral part of the regional order more generally.⁴³

COUNTRY-LEVEL OMNI-ENMESHMENT POLICIES

At the country level, the impetus for omni-enmeshment is evident in two types of activities. First is the smaller-scale, deliberate cultivation of multiple strategic relationships with major powers in the region by individual Southeast Asian states. This is a less developed and less coherent form of omni-enmeshment in which the smaller states are primarily concerned with diversifying their security partners and seeking cooperation with specific major powers because of shared intraregional security concerns. An example of the former case is Vietnam’s gradual development of defense cooperation, exchanges, and high-level visits with the United States, while maintaining its close ties with China, as well as pursuing defense exchanges with India, with which Vietnam experiences no historical or geographical constraints.⁴⁴ An ex-

and nonuse of force. Tokyo overcame the problem by reasoning that UN Charter obligations, which allow for military action under UN resolutions, would take precedence over TAC obligations.

42. See Seth Mydans, “New Group for ‘Asian Century’ Shuns U.S.,” *International Herald Tribune*, December 13, 2005; Mohan Malik, “The East Asia Summit: More Discord Than Accord,” *YaleGlobal*, December 20, 2005; and Yang Razali Kassim, “The Rise of East Asia? ASEAN’s Driver Role Key to Ties between Japan and China,” IDSS Commentaries (Singapore: Institute for Defence and Strategic Studies, December 22, 2005).

43. Ralph A. Cossa and Jane Skanderup, “Regional Overview: Tsunami Brings Us Together; Provides Perspective,” PacNet No. 3, January 14, 2005, <http://www.csis.org/media/csis/pubs/pac0503.pdf>; Catharin Dalpino, “U.S.–Southeast Asian Relations: U.S. Ratchets Up Rejuvenation and Boosts Ties with Muslim States,” *Comparative Connections*, Vol. 8, No. 1 (April 2006), pp. 65–75, at p. 66; and “China in Asia: Chinese Influence, Asian Strategies, and U.S. Policy Responses,” Policy Conference Report, American Enterprise Institute–National Defense University seminar, February 23, 2006, executive summary.

44. Vietnam and the United States have exchanged defense attachés and enjoy broader military exchanges, including two visits by defense secretaries to Vietnam in 2000 and 2006 and a port call by a U.S. Navy frigate in 2003. On Vietnam–India strategic relations, see Ian Storey and Carlyle Thayer, “Cam Ranh Bay: Past Imperfect, Future Conditional,” *Contemporary Southeast Asia*, Vol. 23, No. 3 (December 2001), pp. 452–73; and Suphash Kapila, “India–Vietnam Strategic Partnership,” No. 1397 (Noida, India: South Asia Analysis Group, June 1, 2005), <http://www.saag.org/%5Cpapers14%5Cpaper1397.html>.

ample of the latter case is Indonesia's development of defense ties not only with the United States and China but also with Australia. The two countries signed a defense treaty in 1995, which was dissolved in 1999 because of Australia's participation in a military force against pro-Jakarta militias in the former Indonesian province of East Timor after its violent split with Indonesia. But in view of the continuing shared security issues surrounding terrorism, humanitarian intervention, and perhaps with longer-term strategic hedging in mind, the strategic relationship is being repaired, with the resumption of military exercises in 2005 and the negotiation of a new security agreement in 2006.⁴⁵

The second, more well developed type of country-level omni-enmeshment has been led by Singapore and Thailand, where policymakers have tried to turn the geopolitical reality of great power penetration to their benefit. These two states have elevated national goals of diversifying bilateral relations with major powers by promoting them as integral elements of policies to manage regional stability. Such bilateral relations are seen as "building blocks" toward the larger aim of opening up, tying down, and binding a variety of major players in the region. Singapore's limited size has forced the island-state to base its larger regional security strategy "principally on borrowing political and military strength from extraregional powers."⁴⁶ Singapore has carefully built upon its strategic location at the crossroads of vital sea-lanes between the Indian and Pacific Oceans. As discussed above, it has leveraged its status as the most open economy in the region to negotiate inaugural free trade agreements with all the major powers, as another means to deepen major countries' economic stakes in the island and the region. At the same time, it tries to "make itself valuable to the major powers"—through the provision of military facilities and strategic cooperation with the United States, for instance, and by cultivating the image of being an interlocutor between China and the United States—such that "they would feel a stake in Singapore's prosperity, stability, and security."⁴⁷ In addition, Singapore has promoted military-to-military relations with major powers in the form of joint exercises with the United States, exchanges with China, and joint naval and air exercises with India.⁴⁸

45. "Australia and Indonesia: Finally, a New Era?" *Jakarta Post*, March 19, 2005; and "Australia and Indonesia Are Poised to Sign a Landmark Security Treaty," AAP News, January 11, 2006.

46. Tim Huxley, *Defending the Lion City: The Armed Forces of Singapore* (St. Leonards, New South Wales: Allen and Unwin, 2000), pp. 33–34.

47. Singapore officials from the Ministries of Defense and Foreign Affairs, interviews by author, Singapore, June 2004.

48. Mushahid Ali, "Singapore's Balancing Diplomacy: Defence Cooperation with USA, India," IDSS Commentaries (Singapore: Institute for Defence and Strategic Studies, November 12, 2003); and "Singapore, India in Joint Air Exercise," *Straits Times*, October 12, 2004.

Thailand, too, has had a history of engaging and harnessing the power of larger states in its national and regional security strategy, as seen in its alliance with the United States and subsequent alignment with China to deal with the Vietnamese threat in the 1970s and 1980s. More recently, Bangkok has employed a strategy similar to Singapore's, using multilateral institutions and trade agreements to draw the major powers into the region as a means of ensuring stability. It has signed FTAs with Australia, China, and India, and is undertaking negotiations with Japan and the United States. Significantly, Thailand is ideally placed to promote pan-regional institutionalism as it sits at the crossroads of Northeast, Southeast, and South Asia. Hence, while both Singapore and Thailand are looking to cultivate India as another potential great power that will take an interest in the region, it is Bangkok that has been more active diplomatically. Prime Minister Thaksin Shinawatra's government has tried assiduously to cultivate ties with South Asia through economic organizations such as BIMSTEC (Bangladesh, India, Myanmar, Sri Lanka, and Thailand Economic Cooperation), and in forging a new transregional dialogue forum—the Asian Cooperation Dialogue—which brings together countries in East and South Asia as well as the Middle East.⁴⁹ These moves are largely seen as attempts to boost Thailand's (and Thaksin's) leadership role in Asian affairs.⁵⁰ They do reflect a shared belief, however, that “exploiting Thailand's strategic location to help recover Southeast Asia's traditional role as a strategic bridge between the different parts of greater Asia will make our whole region more peaceful.”⁵¹ As one Singaporean minister put it, “Southeast Asia is both a bridge and a buffer between the two great civilizational areas of China and India. Neither China nor India has ever invaded or occupied Southeast Asia because it serves as a useful buffer without impeding trade.”⁵²

WHY OMNI-ENMESHMENT?

Multiple countries in Southeast Asia are pursuing an omni-enmeshment strategy, individually, and through ASEAN. The key purposes and objectives of enmeshment vary from state to state; they include the imperative of strategic

49. See, for instance, Surakiart Sathirathai, “Thailand and the United States: Two Centuries of Partnership,” speech to Asia Society, Washington, D.C., September 20, 2004, <http://www.asiasociety.org/speeches/sathirathai04.html>.

50. Thai regional activism has been dampened by the military coup in September 2006 that deposed the Thaksin government. When, whether, and how a newly elected government will continue these policies remains to be seen.

51. Thai scholar and senior government adviser, interview by author, Bangkok, August 2005.

52. Foreign Minister George Yeo, “The U.S. Role in the Asian Dream,” *Asiaweek*, April 20, 2001, <http://www.asiaweek.com/asiaweek/magazine/nations/0,8782,106066,00.html>.

diversification, the desire to boost regional leadership, and ambitions of transforming great power behavior. These efforts are not coordinated by ASEAN; instead, ASEAN has been used as a channel for implementing enmeshment policies when member states have agreed that its incremental and informal processes were suitable to such pursuits. It is worth noting two key variants of Southeast Asian motivations for enmeshment as far as the two most significant powers, the United States and China, are concerned. On the one hand, for U.S. allies in Southeast Asia nervous about a potential post-Cold War drawdown from Asia, creating the ARF was meant to enmesh the United States in regional institutions—to tie it down, so as to reduce uncertainty about the continued U.S. commitment to the region. This “superpower entrapment” is seen as the vital determinant of regional stability.⁵³ Other ASEAN countries see China as the key target of enmeshment. Some, like Vietnam, deeply suspicious of Chinese domination for historical reasons, harbor a defensive enmeshment concept, hoping that institutional membership will constrain potential Chinese aggression by tying China down, and by binding regional states together. According to a Vietnamese Foreign Ministry official, the “constructive entanglement” of China reflects the hope that “Sino-Vietnamese relations will be meshed within the much larger network of interlocking economic and political interests . . . [creating] an arrangement whereby anybody wanting to violate Vietnam’s sovereignty would be violating the interests of other countries as well.”⁵⁴

For these varied reasons, these Southeast Asian states ascribe to the view that “the region should be kept open and all the major powers should have stakes in Asia [as] [t]his is most likely to produce a stable, predictable regional order in which countries big and small can prosper together.”⁵⁵ They envisage a situation in which a number of major powers—China, India, Japan, Korea, and the United States—would be actively involved in the region by means of good political relationships, deep and preferential economic exchanges, and some degree of defense dialogue and exchange. The aim is to create overlapping spheres of influence in the region that are competitive but positive-sum. Ideally, this would translate into greater stability in the region because, first, in

53. Khong, “Coping with Strategic Uncertainty,” p. 202.

54. Nguyen Hong Thach, quoted in Carlyle A. Thayer, “Sino-Vietnamese Relations: The Interplay of Ideology and National Interest,” *Asian Survey*, Vol. 34, No. 6 (June 1994), p. 528. See also David Wurfel, “Between China and ASEAN: The Dialectics of Recent Vietnamese Foreign Policy,” in Carlyle A. Thayer and Ramses Amer, eds., *Vietnamese Foreign Policy in Transition* (Singapore: Institute of Southeast Asian Studies, 1999).

55. Singapore Prime Minister Lee Hsien Loong, speech to Asia Security Conference, reprinted in *Straits Times*, June 3, 2006.

the negative sense, the major powers would be able to “keep an eye on each other” and to act as mutual deterrents against adventurism by one another.⁵⁶ As regards sensitive political matters, discussion among a number of major powers may help to defuse tensions by “bring[ing] in others less directly connected, so that less face is lost.”⁵⁷ Thus, enmeshment mediates against the possibility of violent rivalry between major powers in the region and great power aggression against smaller states. More constructively, Southeast Asian countries hope that, over time and with greater interdependence, these powers will discover that they have common interests that are not mutually exclusive, such as the economic benefits of free trade and secure trading routes in the region. They would thus be unwilling to disrupt the status quo at each other’s expense, which would be more costly than if it were at the expense of the small or medium states of the region alone. As a former Filipino president put it, regional peace “must be based on a balance not of power but of mutual benefit,” involving “burdensharing by all nations,” but particularly “a cooperative understanding among the most affluent and powerful countries in our part of the world.”⁵⁸ The theory is that major powers would then settle into a sustainable pattern of engagement and accommodation with the region and with each other.⁵⁹

As a pathway to order, omni-enmeshment functions in three key ways. First, through legitimate inclusion: by forging special bilateral economic and political-military ties with particular great powers, and by including them as partners in regional multilateral institutions, Southeast Asian states identify and legitimize the roles of these players in regional security, giving weight to the idea of an open and inclusive regionalism. Second, institutionalized interaction: by enfolding the major powers within multiple bilateral agreements and multilateral frameworks, omni-enmeshment regulates and coordinates the

56. Indonesian scholar and policy adviser, interview by author, Singapore, September 2006.

57. Singapore Foreign Minister George Yeo referring to Sino-Japanese tensions over war history in the context of the EAS, quoted in Roger Cohen, “Asia’s Continental Drift Changes Terrain for U.S.,” *International Herald Tribune*, November 16, 2005. Like most studies of ASEAN, this one resorts often to Singaporean leaders’ statements, a reflection of the latter’s greater tendency to articulate strategic thinking in public. Nevertheless, effort is made here to draw examples from the policies and speeches of other Southeast Asian states wherever possible.

58. Fidel Ramos, “Uniting Asia: Security Lies in Trade Ties,” *Straits Times*, July 19, 2007.

59. See Amitav Acharya, “Regional Institutions and Security Order: Norms, Identity, and Prospects for Peaceful Change,” in Alagappa, *Asian Security Order*, pp. 210–240. Interestingly, Southeast Asian official circles appear relatively rationalist and emphasize that enmeshment can only gradually alter the calculation of cost/benefit and some interests of major powers. They caution that major power interests can change as a result of unexpected big endogenous or exogenous events. It tends to be scholars who focus on long-term socialization, normative change, and identity reconstruction.

interaction between small, medium, and large states in the region, with benefits in improved information flows, personal interaction between officials, and the development of confidence building and functional cooperation, as well as norms of discussing and managing conflicts.⁶⁰ Third, cooperative security: states cooperate with each other through ascription to norms and principles such as the TAC, and through informal dialogue and exchange, cultivating a climate of conflict avoidance and functional cooperation in shared issue areas. This is opposed to the notion of common security, in which states form alliances or strategic agreements to cooperate against the threat of a third-party state or grouping.⁶¹

As such, the focus on omni-enmeshment as a key pathway to order in the region reflects the desire of Southeast Asian states not to forestall a potential transition to multipolarity per se, but rather to manage the transition so as to prevent an unstable regional order involving multiple powers.

Creation of a Complex Balance of Influence

The second key pathway to order in Southeast Asia is balancing. The concept of balance of power used in Southeast Asia tends toward the common confusion between the power structure and policies or behavior designed to influence the structural outcome.⁶² Here, it is the latter with which I am concerned. Seeing balancing as a policy process means that even small or medium states can engage in balancing behavior or actions leading to outcomes that affect the distribution of power. In much of the regional security discourse, the concept of balancing is nebulous and is used to imply the presence of countervailing strength against another power—a situation that is implicitly understood as preferable to one in which a dominant power is unchallenged or unadulterated by competition. Yet the way in which balance of power is understood and acted upon in Southeast Asia differs from the realist definition prevalent in the study of international relations.⁶³ States here neither balance

60. This derives from institutionalist arguments. See Stephen Krasner, ed., *International Regimes* (Ithaca, N.Y.: Cornell University Press, 1983); and John Gerard Ruggie, *Constructing the World Polity: Essays on International Institutionalization* (London: Routledge, 1998).

61. See David Dewitt, "Common, Comprehensive, and Cooperative Security," *Pacific Review*, Vol. 7, No. 1 (February 1994), pp. 1–15.

62. One work that distinguishes between the two is Ralf Emmers, *Cooperative Security and the Balance of Power in ASEAN and the ARF* (London: Routledge, 2003).

63. See Michael Sheehan, *The Balance of Power: History and Theory* (London: Routledge, 1996); and Martin Wight, *Power Politics* (Harmsworth, U.K.: Penguin, for Royal Institute of International Affairs, 1978).

against the preponderant power of the United States, nor do they obviously balance against the potentially bigger perceived threat of China. Instead, Southeast Asia is pursuing indirect balancing strategies against China that rely upon sustaining U.S. dominance in the region, and thus aim to maintain the existing imbalance or preponderance of power in favor of the United States.⁶⁴

Yuen Foong Khong argues that Southeast Asian balancing is “soft” because it falls short of military alliances, a reflection of strict realist definitions of balancing—for example, Randall Schweller’s qualification that “balancing requires that states target their military hardware at each other in preparation for a potential war.”⁶⁵ Southeast Asian balancing behavior should not, however, be conflated with the kind of “soft balancing” attributed by Robert Pape and others to some West European states against the United States since 2003. The latter refers to actions by states that are too weak to build up their own armed forces or form countervailing military alliances, and so choose instead to use nonmilitary tools to “delay, frustrate, and undermine,” and increase the costs of the threatening state’s use of military power.⁶⁶ Most Southeast Asian states, in contrast, could form strong military alliances with the United States and their neighbors if they wished, but instead they pursue a more subtle balancing strategy.

Southeast Asian balancing comprises two elements: (1) indirect military balancing policies undertaken by individual states unilaterally or bilaterally, aimed at deterring a range of potential threats; and (2) regional “complex balancing” policies that encompass multiple balancing media and targets, with the wider aim of forging a regional balance of influence that goes beyond the military realm. This modified balancing behavior is not just a manifestation of small countries “hedging their bets.”⁶⁷ These two elements taken together constitute a balancing strategy that includes a longer-term aim of facilitating a preferred vision of regional order; by developing this pathway to order,

64. Khong, “Coping with Strategic Uncertainty,”

65. *Ibid.*, p. 193; and Schweller, “Unanswered Threats,” p. 166.

66. Robert A. Pape, “Soft Balancing against the United States,” *International Security*, Vol. 30, No. 1 (Summer 2005), pp. 7–45, at p. 10. See also T.V. Paul, “Soft Balancing in the Age of U.S. Primacy,” *International Security*, Vol. 30, No. 1 (Summer 2005), pp. 46–71. For critical views on the concept, see Stephen G. Brooks and William C. Wohlforth, “Hard Times for Soft Balancing,” *International Security*, Vol. 30, No. 1 (Summer 2005), pp. 72–108; and Keir A. Lieber and Gerard Alexander, “Waiting for Balancing: Why the World Is Not Pushing Back,” *International Security*, Vol. 30, No. 1 (Summer 2005), pp. 109–139.

67. For such claims, see Robert A. Manning and James J. Przystup, “Asia’s Transition Diplomacy: Hedging against Future Shock,” *Survival*, Vol. 41, No. 3 (September 1999), pp. 43–67; and C.P. Chung, “Southeast Asia–China Relations: Dialectics of ‘Hedging’ and ‘Counter-Hedging,’” in China Kin Wah and Daljit Singh, eds., *Southeast Asian Affairs, 2004* (Singapore: ISEAS, 2004), pp. 35–53.

Southeast Asian states are more active strategically than one would expect from small, constrained states trying to maximize room for maneuver.

INDIRECT BALANCING AGAINST CHINA

In Southeast Asia, indirect balancing of growing Chinese power hinges on three elements. First is the strong expectation of deterrence, particularly in harnessing superior U.S. forces in the region to persuade Beijing that any aggressive action would be too costly or unlikely to succeed. Second is triangular politics—the use of bilateral relations with one major power as leverage to improve relations with another. Finally, as discussed in the previous section, the third, nonmilitary element of countervailing growing Chinese power is enmeshment—the aim of mediating the uncertainties of Chinese intentions through integration and socialization of China into the regional system, cultivating it as a responsible status quo regional power.⁶⁸

Within the realist literature, the key medium of balancing is the forging of alliances, usually with the weaker or less threatening power. In Southeast Asia, two states—the Philippines and Thailand—are formal allies of the United States, but neither plays host to U.S. bases. Instead, they and a number of nonallied countries, including Indonesia, Malaysia, and Singapore—provide military facilities and access to U.S. naval and air forces. They also participate in bilateral and multilateral joint exercises, and some countries have preferential military supply relations with the United States. These policies are aimed at facilitating the continued U.S. military presence and power projection capabilities in the region. Rather than encouraging the United States to target its forces directly against China, though, the goal is to further buttress U.S. military superiority in the region, or to demonstrate the ability to harness it, to act as a general deterrent to Chinese (or other) aggression.⁶⁹ These balancing policies are indirect, because they “borrow” U.S. military power, are not explicitly targeted against specific Chinese military threats, and are often undertaken in the name of other types of security interests shared with the United States.

All the key Southeast Asian countries are involved in this type of indirect balancing behavior. Singapore has been the most active since the end of the Cold War in recognizing the need for the United States to stay in the region to avoid a destabilizing power transition. In November 1990 a Singapore-U.S.

68. In other words, the goal is to counter the effects of growing Chinese power by attempting to change its character, rather than countering growing Chinese power with opposing power.

69. The United States is viewed as the key strategic force in the region for two reasons: (1) its alliance with Japan forestalls Japanese remilitarization; and (2) its military presence deters Chinese aggression in the Taiwan Strait and the South China Sea.

agreement was signed, allowing U.S. access to air base and wharf facilities on the island. Since the closure of U.S. bases in the Philippines in 1992, Singapore has hosted a naval logistics command center and accepted the periodic deployment of U.S. fighter aircraft for exercises. A naval base, opened in 2001, was also specially built to berth U.S. aircraft carriers. Since the terrorist attacks of September 11, 2001, Singapore has moved even closer toward a “long-term strategic realignment” with the United States.⁷⁰ Although still eschewing a formal alliance, at the end of 2005, the two countries signed a new strategic framework agreement that expands bilateral cooperation in counterterrorism, counterproliferation of weapons of mass destruction, joint military exercises and training, policy dialogues, and defense technology. This agreement will significantly tighten the bilateral security partnership by giving Singapore more access to U.S. military technology, and by raising interoperability between the two armed forces. Singapore has tied itself more closely to the United States because it identifies with the common threat of terrorism, but Singapore’s leaders also want to use this relationship to help anchor the United States in the region as a counterweight against the longer-term uncertainties over China.⁷¹

The Philippines and Thailand enjoy formal alliances with the United States, both of which declined in salience at the end of the Cold War, but which have been revived since in response to the rise of China. For Manila, the decision to terminate the military bases agreement with the United States in 1991 was deeply regretted between 1995 and 1997, when the Filipinos discovered Chinese construction and naval patrols around the disputed Mischief Reef in the Spratly Islands in the South China Sea. U.S. and Filipino worries about Chinese irredentism over this territorial dispute eventually overcame domestic opposition to see the ratification of a visiting forces agreement in 1999 by the Philippine Senate, which revived the alliance through joint military exercises in 2000. After 2001 the alliance was further boosted when U.S. combat forces were deployed in 2002 to train and support Filipino troops in fighting against Abu Sayyaf insurgents in Mindanao as part of the “war on terror.”⁷² Hundreds of U.S. troops remain on the ground, and a joint defense agreement now

70. Singapore official, Ministry of Defense, interview by author, Singapore, August 2003.

71. Goh, *Meeting the China Challenge*, pp. 30–32; and Khong, “Coping with Strategic Uncertainty,” p. 203.

72. Renato Cruz De Castro, “The Revitalized Philippine-U.S. Security Relations: A Ghost from the Cold War or an Alliance for the 21st Century?” *Asian Survey*, Vol. 43, No. 6 (November–December 2003), pp. 971–988; and Rommel C. Banlaoi, “The Role of Philippine-U.S. Relations in the Global Campaign against Terrorism: Implications for Regional Security,” *Contemporary Southeast Asia*, Vol. 24, No. 2 (August 2002), pp. 294–312.

gives the United States a long-term advisory role in the modernization of the Philippines armed forces. While the reinvigorated U.S.-Philippines alliance helped to entrench the U.S. security presence in the region as a general deterrent,⁷³ Manila's concern with potential Chinese aggression in the South China Sea has not been forgotten: a joint military exercise in 2004 was staged near Mischief Reef, with President Gloria Macapagal Arroyo admitting that prior to the terrorism focus, U.S. military training of the Philippines armed forces had been focused on defending Filipino claims in the Spratlys against China.⁷⁴

Thailand's alliance with the United States had diminished even earlier, with the closure of bases in 1978 after the U.S. withdrawal from Vietnam. Reflecting a deliberate decision for a lower-key partnership, the alliance had thereafter been marked by joint military exercises (Thailand hosts the largest annual multilateral military exercises, dubbed "Cobra Gold," with the United States), intelligence cooperation, and occasional Thai contributions to U.S. military campaigns overseas. Since 2001, though, Thailand has played a more important role in facilitating U.S. military reach in the region, and in 2003 it was designated a "major non-NATO ally" like the Philippines.⁷⁵ U.S. aircraft were allowed to fly combat missions from bases in Thailand during the Afghanistan and Iraq campaigns, and old Vietnam War-era U.S. air and naval bases were reopened to allow the United States to preposition military equipment for forward deployment operations.⁷⁶

Indonesia, in spite of its traditional reservations about the role of external powers in regional security, also tacitly supports and facilitates U.S. military predominance in the region. It participates in the annual Cooperation Afloat Readiness and Training bilateral military exercises with the U.S. Navy and regularly hosts visiting U.S. naval vessels. The bilateral military relationship, which had been broken after Indonesian military involvement in the massacre of civilians in East Timor in 1991, was restored, first with international military

73. This point was not lost on Chinese analysts. See Zhai Kun, "What Underlies the U.S.-Philippine Joint Military Exercise?" *Beijing Review*, March 14, 2002, pp. 8–9.

74. "U.S. and Philippines to Sign New Security Pact," *Straits Times*, May 24, 2006; Carl Baker, "Philippines and the United States, 2004–5: Defining Maturity," in Satu Limaye, ed., *The Asia-Pacific and the United States, 2004–5* (Honolulu, Hawaii: Asia-Pacific Center for Security Studies, 2005); and Donald Weatherbee, *International Relations in Southeast Asia: The Struggle for Autonomy* (Lanham, Md.: Rowman and Littlefield, 2005), pp. 135–136.

75. This status makes Thailand and the Philippines eligible for priority delivery of defense matériel and the purchase of certain controlled items, such as depleted-uranium tank rounds. They are allowed to stockpile U.S. military hardware, participate in defense research and development programs, and benefit from a U.S. government loan guarantee program for arms exports.

76. Goh, *Meeting the China Challenge*, pp. 32–34.

education and training (IMET) in February 2005, then with foreign military financing (FMF) in November 2005. The resumption of full military relations between the United States and Indonesia mainly reflects Jakarta's importance in Washington's war on terrorism, but it also provides an important U.S. foothold in the region through its most important country.⁷⁷ Similarly, as a moderate Muslim state, Malaysia has gained in importance for the United States in its antiterrorism campaign, but it also helps to facilitate the U.S. military presence in the region by maintaining port call arrangements, ship repair facilities, the use of jungle warfare facilities, and low-visibility naval and air exercises that have been in place since the 1980s.⁷⁸ Vietnam is also doing a small part to boost U.S. military relations in the region. In 2003, after the highly symbolic first port call by a U.S. frigate since the Vietnam War, Vietnam began participating as an observer in the Cobra Gold exercises, and agreed in 2005 to send a handful of military officers for language training to the United States under IMET.⁷⁹ Vietnam's improving defense ties with the United States are especially significant against bilateral tensions regarding finding and repatriating remains of U.S. servicemen from the Vietnam War, and human rights issues. They reflect Vietnam's acute wariness of its geographical and historical constraints vis-à-vis China.⁸⁰

In these balancing policies, Southeast Asian states seek indirectly to deter potential Chinese aggression or domination, by facilitating a continued U.S. military preponderance in the region. At the same time, they aim to strengthen their own internal balancing capacities by attracting U.S. military aid and training, trade, and economic assistance. In this regard, given China's increasing diplomacy and greater willingness to expend resources in the region, some Southeast Asian states have found that even as they support continued U.S. military predominance, they can engage in triangular politics by cultivating military or strategic relationships with China in an effort to signal to the

77. See Rosemary Foot, "Human Rights and Counter-terrorism in America's Asia Policy," Adelphi Paper, No. 363 (London: International Institute for Strategic Studies, 2004), pp. 46–54.

78. Acharya, "Containment, Engagement, or Counter-dominance?" pp. 139–140; Helen Nesadurai, "Malaysia and the United States: Rejecting Dominance, Embracing Engagement," Working Paper, No. 72 (Singapore: Institute for Defence and Security Studies, December 2004); and "U.S. and Malaysia Extend Defence Pact by 10 Years," *Straits Times*, May 10, 2005.

79. Goh, *Meeting the China Challenge*, pp. 34–36; Raymond F. Burghardt, U.S. ambassador to Vietnam, speech to Asia Society, Washington, D.C., January 21, 2003, <http://www.asiasociety.org/speeches/burghardt.html>; Sheldon W. Simon, "U.S.–Southeast Asia Relations: Misses and Hits," *Comparative Connections*, Vol. 7, No. 3 (October 2005), pp. 64–65; and Ellen Nakashima, "Vietnam, U.S. to Improve Intelligence, Military Ties," *Washington Post*, June 17, 2005.

80. See Brantly Womack, *China and Vietnam: The Politics of Asymmetry* (Cambridge: Cambridge University Press, 2006); and Alexander Vuving, "Strategy and Evolution of Vietnam's China Policy," *Asian Survey*, Vol. 46, No. 6 (November/December 2006), pp. 805–824.

United States to invest more to avoid losing regional influence to the Chinese. There are two examples, simplified in their rendition, but nevertheless suggestive. The first is the final push toward restoration of military-to-military ties between Indonesia and the United States in 2005. Although the suspension of military ties with the United States after 1991 was a serious blow to Jakarta, the latter made little headway in reversing the decision as Washington insisted on this being tied to demonstrable improvements in the human rights record of the TNI—a requirement that Indonesia rejected in principle as interference in its domestic issues. But after it became clear that the TNI had suffered from the embargo to the extent that it could no longer cope with domestic emergencies after the devastating tsunami at the end of 2004, pressure mounted for a review of the embargo. During 2005 Indonesian officials and analysts increasingly began to suggest that they would be forced to turn to the Chinese, the Russians, or the Eastern Europeans as alternative major military suppliers.⁸¹ Indeed, in 2004 Jakarta had bartered for two interceptors and two jets from Russia in what appeared to be a symbolic gesture (the fighters came without the critical avionics or missiles). In April 2005 Chinese President Hu Jintao signed a strategic partnership agreement with President Susilo Bambang Yudhoyono, committing initially to extending credit and loans for \$300 million worth of infrastructure projects and more than \$10 billion of private-sector investment to Indonesia. This agreement came a few weeks before a U.S.-Indonesia memorandum of understanding for a \$74 million aid package.⁸² At the same time, the outstanding issue of bilateral military relations was played up by officials such as the defense minister, who told a journalist that the TNI was so strapped that “we have reached the point where we will have to decide in the next six months whether we can afford to break away from the United States’ [military hardware] system and . . . go to a new system.”⁸³ Such a system would constitute mainly Russian equipment and parts, of which Russia and China would be key suppliers. By November 2005 Washington had restored IMET and FMF for Indonesia, in the face of protests from activists that the human rights record of the TNI had not changed.⁸⁴

81. Irman G. Lanti, “Indonesia,” in Goh, *Between and Between*, pp. 29–38.

82. “U.S. to Step Up Economic Help to Indonesia,” *Straits Times*, May 8, 2005.

83. Quoted in “RI-China Seal Multibillion Deal to Strengthen Trade,” *Jakarta Post*, April 26, 2005; John Macbeth, “Running Low on Ammunition,” *Straits Times*, May 13, 2005; and Josephine Ma, “China Offers Arms to Indonesia to Secure Malacca Strait Ally,” *South China Morning Post*, April 26, 2005.

84. Simon, “U.S.–Southeast Asia Relations,” p. 56. Of course, U.S. reasons for restoring IMET were intimately related to the war on terrorism, though Indonesian triangular politics may help explain the timing of the decision.

The second example of triangular politics is in the Philippines' relationship with the United States since President Arroyo withdrew troops from the war in Iraq to secure the release of a kidnapped Filipino worker in July 2004. The reaction from Washington was understandably cold, and many expected Manila to experience reduced aid, attention, and trade from Washington.⁸⁵ At the beginning of September 2004, President Arroyo conducted an extremely successful visit to Beijing, where she noted that "China plays a determining influence in the security and economy of our region," and that both the United States and China were "allies" to the Philippines.⁸⁶ She and President Hu achieved rapprochement over the Spratlys dispute by signing a landmark protocol for joint exploitation of the South China Sea resources. They also agreed to improve defense ties and to have Hu visit Manila.⁸⁷ At the end of October 2005, Washington announced that military assistance to the Philippines would be nearly doubled from \$30 million to \$55 million for that year.⁸⁸ Manila has continued to improve relations with Beijing since then: during his return visit to the Filipino capital in April 2005, for instance, Hu agreed to provide \$1.6 billion in loans and investments; and in early 2006, China pledged its first military assistance to the Philippines of more than \$1 million.⁸⁹ In the meantime, the United States has continued to extend military aid and investment to the Philippines, and the two allies announced in 2006 the creation of a new security agreement that will cover cooperation to deal with insurgency, piracy, disasters, disease, and other nonmilitary threats.⁹⁰

Thus, Southeast Asian indirect balancing against potential regional threats, with Chinese aggression being a prominent candidate, is characterized by the facilitation of U.S. deterrence and by the building up of internal capacities through U.S. assistance, leveraging of the antiterrorism issue, and playing of the China card. But Southeast Asian facilitation of the continued military dominance of the United States in the region leaves the conceptual problem of how, even if China is viewed as the greater threat, aligning even indirectly with an already preponderant power can be seen as balancing in the true sense of the

85. Al Labita, "Washington Seeking to Teach Manila a Lesson," *Business Times Singapore*, November 10, 2004.

86. "China to Play Key Role in Philippines Economic, Security Future: Arroyo," Agence France-Presse, September 7, 2004.

87. "Philippines to Pursue 'Comprehensive Engagement' with China," *Philippine Star*, September 4, 2004.

88. "Philippine President Hails Senate Panel Decision to Increase Military Aid," *Philippine Star*, October 26, 2004.

89. Luz Baguioro, "Beijing Offers Manila \$2.6Bn in Funds," *Straits Times*, April 28, 2005; and "Philippines Warms to China with Care," *Straits Times*, June 7, 2006.

90. "New RP-U.S. Security Pact Hit, Defended," *Manila Times*, May 28, 2006.

word. If “balance is about equalizing the odds in a contest between the strong and the weak,”⁹¹ then loading the die even more in favor of the dominant power is antithetical to the concept. The other problem is that the ultimate strategy of Southeast Asian states might be modified buck-passing, as the aim is to give the major powers a stake in the region, to allow them to balance each other, rather than for these small states to have to undertake costly balancing policies on their own.⁹² This is true to some extent, but as the next section shows, the facilitation of broader-based regional balancing reflects greater activism and higher costs than might be assumed.

REGIONAL COMPLEX BALANCING

The concept of balancing in Southeast Asia stresses indirectly harnessing external powers, and blatantly favors U.S. preponderance. But it also is more widely targeted at integrating balancing policies and diplomacy into a broader, complex, balancing strategy to manage regional order, rather than simply the balance of forces between the major contending powers. Such complex balancing is conceived of at the regional level, drawing in multiple players in a number of overlapping spheres, and managing their competition through institutionalization. The latter is where balancing behavior overlaps with enmeshment: major power competition and balancing are channeled to take place within the constraints of norms and institutions. Overall, complex balancing dampens the belligerent military aspect of traditional balancing to the extent that it involves more players that might not possess as much military power but have other kinds of influence; in addition, it allows regional strategic relations to be expressed significantly in the political and economic realms. Complex balancing for regional order in Southeast Asia involves three related processes: diversification, institutionalization, and normalization.

DIVERSIFICATION. The notion of complex balancing in Southeast Asia takes into account nonmilitary tools, and it is not pegged rigorously to the goal of redressing the balance of military capability. Rather, it is aimed at increasing the number of major states that have a stake in regional security. This encompasses some of the policies discussed in the previous sections, such as triangular poli-

91. Pape, “Soft Balancing against the United States,” p. 36.

92. Some authors charge that there has been “a tendency within ASEAN, and indeed all of Asia, to see the balancing of China as first of all a U.S. responsibility and only in the last resort a local one.” Barry Buzan and Ole Waever, *Regions and Powers: The Structure of International Security* (New York: Cambridge University Press, 2003), p. 161. On buck-passing, see Thomas J. Christensen and Jack Snyder, “Chain Gangs and Passed Bucks: Predicting Alliance Patterns in Multipolarity,” *International Organization*, Vol. 44, No. 2 (Spring 1990), pp. 137–168.

tics by individual Southeast Asian countries to draw competitive strategic relations with the United States and China, which is in turn closely tied to the goal of securing multiple major power sources of economic aid, loans, and undertakings to increase bilateral trade.

For the small countries in Southeast Asia, a large measure of coping with strategic changes associated with China's rise and U.S. preponderance relates to the subregion's constant struggle to maintain autonomy and to avoid overdependence on great powers.⁹³ The result, as Alice Ba argues, is a strategy of "diversifying dependence, rather than the more conventional and competitive sense of balancing against different threats . . . [because] having more players involved can mitigate dependence and expand choices and space for maneuver."⁹⁴

The prime example of such diversification lies in the economic realm. While the Southeast Asian states have enthusiastically embraced economic engagement with China, and see greater regional integration as the only choice in coping with the rising Chinese economy, they fear being absorbed into a Sino-centric regional economic system. Hence, the economic realm has become a critical avenue of regional complex balancing. As Table 1 shows, while China has increased its proportion of trade with ASEAN by about 4 percent since 1995, the United States has experienced a relative decline of 3–4 percent, and Japan has lost about 4 percent from its share of imports by ASEAN. Further, Table 2 shows that while the China-ASEAN FTA will lead to more than \$10 billion increases in mutual exports between China and ASEAN, ASEAN exports to the United States and Japan will decrease by \$700 million and \$1 billion respectively, while Japanese exports to ASEAN will fall by \$300 million.⁹⁵ These figures highlight the shift toward China accounting for a more significant proportion of trade with Southeast Asia, but this is not necessarily occurring at the

93. Michael Leifer, *ASEAN and the Security of Southeast Asia* (London: Routledge, 1989); and Acharya, *Constructing a Security Community in Southeast Asia*. This desire to avoid excessive dependence on external powers is related to the traditional nonalignment or neutrality strategies pursued by many small and medium-sized countries. See, for instance, Annette Baker Fox, *The Power of Small States: Diplomacy in World War II* (Chicago: Chicago University Press, 1959); Robert L. Rothstein, *Alliances and Small Powers* (New York: Columbia University Press, 1968); and Ronald P. Barston, ed., *The Other Powers: Studies in the Foreign Policies of Small States* (London: Allen and Unwin, 1973). The extent to which the Southeast Asian strategies described in this article can be compared with those of other small states in earlier periods or today, however, remains a subject for further research.

94. Alice D. Ba, "Southeast Asia and China," in Goh, *Between and Between*, p. 103.

95. These are rough figures. For a discussion of the limitations of the data set, see Bruce Vaughn and Wayne M. Morrison, *China–Southeast Asia Relations: Trends, Issues, and Implications for the United States*, CRS Report for Congress (Washington, D.C.: Library of Congress, April 4, 2006), Order Code RL32688, pp. 16–18.

Table 1. ASEAN Trade with the United States, China, and Japan

	ASEAN Imports (% of total)		
	1995	2000	2004
United States	14.6	14.0	11.9
China	2.2	5.2	9.4
Japan	24.7	19.0	15.8
	ASEAN Exports (% of total)		
	1995	2000	2004
United States	18.5	18.0	14.3
China	2.1	3.5	7.4
Japan	14.4	12.3	12.1

SOURCE: ASEAN Secretariat, *ASEAN Statistical Yearbook, 2005* (Jakarta: ASEAN Secretariat, 2005), pp. 70–79.

expense of U.S. and Japanese trade. Rather, they can be explained by Southeast Asia's gradual absorption into a regional production chain with China at the top: the key manufacturing Southeast Asian countries are continuing to produce electrical and office machinery and telecommunications equipment; but increasingly, they are producing components that are supplied to final assembly plants located in China, which in turn registers as the origin of finished goods exported to key markets such as the United States and Japan. Thus, even though levels of Southeast Asian manufactured exports to the United States and Japan have declined somewhat, they have been offset by increases in intra-industry trade with China.⁹⁶

A great deal of uncertainty arises from the differential impacts that China's growing economy has on individual Southeast Asian countries. The general expectation is that the less-developed manufacturing states, such as Cambodia and Vietnam, will face the stiffest direct competition from lower-cost Chinese manufacturing, especially in the clothing and footwear sectors. But other countries can offset their losses in these sectors: the Philippines through its rising exports of electrical components to China, and Indonesia through its raw material exports. Furthermore, it is doubtful that Southeast Asian investment

96. John Ravenhill, "Is China an Economic Threat to Southeast Asia?" *Asian Survey*, Vol. 46, No. 5 (September/October 2006), pp. 653–674. As Table 2 shows, the greatest loss of trade as a result of the China-ASEAN free trade agreement is intra-ASEAN trade, indicating that ASEAN economies will reorient toward exporting to China rather than to each other. See also John Wong and Sarah Chan, "China-ASEAN Free Trade Agreement: Shaping Future Economic Relations," *Asian Survey*, Vol. 43, No. 3 (May/June 2003), pp. 506–526.

Table 2. Estimates of Trade Effects of the China-ASEAN Free Trade Agreement (\$millions)

	ASEAN	China	United States	Japan	Rest of World	Total
ASEAN	-3,167	+13,008	-700	-1,011	-2,461	+5,569
China	+10,614	-890	-813	-512	-1,557	+6,842
United States	-2	-501	-	+123	+100	-280
Japan	-325	-824	+393	-	+472	-282
Rest of world	-476	-2,679	+482	+468	+844	-1,361
Total						+10,489

SOURCE: "Forging Closer ASEAN-China Economic Relations in the 21st Century," report by the ASEAN-China Expert Group on Economic Cooperation, October 2001, http://www.aseansec.org/newdata/asean_chi.pdf, p. 150.

links with the United States, Japan, and other developed countries have suffered as a direct result of Chinese competition.⁹⁷ Yet, for Southeast Asian leaders accustomed to notions of comprehensive security, these uncertain economic trends amplify long-standing fears about overdependence. Thus, they have intensified public encouragement to the United States and Japan to work at retaining their extensive economic ties to the region. Malaysian Prime Minister Abdullah Badawi signaled this concern when he pointed out what could be a “considerable problem”: that “ASEAN expects the United States to be an important strategic economic and development partner as much as it is an important diplomatic partner,” while Washington merely “gives a higher priority to ASEAN as a strategic partner for political and regional security purposes.”⁹⁸ His Singapore counterpart chose a different tack, cautioning against potential U.S. exclusion in a changing regional economic environment: “While we are growing links with China and India, we recognize that a continuing U.S. presence is vital to the stability and prosperity of Asia, and that U.S. MNCs [multinational corporations] can generate investments and jobs which Chinese and Indian companies cannot yet do. U.S.-ASEAN linkages will also ensure that the growing cooperation among the Asian countries does not lead to a closed arrangement that splits the Pacific down the middle.”⁹⁹

Apart from the major powers’ support of various regional economic institutions, the main instrument that they have used to indicate deepening economic interest and ties with Southeast Asia has been the negotiation of FTAs. As discussed in the previous section, all the major Asia-Pacific powers have initiated FTA talks with individual Southeast Asian countries, and some with ASEAN. These include the United States, which in August 2006 signed a trade and investment framework arrangement (TIFA) with ASEAN. TIFAs are seen as precursors that facilitate subsequent negotiations for FTAs, but apart from that with Singapore, talks for U.S. FTAs with Malaysia and Thailand have not met with success.¹⁰⁰ While the substantive value of bilateral or regional FTAs as opposed to global economic liberalization agreements continues to be debated—and it is not clear what substantial gains key Southeast Asian governments hope to achieve through the plethora of preferential trade agreements—FTAs

97. An excellent analysis is found in Ravenhill, “Is China an Economic Threat to Southeast Asia?”

98. Abdullah Ahmad Badawi, “Creating a Better Understanding of ASEAN–United States Relations,” speech to Asia Society, New York, September 15, 2005, <http://www.asiasociety.org/speeches/badawi05.html/>.

99. Quoted in “Engaging a New Asia,” *Straits Times*, July 14, 2005.

100. Officials on both sides are not optimistic about a U.S.-ASEAN FTA. See Lee Seok Hwa, “FTA with U.S. Unlikely: ASEAN Chief,” *Straits Times*, July 24, 2007; and U.S. Trade Representative Susan Schwab Interview, *Straits Times*, July 23, 2007.

have become an important symbol of the assurance of strategic stakes that major powers feel they have in the region.¹⁰¹

INSTITUTIONALIZATION. Complex balancing also entails giving multiple major powers a role in regional strategic issues, specifically within institutional contexts, as a means of channeling their engagement and power in regional affairs. From the Southeast Asian viewpoint, the balancing logic reduces the region's dependence on any one power, while the enmeshment logic channels the major power contest in nonviolent ways. Major power regional competition may be mediated through institutional frameworks by being constrained and restrained by institutional norms, and by allowing these institutions themselves to become vehicles of nonmilitary power balancing. As one prominent Singapore diplomat explained, "By creating multi-layers of relationships and parallel multilateral institutions in the region, each open and inclusive but with different combinations of participants, [ASEAN] engages new powers by integrating them in the regional order and borrows weight to balance against the giants that bestride the scene."¹⁰²

A prime example of ASEAN's attempt to institutionalize major power balancing is the ARF. Formed in 1994, it reflected ASEAN leaders' desire to maintain the U.S. presence in the region and to help forge stable relationships among the United States, China, and Japan. But the idea of how to go about this was a peculiarly ASEAN one: the building of an institution that would be led by the constellation of small Southeast Asian states, which would try to constrain major power balancing using a mixture of international norms and a regional style of interaction. Believing that a collective code of conduct would help to restrain the major powers, ASEAN persuaded the ARF members to endorse the TAC as "a code of conduct governing relations between states and a unique diplomatic instrument for regional confidence-building, preventive diplomacy, and political and security cooperation."¹⁰³ Beyond that, ASEAN also imparted its style of informal consultations and consensual decisionmaking to the ARF, as a means of assuring China. The ARF was set up in the cooperative security mold, focusing on inclusive, multilateral dialogue and confidence

101. Barry Desker, "In Defence of FTAs: From Purity to Pragmatism in East Asia," *Pacific Review*, Vol. 17, No. 1 (March 2004), pp. 3–26; and Ramkishan S. Rajan, "Trade Liberalization and the New Regionalism in the Asia-Pacific: Taking Stock of Recent Events," *International Relations of the Asia-Pacific*, Vol. 5, No. 2 (August 2005), pp. 217–233.

102. Chan Heng Chee, Singapore ambassador to the United States, speech to Asia Society, Houston, Texas, February 3, 2006, reprinted in *Straits Times*, February 15, 2006.

103. Chairman's statement, first meeting of the ASEAN Regional Forum, Bangkok, July 25, 1994.

building, seeking to address the general climate of regional relations and to build relationships that would prevent future violent conflict, rather than tackling specific problems through sanctions.¹⁰⁴ It is believed that improving the more general relationships between major powers would help to mediate the impacts of power balancing. Gauging the extent to which the ARF has been successful is difficult. It has indeed provided opportunities for the various big powers to interact with each other, but the key conflicts are not dealt with in this forum, and very little progress has been made toward preventive diplomacy.¹⁰⁵

The more interesting element of complex balancing to arise from institutionalization has been the tendency toward balancing through institution building. In the aftermath of the Asian financial crisis of 1997–98, East Asian regionalism found expression in the ASEAN Plus Three process, which adopted a tight focus on coordination and cooperation in economic matters and financial regulation. Since then, there has been an undercurrent of competition between ASEAN Plus Three and the ARF, with Beijing putting heavy emphasis on the former as the only exclusively Asian institution dealing with economic matters judged most important by the region.¹⁰⁶ The ARF, meanwhile, is mired in difficulties partly because of the disagreement between Australia, Canada, and the United States versus ASEAN and China about the pace at which the institution should develop.¹⁰⁷ More recently, the bickering among East Asian countries about membership for the East Asia Summit in December 2005 was a particularly sharp reflection of such institutional balancing: worried about the potential dominance of China in an exclusively East Asian dialogue, Indonesia, Japan, and Singapore lobbied successfully to include Australia, India, and New Zealand in the summit, thereby undermining its potential as the premier China-led regional institution. While this served to dilute the impact of the new institution, it also reflected the dilemma of ASEAN stalwarts, particularly the Indonesians, who are at the same time trying to reinvigorate the organization (and Indonesia's leadership role in it) by forging the new

104. Ralf Emmers, "Security Cooperation in the Asia-Pacific: Evolution of Concepts and Practices," in See Seng Tan and Amitav Acharya, eds., *Asia-Pacific Security Cooperation: National Interests and Regional Order* (Armonk, N.Y.: M.E. Sharpe, 2004), pp. 3–18.

105. See Takeshi Yuzawa, "The Evolution of Preventive Diplomacy in the ASEAN Regional Forum," *Asian Survey*, Vol. 46, No. 5 (September/October 2006), pp. 785–804.

106. See, for example, Shulong, "ASEAN Plus Three and East Asian Security Cooperation."

107. Evelyn Goh and Amitav Acharya, "The ASEAN Regional Forum and Security Regionalism: Comparing Chinese and U.S. Positions," in Melissa Curley and Nick Thomas, eds., *Advancing East Asian Regionalism* (London: Routledge, 2005).

ASEAN economic and security communities, and who may view larger regional institutions as detracting from their enterprise.¹⁰⁸ Since this attempt to form an exclusively Asian regional security dialogue was thwarted, Beijing has reverted to promoting ASEAN Plus Three as its favorite regional institution, while Washington has reaffirmed the importance of the more inclusive ARF and APEC (Asia-Pacific Economic Cooperation) as its preferred regional institutions.¹⁰⁹ Institutional rivalry may be expected to continue.

NORMALIZATION. Overall, the balancing policies of Southeast Asian states go beyond the deployment of military strength to redress the military balance. Rather, the Southeast Asia model of complex balancing places significant emphasis on the diplomatic and political realms. Certainly, balance of power is a critical pathway to order in a region that is self-consciously realist both in rhetoric and in belief. Yet balancing behavior and expectations of engagement vis-à-vis the major powers are economic and political as much as military. Complex balancing is about deterrence, but it is combined with the more subtle aims of diluting, mediating, or rechanneling the military capabilities of potentially threatening powers, and persuading them to reassess their interests and thus policies.¹¹⁰ In this sense, regional strategists are concerned not simply with the balance of power but rather with the normalization strategic competition in the region: explicitly politicizing balancing behavior and broadening the scope and domain of balancing, such that it begins to encompass more nonmilitary elements. Moreover, the hope is to shift the focus of regional competition toward concerns about balance of influence instead of balance of power.¹¹¹ Put this way, the normalization of regional balancing does render it closer to the stuff of day-to-day diplomacy that some critics would see as nulli-

108. Donald K. Emmerson, "Security, Community, and Democracy in Southeast Asia: Analyzing ASEAN," *Japanese Journal of Political Science*, Vol. 6, No. 2 (August 2005), pp. 165–185; and Ralf Emmers, "Regional Hegemonies and the Exercise of Power in Southeast Asia: A Study of Indonesia and Vietnam," *Asian Survey*, Vol. 45, No. 4 (July/August 2005), pp. 645–665, at p. 661. ASEAN has been perceived by its member states and outsiders as being adrift after its expansion, especially after its inability to respond to the Asian financial crisis.

109. Christopher Hill, assistant secretary of state for East Asian and Pacific affairs, "The U.S. and Southeast Asia," remarks to the Lee Kuan Yew School, Singapore, May 22, 2006, <http://singapore.usembassy.gov/hill.html>. The United States has also warmed up to the idea of an APEC-wide regional FTA, in spite of reservations about undermining the World Trade Organization process. See "Asia-Pacific Leaders to Study Feasibility of Regional FTA," *Straits Times*, November 20, 2006.

110. In this sense, there is at times discussion of the need to "balance out" U.S. power in the region by improving relations with China, particularly in the context of the deep unpopularity of the U.S. invasion of Iraq after 2003. See, for instance, Lanti, "Indonesia."

111. The phrase "balance of influence" was volunteered repeatedly in interviews by the author with Singaporean, Thai, Filipino, and Indonesian officials, policy analysts, and scholars in 2004–06.

fying the very label of balancing.¹¹² But these views do not necessarily contradict, because attempts to normalize balancing behavior can ultimately be judged successful in part if the term balancing ceases to have an extraordinary meaning.¹¹³

Influence encapsulates not just what can be done by the simple conversion of military and economic resources to coercing or bribing others to do what they might not otherwise have done.¹¹⁴ Rather, it encompasses a range of other modes and means by which states with relatively less preponderance of power may still wield the resources and capacity to shape their strategic circumstances by virtue of status, membership, normative standing, or other persuasive abilities.¹¹⁵ Conceiving of balance of influence allows scholars to expand the number of key reference points from which they may compare resources, and highlights that a state's influence and power may come as much from ideational as from material sources.

"Balance of influence" is a phrase that is used informally in Southeast Asia as a means of reminding audiences that major powers and other countries that do not possess military might—including ASEAN itself—nevertheless have important roles to play in maintaining regional order. It also signals that Southeast Asian states, which have traditionally asserted national social resilience and economic development as critical elements of security, not only appreciate military power but also value external powers that can add to the sources of regional economic strength and social stability. ASEAN's continued steering role in regional institutions attests to its influence, which mainly leverages its status as a nonthreatening small-power grouping, but also feeds off the resource of its lowest-common-denominator normative appeal. Other examples of Southeast Asian influence-balancing include the way in which China's friendly restraint in not devaluing its currency and in extending \$1 billion in loans to Thailand during the 1997–98 financial crisis tends to be played

112. Conceiving of balancing behavior in this way has been criticized by some as confusing day-to-day domestic or regional politics with balance of power politics. See Brooks and Wohlforth, "Hard Times for Soft Balancing."

113. In the following brief discussion, I do not adopt this critical perspective, but rather apply diplomatic balancing only to instances where Southeast Asian policymakers clearly aim to channel the competitive impulses of the major states into nonmilitary realms, where they may positively countervail each other's influence

114. This is the standard rendition of power, in Robert Dahl, "The Concept of Power," *Behavioural Science*, Vol. 2, No. 2 (July 1957), pp. 201–215; and Robert Dahl, *Who Governs? Democracy and Power in an American City* (New Haven, Conn.: Yale University Press, 1961).

115. This is more akin to a recent definition of power as "the production, in and through social relations, of effects that shape the capacities of actors to determine their circumstances and fate," in Michael Barnett and Raymond Duvall, "Power in International Relations," *International Organization*, Vol. 59, No. 1 (Winter 2005), pp. 39–75, at p. 42.

up in the region, even though nondevaluation was to China's own interest, and in spite of the larger financial aid given by Japan to the region (\$17.2 billion in funding for Thailand and \$40 billion for Indonesia).¹¹⁶ This was in part to send a signal of displeasure to the United States and the West regarding their perceived neglect or late response to the crisis. With the high-profile U.S. aid relief effort in Indonesia after the tsunami disaster in December 2004, and Washington's proposal at the ARF meeting in August 2007 to set up a joint regional disaster relief force, it appears that Washington has recognized the value of such gestures.¹¹⁷ After years of complaints in Southeast Asia about U.S. neglect of issues other than terrorism, these efforts symbolized the United States' willingness to bring its military and economic resources to bear for humanitarian reasons, and to win regional goodwill.¹¹⁸ The Southeast Asian emphasis on such nonmilitary aspects of relative influence is aimed at showing that great powers win hearts and minds through humanitarian and other goodwill actions, and that they have to compete with each other in these realms as well if they want to exercise power in the region.

The Hierarchical Regional Order

In his empirically rich survey of contemporary Chinese engagement with Asia, David Shambaugh observes that "the Asian regional order is an increasingly complex mosaic of actors and factors," with China one of the most important. But he does not offer an analysis of the most salient aspects of the regional order as it stands now, and he confines himself to the cautionary note that "it remains far too early . . . to conclude that the regional order is becoming a modern version of the imperial 'tribute system' or that China is becoming the dominant regional hegemon."¹¹⁹ Concentrating on Southeast Asian regional security strategies that have as one of their main aims the engagement of China, I have demonstrated here that omni-enmeshment and complex balancing are the two main pathways to order. Furthermore, I can offer some preliminary findings about the nature of the regional order that these pathways are

116. Ministry of Foreign Affairs, *ODA Annual Report* (Tokyo: MOFA, 1998), <http://www.mofa.go.jp/policy/oda/summary/1998/3.html>.

117. For details on U.S. tsunami relief, see the USAID/Indonesia website, [http://indonesia.usaid.gov/\(S\(goem03551fazmv45fiqohpyz\)\)/en/index.aspx](http://indonesia.usaid.gov/(S(goem03551fazmv45fiqohpyz))/en/index.aspx); and Derwin Pereira, "ARF ? ASEAN Relief Force?" *Straits Times*, August 1 2007.

118. Secretary of State Colin Powell remarked at the time, "I hope as a result of our efforts, as a result of our helicopter pilots being seen by the citizens of Indonesia helping them, that value system of ours will be reinforced." "Powell: U.S. Value System Shown," Associated Press, January 4, 2005.

119. Shambaugh, "China Engages Asia," p. 66.

supposed to lead to, as regards the distribution of power and influence in the system.

If Southeast Asian states were simply facilitating the continuation of U.S. military preponderance in the region to counterweigh growing Chinese power, they would work toward a regional power distribution that reflects either U.S. hegemony or a bipolar system with China and the United States balancing each other's strengths. Instead, they have worked to preserve a regional equilibrium sustained upon the predominance of U.S. power. But it is not U.S. hegemony they seek, for the omni-enmeshment and complex balancing strategy necessarily encourages the formation of a hierarchy of regional powers beneath this superpower overlay, starting with the critical assimilation of China into a regional great power position below that of the United States. This conforms to the objective pursued in classical engagement strategies, "to minimize conflict and avoid war without compromising the integrity of the existing international order." Instead of forming counterbalancing alliances, established powers "seek to restore system equilibrium by adjusting the international hierarchy of prestige and the division of territory in accordance with the new global balance of power, while at the same time maintaining the formal institutional arrangements and informal rules of the system."¹²⁰ In the context of this article, Southeast Asian states, though not major powers, have had similar goals: to incorporate China and other rising regional powers into the regional hierarchy beneath the United States, while strengthening the range of regional institutions and buttressing U.S. primacy.

The Southeast Asian states' post-Cold War strategy of involving in regional security affairs all the major powers that have a stake in East Asian security has helped to facilitate a hierarchical regional order that approximates the following preferred power distribution:¹²¹ (1) superpower overlay: United States; (2) regional great power: China; (3) major regional powers: Japan and India; and (4) major regional players:¹²² ASEAN, Australia, and South Korea.

This notion of a regional hierarchy is significant because the perpetuation of U.S. preponderance makes it essentially a unipolar system, and thus a hierar-

120. Randall L. Schweller, "Managing the Rise of Great Powers: History and Theory," in Johnston and Ross, *Engaging China*, p. 14.

121. This summary is based on answers to specific questions about regional distribution of power and relative positions in the regional hierarchy based on military, economic, and political influence in interviews with thirty-six foreign policy officials, policy analysts, and academics from Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam between March 2004 and August 2006.

122. The term "players" is used here to connote major states and groupings of states that fall short of major power status.

chy in the sense used by Waltz, as opposed to anarchy.¹²³ This does not translate into hegemony, however, because of the layers below the superpower overlay. Taken as a whole, this hierarchical system conforms more closely to Kang's suggested definition of hierarchy in international relations, which emphasizes unequal relationships that are nevertheless short of hegemony or empire.¹²⁴ This thinking is reflected in new regional diplomatic parlance, even if Kang's definition does not quite conform to academic definitions of terms. The Singapore Foreign Ministry, for instance, has begun to use the formulation that the "East Asian architecture . . . should not be hierarchical but multipolar," while emphasizing that "the continuing role of the United States as the underlying foundation of stability will be crucial."¹²⁵ The rejection of hierarchy may be understood as the traditional opposition to exclusive domination by one big power,¹²⁶ but the advocacy of multipolarity under conditions of U.S. leadership is critical. It reflects the Southeast Asian preference for maintaining U.S. dominance in the region, but a moderated dominance, beneath which a hierarchy (in the true sense of the word, meaning layers) of other powers forms. If Kang's argument that this region has a positive historical experience of hierarchical systems is true, then Southeast Asian states may be seen to have transferred their traditional comfort with beneficial and stable hierarchical systems to the present-day United States.¹²⁷

This interim regional security order is critically underpinned by the accepted (indeed, preferred) superpower overlay of the United States. The continued willingness of all key Southeast Asian countries to boost the U.S.

123. Other authors have argued for the importance of studying regional or local hierarchies, but as far as they consider this region, they have tended to identify separate South Asian, Southeast Asian, and Northeast Asian hierarchies. See, for example, Douglas Lemke, *Regions of War and Peace* (Cambridge: Cambridge University Press, 2002). The omni-enmeshment and complex balancing strategies of ASEAN, in contrast, are predicated upon the creation of an Asia-Pacific-wide regional hierarchy.

124. Kang, "Hierarchy and Stability in Asian International Relations," pp. 165–168. It is also related to David A. Lake's reformulation of hierarchy in international relations as "variations in authority exerted by a dominant state over a subordinate party." Indeed, developing a comparative study of the extent of hierarchical relations between key Southeast Asian states and the United States, on the one hand, and China, on the other—based on varying degrees of authority in their respective military, economic, and political relationships—is an interesting potential future research project. See Lake, "Escape from the State of Nature: Authority and Hierarchy in World Politics," *International Security*, Vol. 32, No. 1 (Summer 2007), pp. 47–79, at p. 49.

125. Singapore Deputy Prime Minister S. Jayakumar, speech at the 5th Pravasi Bharatiya Divas, New Delhi, India, January 7, 2007, http://app.mfa.gov.sg/2006/press/view_press_email.asp?post_id?1970.

126. Singapore Foreign Ministry official, interview by author, Singapore, June 2007.

127. For a more detailed discussion, see Evelyn Goh, "Hegemony and Hierarchy: Exploring the Regional-Global Nexus in Asia's Evolving Security Order," in William Tow, ed., *The Global-Regional Security Nexus in Asia* (forthcoming).

military presence in the region indicates that they still recognize the relative benignity of the aims of the United States in the region, its lack of territorial ambition, and its management and containment of hot spots such as Korea and Taiwan. This view of the United States as a sheriff or “honest broker” of regional security relies on its position as a superpower external to the Asian region. While this mediates threat perceptions, the price is uncertainty about the U.S. commitment at crucial times, such as after the end of the Vietnam and Cold Wars. This uncertainty has lain at the heart of Southeast Asian dilemmas about regional security order, which, especially since 1989, have centered on better securing this superpower overlay by deepening U.S. involvement and integration into the region.¹²⁸

China occupies its own preeminent regional power position directly below that of the United States. This ordering of China in relation to the other regional powers reflects the way in which Southeast Asia has chosen to deal with the uncertainties surrounding the rise of China. China’s size, geography, history, and economic potential set it apart from the other regional powers; and China’s rising influence in the 1990s—in parallel with the withdrawal of the Soviet Union and the faltering of the Japanese economy—led to the formation of a single East Asian regional security complex. China is also the only regional power that is meaningfully involved in security issues in East, South, and Central Asia.¹²⁹ Furthermore, China is more important than the other regional powers because U.S. relations with China contain deeper and wider disruptive (but also stabilizing) potential than those with its ally Japan, or its new security partner, India. This derives not only from the military dimension, with Taiwan as a potential crisis hot spot; the centrality of the U.S.-China relationship also hinges on China’s desire to build its own leadership position within East Asia in the political and economic realms. All Southeast Asian states acknowledge that China has some claim to this regional leadership position, as evidenced in China’s growing proportion of regional trade and its importance in regional financial arrangements, as well as in the forging of

128. Khong, “Coping with Strategic Uncertainty”; Susan Shirk, “Asia-Pacific Regional Security: Balance of Power or Concert of Powers?” in David A. Lake and Patrick M. Morgan, eds., *Regional Orders: Building Security in a New World* (University Park: Penn State University Press, 1997), p. 257. For an argument against the very notion that regional security has been guaranteed by the United States, see Amitav Acharya and See Seng Tan, “Betwixt Balance and Community: America, ASEAN, and the Security of Southeast Asia,” *International Relations of the Asia-Pacific*, Vol. 6, No. 1 (February 2006), pp. 37–59.

129. Buzan and Waever, *Regions and Powers*, pp. 155–164; and Jonathan Pollack, “The Transformation of the Asian Security Order: Assessing China’s Impact,” in David Shambaugh, ed., *Power Shift: China and Asia’s New Dynamics* (Berkeley: University of California Press, 2005), pp. 329–346.

high-profile strategic partnerships and military-economic cooperation with China at a level that cannot be done with Japan and that cannot yet be matched by India.

Thus Japan and India occupy the third tier as regional major powers in the current hierarchy, because of their lesser ability to exert independent influence on regional order compared with China. India still lacks economic and military resources—though these are developing—while Japan lacks a perceived regional leadership strategy and independence from the United States. ASEAN, Australia, and South Korea occupy the fourth tier as major regional players, but not on par with the major powers, great powers, or superpower.

While substantiating this hierarchical regional order requires deeper research, for now, the recognition of this hierarchy points to some important policy implications and highlights potential sites of instability in the regional order. The main implication is that there is a significant coincidence of preferences between Southeast Asian states and the United States for retaining a forward U.S. military presence and U.S. economic and political engagement in the region. More than that, these states recognize and support the critical importance of maintaining overall U.S. preponderance in the region. If one pays serious attention to Southeast Asian strategies and strategic preferences, then fears of Southeast Asia voluntarily moving exclusively into the Chinese sphere of influence or bandwagoning with China are misplaced.

On the other hand, regional stability depends in large part on the stability of the existing hierarchical order. In spite of the Southeast Asian states' strategic efforts, however, this remains an order that has yet to be consolidated. If it is to be durable, there must be restraint and acceptance by the states and powers at each level of their respective positions within the hierarchy. This suggests a Gramscian notion of hierarchy involving the conscious consent of the participating states; that is, each layer of powers retains its relative position largely because of the acceptance of the other powers.¹³⁰ And yet, little attention has been paid to developing the acceptance and legitimacy of this order in Southeast Asian regional security strategies, which have thus far concentrated on expanding the numbers of stakeholders, extending norms of conduct, and shaping channels of competition. Thus there are two sources of instability in the system: (1) if the overarching assurance of the U.S. superpower overlay is withdrawn or significantly diminished; and (2) if there is significant jostling for relative positions among states across the layers of the hierarchy.

130. On Antonio Gramsci's concept of hegemony that is dependent on the consent of actors, and thus alterable only through a protracted "battle of ideas," or "war of position," see Joseph Femia, *Gramsci's Political Thought: Hegemony, Consciousness, and the Revolutionary Process* (Oxford: Clarendon, 1981).

The avoidance of U.S. withdrawal from the region and the prevention of a Chinese challenge to U.S. superpower dominance in the region have been the twin core aims of Southeast Asian omni-enmeshment and complex balancing strategy. Thus, Southeast Asian states have tried to socialize both China and the United States to avoid mutual coercion; to deter a potential Chinese push for hegemony by preserving U.S. forces in the region and by keeping the gap between the U.S. superpower overlay and China's regional great power as wide as possible; and to draw in the other major regional players to diversify sources of influence in the region. It is difficult to predict whether and under what conditions this status quo strategy will prevail, but it is fair to expect that any power transition involving a contest for predominance between the United States and China will be a longer-term prospect.¹³¹

One of the consequences of disruption to the first two layers of the interim hierarchy will be trickle-down effects on India and Japan. Should the reassurance of U.S. deterrence against China be lowered or removed, the rest of the hierarchy will be destabilized, as the other countries will engage in self-help policies. Then, it is unclear whether one would see William Wohlforth's prediction of strong balancing behavior on the part of China's neighbors—especially India, Japan, and Russia—or if Kang's theory of East Asian countries reverting to acceptance of a Chinese-dominated regional hierarchy would prove more accurate.¹³² Challenges between the second and third layers of the hierarchy may also occur for other endogenous reasons, such as the normalization of Japan as a military power or growing Japanese assertiveness in regional affairs or in Sino-Indian relations by a strengthening India.¹³³ Once again, not much attention has been paid to the potential Japan-China and India-China positional challenges. If these two dyads grow in significance, the second and third tiers of the regional hierarchy could coalesce, forming a clearer tier of Asian powers and entrenching the distinction between U.S. external overlay and regional dynamics. In this situation, the extent to which such dynamics would be mediated by Southeast Asian attempts to socialize these regional powers into norms of nonaggression and institutionalized competition is un-

131. I have made this argument elsewhere. See Evelyn Goh, "The U.S.-China Relationship and Asia-Pacific Security: Negotiating Change," *Asian Security*, Vol. 1, No. 3 (November 2005), pp. 216–244. See also Robert Sutter, *China's Rise: Implications for U.S. Leadership in Asia*, Policy Studies Monograph, No. 21 (Washington, D.C.: East-West Center, 2006); and Pollack, "The Transformation of the Asian Security Order."

132. William C. Wohlforth, "The Stability of a Unipolar World," *International Security*, Vol. 24, No. 1 (Summer 1999), pp. 5–41; and Kang, "Getting Asia Wrong."

133. Balancing behavior or competition must have the aim of challenging the hierarchical positions to qualify as a challenge to the existing order. This excludes political competition or balancing to keep status quo relative power positions.

clear. Given the extent to which the United States can influence both Japanese and Indian strategies, potential instability between the second and third layers of the current regional hierarchy would be a development to which Washington would want to pay greater attention.

Conclusion

This article has investigated contemporary Southeast Asian regional security strategies and ideas of regional order. It suggests that key Southeast Asian states rely on two main pathways to regional order: the omni-enmeshment of major powers and a complex balance of influence. These approaches are subtler and entail more activism and managerial vision on the part of these small states than suggested by the generalizations of institution building, balance of power, and hegemony found in the existing literature. Omni-enmeshment and complex balancing complicate the analytical boundaries provided by traditional international relations theory. The former is a strategy that not only eschews taking sides between major competing powers, but that strives to include all major powers in regional affairs, to tie them down with regional membership, and to bind them to peaceful norms of conduct. It is complemented by complex balancing, which is the Southeast Asian version of indirect balancing in bilateral or triangular relations, combined with a more ambitious aim of forging a regionwide balance of influence among the major powers using competitive institutionalization and diplomacy. Southeast Asian regional security strategies disregard the artificial boundaries between military, economic, and political power; ignore the simplistic distinction drawn between engagement and containment or balancing; and fundamentally challenge the assumption that the management of regional order is the business of big players. Understanding these dynamics depends on the recognition that, essentially, the goal of omni-enmeshment and complex balancing is to manage regional order rather than to bring about or to forestall a power transition. These pathways do not represent a power distribution contest, but rather order-producing processes. In pursuing this strategy, Southeast Asian states have helped to harness the major powers in East Asia toward a power distribution outcome, in the form of a hierarchical regional order.

These findings suggest that regional order as conceived by these states is about system preservation, as suggested in Hedley Bull's concept of order.¹³⁴ Here, maintaining regional order entails preserving the broad hierarchical sys-

134. Bull, *The Anarchical Society*, pp. 16–19.

tem dominated by the United States, a system that has proven to be successful and beneficial in the post-World War II period. In this context, reacting to China's rise primarily involves integrating China into the existing international order without having to make too many significant adjustments to prevailing norms, including the dominant hierarchical position of the United States. Southeast Asian states share the U.S. aim of preventing a power transition in East Asia, but their emphasis is not on balancing or bandwagoning. They aim to assimilate China as a new great power into the regional hierarchy, at a tier below the United States but one above the other regional powers. In other words, Southeast Asian security strategies strive to adjust the regional order, to avoid having to face a power transition.

These strategies have met with a significant degree of success. Order—in the sense of stability, lack of major armed conflict, and relative predictability of interstate relationships—prevails in Southeast and East Asia. There has been no major destabilizing military contest between the great powers, and there has been significant cooperation against common threats such as nuclear proliferation and international terrorism.¹³⁵ The United States remains committed to Southeast Asia, in the form of military alliances and partnerships that support its forward deployment in the region, cooperation across a wide range of critical security issues, and consistently strong trade and investment links. In addition to its successful diplomatic and economic engagement of Southeast Asia, China accepts for now U.S. military primacy in the region, and “can live with [its] ‘hegemonic power.’”¹³⁶ Meanwhile, Japan and India, the most important of the other regional powers, are enmeshed in the developing regional security and economic architecture, and ASEAN retains a central role in the wider regional institutional processes.

I do not argue that this outcome is entirely the result of Southeast Asian strategies or actions. Of course, East Asian order remains greatly dependent on choices made by the major powers. But the small states of Southeast Asia, individually and collectively, have facilitated the creation of this regional order by making certain policy and strategic choices easier and less costly for major

135. The motivation and extent of such cooperation can, of course, be debated. For analyses of contending perspectives on cooperation and discord in U.S.-China relations, see Thomas J. Christensen, “Fostering Stability or Creating a Monster? The Rise of China and U.S. Policy toward East Asia,” *International Security*, Vol. 31, No. 1 (Summer 2006), pp. 81–126; and Aaron L. Friedberg, “The Future of U.S.-China Relations: Is Conflict Inevitable?” *International Security*, Vol. 30, No. 2 (Fall 2005), pp. 7–45.

136. Zhang Yunling and Tang Shiping, “China’s Regional Strategy,” in Shambaugh, *Power Shift*, pp. 52–53. They add the qualification that the United States must not challenge China’s “core interests” or act against international norms.

powers. They have functioned as willing allies and military partners, political “middlemen,” institutional brokers, and the suppliers of legitimacy for a variety of major power decisions and positions: the United States to maintain its military presence; China to demonstrate good neighborliness and assurance through institutional and economic engagement; Japan to continue its important diplomatic and economic involvement in regional affairs while slowly normalizing militarily within the status quo of its alliance with United States; and India to be accorded some status and stake in regional affairs commensurate with its emerging capabilities.

Nevertheless, this analysis highlights that East Asia remains a security complex in transition. The stability of the interim hierarchy remains in question because of the outstanding uncertainties regarding U.S. commitment and Chinese intentions, but also because of new uncertainties accompanying the greater involvement of the other major regional powers and players. As a first-cut study aiming to clarify and analyze the strategic thinking of Southeast Asian states regarding regional order, this article faces some limitations in trying to address the broader implications of its findings. One is the necessarily limited scope of a Southeast Asian focus in a region in which strategic dynamics depend significantly on major powers in and beyond Northeast Asia. Although this article demonstrates that key Southeast Asian states have played a more important role than many observers would acknowledge, further work will have to investigate their vision in comparison to and in interaction with, the strategies of the other major players. This is particularly important for assessing points of potential instability in the second and third tiers of the regional hierarchy. Another limitation of the study is that it is not an analysis of the efficacy with which these Southeast Asian strategies have been put into practice. Therefore, for instance, it cannot answer questions related to whether the socializing aims of omni-enmeshment have been achieved, and to what extent they have permeated regional interactions and major power calculations. This is a subject for further research. This study does suggest, though, that regional leaders will want to pay more attention to the legitimation of U.S. primacy and China’s great power status in the region. In so doing, they will also need to develop strategies of enmeshment and balance of influence specific to binding Japan and India more securely to this hierarchical regional order. At the same time, while U.S. policymakers can be somewhat reassured that Southeast Asian states largely support and will continue to facilitate U.S. primacy in East Asia, they will also need to pay greater attention to how U.S. regional strategy can be targeted to better buttress a regional order that is so favorable to it. In light of the Southeast Asian omni-enmeshment and complex

balancing strategy, one key concern for the United States will be how to select a wide range of means of engagement with the region, without pressing for outright balance of power policies. But the greatest challenge will be whether Southeast Asian notions of incorporating China and other regional powers into a more explicitly hierarchical order is acceptable to the United States or whether it will be seen as undermining U.S. preponderance or hegemony.