Indo-Pacific Security Program Memorandum

UNDERSTANDING ASEAN Major Power Competition, Security, and Economic Development

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BOTTOM LINE

- 1. ASEAN's Strategic Evolution: ASEAN has grown from a small, consensus-based group into a significant regional bloc, now at the center of U.S.-China competition. Its expanded scope and diverse membership make it both a key player and a complex challenge for external powers.
- 2. Hedging as Policy: Member states consistently balance security ties with the U.S. against deepening economic partnerships with China. This strategy of hedging preserves ASEAN's autonomy but complicates efforts by any single power to gain dominance.
- 3. U.S. Strategic Imperative: China's comprehensive approach—combining economic investments, security outreach, and political influence—demands a sustained and multifaceted U.S. strategy. Enhancing economic ties, leveraging investment by the U.S. private sector, and maintaining strong security partnerships are essential to counter Beijing's bid for regional hegemony.

The Association of Southeast Asian Nations, or ASEAN, was formed in 1967 out of an earlier organization, the 1961 Association of Southeast Asia. At its start, ASEAN consisted of just five nations: Indonesia, Malaysia, the Philippines, Singapore, and Thailand.¹ Given the regional politics of the time, its goal was to avoid creating a military alliance and to expand cooperation with regional countries to "consolidate the existing equilibrium and peace and stability in Southeast Asia." However, there was always some great power and alliance competition for influence within ASEAN, leading the organization to establish a regional Forum, the ARF, in order to "avoid the potential for regional conflicts in the Asia Pacific."²

A short history of collective organizations for policy and defense in Southeast Asia is important here. The Southeast Asia Treaty Organization, or SEATO, was formed in Manila, Philippines in September of 1954, in the wake of World War II and the Korean War, as a Cold War bulwark against communist aggression and expansion in Southeast Asia.³ The bloc, also known as the "Manila Pact," included Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom, and the United States as members. SEATO, scholars have noted, "emerged during a strategic interregnum when postcolonial in-

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dependence struggles intersected with the United States' ascent as a superpower and emerging priorities to contain the global expansion of communism."⁴

SEATO survived the involvement of the United States and some of allied members in the war in Vietnam. However, it was dissolved in 1977, as member states withdrew. SEATO's decline and ultimate demise was a function of ASEAN's success. As the latter grew in importance, and its approach to problems in the region was found to be more useful and appealing by its member states, they generally lost interest in a collective defense alliance. That state of affairs persists, making the revival of a collective defense organization in Southeast Asia unlikely.

However, today, competition for influence in ASEAN has increased and now involves not only politics and security, but competing resource claims, sovereignty claims, economic development and infrastructure development. However, dealing with ASEAN and managing its internal affairs today is far more difficult than it was in 1967.

The bloc now has ten member states: Brunei Darussalam, Cambodia, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.⁵ There are internal ethnic divisions, ideological divisions, religious conflicts, and sometimes conflicting development goals among member states. Territorial disputes exist as well.

In addition, ASEAN also has twenty-five dialogue partners that maintain regular exchanges and meetings with the organization. These include major power rivals like the United States, the Russian Federation, and China, as well as the European Union and a number of U.S. treaty allies.⁶ There is also a full-time secretariat and staff for the organization, with a headquarters in Jakarta, Indonesia.

For China, the area's history as a series of tributary and vassal states colors how Beijing treats ASEAN countries today. One specialist writes that "in theory, there were no boundaries between empire and the neighboring nations and thus China is not part of Asia; Asia is China's periphery. Given this history, the belief in modern China as a world power comes naturally, while partnership with other Asian States [for China] does not."⁷

For the U.S., meanwhile, ASEAN represents an important force multiplier. Of the ten ASEAN member states, two – the Philippines and Singapore – house U.S. forces. The Philippines and Thailand are former treaty partners of the U.S., and maintain alliance relationships with it, while Singapore, Vietnam, Thailand, and Indonesia all have security assistance relationships of some type with Washington.





AMERICAN FOREIGN · POLICY COUNCIL —

Issue 7 | March 2025



All of this helps to explain the intense interest, in both Washington and Beijing, in the bloc and its members – as well as highlighting how ASEAN now lies at the heart of the deepening "great power competition" taking place between the U.S. and the PRC.

An excellent gauge of the range and frequency of ASE-AN activities is its notional calendar for the year 2024.¹³ ASEAN had planned to hold 948 meetings covering a range of activities, from ministerial meetings to those

The Scope of ASEAN Activities

With its full-time secretariat and staff, ASEAN has gone from holding a few dialogue meetings and fora a

year to hosting hundreds of substantive meetings annually. Its primary meeting remains the ASEAN Summit, which "is the highest policy-making body in ASEAN comprising the Heads of State or Government of ASE-AN Member States."⁸ Generally, there are two ASEAN Summit Meetings a year, which are scheduled by the Chair after consulting with other member states. The Chairmanship rotates, and the State holding it hosts the summit.

Ninety-five non-member States have appointed ambassadors to ASEAN with missions in Jakarta to address ASEAN-related issues.⁹ The Secretariat also addresses issues through three "communities" – a Political-Security Community, an Economic Community, and a Socio-Cultural Community.¹⁰ These groupings allow member states and Dialogue Partners to address issues in accordance with the "capacity and capabilities" of the involved states to "respond effectively to challenges."

The Political-Security Community addresses issues like: arms smuggling; the irregular movement of people, people smuggling and trafficking in persons; counterterrorism; international economic crime, money laundering; border management; immigration and consular matters; cybersecurity; illicit drugs; ASEAN defense; defense cooperation¹¹; preventive diplomacy; non-proliferation and disarmament; a Southeast Asian nuclear weapon-free zone; nuclear safety, security, and safeguards; maritime cooperation; maritime security, and; the situation in the South China Sea.¹²

ASEAN's refusal to choose on pivotal geopolitical issues, especially the South China Sea disputes and the predatory practices of China, represents a choice itself.

> that considered economic and environmental issues. In September 2024 alone, ASEAN planned for 70 meetings, 48 of which had been scheduled in advance in different member states.

> The ASEAN Summit is the "highest policy-making body in ASEAN comprising the Heads of State or Government of ASEAN Member States."¹⁴ It is generally held twice a year and hosted by the member state holding the ASEAN Chairmanship. Chairmanship rotates annually "based on the alphabetical order of the English names of Member States."¹⁵

> The power inherent in the Chairmanship of ASEAN, the rotating nature of the position, and the often-conflicting national interests of Member States makes for a process with its own problems. As one article in The Diplomat has pointed out, "the annually-rotating chair is merely supposed to play host to what is essentially a gentleman's club: to organize the two ASEAN summits that take place each year, to represent the bloc on the world stage (such as at G-20 meetings), and to arrange the numerous ministerial meetings between member states."¹⁶ But there are instances where the Chair has used its authority to shape dialogue topics, in contravention to the ASEAN charter.

Another recurrent concern is the term length and power of the ASEAN Secretary General. The Secretary-General is appointed via the ASEAN Summit for a nonrenewable five-year term.¹⁷ Like the ASEAN Chair, the Secretary-General is chosen from among nationals of member states in alphabetical rotation. As one might expect, this



means that there may be cases where national interests collide with consensus among member states.

It is important to note that Summits can be convened as needed. For example, in 2020, there were three Summits dealing with the coronavirus epidemic alone. In addition, there are a number of related meetings, including those of the ASEAN Political-Security Community (APSC), the ASEAN Economic community (AEC), and the ASEAN Socio-Cultural Community (ASCC).¹⁸ The country that serves as the ASEAN Chair for the year also chairs the Community Councils and other related bodies.

In short, what was conceived as a small, consensus-based organization has grown into the regional grouping that has its own internal pressures and problems. And depending on the national interests or regional affiliations of the annual Chair or the Secretary General, the agenda and focus of ASEAN meetings may be shaped to meet the needs of a powerful outside interest or of a member state.

Disengagement, however, cannot be an option – for to do so would cede regional leadership to the People's Republic of China.

A History of Hedging

Two memories are vividly etched into this author's memory, each of which demonstrates how far ASEAN member states have gone to hedge and balance their interests in a competition between powers.

In 1980 and 1981, there were artillery battles and skirmishes between Vietnamese forces operating in Cambodia and Thai armed forces in several areas along the Thai-Cambodian border.¹⁹ The author was sent from the U.S. Pacific Command in Hawaii to Thailand to work with the Thai Supreme Command J-2 (Intelligence) and the Joint U.S. Military Advisory Group in Thailand to assess the threat to Thailand and recommend a security assistance package to meet that threat.

In order to demonstrate how the 152-millimeter guns op-

erated by forces of the People's Army of Vietnam (PAVN) had a greater range than the 155-millimeter artillery the U.S. had provided Thailand, the Thai military transported the author to an artillery base near the Cambodian border on a central road system that would support a major PAVN incursion. After a couple of days of getting shelled, I was brought back to Bangkok to meet with the Thai Supreme Command J-2, who explained that because U.S. artillery did not have the necessary range to deter PAVN barrages, Thailand was going to purchase guns and artillery that had greater range from China. In the same discussion, Thai authorities also explained that they would purchase Chinese light amphibious tanks, which they felt were better suited for deterring PAVN incursions into the wetlands in south Thailand.

Keep in mind that in 1979, China had invaded parts of northern Vietnam to support the Pol Pot regime in Cambodia and, in this author's judgement, to force Vietnam to withdraw some forces from Cambodia in order to

> fight Chinese forces. At that time, in the early 1980s, the U.S. was unlikely to directly involve its forces in a conflict in Southeast Asia so soon after having withdrawn from Vietnam. Thus, the Thai government

turned to the nearest major power that had acted against Vietnam – China – for support, while at the same time accepting whatever security assistance the U.S. might offer that its military deemed useful.

The second experience that demonstrates how ASEAN states balance and hedge among competing powers is from a trip the author took to Indonesia in the mid-1980s as part of a U.S. Department of Defense team inspecting how U.S. air-to-air missiles and surface-to-air missiles were stored. These missiles were part of a U.S. security assistance package to Indonesia.

As I arrived at the military port of Surabaya, about 500 miles from the capital, Jakarta, I was amazed to see a group of Soviet manufactured PT-76 light amphibious tanks being launched from a U.S. Landing Ship Tank



AMERICAN FOREIGN · POLICY COUNCIL —

Country	United States	China	Russia	EU	Others
Indonesia	F-16 Fighters, AIM-120 Missiles, Security Assistance	C-802 Missiles, Amphibious Tanks	Su-27, PT-76 Tanks	Leopard 2 Tanks, Eurocopter	South Korean K9 Artillery
Thailand	Security Assistance, Military Exercises	Armored Vehicles, Missiles	Mi-17 Helicopters, BTR-3E	Gripen Fighters, T-50 Trainers	Israeli UAVs, South Korean KAI T-50
Malaysia	F/A-18 Hornets, Security Assistance	HY-6 Surface-to-Air Missiles	Su-30, SA-18 Missiles	Scorpene Submarines, Eurocopter	Turkish ACV-300, Israeli Technology
Vietnam	Coastal Defense, P-3 Orion Patrol Aircraft	N/A	Su-30, S-300 Missiles	P-800 Missiles, Frigates	N/A
Philippines	F-16 Fighters, Security Assistance	N/A	N/A	AW159 Helicopters, Corvette	N/A
Singapore	F-15SG, Apache Helicopters, Security Cooperation	Bilateral Military Exercises	N/A	Typhoon Fighters, Submarines	N/A

ARMAMENT PURCHASES BY ASEAN COUNTRIES AND THEIR SOURCES

(LST). I had seen PT-76s in Thailand and recognized the tank immediately. I asked my escorts from the Indonesian Navy and Marine Corps about the small landing exercise we were watching. They explained that Indonesia had purchased the PT-76 in the 1970s and still operated a number of them.²⁰ This was the case even though the U.S. saw its assistance programs to Indonesia as important to American interests in the nation, and between 1967 and 1975 provided nearly \$150 million in military support²¹ (although the assistance programs came into question after that).

Not much has changed in this regard. Today, the Indonesian Strategic Reserve Command still operates 15 upgraded PT-76 tanks, and 40 Soviet-made BTR-40 armor personnel carriers. The Indonesian Marines operate 55 PT-76 light tanks upgraded with French turrets and Israeli drive trains, and 90 different versions of Soviet manufactured armored vehicles.

Meanwhile, Indonesia's weapons inventory also contains U.S. Sidewinder air-launched missiles, U.S. AIM-120

Advanced Medium-Range Air-to-Air Missiles (AM-RAAM), U.S. anti-tank weapons, and U.S. F-16 fighters.²² Simultaneously, Indonesia still maintains a military assistance and parts relationship with Russia and its former states, and the Indonesian military inventory includes Soviet (Russian) Kh-59 Ovod cruise missiles (also known as the Russian X-59 Gadfly), the Russian armored vehicles and personnel carriers described above, and Russian SU-27 and SU-30 Flanker aircraft.²³

According to one U.S. military expert, the policy of then-President Suharto was for the country "to insulate itself from the global antagonisms of great power politics and at the same time to neutralize possible extra-regional antagonists."²⁴ That policy still exists today, with Indonesia (and Thailand) seeking to balance relations while accepting all the assistance that major powers are willing to provide.

Malaysia provides yet another good example of how some ASEAN states balance their political and security interests among competing powers. The Malaysian armed



AMERICAN FOREIGN · POLICY COUNCIL —

forces use Turkish (and Indonesian) produced ACV-300 and ACV 15 amphibious tracked armored combat vehicles.²⁵ The surface-to-air missiles relied on by the Malaysian armed forces are bought from China (the HY-6), Russia (the SA-18), and the UK (the Jernas Rapier).²⁶ The Malaysian Air Force relies on squadrons of Soviet- and Russian-produced fighters (Su-30 Flankers), E.S. produced F/A-18 Hornets, and British produced Hawk MK 108 and MK 208 fighters.²⁷ And in air-to-air and air-tosurface missiles, Malaysia employs a mix of U.S. and Soviet (and Russian) systems.²⁸

Maintaining, storing and employing the variety of systems like those described above creates problems for the armed forces seeking to employ them, and for the nations providing them. For the armed forces that rely on those systems, the more suppliers you have, the greater the supply system problems, the greater the maintenance difficulties, and the greater the training burden on troops and technicians. For the suppliers, meanwhile, there are technology control and security concerns. The U.S. would not want its technical data or parts to fall into Russian hands, nor would Russia want its proprietary technology and secrets to leak to the U.S. Thus, each country would require special security measures, complicating matters for the user nation. And each nation would maintain its own security assistance personnel at their respective embassies.

Even a partner supportive of the U.S. security presence in the Indo-Pacific, like Singapore, nonetheless hedges its relationship with China. In 2021, 2023 and 2024, for instance, Singapore conducted bilateral military exercises with the PLA.²⁹ In October 2019, China and Singapore signed an enhanced defense agreement in October 2019.³⁰ And in September

2024, China and Singapore conducted a five-day bilateral exercise based in China to "promote practical exchanges and cooperation."³¹ Simultaneously, however, "Singapore provides critical access for U.S. military units deployed to the region, hosting nearly 1,000 service members, ci-

vilians, and dependents which support port visits and sorties transiting the country's military airfields – while Singapore has the second largest military presence in the United States of any foreign partner, with 1,000 Singapore military personnel and dependents stationed across the country."³²

As the forgoing suggests, for most ASEAN states, decisions about basic issues like military security and preparedness are not made based on effectiveness concerns. Rather, these decisions are part of conscious strategies to hedge and balance and maintain political, economic and security ties to competing powers.

Hedging in ASEAN Today

According to Asia-based academic and policy expert Richard Heydarian, in the Indo-Pacific, there is "a defensive attempt at reasserting ASEAN centrality, and the importance of engaging smaller and middle powers of Asia... The reality is that the ASEAN's refusal to choose on pivotal geopolitical issues, especially the South China Sea disputes and the predatory practices [of China and its Belt and Road Initiative] represents a choice itself."³³

Indeed, Heydarian points out that, in his view, "ASEAN categorically rejects any narrow definition of China as a hegemonic threat that has to be contained" and seeks a pivotal role in shaping the regional security architecture.³⁴

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While much of the competition in ASEAN may be between the U.S. and China, Russia, India, Japan, and Australia are also major players in the region. Japan, for instance, has taken the initiative in working to counter China's multi-faceted Belt and Road Initiative (BRI)



Issue 7 | March 2025

with its own concept of a "Free and Open Indo-Pacific" strategy.³⁵ The U.S. picked up on the same initiative,³⁶ and the result was the creation of security pacts such as the Quadrilateral Security Dialogue (QUAD) and AKUS (Australia, Japan, United States Security), as well as an economic platform known as the "Indo-Pacific Economic Framework (IPEF)." Despite these platforms being affirmed to ensure the freedom of navigation and flight, promote rule-based order and economic cooperation, and ensure peace and regional stability, their main goal is to compete with China.³⁷

The majority of this hedging behavior throughout ASE-AN takes place under the auspices of the ASEAN Defense Ministers Meeting, or ADMM. The objectives of the ADMM (and the broader ADMM-Plus, which includes ASEAN and its "eight Dialogue Partners Australia, China, India, Japan, New Zealand, Republic of Korea, Russia and the United States"38) are to "promote regional peace and stability through dialogue and cooperation in defence and security; give guidance to existing senior defence and military officials dialogue and cooperation in the field of defence and security within ASEAN and between ASEAN and dialogue partners; promote mutual trust and confidence through greater understanding of defence and security challenges as well as enhancement of transparency and openness; contribute to the establishment of an ASEAN Security Community (ASC) as stipulated in the Bali Concord II, and to promote the implementation of the Vientiane Action Programme (VAP) on the ASEAN Security Community."39

The ADMM and ADMM-Plus provide forums to discuss a broad range of topics, including: Maritime security; Humanitarian assistance; Counterterrorism; Defense industry; Peacekeeping operations; Military Medicine; Defense Education; Cyber security; Border management, and; Confidence building measures. Needless to say, given many of the aggressive actions taken by China against ASEAN member states, topics like border management and maritime security may at times be more sensitive or contentious. Meanwhile discussions of issues like humanitarian assistance, military medicine, counterterrorism and peacekeeping operation offer wider opportunities for direct military to military cooperations and exercises.

The ASEAN Way, China's Way, and the U.S. Way

In a recent monograph for the International Institute for Strategic Studies (IISS), former Economist journalist Bill Emmott characterizes "the ASEAN way" as a successful mechanism for "resolving or avoiding disputes between its members."⁴⁰ He depicts the bloc "as a mechanism for mutual consultation, but without countenancing direct intervention in the internal affairs of any member state and without setting up a central body with the power or means to enforce rulings and make interventions."⁴¹

That avoidance of any form of intervention or means to enforce rules may well be ASEAN's greatest weakness. The economies of ASEAN countries have developed, but the tendency to accept China's aggressive behavior (on territorial claims) while accepting loans, assistance or investment from China has translated into an inability to counter China's bullying, while hoping the United States will provide security with its own military power.

Unfortunately, that has failed as well. While the U.S. may insist on freedom of navigation, no country has done anything to enforce the July 2016 ruling by the United Nations Convention on the Law of the Sea (UNCLOS) Permanent Court of Arbitration that China's "expansive territorial claims in the South China Sea" violate international law.⁴² The Court's Tribunal found in favor of the Philippines in 14 Of its 15 claims against China, ruling that Beijing had violated UNCLOS and had, among other things, built unlawful features in the South China Sea based on its false claims of ownership of territories there.⁴³

However, the U.S. is not about to enforce the UNCLOS decision, nor will ASEAN states affected by China's claims coalesce to counter China's claims and behavior. Instead, the U.S. continues to challenge China's claims



with freedom of navigation flights and naval deployments.⁴⁴ It also supports the Philippines by stating that a long-grounded and rusting Philippine ship on Second Thomas Shoal is covered by the U.S.-Philippine Defense Agreement.⁴⁵ For its part, China continually harasses and rams Philippine ships in the area of Second Thomas Shoal, but falls short of engaging in actions that would lead the U.S. or the Philippines to invoke the terms of the U.S.-Philippine Alliance.⁴⁶

And while these tensions persist, leaders in Manila are nonetheless happy to accept PRC investment. Under Philippine President Rodrigo Duterte, Chinese and Hong Kong companies, some state-owned, invested \$1.7 billion in the Philippines between 2016 and 2022.⁴⁷ In that same period, Japanese companies invested \$2.8 billion, and U.S. companies invested \$1.3 billion. Meanwhile, despite the ongoing territorial tensions and intentional ship collisions meant to intimidate the Philippines, during a three-day visit to China in January 2023 President Ferdinand Marcos signed some fourteen bilateral agreements with China on industry, agriculture and tourism.⁴⁸

Clearly, the "ASEAN way" reflects that, despite serious territorial tensions,⁴⁹ the Philippines is not terribly concerned about Chinese investment and influence.

China, meanwhile, employs a dual strategy – one that simultaneously uses the People's Liberation Army (PLA) for coercion and intimidation, as well as an instrument of military diplomacy and statecraft. By focusing on areas like military medicine, engineering, and counterterrorism, China's leaders subtly make it clear that their country is a regional power but that, as long as its neighbors abide by the territorial claims set out by the PRC, the PLA can be a benign partner.⁵⁰

In her essay for the National Bureau of Asian Research, Congressional Research Service analyst Karen Sutter writes that "PRC diplomats have invoked Asian regionalism in an effort to disparage U.S. involvement in the region and promote the advantages of ties with China." According to Sutter, "some experts assess that in Xi's vision of an 'Asia-Pacific community with a shared future' China serves as the hub in a hub-and-spoke model of economic ties with other Asian countries."⁵¹

Moreover, U.S. influence in the region is primarily in the security arena. China, however, exercises a wider role, and its economic influence links with careful diplomacy, financing, and its own overarching security influence. In this way, China makes it far more difficult for the U.S. to compete.⁵² Additionally, because the U.S. emphasizes ideology, democracy and human rights issues, things which China ignores, Beijing's influence and largesse via the Belt and Road Initiative are attractive to ASEAN states.⁵³

The U.S. government is unlikely to be willing or able to match or compete with China's economic outreach to the region. In 2022, for instance, China's overall investment in ASEAN reached US \$ 15.4 billion, making it the 4th largest investor in the bloc.⁵⁴ Nevertheless, U.S. investments are still substantial. At the September 2023 U.S.-ASEAN Summit and the East Asia Summit in Jakarta, Indonesia, the Biden administration reaffirmed the enduring U.S. commitment to Southeast Asia as well as the centrality of ASEAN, and subsequent 2024 budget requested an unprecedented \$1.2 billion in economic, development, and security assistance for the nations of Southeast Asia, in addition to \$90 million dedicated solely to engagement with ASEAN and efforts to strengthen ASEAN institutions.⁵⁵

Investments by private U.S. firms are likewise significant.⁵⁶ According to the U.S. Mission of ASEAN, in terms of private investment, "the United States is the largest source of foreign direct investment in Southeast Asia, and more than 6,200 U.S. businesses have contributed to a record \$520.3 billion in total trade between the United States and the nations of ASEAN in 2022, creating 625,000 jobs in all 50 states and 1 million jobs throughout Southeast Asia."⁵⁷



And in 2023, summing up U.S. activities in ASEAN, the head of the U.S. Trade and Development Agency announced programs to "leverage over \$8 billion in financing across ASEAN to promote the development of sustainable infrastructure and regional connectivity." These are in addition to "\$3 billion in climate financing that advances ASEAN's net zero goals, and \$5 billion in public and private financing for investment in digital infrastructure, transportation, healthcare, and smart cities in ASEAN countries."⁵⁸

Primarily, however, U.S. economic efforts in ASEAN are supported by private business and investment. According to a report by the U.S.-Asean Business Council, "ASEAN is the number one destination for U.S. investment in the Indo-Pacific and has received more than \$338 billion in U.S. foreign direct investment, more than the U.S. has invested in China, India, Japan, and South Korea combined; and ASEAN is a top five destination for U.S. food and agricultural exports, amounting to \$13.7 billion."⁵⁹ As U.S. business diversify and relocate to protect themselves from interference and control by the Chinese Communist Party, they are increasingly moving operations to ASEAN states.⁶⁰ The U.S. should encourage this trend, which advances its interests and counters China's predatory practices.

Striking a Balance

The new Trump administration faces a crowded foreign policy agenda. Today, U.S. policy must contend with war and unrest in the Middle East, war in the Ukraine and the threat to Europe, the growing coordination among China, Russia, North Korea and Iran in programs designed to disrupt U.S. influence, just to name a few challenges. Yet in the years ahead, the White House will need to maintain and strengthen its engagement with ASEAN as well.

This is because the nations of ASEAN cumulatively represent a vital constituency. The total population of ASE-AN member states is over 675 million, of whom about 240 million are Muslim.⁶¹ The region has a wide cross section of ethnicities and religions, which are often in

conflict with one another. Moreover, some of its states are autocratic, with military or communist-dominated governments. And states like Burma, Indonesia, and Thailand have seen coups and been accused of human rights abuses.

These factors will doubtless challenge the administration's policies, as well as complicate Congressional appropriations and authorizations. Navigating them will require a pragmatic approach that balances U.S. values and U.S. interests. Disengagement, however, cannot be an option – for to do so would cede regional leadership to the People's Republic of China.

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