



SASAKAWA USA
Sasakawa Peace Foundation USA

2021 ASEAN Summit: US Policy Toward Asia

*Featuring remarks by Ambassador David Shear
and commentary by Professor Nobuhiro Aizawa*

Abstract

On Wednesday, November 10, 2021, Sasakawa Peace Foundation USA (Sasakawa USA) hosted the virtual event, “2021 ASEAN Summit: US Policy Toward Asia,” featuring remarks by Ambassador David Shear (Former U.S. Ambassador to Vietnam, 2011-2014) and commentary from Professor Nobuhiro Aizawa (Associate Professor at Kyushu University). Ambassador Shear outlined the context for the recent East Asia Summit featuring the ten ASEAN countries (without official representation from Myanmar this year) alongside Australia, China, India, Japan, New Zealand, the Republic of Korea, Russia, and the United States. He delved into the United States’ approach to engaging with ASEAN countries during the Summit and described some of the major strategic and logistical challenges the United States will face as it strives to strengthen and expand its engagement in the region. Professor Aizawa’s commentary highlighted multinational diplomatic frameworks, comprehensive economic support, and nontraditional military planning and procurement as key areas where the United States and Japan can support ASEAN countries in the pursuit of a stable and prosperous Southeast Asia.

This talk was presented by Sasakawa USA’s Policy Briefing Series and was held virtually via Zoom. Attendees included distinguished guests from the Washington, D.C. policy community, academia, and think tanks, along with former and current leaders of the U.S. military and the Japanese Self Defense Forces. Introductory remarks were provided by Dr. Satoshiro Akimoto, Chairman and President at Sasakawa USA, who also facilitated the event and moderated the Q&A discussion.

American Diplomatic Maneuvers in the Biden Administration

Dr. Akimoto opened the event by identifying Southeast Asia as one of the most culturally rich, economically dynamic, and strategically important regions in U.S. foreign policy, and yet it is an area where the United States has barely scratched the surface in terms of its economic and diplomatic engagement. The tremendous diversity and physical distance of the region are perhaps two factors contributing to this, but to allow these hurdles to prevent deeper engagement with our partners in Southeast Asia would be a tremendous lost opportunity considering all that the region has to offer. With that, Dr. Akimoto welcomed Ambassador Shear to share his insights on how the United States can navigate the current challenges and opportunities for engagement with ASEAN countries and other partners with a presence in Southeast Asia.

Ambassador Shear began by summarizing the Biden administration's diplomatic maneuvers since the President took office, which have been characterized by an increased focus on the Indo-Pacific region. He noted the robust series of engagements with leaders in the region not long after President Biden's inauguration in January 2021, including presidential phone calls to Prime Minister Suga, Prime Minister Morrison, and President Moon. Noticeably, a call was not scheduled with President Xi until after these initial talks with President Biden's allied counterparts.

The theme of increasing cooperation with allies and like-minded partners in the region as the basis for U.S. competition with China has become a defining feature of the Biden administration's engagement in Southeast Asia thus far. This strategy was further solidified through successful visits by Vice President Harris, Secretary of Defense Austin, Secretary of State Blinken, and Deputy Secretary of State Sherman to the region. It was only after these visits and the first QUAD summit that Biden administration officials engaged with the Chinese in-person in Alaska. Other notable engagements include Prime Minister Suga's visit to Washington in April, the formation of AUKUS in September 2021, an additional QUAD summit, and bilateral meetings between President Biden and his Japanese, Australian, and Indian counterparts.

Ambassador Shear noted that the Biden administration has made some missteps along the way, including the President's failure to call Indonesian President Jokowi and the technical difficulties that prevented Secretary of State Blinken from interacting with his ASEAN counterparts at the end of May. However, he concluded that overall the Biden administration has come out of the gate strong and has generated some impressive momentum towards increasing its engagement with Southeast Asian countries.

The Fall Diplomatic Season

Another important factor affecting the East Asia Summit's impact is its placement within the packed autumn diplomatic calendar for 2021. It was held on October 27 under Brunei's Chairmanship, preceded by a U.S.-ASEAN summit hosted by President Biden the day before. Earlier in the year, President Biden attended the G-7 summit (hosted by the United Kingdom in June) as well as the NATO summit. After the initial fumble in May, Secretary Blinken was able to meet virtually with ASEAN foreign ministers during the ASEAN Regional Forum in August.

In the month before the East Asia Summit, President Biden spoke with the UN General Assembly on September 21 and followed this meeting with a virtual summit on climate change the following day. Around this same time, Secretary of State Blinken conducted a full schedule of bilateral and multilateral meetings with ASEAN counterparts in New York.

Following the East Asia Summit, President Biden headed to Rome for the G-20 Summit and then to Glasgow for the COP26, where he met bilaterally with Indonesian President Jokowi outside of the official sessions. The President also met bilaterally with Singaporean Prime Minister Lee Hsien Loong on the margins of a virtual summit the U.S. hosted on October 31 to address supply chain resilience. Ambassador Shear noted that the APEC Summit, which is scheduled to convene virtually from November 11-13 with New Zealand as its host, will be another major event in the fall diplomatic calendar.

Ambassador Shear then pointed out that despite visiting Europe twice already, he has yet to travel to East Asia for in-person engagements. He added that this is not necessarily a point of concern, as the wider utilization of virtual meeting platforms due to the COVID-19 pandemic has allowed for a convenient way to continue engagement in the region. However, Ambassador Shear stated that he would expect President Biden to make time for travel to the region in the first half of next year. These visits with leaders provide opportunities to highlight the President's global agenda and foreign policy priorities, which include combatting COVID-19, recovering from the economic damage of the pandemic, and mitigating climate change. These priorities are shared by ASEAN member countries and thus serve as solid common ground for establishing new frameworks for cooperation and collaboration.

U.S. Goals for the East Asia Summit

Next, Ambassador Shear outlined some of the United States' key goals at the East Asia Summit. First and foremost is the Biden administration's commitment to increasing the United States' level of engagement with Southeast Asia, which contrasts with the lack of engagement by President Trump and his administration in the region.

In addition to maintaining the general goal of deepening and expanding engagement with Southeast Asian partners, the Biden administration has focused on creating opportunities for cooperation in addressing the impacts of COVID-19 in the region. The United States had already provided more than 40 million vaccine doses and over \$200 million in emergency health and humanitarian assistance to the region. On top of this, the White House has released a factsheet detailing up to \$102 million in new initiatives to expand the U.S.-ASEAN Strategic Partnership to support the region's recovery from COVID-19, as well as to promote economic growth, develop human capital, and address the climate crisis.

In addition, the Biden administration aired its strong views on the situation in Burma and urged ASEAN members to strengthen their own efforts to address the human rights violations there on the basis of the ASEAN Five Principles. The United States' influence was made apparent when the Burmese junta leader was disinvited from the Summit in favor of bringing in a non-political representative (which Myanmar did not end up providing). While there has been some movement from ASEAN on this issue, such as its appointment of a special envoy to Myanmar, the junta has so far resisted pressure to concede to diplomatic pressures.

Serious Challenges for the Biden Administration

Ambassador Shear expressed that President Biden's diplomatic activities thus far have been successful at demonstrating that America is back and ready to engage more actively with Southeast Asia. Nevertheless, there are areas where work remains to be done. For instance, while the Biden administration has issued the Interim National Security Guidelines, some observers argue that the White House is focusing on the competition with China in small functional areas like technology and health, when it ought to be more focused on formulating a comprehensive geopolitical strategy for the region. The White House has also not yet released its global military posture review, which will be key to understanding the military dimensions of the administration's competitive strategy.

Ambassador Shear then laid out some of the serious challenges the Biden administration is currently grappling with, particularly in relation to its competition with China in Southeast Asia.

To Establish Primacy, Utilize Nontraditional Tools

The first challenge Ambassador Shear noted was that primacy in Southeast Asia cannot be achieved through traditional tools such as drawing a line of defense, establishing allies, and forward deploying superior military forces. He remarked that the risk of outright Chinese military aggression is low, and Southeast Asians simply do not feel as threatened by China as, for example, Central Europeans feel threatened by Russia. In contrast, Southeast Asian elites welcome the chance to engage with China (and the economic opportunities such engagement offers), and so they are not strongly compelled to risk antagonizing China in the absence of an existential threat.

Additionally, the United States does not necessarily have sufficient forces to bolster its forward deployments. Ambassador Shear stated that it appears U.S. defense spending will level off at \$714 billion for the foreseeable future, and the number and capability of major U.S. naval combatants is not likely to drastically increase. Considering also that the 2020 China Military Power Report indicates China has the world's largest navy—with 360 ships and submarines, compared to the 297 which make up the United States' global force—the United States will need to make difficult choices to maintain its deterrent power with limited resources in a geopolitically strained situation. How this can be accomplished will become clearer once the National Security Strategy and its companion documents are released.

Craft a Comprehensive Economic Policy

Secondly, Ambassador Shear identified the lack of a regional economic policy as a major issue in the Administration's approach to engaging with Southeast Asia. He drew attention to President Biden's remark at the East Asia Summit that the United States will work with partners to explore an economic framework for the Indo-Pacific which will define shared objectives for trade facilitation, create standards for the digital economy and technology, support supply chain resiliency, promote decarbonization, and create worker standards, among other goals. While this is an encouraging step, the Administration has yet to provide any specific plans for implementation. Ambassador Shear added that he is not confident the Biden administration will move to rejoin the Trans-Pacific Partnership (in the form of the

CPTPP) any time soon; if the Administration forgoes CPTPP membership, then it will need to put greater effort into determining its own plans for bilateral or multilateral economic partnerships in the region.

Ensure Foreign Affairs Spending Matches Stated Regional Priorities

Next, Ambassador Shear stated that the United States must be careful about how it spends foreign affairs-related funding across the board to ensure it matches the Biden administration's established regional priorities. He noted that according to a recent Center for American Progress report, over 80 percent of the State Department's Foreign Military Funding goes to Israel, Egypt, and Jordan, while another large portion goes to Iraq and Pakistan. Security assistance funds need to be revised to address current geopolitical concerns in the United States' new priority area, the Indo-Pacific.

This also applies to the United States' infrastructure development finance. The 2018 BUILD Act boosted funding for infrastructure finance by \$60 billion globally and established the U.S. International Development Finance Corporation (DFC) to better manage U.S. support for infrastructure projects in the developing world. However, it is not clear that these funds will be used to promote the United States' interests in priority regions. Ambassador Shear advised that President Biden should provide strong, sustained leadership on this front to ensure the American bureaucracy acts in accordance with the White House's key strategic objectives.

Devote Resources to Conduct Effective Diplomacy

Lastly, Ambassador Shear stated that it is not clear that the U.S. Government is devoting the resources necessary to effectively conduct diplomacy in Southeast Asia. The lack of ambassadors in four out of ten ASEAN state capitals is of particular concern, as is the absence of an ASEAN secretariat in Jakarta. In the case of Singapore, the United States has not had an ambassador on the ground since 2017. Considering that ambassadors and assistant secretaries are the United States' most senior regional experts who are most directly responsible for identifying and exploiting diplomatic opportunities, each day without an ambassador in one of these capitals is a day of lost opportunities.

The U.S.-Japan Relationship and Southeast Asia

In the final section of his remarks, Ambassador Shear remarked positively on the current renaissance of U.S.-Japan geostrategic cooperation—not only in military terms but across the board. He pointed to Japan’s establishment of the CPTPP after the United States pulled out of the TPP as exemplary leadership in the economic sphere. Japan has also taken the lead on establishing its own bilateral relationships with Australia, the Philippines, Vietnam, and India. Multilateral cooperation through the QUAD and AUKUS also bodes well for the United States and Japan.

Ambassador Shear predicted that we are entering a new period of alliance evolution as Japan considers revising its own National Security Strategy, adding that this is a prime opportunity for the United States to consult with Japan on what these revisions might look like for the alliance. He noted that this may also be an opportunity for Japan to consider revising the U.S.-Japan Defense Guidelines, which could be adjusted to accommodate increased missile defense cooperation, Japanese offensive strike capability, contingency planning for Taiwan, and investments in the next-generation Japanese fighter. He concluded by stating that diplomatic capabilities should be improved alongside these military investments to ensure the U.S.-Japan alliance retains its all-around robustness in the coming years.

Commentary from Professor Aizawa

Next, Dr. Akimoto welcomed Professor Nobuhiro Aizawa to provide his response to Ambassador Shear’s remarks. Professor Aizawa commended Ambassador Shear for his comprehensive and updated critical analysis of U.S. priorities in Southeast Asia. He laid out four points which merit additional emphasis as guidelines for U.S. and Japanese engagement in the region.

Focus on the Multinational Arena

Firstly, Professor Aizawa emphasized the importance of the East Asia Summit as a platform for exploring and expanding multinational partnerships in the region. He stated that confidence-building matters and having the Biden administration choose to engage in the East Asia Summit was a key demonstration of the United States’ legitimacy-lending power to ASEAN and its individual member states. Professor Aizawa noted that the asymmetric geopolitical structure of the region vis-à-vis China makes it more important for Southeast Asian countries to create multinational support networks so that these countries can advocate for their own

interests. He added that the best situation for Southeast Asian countries is one in which they can achieve strategic transparency in their talks with both the United States and China, allowing them the freedom to choose where to draw support from on their terms. He considered the United States' decision to operate transparently in its engagements with Southeast Asian countries to be a huge strategic achievement.

Prepare an Economic Package, But Don't Hold Out for U.S. CPTPP Membership

Additionally, Professor Aizawa agreed with Ambassador Shear's comments on the importance of preparing a comprehensive economic package for Southeast Asia, cautioning that we should not be too optimistic about the prospect of the United States joining the CPTPP. There is a consensus not only in Southeast Asia but in the United States and Japan that the economy is the key front where great power competition is taking place. The United States has already signaled its commitment to the region through a variety of economic and development assistance packages, but Professor Aizawa pointed out a lack of diplomatic strategy to draw public attention to these efforts. He suggested that while the TPP/CPTPP is effective as a "homerun" initiative, drawing publicity, the domestic political environments in both the United States and in Japan call for greater focus on small, but still meaningful wins. These "small hits and stolen bases," when totaled, amount to a winning strategy. A shift in mindset towards emphasizing the importance of individual strategic accomplishments could in turn generate domestic political support to support greater investments in the region. Professor Aizawa noted that Japan has already effectively laid the foundation for market connectivity in Southeast Asia, thanks to its private sector-led foreign policy in the region. He suggested that the United States should seek to find synergy with Japan in its supply chain strategy so that it can play a strong role in setting rules and standards for the development and distribution of critical technologies.

Develop a Nontraditional Security Apparatus in the Region

Next, Professor Aizawa emphasized that the conventional way of achieving primacy through a traditional security apparatus would not be effective in Southeast Asia. There are political hurdles which create a mismatch between Southeast Asian countries' procurement and strategic planning. Despite these countries' recognition of the maritime domain as the critical security front, navies tend to lack the political capital to win budgets over ground forces, resulting in

less investment in the high-tech capabilities needed to establish maritime domain awareness. Professor Aizawa noted that the United States and Japan are in a position to assist with regional navies' network building so that they can more effectively obtain the funding and political support necessary to procure new technologies. He cited the Japan-Indonesia 2+2 meeting in March 2021 as an example of strategic bilateral cooperation on this front.

Anticipate National Security Strategy Reports from the U.S. and Japan

Finally, Professor Aizawa stated that the forthcoming National Security Strategy reports from the United States and Japan will be key to interpreting strategic planning into real, on-the-ground engagement in the region. He noted that Washington and Tokyo have used similar terminology to describe their foreign policy efforts in Southeast Asia, maintaining a keen focus on democracy as a source of might in times of crisis. The United States' and Japan's vaccine diplomacy in the region has been a particularly effective tool. However, Professor Aizawa cautioned that just as science can be leveraged to showcase democracy's strength, it may also be manipulated to further authoritarianism. For this reason, the United States and its democratic allies must be prepared to counter attempts that degrade the image of democracy in the region by providing the resources and the action to back up their claims that democracy delivers on its promises.

Following Professor Aizawa's commentary, Ambassador Shear briefly responded by emphasizing the point that the United States cannot take a lax approach to the economic affairs of Southeast Asia. If political realities in Washington preclude the possibility of U.S. membership in the CPTPP, then the United States must be prepared with an array of options for engaging with Southeast Asia in a substantial way.

Q&A Discussion

Anticipating the Scheduled Biden-Xi Summit and Democracy Summit in December

The first question was regarding how the U.S.-China relationship affects the regional context for the United States' interactions with ASEAN. Ambassador Shear was asked about what he anticipates Southeast Asia will want to hear from the Biden-Xi summit scheduled for December, as well as how the December 2021 Summit for Democracy will play into the situation.

Ambassador Shear responded that, should the Biden-Xi summit take place, both China and the United States will be seeking ways to stabilize their relationship. ASEAN will be looking for this as reassurance since a constructive U.S.-China relationship reduces the overall risk of conflict in Southeast Asia. To an extent, stable U.S.-China relations reduce tension in the region and place less pressure on countries in Southeast Asia to definitively choose a side on key diplomatic issues on which the United States and China are divided.

Regarding the upcoming democracy summit, Ambassador Shear pointed out that the United States' emphasis on democracy and human rights is nothing new, yet it is important for President Biden to reemphasize the importance of our values-based approach to pursuing foreign policy and defense goals. He noted that while the United States and Japan have at times taken different approaches to embodying and defending democratic values—such as in their reaction to the military coup in Burma—but these differences have surfaced in the past and will not jeopardize the U.S.-Japan relationship.

ASEAN Countries' Reactions to AUKUS

Next came a question about the mixed reactions within ASEAN to the formation of AUKUS, and what the United States can do to bolster confidence in this security pact.

Ambassador Shear agreed with the initial assessment that ASEAN has not found a strong consensus on AUKUS, citing the differences in reactions from the Philippines and Singapore (who responded warmly) versus Indonesia and Malaysia (who expressed concern for nuclear proliferation in the region). However, ASEAN has historically adapted to power plays in Southeast Asia. Ambassador Shear noted that a senior Vietnamese official speaking on U.S. engagement in the region once said that when the region knows that the United States is engaged, it receives better treatment from China. In this sense, increased U.S. engagement is beneficial for ASEAN countries as it allows them to quietly reap the benefits spurred by China's desire to compete for influence in the region.

Professor Aizawa agreed with Ambassador Shear's points, adding that the language used within ASEAN about trying to build a consensus shows that there is a desire to have an "ASEAN voice," which can speak on key issues without fear of retaliation from China. He also pointed out the unique position Australia occupies in the region, as all Southeast Asian countries have close relations and share strategic sensitivity with Australia. This position could certainly be capitalized on to promote AUKUS initiatives. Ambassador Shear also remarked

on how Australia is in a unique position to facilitate stronger relationships between AUKUS and ASEAN members, citing how it has improved its bilateral relationship with Indonesia through diplomacy, military-to-military exchanges, and 2+2 meetings between foreign and defense ministers.

ASEAN Cohesion Post-COVID-19 and the U.S.-Japan Strategy for Engagement

The next question was about how the internal dynamics in ASEAN will evolve as it progresses towards a post-COVID reality, and what this means for the United States' and Japan's engagement strategy.

Ambassador Shear stated that given the considerable diversity of geographies, languages, cultures, religions, and levels of economic development already present within ASEAN, it would be difficult to achieve institutional cohesion in addressing COVID-19 and its impacts. A perfectly cohesive ASEAN contradicts its fundamental purpose to encourage cooperation and bring reassurance to Southeast Asian countries which have had contentious periods. Ambassador Shear said that ASEAN has been very successful at fulfilling its original purpose, and the United States should utilize its relationships with Japan and other QUAD members to legitimize the institution and promote ASEAN centrality. He cautioned that the United States will need to be discriminating in how it deals bilaterally with Southeast Asian countries, as pressure from China often makes high-profile collaboration and cooperation difficult.

Professor Aizawa remarked that COVID-19 has exacerbated inequality in the region, ironically making China's role as an option for support even greater. He said that the United States and Japan are not in a position to deny the crucial economic support that China provides to many of these countries. However, he also noted that receiving financial support from China does not necessarily mean that the region will converge into an authoritarian regime. The powerful example demonstrated by Myanmar's civil society fighting back against the injustices of the junta shows that there is a new generation with different political ideals than the prior one, proving the gradual influence of democracy.

Insights on President Biden's Meetings with Prime Minister Lee Hsien Loong and President Jokowi

Finally, Ambassador Shear was asked for any insights on what might have been discussed in President Biden's meetings with Prime Minister Lee Hsien Loong of

Singapore and Indonesian President Jokowi, as well as the topics that were likely covered by State Department Counselor Derek Chollet in his recent travel to Southeast Asia.

Ambassador Shear remarked that the main purpose of Counselor Chollet's visit to the region was to discuss the next steps on Burma with ASEAN partners. These conversations would have been particularly salient in Thailand, which has accepted Burmese refugees and provided humanitarian assistance in response to this crisis. Regarding President Biden's talks with Prime Minister Lee and President Jokowi, Ambassador Shear hoped that the President expressed his desire to visit Singapore and Indonesia soon, as these countries occupy key positions within ASEAN and the region. Indonesia has an opportunity to demonstrate its leadership capability when it chairs the ASEAN summit in 2023. Ambassador Shear expressed his hopefulness for strong leadership on their end as ASEAN takes on an increasingly central role in the region.

With that, Dr. Akimoto thanked Ambassador Shear and Professor Aizawa for their remarks and reminded the attendees that Ambassador Shear's commentary from the prior Policy Briefing, "2021 ASEAN Summit: Japan's Viewpoint," is now available on Sasakawa USA's website.

Sasakawa USA is grateful to Ambassador Shear and Professor Aizawa for their insightful remarks on the opportunities and challenges faced by the United States as it plans its engagement with Southeast Asia following the 2021 East Asia Summit. Sasakawa USA also thanks the Q&A participants and attendees for joining us in this engaging discussion.

The summarized views of the speakers expressed herein are entirely the work of Sasakawa USA and do not represent the official positions of any of the speakers.

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