

SMALL STATES AND BIG POWERS: STRATEGIC BEHAVIOR OF THAILAND,
VIETNAM, AND SINGAPORE

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Introduction

One of many challenges small nation-states face is the presence of either a regional hegemon or a growing power in the region. Such scenarios create a dilemma, where these smaller countries have to choose a strategy to enhance and preserve national interests economically, diplomatically, and in terms of security. ASEAN (Association of Southeast Asia Nations) countries are in such a position, where both the United States and China hold influence in Southeast Asia. The presence of the United States and China in Southeast Asia presents a challenge to Southeast Asian countries, where these nation-states are subject to a potential strategic rivalry between the United States and China. Since the mid-1990s, China changed its strategy in Southeast Asia to an attempt to improve relations with Southeast Asia and thereby provide new strategic and trade opportunities. Comparatively, the United States, since withdrawing from Vietnam and up until the Bush Administration's "War on Terror," has left Southeast Asia off the agenda.¹ However, in the wake of the September 11th terrorist attacks, the Bush Administration in 2002 declared Southeast Asia the second front in the "War on Terror," putting Southeast Asia back in the spotlight.²

The presence of the United States and China creates a situation that forces Southeast Asian countries into a position where they must choose an adequate strategy that allows them to benefit from both countries while avoiding the loss of sovereignty. This dilemma could be resolved using the theoretical debate between realism and liberalism; however, research suggests that such a debate is not fully applicable and that the realist perspective of a zero-sum game does not fully or adequately explain the behavior of these Southeast Asian countries. Therefore, the

¹ Percival 129

² Percival 129

goal of the research and this thesis is to explain the behavior of Southeast Asian nation-states in implementing economic, diplomatic, and security policy.

A limiting factor for Southeast Asian states is their capacity to operate in a regional order where there are two large powers present. During the Cold War, the United States and USSR balanced against each other through military buildup and a nuclear arms race. However, on a military and economic scale, these countries possessed the capacity to be a hegemon. Most countries lack such capability, and Southeast Asian countries are no exception, putting into question the efficacy the strategies they employ when confronted with a large, regional power. Can Southeast Asian countries implement a satisfactory strategy with both the United States and China involved in the region without the strategy drifting away from the country's original goals? If the countries cannot, then what can be inferred about the influence of both China and the United States?

Methodology

In conducting the research as well as writing the thesis, I attempted to incorporate international relations theory with the strategy of the individual nation-states taken from a cross-section of three countries. While not necessarily fully applicable, realist and liberal theories are evident in the different strategies that could be employed by these three countries. Apart from lack of clarity on how to interpret the security, economic, and even cultural phenomena, there currently exists little literature that attempts to explain the strategies at the country level over a fixed period of time, with the exception of arbitrary claims that lack sufficient empirical evidence. Such assertions cannot be ignored, but still require extensive expansion.

It should be noted that the research included in this thesis is small-N or small-scale research, which will be almost entirely qualitative; therefore, I will rely heavily on secondary

sources to gather the necessary data for this thesis. The dependent variable is behavior of Southeast Asian countries. I will use several independent variables that will address domestic circumstances, economics, and foreign policy. Therefore, independent variables will include trade relations and domestic affairs of Southeast Asian countries. Furthermore, because of ethnic Chinese living in these countries, culture, history, and ideology are three additional variables. Other independent variables will include specific events, such as the 1997 Asian Financial Crisis as well as renewed United States interests in Southeast Asia because of the war on terrorism, and the GMS (Greater Mekong Subregion) project. Further independent variables are China's Peaceful Rise policy (*heping jueqi*) and the United State's role as "guarantor" in countries such as Singapore and Southeast Asia as a whole.³

I intend to analyze the behavioral strategy of these three countries since 1990, when China began the process of normalizing relations with several Southeast Asian countries, including Vietnam and Singapore. Other years, such as 1967, when ASEAN was established, or the conclusion of the Vietnam War in 1975 following the withdrawal of the United States are good alternatives to start conducting analysis; however, the data set would be too large if I started from an earlier, significant date and would not adequately explain the shift in behavior over the past two decades.

More importantly, the goal of this thesis is to examine how Southeast Asian nation-states are implementing their behavioral strategy in light of China's rise in order to maximize their own gains. The years following the collapse of the Soviet Union are significant because, in the early 1990s, China began to implement a policy of outreach, which included Southeast Asia. It is also the period in which China began to change its strategy of assertiveness to a policy of engagement, giving China an opportunity to enter Southeast Asia as a partner. This movement

³ Percival 130

also coincides with China's political and economic rise, which started in the early 1990s, when, in 1992, the CCP Congress under Deng Xiaoping's new economic reform plan established a "socialist market economy" and endorsed an open-door policy, allowing for deepening of trade relations.⁴ Therefore, with China's change of strategy in the early 1990s, ASEAN member states also demonstrate a change in strategy towards both the United States and China.

⁴ Liu 22-23

Chapter 1: Theoretical Background

Introduction

In previous literature, scholars have attempted to explain the behavior of Southeast Asian countries through various lenses, including the multilateral perspective and specific strategies including balancing, bandwagoning, and hedging. The research of this thesis accommodates these ideas; however, these methods fall short in explaining the behavior of Southeast Asian countries. Instead, this thesis will focus on bilateral relations between Southeast Asian states and the United States as well as China and will answer questions pertaining to shifts between the Chinese and American camps. Do Southeast Asian countries find aligning with China more beneficial than aligning with the United States? Conversely, are Southeast Asian nation-states most interested in binding the hands of both the United States and China? My hypothesis is that Southeast Asian countries will increasingly find it more beneficial to align with China as China's capacity to project power increases.

Alternative Methods of Explanation

The first previously employed method of research is the multilateral perspective. Goh attempts to explain relationships between Southeast Asian countries and extra regional powers at the institutional level, where ASEAN states are engaging powers in the region in order to encourage increased involvement of Japan, the United States, and China. Goh, however, puts excessive emphasis on ASEAN, as many countries chose to resolve disputes with China and the United States bilaterally instead of multilaterally. In short, Goh's approach as well as any other attempts to explain Southeast Asian countries' behavior using a multilateral framework, is

overestimating the efficacy of ASEAN. In cases discussed both in and outside this thesis, Southeast Asia states have historically negotiated bilateral agreements with China and the United States; consequently, my framework will only focus on bilateral relations.

The first strategy under the second method of explaining country behavior is balancing. Balancing is considered to be realist and, if implemented, suggests immediate concerns of a Southeast Asian country towards either the United States or China. One of the assumptions is that countries perceive an external threat from a rising power, or an existing power, and therefore, look to counteract the immediate threat. Balancing, as explained by Acharya in “Will Asia’s Past Be Its Future,” can be viewed as internal, where a country domestically builds up military capability. Balancing also can be external, where a country improves or creates alliances and agreements in order to contain the threat of the power. Southeast Asia and China yearly are becoming more economically integrated, balancing does not account for these economic changes, and a balancing strategy would apply more to the traditional concept of international security, specifically military and diplomatic conflicts.

Apart from balancing, Southeast Asian states could be bandwagoning, which, as defined by Ingebritsen in *Small States in International Relations*, is aligning or allying with the threatening country. Bandwagoning can be viewed as a form of accommodation and deferment and is an indication that there is no option for neutrality; the smaller state, in order to preserve national interests, will choose to bandwagon. In general, bandwagoning includes both traditional and asymmetrical international security in addition to normative values. A country can assume the norms of the hegemon as well as accommodate militarily and diplomatically. Acharya introduces a scenario that indicates bandwagoning behavior, stating, “a reasonable indicator of Asian bandwagoning would be a state’s decision to align itself militarily with China.”

Alternatively, Kuik introduces two forms of bandwagoning, limited bandwagoning and pure bandwagoning. Pure bandwagoning would include not only the acceptance of a hierarchical economic relationship, but also deference to the stronger country in policy-making. However, limited bandwagoning refers to a “political partnership,” which manifests itself in “policy coordination on selective issues and voluntary deference given to the larger power.”⁵ Therefore, bandwagoning behavior can also be extended to diplomatic concessions for gain either economic or security gains.

The final strategy is a mixed strategy referred to as hedging, an alternative to the traditional theories of balancing and bandwagoning. Hedging differs from balancing in that, apart from addressing diplomatic, security, and economic concerns, the country seeks to keep all existing powers involved in the country and bind their hands, whereas balancing is an exclusive relationship. Goh states that hedging is an indication that it is unclear as to how a state should implement policies towards multiple powers in the region. This assumption implies that, while countries do not face a concrete or immediate threat, they are operating in a high risk international environment.⁶ Kuik suggests that countries, in order to offset risks will implement multiple policies; therefore, hedging provides a country the means to operate in high risk, but high profit relationships. This concept is consistent with the notion introduced by Percival that hedging is both offensive and defensive. In short, hedging is largely a diplomatic and economic tool that encompasses all aspects of political and economic decision making to ensure that a regional power has its hands tied. It is the most rational of the strategies, as it keeps both China and the United States interested in the state economically, while avoiding loss of sovereignty.

⁵ Kuik 168

⁶ Kuik 163

These strategies, while interesting, do not actually explain the behavior of Southeast Asian countries. They are static and do not necessarily account for regime changes, and in many cases, countries combine these strategies. For example, Kuik introduced the idea of limited bandwagoning as opposed to pure bandwagoning; yet, limited bandwagoning is typically rational behavior and is often associated with hedging, also rational behavior. Furthermore, the labels do not explain why countries adopt a certain strategic type, nor do they predict any future phenomena (this is better explained by analyzing the regional order). This methodology therefore becomes convoluted, and many cases actually fall out of its parameters.

Others scholars reject the use of this typology and seek to explain the shifts of Southeast Asian countries. Acharya in “Will Asia’s Past be Its Future?” provides a more useful explanation of how China conducts its policy of engagement. He attempts to prove that ASEAN states are actually pursuing an alternative to the three previously mentioned strategies and, additionally, claims that the Chinese nature of engagement is veering away from hierarchical relationship between China and ASEAN countries, to that of Westphalian norms. Conversely, Kang in “Getting Asia Wrong: The Need for New Theoretical Framework” suggests that there is a hierarchical relationship, and Alan Collins introduces the idea of benign hegemony. However, as Shambaugh indicates, it may be too early to make such a conclusion.

Additionally, the debate between Shambaugh in “China Engages Asia,” and Khoo and Smith in their criticism of his argument can be used to elucidate upon some of the shifts in Southeast Asia. They both accept that China’s long-term goal is to become the dominant regional power (most scholars do). Shambaugh suggests that Southeast Asia is moving towards an order controlled by China, where they accommodate China (Shambaugh differentiates accommodating

from bandwagoning). Comparatively, Khoo and Smith believe that Southeast Asian nations have been sending subtle messages to the United States calling for greater United States presence.⁷

As previously indicated, my research methods are similar to these scholars, but places a larger emphasis on the gains that a Southeast Asian country will receive from aligning with either the United States or China. This approach steers away from previous scholarship that has only honed in on the evolution of Chinese-Southeast Asian relations.

Southeast Asia: Regional Order

The following chapters will explain the strategic behavior of the three countries as well as conditions under which they adopted a certain strategy. However, in order to elucidate upon the reasoning for each of these countries, a framework needs to be established. Shambaugh notes, however, that a single theoretical framework is not applicable to the entirety of Southeast Asia. Shambaugh's assessment is valid and the framework in this thesis is designed only to explain how a subsection of Southeast Asian countries respond to the situation generated by the United States and Chinese presence.

Southeast Asia, as a whole, is a diverse community, and on the organizational level, ASEAN is still a relatively weak body and, as evidenced in this thesis, the member countries maintain different outlooks on foreign policy and do not follow a consistent pattern of political, domestic, and economic development. The framework is multifaceted and must be able to accommodate these inconsistencies. Furthermore, in a progressively Sino-centric regional order, United States influence is typically limited to its economic role and specific security issues, yet being independent in conducting foreign policy and receiving the benefits of the United States or Chinese presence are not mutually exclusive. However, for Southeast Asian states, concerns stem from the growing preeminence of China in the region. Some Southeast Asian countries

⁷ Khoo 202

have embraced this trend and have looked to benefit from China's growing market. Conversely, some countries have attempted to bind both countries in Southeast Asia out of rational interests.

In the early 1990s, the countries of Southeast Asia maintained justifiable concerns about China's growing power in the region. China, due to Vietnamese military involvement in Cambodia, in 1979 invaded Vietnam under the pretense of "teaching Vietnam a lesson"⁸ and close Vietnamese ties with the Soviet Union. China has subsequently been a major actor in the territorial disputes over the Spratly Islands. China, since the mid-1990s, has worked to lessen these concerns via bilateral and multilateral agreements; however, as Goh mentions in "Great Powers and Hierarchical Order in Southeast Asia," ASEAN member states still maintain a degree of mistrust towards China. This assertion is somewhat of a gross generalization, as some countries have greatly benefited from China's rise, while others have indeed preserved their concerns and consequently are still interested in keeping the United States tied to Southeast Asia due to its economic and military capacity.

Following the Cold War, the decision making of Southeast Asian countries is the result of a rising China, where behavioral strategies outside of ASEAN affairs are increasingly designed with China in mind, as opposed to the United States. The collapse of the Soviet Union gave China and ASEAN nation-states an opportunity to reassess ties, but also left a vacuum that China could fill via diplomatic and economic expansion into Southeast Asia. China over the past two decades has filled this void unilaterally, bilaterally, and multilaterally.⁹ Two observable trends are the improvement of relations between China and Southeast Asian countries as well as less regional involvement of the United States. Also noteworthy are the Southeast Asian states who formalized diplomatic relations with China in the early 1990s, tangible evidence of a foreign

⁸ Dayley 223

⁹ Shambaugh 85

policy shift, as well as the general consensus among Southeast Asian countries that China possessed a market worth exploiting. Consequently, the region is moving towards a China-oriented order.

China's policy of engagement, however, has not adequately addressed the concerns of Southeast Asian countries, who have been alarmed by regional security issues including Chinese military spending, territorial disputes in the Spratly Islands, and the Taiwan Strait crisis. Conversely, despite declining involvement, the United States presence can still be considered part of the regional status-quo, specifically the presence of an American military and the stability it provides as a security guarantor. Some Southeast Asian states are attempting to avoid falling into China's sphere of influence, and, in fact, see the United States role as a guarantor that provides stability and keeps these countries independent from China.¹⁰ Furthermore, China's military buildup is purely unilateral and is directed at historically sensitive security issues, specifically Taiwan, but this increased capability is of immediate concern to Southeast Asian countries and the stability of the region. Therefore, Southeast Asian countries have been keen to ensure United States involvement in the region.¹¹

It is not clear that Southeast Asian countries have been successful. Southeast Asia has been unsuccessful in completely resolving regional security issues, and some countries are playing host to Chinese enterprises and are propped up by Chinese presence and aid. Therefore, the concern exists that China could be attempting to hegemonize Southeast Asia, consequently affecting the ability for Southeast Asian countries to formulate independent foreign policy.

Both Collins and Kang present the notion that China's long term goal is to establish hierarchical relations with ASEAN nation-states via a strategy of "benign hegemony." Benign

¹⁰ Shambaugh 77

¹¹ Shambaugh 67

hegemony implies a shift towards a Chinese dominated order in Southeast Asia via agreements that allow China to establish authority without the use of military force. Region-wide implementation of benign hegemony would indicate these countries are accommodating or deferring to China. While hard to determine in the current environment, such a scenario would be extreme and indicate a strong Chinese influence and invite the possibility that such a country is not fully independent in formulating foreign policy.

While not necessarily true or applicable to all Southeast Asian states, this possibility supports the notion that behavioral strategies are contingent upon both the formation of bilateral ties. The general framework for Chinese-Southeast Asian post-World War II relations was determined at Bandung in 1955, where the parties agreed to a doctrine in line with China's Five Principles of Peaceful Coexistence. However, relations turned sour during the Cultural Revolution, and China was forced to clean up the mess it created, once the Soviet Union collapsed, in order to successfully move into and engage Southeast Asia.

Therefore, in order to explain strategic behavior in Southeast Asia, we must first look at how Southeast Asian-United States relations as well as how Southeast Asian-Sino, relations are developed. Both the United States and China have established bilateral relations with Southeast Asian countries, with the United States using a hub-and-spokes model,¹² where the United States established bilateral relations with individual Asian countries, but these relations were never connected from country to country, allowing the United States to better control its policies in Asia. However, this model has deteriorated since the end of the Cold War, though still observable in countries that openly accept and in those that refuse the United States in its "war on terrorism" in Southeast Asia. China, since 1991, has engaged all of Southeast Asia with its "charm offensive," where China has attempted to mitigate anti-Chinese rhetoric from several

¹² Percival 130

Southeast Asian states throughout the 1990s, a reflection of historical mistrust when the Cultural Revolution spilled over into Southeast Asia as well as the ever-present Spratly Islands issue, a conflict that China and Southeast Asia have only managed to delay and mitigate instead of resolving definitively. While improving relations with the five original ASEAN member countries, China has also maintained special relationships persisting through the 1990s with several Southeast Asian countries, specifically including Vietnam, Cambodia, Laos, and Myanmar. These relations reflect a more strategic position towards Southeast Asia, contradicting what China normally promulgates through its current “peaceful rise” policy. There is the additional implication that these countries do not cooperate on regional issues and have established such relations on only a bilateral scale.

Using the above framework and assumptions, I will seek to answer the following questions in the chapters on Thailand, Vietnam, and Singapore. First, how have these countries invited either the United States or China presence and for what reasons or under what conditions? Second, how have the United States and China used their bilateral relationships with these countries and have Southeast Asian countries attempted to reject either the United States or China and on what grounds? Third, what role do historical relationships, ethnicity, and normative values play in shaping the policies of Southeast Asian countries? Fourth, how have Southeast Asian countries responded to security issues such as terrorism, Taiwan, and the Spratly Islands, as well as economic conditions and crises, specifically the 1997 Asian Financial Crisis? Finally, agreements that Southeast Asian countries have signed with the United States and China need to be considered, and under what conditions these agreements were signed and how well these agreements have aged over the past twenty years.

Chapter 2: Countries of Southeast Asia

The scope of this thesis would be too large if I were to analyze the behavior of every country in Southeast Asia; therefore, in order to narrow down the research, I will select the three countries of Thailand, Vietnam, and Singapore. All three countries have a unique history and distinct background, meaning that there should be a high degree of variation visible throughout the analysis. More specifically, according to preliminary research, these three countries have a distinctly different relationship with both the United States and China, and their behavioral strategies could significantly contribute to the framework. Countries such as Cambodia, Laos, and Burma do not have significant interplay with the United States, and Indonesia is somewhat of an outlier in the large and small state paradigm. Conversely, Thailand, Vietnam, and Singapore, since the early 1990s, have demonstrated more significant interaction with both the United States and China. Furthermore, all three countries have an apparent leaning to either the United States or China. For example, of the countries in Southeast Asia, Singapore has the closest relationship with the United States, while Thailand has swayed between China and the United States, and Vietnam has had, in comparison to other Southeast Asia countries, tense relations with both China and the United States.

Before explaining Thailand, Vietnam and Singapore in the following, there needs to be some analysis on additional Southeast Asian countries and their stances towards China and the United States. By examining other countries, it is possible to find a general track that Southeast Asian countries are taking.

In Southeast Asia there is an unmistakable division in the security strategies between mainland and maritime countries. Countries such as Laos and Cambodia have a distinct strategy

where they have established close ties with China, whereas Indonesia has established policies indicative that Indonesia is cautious around both China and the United States, and Malaysia is between these two extremes. One explanation is that countries such as Thailand, Vietnam, Laos, and Cambodia are part of “China’s soft underbelly¹³” and are more closely involved because of projects in the Greater Mekong Subregion. Also, apart from Thailand, and to a lesser extent, Vietnam, the mainland Southeast Asian countries are economically weak in comparison to maritime peers.

With an extremely weak economic apparatus, much of Laotian infrastructure is funded by China, despite competition from neighboring Thailand and Vietnam. Consequently, Laos’s regional integration is supported by China. Considering the fact that China is currently the largest investor in Laos and funded the construction of the bridge in Laos to connect Route 3 to Thailand, it is possible to state that “China owns Laos.” China also is responsible for vocational training of many Laotians in addition to funding the education of young Laotian leaders in politics and economics.¹⁴ In short, considering these conditions, it is easy to postulate that Laos is dependent on China for development, and, by default Laos is part of China’s sphere of influence in Southeast Asia.

Likewise, China plays a predominant role in Cambodia. China supported Cambodia during Vietnam’s invasion of Cambodia and following the conclusion of the conflict, China still maintained a strong presence in Cambodia. Percival, in describing the relationship between China and Cambodia, states, “If any modern relationship between China and a Southeast Asian country smacks of the ‘old tributary system,’ it is the one between Beijing and Phnom Penh.¹⁵”

¹³ Percival 51

¹⁴ Jonsson 204

¹⁵ Percival 41

In 2007, China was the largest investor in Cambodia as well as the largest donator of aid.¹⁶ Similarly, China has provided large, non-interest loans to Cambodia for the construction of infrastructure.¹⁷ Finally, during the 1997 coup carried out by Hun-Sen, Beijing offered support to the government, instead of condemning it, and gave its standard “non-inference” speech.¹⁸ Cambodia’s security relies on Chinese intervention, and, consequently, the Cambodian government courts Beijing frequently to ensure the continuation of this relationship.¹⁹ Therefore, like Laos, Cambodia has found developing relations with China, at the expense of improving relations with the United States and other regional powers, as the most beneficial strategy.

Indonesia has a more normal relationship with the United States and China. Indonesia has proven to be one of China’s larger challenges in Southeast Asia, a fact caused by the economic capabilities and a long span of mistrust towards China. Similarly, Indonesia has harbored misgivings towards the United States. Through 2002, the United States imposed an embargo on Indonesia that prevented roughly half of Indonesia’s military aircraft from taking off. Furthermore, after the United States lifted the embargo, many Indonesian military leaders expressed the concern that the United States was attempting to impose its will and moralistic ideals on Indonesia.²⁰ As for China, Indonesia historically has not been receptive to most projections of Chinese soft-power. For example, there is an extremely low rate of human exchange between the two countries, and only until the early 2000s, did Indonesia universities begin to include a Sinology program.²¹

¹⁶ Hughes 72

¹⁷ Percival 41

¹⁸ Percival 40

¹⁹ Weggel 146

²⁰ Abuza 198-199

²¹ Percival 67

Sino-Indonesian trade relations began to warm during the 2000s, with a marked increase of Chinese investment in Indonesia. More interesting, however, is the improvement of security relations between the two countries. As the power of Indonesian military leaders decreased over the past decade (also the subsequent fear of China), Indonesia became more interested in securing deals with China, mostly to supplement equipment otherwise unobtainable because of the United States embargo. Percival notes, however, that Indonesia's shift is not indicative of accommodating China, in the short-term, but is actually an attempt to balance against the United States.²² However, in 2005, the United States lifted sanctions on military assistance, which proved to be the impetus for warming of relations in 2005 as well as subsequent years.²³ In short, while difficult to identify in only a review of Indonesia's policies, one can determine that Indonesia is an independent actor in Southeast Asia and closer to being immune to Chinese or American presence than other countries.

Malaysia does not exhibit a degree of resistance to either the United States or China, similar to that of Indonesia. Instead, Malaysia has acknowledged the value of a relationship with both countries. Furthermore, unlike mainland Southeast Asian countries, Malaysia is not in a position where it will by default align with China, but, instead, has acknowledged, that in the future, China will become dominant in the region.²⁴ As such, Malaysia's strategy has been to maneuver to a position favorable in a China-oriented paradigm.²⁵ In the early 1990s, Mahatir, the architect of Malaysian's foreign policy and security strategy, stressed that China would not prove to be a threat to Malaysia. Subsequent presidents supported this line; however, among military circles, China is still considered a mid to long-term threat. This concern has prompted the

²² Percival 68

²³ Liddle 139

²⁴ Percival 54

²⁵ Kuik 174

military to obtain arms and modernize its navy in order to defend its interests in the South China Sea against China and, to a lesser extent, other Southeast Asian countries.²⁶

Consequently the belief that China will become the dominant power in the near future does not imply that Malaysia simply intends to align with China. Malaysia still understands the value of the United States in the region. In 2006 the United States was Malaysia's largest export market, and during that same year, both parties commenced negotiations for a bilateral free trade agreement.²⁷ The following year, talks over the agreement came to a halt, but this failure did not dampen traditional security relations, as Malaysia continued its support for the United States military.²⁸ Considering these relations along with Malaysia's economic interests in China and desire to have a leading position in a China-favored regional framework, Malaysia is enjoying both American and Chinese relations, but ultimately expects a Sino-oriented regional order.

China-Philippines relations for the better part of the past two decades have been tenuous at best. Disputes in the South China Sea have largely defined relations between Beijing and Manila. Numerous incidents, including the 1995 Chinese occupation of Mischief Reef, have caused Filipino military leaders to be apprehensive of China.²⁹ In recent years, these concerns have shared the stage with improving economic relations with China, where trade volume between parties increased during the mid-2000s.³⁰ Regarding United States involvement in the Philippines, their relations have focused primarily military exercises and operations aimed at dealing with the insurgency in Mindanao. Given Filipino concerns over the South China Sea, how China further addresses this issue will be a determining factor in future China-Philippines relations.

²⁶ Percival 58

²⁷ Derichs 153

²⁸ Case 53

²⁹ Percival 68

³⁰ Percival 70

Chapter 3: Thailand

Introduction

In explaining Thailand's strategic behavior, one must not ignore the role of domestic actors and not simply view the Thai policy making machine as mono-structural. The proof is in the pudding, so to speak, where Thailand has undergone multiple regime changes over the past twenty years, some the result of coups, others as the result of constitutional change. Thai security strategy, therefore, is heavily influenced by internal disputes of the government. Thailand plays host to a multitude of actors who include, apart from the current prime minister and his cabinet, the military (which is not obliged to obey the government), the bureaucrats, and the king. Confusion in Thai policy-making further stems from the rural areas outside of Bangkok in addition to the predominantly Muslim, and sometimes violent, South. Both of these regions have different political objectives from elite dominated Bangkok, and most support for Prime Minister Thaksin Shinawatra came from these regions.

The implications of these conditions are noticeable and make interpreting Thailand's strategy difficult. There is definite discontinuity in Thai foreign policy, especially in United States-Thai relations. At times Thailand appears to cooperate with the United States, while, at other times, attempts to reject the United States on grounds that some scholars have interpreted as an act to preserve sovereignty. Apart from being frustrating, Thailand's incessant regime changes have placed the damper on some United States-Thai agreements. However, there exists one certainty in Thai international relations: its partnership with China. In "Catching the Dragon's Tail: China and Southeast Asia in the 21st Century," Vatikiotis describes Sino-Thai

relations as Thailand diplomatically moving closer towards China and correspondingly making gains economically. He views Thailand as a forerunner among ASEAN countries in engaging China as well as occasionally resisting United States influence in the region. Thailand has preserved normal relations with China since the mid-1970s and, unlike the fluctuating policies Thailand has employed with the United States, Thailand has not openly opposed the Chinese, and, in some cases appears to find China the most appropriate country to partner with. Therefore, in this chapter I will explain the apparent shift of Thai policy to a pro-China stance as well as the progression of United States-Thai relations.

Sino-Thai Relations

Regime and leadership change in Thailand did not influence Sino-Thai relations to the extent that it affected American-Thai relations. Following the fall of the Soviet Union, Thailand had the opportunity to change its perspective of Southeast Asia as a potential political battleground to that of a region of economic opportunity, especially with China's rapidly developing economy. Conflicts in Cambodia were concluded, and tensions with Vietnam were not as severe. Consequently, Thailand's foreign policy and strategy could appropriately focus on economic growth as opposed to armament and formation of alliances. Unlike its peers, Thailand already had an established and relatively comfortable relationship with China at the start of the 1990s and did not share the concern that China was an immediate threat, a fact that encouraged the development of strong economic ties with China.

Dayley and Neher argue in *Southeast Asia in the New International Era* that Thailand's foreign policy should be viewed from a post-Cold War perspective because of reduced United States involvement and no threat from the collapsed Soviet Union. Therefore, for Thailand, the collapse of the Soviet Union can serve as a "reset point," where, following the fall of the Soviet

Union, a new power in the form of China emerged in the region. The normalization of Sino-Thai relations took place decades before other Southeast Asian countries, which, in a flurry of similar agreements, normalized relations with China, where China began to look outward and engage Southeast Asian countries. By the 1990s, China and Thailand already maintained close economic ties as well as common security interests,³¹ and, with the threat of communism dissipating and the Vietnam-Cambodia conflict a non-issue which was mostly resolved going into the 1990s, Thailand could hold closer security ties with China as well as reevaluate its United States strategy.

Economic Relations

The new security paradigm in Southeast Asia proved to be conducive for discussion of new economic projects within Thailand. As early as 1991, Thai leadership was interested in establishing Thailand as a regional center for economic growth and projects, with Laos and Yunnan province in southern China often prospective targets. Thailand and China have implemented several economic projects since the early 1990s, which are documented in Masviriyakul's paper "Sino-Thai Strategic Economic Development in the Greater Mekong Subregion." He provides information on the projects up to the most recent infrastructure projects, specifically the multiple roads under construction from China to Thailand. This flagship project was established in 1992, when China and Thailand created the framework for a Sino-Thai economic development zone, centered in the Mekong delta. For China, this trade partnership is an opportunity to give landlocked Yunnan province more trade opportunity as well as to improve economic conditions in western China.³² Similarly, the development of the GMS (Greater

³¹ Chambers, 2005 600

³² Masviriyakul 305

Mekong Subregion) provides the historically economic weak Northeastern Thailand an opportunity to experience economic development.³³

The GMS encompasses all countries in Indochina, as well as Thailand and Myanmar, and allows China greater access to Southeast Asia via Yunnan province. Both Thailand and China have facilitated road and bridge projects that would connect Yunnan province along the North-South corridor via Laos to the Andaman Sea on the western Thai coast.³⁴ The three routes associated with the R3 project are ideal corridors for China as they provide an alternative to the sometimes unstable routes in Burma. Additionally, by funding the development of these highways, Thailand would become the center of trade operations in the GMS.³⁵

Sino-Thai economic relations also possess a foreign policy element that was evident during the 1997 Asian Financial Crisis. While Thais tend to criticize the United States for its non-response to the crisis in Thailand, the Chinese responded immediately to Thailand, offering the Thais one billion dollars in aid.³⁶ Michael Chambers claims, that in addition to China's large market, Thailand, because of its warm relationship with China, has motivation to cooperate with its larger neighbor. China has offered rewards to Thailand for its consistent policy and support for China. In 2003, Thailand and China agreed to a bilateral free-trade agreement, allowing both countries, especially Thailand to reap an "early harvest."³⁷ Furthermore, Thailand is one of the few Southeast Asian countries that enjoy arms sales from China, often coming in discounted packages. However, since the early 2000s, Thailand has been recalcitrant in buying more arms from China, and when the budget allows, has purchased more advanced systems from the United

³³ Masviriyakul 309

³⁴ Asian Development Bank

³⁵ Masviriyakul 312-313

³⁶ Vatikiotis 69

³⁷ Chambers,2005 621

States.³⁸ In regards to military advising and domestic security, Thailand in 2004 turned to China for consultation on the terrorism insurgency in southern Thailand;³⁹ however, as previously mentioned the United States also played a significant role in Thailand.

China-Thailand Security and Diplomatic Relations

In the early 1990s, Sino-Thai security relations changed in focus, from an alliance motivated by common security interests and an unstable Southeast Asia, to cooperation on regional issues including drug trafficking and political issues.⁴⁰ Michael Chambers describes the relationship as a friendship and notes that the amity between the two parties has significant benefits, especially cooperation on regional issues. Throughout the 1990s and 2000s, both countries have taken the initiative to preserve and improve upon the already close diplomatic relationship. China views Thailand as an ally in Southeast Asia and therefore, over the past twenty years, has operated through Thailand to curry favor with Southeast Asian countries who attempt to tip-toe around China. For example, Thailand was the first ASEAN country to acknowledge and sign “China’s Plan of Action for the 21st Century,” and only after Thailand agreed to this plan, did other Southeast Asian countries announce their support.⁴¹

Throughout the past twenty years, China has given Thailand little reason to be concerned about its security condition, a fact that is partially a result of geography and partially explained by what Michael Chambers describes as a Sino-Thai friendship. Thailand has no stake in the Spratly Islands, nor would Thailand suffer from adverse effects equivalent to that of Singapore if a conflict in the Taiwan Strait broke out. On several occasions, following diplomatic missions to China, Thailand has walked back toting funds offered by China, contributing to the positive Thai

³⁸ Percival 50

³⁹ Chambers,2005 623

⁴⁰ Chambers,2005 620

⁴¹ Chambers,2005 622

response to Chinese involvement in the region. Other exchanges between the two parties have been cultural in nature, emphasizing similar ethnic and religious backgrounds.

On normative grounds, it is easy for China and Thailand to relate. For example, the historically business oriented Sino-Thai, including former Prime Minister Thaksin, have risen in prominence as the fear that the Sino-Thai would partake in communist activities has diminished. In the mid-1970s, the Sino-Thai became increasingly proud of their Chinese heritage; consequently, The Sino-Thai have been visible investors in China. and following Mao's death, were some of the first investors in mainland China.⁴² Additionally, token acts, such as China sending a tooth of Buddha to Bangkok in 2002,⁴³ have reinforced the notion that both countries are culturally intertwined, but, in the process, China has increased its soft power in Thailand.

However, Chambers risks overplaying the importance of the "fraternal" relationship between Thailand and China. He neglects the fact that Thailand, specifically Thaksin, has repeatedly stated that the smaller country's goal is to play both sides of the coin, while paradoxically Thailand appears to be embracing the progressively China-oriented regional order. The aforementioned normative variables indicate motivation to bandwagon, yet they do not explain any actual behavior. Percival and Vatikiotis have both emphasized Thailand's tendency to be slippery and occasional unwillingness to consistently accompany a single power. Thailand's overtures to China during the 1990s and 2000s break this mold, however, as Thailand seems to be on the forefront of Southeast Asian countries accommodating China.

Thailand's security relations with China become convoluted by the introduction of Collins' idea that China is using "benign hegemony" to engulf Southeast Asia. Vatikiotis also hints at this potential, establishing the concern held by some parties in Southeast Asia that China

⁴² Phongpaichit 174

⁴³ Chambers,2005 623

has the potential to threaten sovereignty among ASEAN member countries. Vatikiotis, however, aims to establish that Thailand is attempting to be capable of playing both sides because it recognizes the necessity of placing multiple eggs in multiple baskets. He states "Thailand is especially exposed to risk here and will come under pressure by both sides; it remains a close treaty ally of the United States, and is regarded by China as a most trusted and special friend."⁴⁴ Reality, however, is crueler, and while China may regard Thailand as a "special friend," there exist implications of this "friendship."

In some cases, Thailand appears to be accommodating China, with one such example being Chinese interference in a Falungong meeting scheduled to be held in Bangkok. China, however, placed pressure on the Chuan government, whose response was that, as long as the Falungong did not use Thailand as a base to militarily strike China, or carry out any other action that would be detrimental to China then they would allow the meeting to continue.⁴⁵ Thaksin also held a similar stance, but, following additional pressure, the Thai government disallowed the Falungong meeting. While Thailand, in this instance, did resist the Chinese pressure, Thaksin ultimately found it in Thailand's best interests to support China's stance against the Falungong. Similarly, Thailand, at the behest of China, has occasionally denied entry to Taiwanese diplomats and officials. However, these acts of diplomatic deference are limited, and do not have a significant influence on Thailand's economic or security conditions, nor are they sufficient evidence of China implementing a strategy of "benign hegemony" in Thailand.

United States-Thailand Relations

Current United States-Thailand economic and security relations at best are marked by cooperation on regional issues and do not reflect the United States-Thailand cooperative

⁴⁴ Vatikiotis 69

⁴⁵ Snitwongse

relationship during the Vietnam War. While maintaining a significant trade volume, American-Thai economic relations have often been strained over the past twenty years. The inconsistencies in Thai policy make it difficult to pinpoint a certain strategy policy makers employ in dealing with the United States. Therefore, it is doubtful that Thailand's strategy towards the United States has any form of linear progression. The United States does not have any real sway in Thailand's policy construction, nor has the United States made a concerted effort to play a large role in Thailand, yet Thailand has still benefited from relations with the United States. Keeping this fact in mind, the pre-eminent question is how United States-Thailand relations fit into Thailand's meta-strategy. This meta-strategy, however, is largely contingent upon Sino-Thai relations, where, as already seen, Thailand significantly benefits from its improving relations with China.

United States-Thailand relations following the fall of Soviet Union are marked by disagreements on both sides and are fueled by regime changes and domestic politics. A relevant explanation of Thailand's foreign policy since 1991 is associated with the domestic turmoil Thailand has faced, including the 1991 and 2006 coups and events surrounding them. In "US-Thai Relations after 9/11," Paul Chambers documents United States-Thai diplomatic and military relations through 9/11 as well as the moderate shift of Thai policy post-9/11. The progression of Thai politics found in Chamber's analysis is pivotal in explaining Thailand's security strategy; however, he overemphasizes the importance of the apparent increased cooperation post-9/11 under the Thaksin regime and ignores the China-oriented trend in Southeast Asia, instead claiming that a new era of American-Thai relations had arrived, which, oddly enough, faded away with Thaksin's decline.

Following the 1991 coup, the army carried out a massacre in 1992 that shocked Thailand and ultimately led to the election of the anti-war, anti-military, Prime Minister Chuan Leekpai. Before his election and the “Black May” massacre, Thailand openly supported the United States military operation in Iraq. However, under Chuan, Thailand in 1993 formally joined the Non-Aligned Movement in order to nominally express to the United States that Thailand’s foreign policy was independent from American goals. Chuan’s decision indicated that Thailand was disgusted with militarism, and some saw the United States in the early 1990s as a facilitator of the violence through its sales of arms to Thailand.⁴⁶

Until Thaksin took office in 2001, American-Thai relations saw a decreasing emphasis on security matters, as Thailand’s willingness to cooperate on regional issues relevant to United States interests declined. In 1994, Thailand denied the United States the right to station naval vessels inside of Thai waters, citing regional and domestic security issues.⁴⁷ Additionally, in 1995, the United States complicated Thai relations by officially classifying Thailand as a country with drug-trafficking issues. This act, as well as the denial of entry of several Thai officials into the United States, led to allegations that the United States was interfering with Thailand’s sovereignty.⁴⁸ More Thai frustrations with the United States emerged during the 1997 Asian Financial Crisis as a reaction to the lack of a direct United States response. The policies of the IMF also became sources of annoyance for Thailand. Scholars often cite the lack of United States response to the crisis in Thailand as cause for increased enmity. Additionally, the United States is typically considered the de facto manager of the IMF, which received considerable criticism from Thailand and was often compared to China’s much more supportive response to

⁴⁶ Chambers 462

⁴⁷ Snitwongse (1995) 200

⁴⁸ King 140

the crisis in Thailand.⁴⁹ However, some of these criticisms can be considered a bit dubious. The entry of the IMF into Thailand was an opportunity for structural reform and consequently was welcomed by some Thais. As one scholar stated, “some have accused the IMF of giving wrong advice or ‘wrong medicine’ for the Thai economic illness. Many, however, have grudgingly accepted help from the IMF as necessary for the survival of Thailand in its present economic makeup.”⁵⁰

Through the 1990s, Thailand’s United States behavioral strategy was not stimulated by any pressing security concern, especially with conflicts in Cambodia and Vietnam fading into the obscurity of the past. A Thai leader in the early 1990s proclaimed that Thailand would not have any foreseeable enemies either in Southeast Asia or outside of the region.⁵¹ Furthermore, in the process of trying to democratize, the emphasis on the military lessened, as well as the importance of United States-Thailand military relationship that existed during the beginning of the 1990s. None of the variables support the possibility of Thailand aligning with the United States during the 1990s; furthermore, Thailand’s perception of China as a non-threat implies that Thailand was not looking to employ measures to cope with China’s rise. Thailand during this time period was neither seeking any new alliances nor pondering a military buildup designed to defend itself from a large military power.

However, the security situation of Southeast Asia changed coincidentally just after the Thaksin regime took power under a new constitution took power. The events of 9/11 resulted in an emphasis on counter-terrorism in Southeast Asia, catalyzed by efforts of the Bush administration. Thailand, following the election of Thaksin, appeared to be continuing its anti-American course or, at the very least, Thaksin was attempting to avoid the stigma that Thailand

⁴⁹

⁵⁰ Krongkaew 93

⁵¹ Busznyski 726

was under the United States sphere of influence.⁵² However, in 2001, Thaksin also stated that Thailand would continue to support the United States, describing the United States as an “old ally.”⁵³ Nevertheless, this statement by no means is indicative of support comparable to Thailand’s support of China.

Thai policy under Thaksin proved to be convoluted, a fact especially evident in Thailand’s reaction to increased counter-insurgency measures carried out by the United States. Following the events of 9/11, despite United States pressure, Thaksin was reluctant to partake in the “war on terror” until 2003, when the Thai military detained terrorist suspects⁵⁴. In the first few days following the 9/11 attacks, Thaksin’s government opted to be recalcitrant, declaring its neutrality, while other Southeast Asian countries immediately pledged their support. Thailand did not adopt consistent counter-insurgency measures in first few years after 9/11, and most efforts were plagued by internal concerns. There were domestic issues, including Thai intelligence officers downplaying the threat of terrorism in Thailand, which contradicted the fear that the Muslims in southern Thailand would rise up in response to Thai support of the United States “war on terror.” Additionally, some Thai policy makers were still irritated by the United States’ non-response to the Asian Financial Crisis, thus stalling further efforts.⁵⁵ Abuza cites occasions where Thailand would cooperate and provide intelligence to United States agents, while on other occasions refusing to cooperate. In one instance, Thailand refused to act on the information that Hambali, the mastermind of the 2002 Bali attacks held a meeting in Bangkok.

⁵² Chambers 464

⁵³ Christoffersen 381

⁵⁴ Chambers 465-466

⁵⁵ Abuza 222

Additionally, Thailand refused to arrest several Al-Qaeda operatives, claiming that not enough information existed for a trial.⁵⁶

Despite a shaky response to regional counter-terrorism, the United States and Thailand made headway on other regional security dilemmas, marked by increased arms sales and American assistance in Thailand-Burma border disputes. Chambers notes that the United States, via arms sales specifically advanced missile systems to Thailand, hoped to provide Thailand motivation not to align with China. Drug trafficking and border disputes were quickly eclipsed, however, by the specter of an insurgency in Thailand. Complete Thai cooperation with the United States, nevertheless, required a domestic shock. Until 2003, Thaksin seemed keen to keep a low profile in providing assistance to the United States, publicly denying support but quietly giving the United States access to airfields during the Iraq war.⁵⁷ His tune changed when it became apparent that Thailand could not suppress the insurgency, and he eagerly offered support to the United States in the Iraq war, visibly opening access to the Utapao airfields and sending a small contingent of troops to Iraq.⁵⁸

The time period under Thaksin's rule illustrates a Thai movement back towards the United States-Thailand security relationship from the early 1990s. Much to Thailand's consternation, insurgencies in southern Thailand did necessitate the participation of a more equipped and advanced force. As such, by pledging support for the Iraq war, Thailand could gain the aid it needed to deal with domestic problems. These efforts, however, have been multi-pronged. In 2004, Thailand also turned to the Chinese for support and advice, not wanting

⁵⁶ Abuza 223

⁵⁷ Chambers 468

⁵⁸ Chambers 468

support of the Iraq war to give the United States too much of an advantage in Thailand, but rather to reap the benefits of construction contracts following the conclusion of the operation.⁵⁹

However, the political arena changed again, and the somewhat warmer ties were challenged by the 2006 coup. Thaksin, while credited with expanding Thailand's economy, towards the end of his presidency, was also accused of manipulating the constitution as well as participating in corrupt activity. Therefore, the military conducted a coup and a year later held elections.⁶⁰ The 2006 coup and 2008 disbandment of the ruling party by the Constitutional Court have proven to be a headache for United States policymakers, where it seems that Thailand's progress towards democracy is in reverse.⁶¹ During his presidency, Thaksin pushed for a United States-Thailand free trade agreement; however, the current government has not minced words in rejecting the same process, claiming that such a FTA would only infringe upon Thai sovereignty. These changes are again indicative of regime change slowing down and altering any American-Thai initiative and are reflective of the anti-American sentiment that has grown since the early 1990s. However, since the 2006 coup, Thailand has been in political turmoil and consequently, apart from putting a damper on the US-Thailand FTA, has not attempted to pursue any new form of strategy, either diplomatically or economically.

Conclusion

Thailand's stated strategy of working equally with both the United States and China does not completely hold, as Thailand has been leaning towards China. Additionally, while Chambers does overemphasize the "fraternal relationship," he does elucidate upon a variable consistent with the security and economic conditions in Southeast Asia. Throughout the past two decades, Thailand has benefited from both the United States and Chinese presence, and, while,

⁵⁹ Chambers 470

⁶⁰ Pongsudhirak 141-142

⁶¹ Bajoria

occasionally balking at United States involvement, has maintained decent, albeit less important relations with the United States. Additionally, Thailand did not have to “invite” China’s presence in domestic affairs; instead, an alliance of convenience led to increased cooperation during the 1990s, which coincided with increased Thai frustrations towards the United States. By joining the Non-Aligned Movement and playing the role of the reluctant ally during the second Iraq war and counter-insurgency measures, Thailand demonstrated that the United States was only a minor security partner and cooperation was out of a need for another party to ensure Thailand’s domestic security, subsequently demonstrating that there are no conditions to warrant significant United States influence in Thailand.

Thailand’s strategic behavior, while muddled by constant regime changes, is an excellent manifestation of the perceived regional conditions. With China serving as a partner, Thailand does not recognize any threat that would warrant tying the hands of either the United States or China. However, Thailand’s shift towards China was catalyzed by the changes in government throughout the 1990s, the de-emphasis of security relations with the United States, and increased economic cooperation and marked by accommodating China on some diplomatic issues. Nevertheless, under Thaksin, the security conditions changed, with terrorism a more visible issue, as the United States finally found Southeast Asia on the geopolitical map in its mission to crush insurgency movements. However, cooperation only brought limited benefits, and while Thailand was more proactive in courting the United States during the time period from 2001 to 2006, it was a limited effort and only concentrated on a specific security dilemma and did not spread economically, as indicated by the failure to push through a U.S.-Thai FTA under Thaksin.

Thailand’s reduction of military ties with the United States and increased emphasis on Chinese relations reflects one trend within the evolution of the regional order, where some

countries, mostly mainland Southeast Asian countries, find it beneficial to develop and emphasize ties with China. As for Thailand, China and Thailand are inexorably linked by the GMS, and Thailand has accommodated China's policies of controlling Taiwan and the Falungong. Currently, Thailand has nothing to lose from such a relationship, and, it is unclear that, by aiding China's economic efforts in Indochina, Thailand is facilitating the process that could result in China controlling much of Southeast Asia under the guise of "benign hegemony."

Chapter 3: Vietnam

Introduction

Vietnam's strategic behavior, following the collapse of the Soviet Union and its withdrawal from Cambodia, can be explained through several variables that enforce the notion among Southeast Asian nation-states, that some find it most beneficial to attempt to bind both the United States and China, but Southeast Asian states, because of China, struggle to accomplish this goal. In the post-1989 environment, Vietnam made an effort to avoid Chinese hegemony, and consequently, in the 1990s, moved to engage other regional actors, with the United States and ASEAN the most notable players. However, border negotiations and conflicts in the South China Sea have often resulted in Vietnam deferring to China.

As previously explored, Collins in *The Security Dilemmas of Southeast Asia* explains the relationship between Vietnam and China from a realist perspective, and in doing so, introduces the idea of benign hegemony, an idea that China, while operating under the pretenses of the Five Principles of Peaceful Coexistence, is establishing hierarchical control in Southeast Asia. Such a system would be best defined as an institution that would allow China access and control to mainland Southeast Asia, as well as to maritime Southeast Asia. Under the current conditions, Vietnam could be considered as an unwilling participant in this arrangement, therefore favoring the benefits of a proactive United States and ASEAN presence. However, vulnerabilities resulting from territorial disputes have provided China the opportunity to maintain its grip on Vietnam despite efforts to swing towards both ASEAN and the United States.

Historically, Vietnam has suffered through periods of poor relations with both the United States and China. The United States was involved in Vietnam even as far back as 1954, until withdrawing in 1972 and 1973. During the 1970s, China realized that Vietnam was essentially a Soviet satellite state, and therefore condemned Vietnam as a “little hegemon,” souring Sino-Vietnamese relations.⁶² Additionally, Vietnam was invaded by China in 1978 and has been involved in several territorial disputes over the South China Sea islands. Following the 1970s, Vietnam’s economy was severely hindered by the infrastructure destroyed during the Vietnam War, and it required decades before Vietnam developed its economy. In the early 1990s, Vietnam’s economy, riding the policy of “renovation” or *doi moi*, began to improve, and in 1995 became a member of ASEAN. Consequently, American-Vietnamese relations through the 1990s are mostly economic. However, in regards to Vietnam’s China strategy, Vietnam has historically struggled in maintaining ideological solidarity with China and its diplomatic efforts concerning territorial issues have yielded only marginal success.

China-Vietnam Relations

From geopolitical and economic standpoints, Vietnam’s concerns about China are justifiable. Vietnam’s technically communist neighbor can be considered a regional hegemon. Similar to Thailand and Singapore, normative values do influence the relationship between Vietnam and China. From 1989 and into the early 1990s, Vietnam attempted to use the socialist ideal of solidarity to improve relations with China. However, despite being a fellow communist country, Vietnam was unable to normalize relations with China until 1991. Vietnam’s de facto alliance with the Soviet Union prevented the improvement of relations with China and only the collapse of the Soviet Union could open the doorway for official Vietnamese-Chinese negotiations.

⁶² Thayer 513

Before proceeding, it is necessary to look at one of the major interpretations of Vietnamese strategy. Vuving separates Vietnamese security strategy into four major components of solidarity, deference, balancing, and enmeshment. When considered in a vacuum, these divisions can explain Vietnam's security strategy. However, Vuving neglected to consider these strategies in a China-favored paradigm. Vietnam's failed attempt at solidarity, as well as deference, to China suggests that Vietnam does not possess the diplomatic clout to stand on equal footing with China. Additionally, what Vuving describes as balancing and enmeshment can also be interpreted as Vietnam resisting the progression towards a Chinese regional order. Balancing and enmeshment are the same card, and both demonstrate the willingness to attract the United States, and consequently should not be separated, as Vuving does, into different strategies.

During and following the normalization process, Vietnam sought to bind China through the "socialism solidarity" card. Typically, under Marxism, socialist states should band together, or at least Vietnam attempted to argue this point. In early 1990s the conditions were favorable for such a strategy. China was reaching out to other communist states in Asia.⁶³ However, Vietnam's own efforts were rejected by Chinese policy-makers. Furthermore, Vietnam's overtures were met with a reply indicating that China only viewed Sino-Vietnamese relations as a partnership and should not reflect ideological similarities.⁶⁴ This breakdown of Vietnam's suggested solidarity did not bode well for Vietnam's efforts to keep China at an arm's length. China, by refusing Vietnam's pitch, denied Hanoi a diplomatic tool and arguably made Vietnam more susceptible to coercion and related strategic behavior.

⁶³ Thayer 519

⁶⁴ Vuving 812

Following normalization of relations with China, border conflicts and claims to territory in the South China Sea have defined Vietnam's security strategy. Notably, however, both parties realized that normalization would not be possible if China and Vietnam first attempted to resolve all territorial disputes. Instead, the claims were set aside for negotiations with the plan to gradually resolve border conflicts. In disputes over the Spratly and Paracel Islands, Vietnam historically came out the worse for wear. Only a year following negotiations, China reiterated its domestic law that established the Chinese claim to islands in the South China Sea.⁶⁵ One interpretation among Vietnamese policy makers was that China aimed to force deferment from Vietnam. This fear became the impetus for Vietnam's engagement with ASEAN in the early 1990s. While Vietnam did not join ASEAN until 1995, during this crisis Vietnam thought that it could use ASEAN to mitigate China's alleged encroachment in the Spratly and Paracel Islands.⁶⁶ Combating China via ASEAN therefore became the trademark security strategy for Vietnam until the late 1990s.

Disputes between China and Vietnam over the Gulf of Tonkin and Spratly Islands respectively erupted in 1997 and 2005. The 1997 disagreement was initiated by China when an oil-platform and two warships were sent into waters claimed by Vietnam. Hanoi summoned the help of both ASEAN and the United States, whose efforts, led by the U.S. Pacific Commander, forced China to withdraw from the Gulf of Tonkin.⁶⁷ Vietnam's success in the 1997 quarrel is a manifestation of Vietnam's limited success in its attempts to involve other actors. By establishing full diplomatic relations with the United States in 1995, Vietnam obtained an additional tool in defending its territorial interests. However, this tool is unreliable, and United

⁶⁵ Thayer 525

⁶⁶ Dosch 244

⁶⁷ Vuving 815

States intervention only occurred during a heightened state of alert due to tensions in the Taiwan Strait.

In subsequent disputes and negotiations, Vietnam was forced to take an approach that contradicted Vietnam's goal of preventing China from establishing a larger regional presence. While hammering out the 2000 Gulf of Tonkin agreement with China, Vietnam had to abandon the 1887 Sino-French Agreement that would have otherwise be favorable to Vietnam in demarcating the Gulf of Tonkin.⁶⁸ Despite being a clearly dated accord, to use it during negotiations would have been a major boon to the Vietnam camp. Ultimately, however, China managed to force a deal that would remove the settlement from the equation. It is unclear if Vietnam deferred to China willingly, or if was coerced; however, this defeat marked a failure of Vietnam's China strategy.

In 2002, all claimants to territory in the South China Sea agreed to a non-binding commitment that called for no further action or claims in the South China Sea.⁶⁹ However, three years later in the Gulf of Tonkin, several Vietnamese fishermen were killed by a Chinese patrol. In the ensuing negotiations, Vietnam accepted the Chinese line that the Vietnamese fishermen killed were actually pirates and declared that they would not allow a trivial matter to damage relations with China.⁷⁰ In this incident, the Vietnamese state proved incapable of defending its citizens and interests in the diplomatic arena and instead "favored" the Chinese line in order to avoid a deterioration of relations with the stronger neighbor to the north.

United States-Vietnam Relations

Vietnam's ideal strategy of binding other actors in the region is contingent upon its ability to engage the United States. 1995 proved to be a monumental year for Vietnam, as it not

⁶⁸ Thao 313

⁶⁹ Percival 84

⁷⁰ Vuving 819

only was accepted as a full member in ASEAN, Vietnam also normalized relations with the United States. The process was five years in the making, but when concluded, Vietnam obtained a potential partner beyond China and ASEAN.

Prior to 1990, the United States maintained a pro-Cambodia stance and refused to normalize relations with Vietnam. It took a strategy of engagement from the United States towards Vietnam to start breaking down the embargo imposed upon Vietnam. In 1991 the Bush administration began to layout the framework for normalizing relations, lifting travel bans and promoting humanitarian assistance to Vietnam.⁷¹ The United States' goals included the identification of soldiers who went missing in action during the Vietnam War. Vietnam, eager to improve relations with the United States, capitalized on the missing in action program. In October 1992, Vietnam released all documentation and personal effects to the United States as not only a gesture of goodwill, but also to provide the impetus to advance bilateral relations.⁷²

After thawing the ice, Vietnam continued to accentuate the desire to have normal diplomatic relations with the United States, and simultaneously made some stipulations to establish sovereignty. In a 1993 statement a Vietnamese spokesman emphasized “that state-to-state relations should be based on mutual respect, equality, mutual interest, and non-interference.”⁷³ This campaign paid-off in February 2004, when the Clinton Administration lifted the embargo against Vietnam, again prompting Hanoi's declaration of cooperation in finding and identifying the 2, 238 soldiers missing in action.⁷⁴

Prior to normalization of relations in 1995, Vietnam embarked on two additional missions that would tie the United States economically and militarily to Vietnam. In November

⁷¹ US State Department

⁷² Crossette, New York Times.

⁷³ BBC 1993 Summary of World Broadcasts

⁷⁴ New York Times 1994 Foreign Desk

1994, Vietnam, concerned with Chinese encroachment in the Gulf of Tonkin and Spratly Islands, began to drop hints that it would allow the United States to dock naval ships in Cam Ranh Bay.

⁷⁵ Several months later Vietnam concluded a deal with the oil company Mobil, allowing drilling for oil in the South China Sea including in areas where China claimed sovereignty.⁷⁶

Understandably, these maneuvers raised China's ire, who condemned the potential opening of the bay to the United States Navy, stating that countries should focus on economic development and cooperation, not militarization.⁷⁷ Considering the preexisting tensions between China and Vietnam as well as almost all of Southeast Asia, Hanoi, through these overtures, was laying a potential foundation favorable for a strategy that would involve the United States.

United States-Vietnam relations post-1995 are not entirely smooth. Until the bilateral trade agreement was established in 2001, Vietnam did not enjoy full economic relations with the United States. While the United States did waive the Jackson-Vanik Amendment in 1998, allowing for increased investment in Vietnam, during the late 1990s, the United States was only Vietnam's ninth largest trading partner.⁷⁸ Brown in "Vietnam's Tentative Transformation" cites the normalization of relations with the United States as one of the catalysts for societal improvement, but the pace of improvement in Vietnam, according to the United States, has been too slow and consequently is a source of tensions between the two countries.⁷⁹

The most controversial topic has been the issuance of statements by the United States Committee on Human Rights, criticizing Vietnam for human rights violations and lack of religious freedom. In 2001, a Vietnamese journal broadcast its response to the report, stating, "This move by the United States means that the referee and player are the same. However, in

⁷⁵ Tyler, New York Times

⁷⁶ The Daily Yomiuri

⁷⁷ Tyler, The New York Times

⁷⁸ BBC Summary of World Broadcasts, 2000

⁷⁹ US State Department-US Vietnam Embassy Online

terms of national sovereignty, the United States' self-claimed right to judge the world religious activities and issues is a brazen violation against the basic principles of international relations.⁸⁰ Vietnam's reply indicates that Hanoi still interprets the relationship with the United States as containing risks and reflects a fear of big-power politics. These reservations are indicative of an attempted strategy to bind the United States hands via the implementation of policies favorable to the United States, while establishing a boundary of sovereignty.

Despite these issues, Vietnam still made significant progress in conducting its strategy during the early months of younger Bush's administration. In 2001, both parties stressed the need for a bilateral trade agreement. During these talks, Vietnam appeared eager to keep the United States presence in Southeast Asia. The then Vietnamese Foreign Minister Nguyen Dy Nien wanted to keep the MIA (Missing in Action) program in place, but also reaffirmed the standard value of both parties respecting each other's sovereignty.⁸¹ However, these efforts tapered off through the mid to late 2000s. Bilateral trade relations, while facilitated by the trade agreement, still required improvement.

Conclusion

Vietnam, unlike Thailand, does not favor a Sino-centric regional order, and, consequently, has been eager to tie the United States into the region through bilateral trade agreements and cooperation on sensitive historic issues. This said, Chinese-Vietnam relations have seen some, albeit slow, improvements on the economic front. Only until 2009 did China and Vietnam complete the demarcation process of their land border,⁸² but in the previous decade multiple trade centers opened along the sometimes turbulent border leading to Chinese aid in

⁸⁰ BBC Monitoring Asia Pacific, 2001

⁸¹ Xinhua, May 18, 2001

⁸² Xinhua, 2/2009

removal of mines left from the Vietnam War.⁸³ Considering these economic relations and chronic issues in the Gulf of Tonkin and South China Sea, Vietnam will always have to calculate for China's presence in the region. This fact introduces the question the validity of "benign hegemony" in describing Sino-Vietnamese relations. Considering Vietnam's overtures to the United States, if China were to or is hegemonizing Vietnam, then this behavior would be not "benign." Furthermore, Vietnam's inclination towards the United States also suggests that the assertion that as the regional order becomes Sino-oriented, countries will gravitate towards China, is an oversimplification. In Vietnam's case, the United States still holds reservations about relations with the Vietnamese due to the Vietnam War and human rights issues; therefore, despite efforts to engage the United States, Vietnam has to step lightly around the dragon to the north.

⁸³ Guan 1126

Chapter 4: Singapore

Introduction

In explaining Singapore's strategic behavior, one must account for several variables including demographics and ethnicity, normative or soft-power relations, economic relations with China specifically the formation of a bilateral free trade agreement, economic relations with the United States, counter-insurgency measures implemented by the United States, and Singaporean response to these measures.

David Brown in *The State and Ethnic Politics in Southeast Asia* and, to a lesser extent Leifer, explain the role that ethnicity and demographics play in determining Singapore's security strategy. Singapore's strategic behavior is partly contingent upon the idea that ethnicity and demographics indirectly determine state policy, where Singapore's predominantly Chinese population has paradoxically led Singapore to distance its policy from China and create a garrison state. Similarly, along the lines of ideology and tangentially sovereignty, Singapore, as documented by Hodson in his analysis of the Michael Fay affair, has historically entertained the presence of the United States military, but does not see eye-to-eye with the United States on ideological grounds.

Singapore's likely strategy of hand-tying is supported by Kuik in his article "The Essence of Hedging: Malaysia and Singapore's Response to a Rising China." He, like Bolt and Daquila, documents Singapore's strategic economic behavior and show that if Singapore is looking to keep the United States interested in Singapore, then a potential observable behavior would be engagement with China and the United States on the economic level, specifically bilateral FTAs.

Singapore has been very successful in ensuring the United States presence in Southeast Asia as documented in Tan's article "Singapore's Cooperation with the Trilateral Security Dialogue Partners in the War against Global Terrorism." This policy is also consistent with the dichotomy in Southeast Asia of countries that either establish firm relations with China and the nation-states that attempt to tie the hands of both powers in the region.

Primary Questions

Even before its "break" from Malaysia in 1965, Singapore has been in a position of geographic "vulnerability," where both sea and land trade lanes are ultimately controlled by neighboring Malaysia and Indonesia, while China can be construed as a threat to the stability of shipping lanes in the South China Sea. Singapore's security policy reflects these geographic challenges and has adopted a policy of "Total Defense," that not only incorporates military spending and buildup (often exceeding the defense budget), but also a policy of outreach in the region.⁸⁴ Therefore, Singapore's strategic behavior is a reflection of both its geographical position and its efforts to survive economically. In order to accomplish these goals and maintain stability, Singapore has simultaneously invited the presence of the United States military and pursued economic relations with China. However, to disregard the role of ethnicity and normative values in policy making would be an oversimplification of Singaporean security strategy.

There are two overarching questions that are crucial in determining Singapore's security strategy. First, how does Singapore view and include China in its economic planning, while opposing and fearing an increased Chinese presence in the region? Second, how far does the United States role in Singapore extend, and who benefits most from an U.S.-Singapore alliance? Singapore views regional stability and free trade as the cornerstones in its strategy. This strategy,

⁸⁴ Chew 247

however, has evolved over the two decades and is perpetually contingent upon China's position and ability to project hard and soft power in the region.

Over the course of the previous decade, Sino-Singaporean relations and American-Singaporean relations have become more complex and consequently contain a contradiction in the China-dominated Southeast Asia paradigm, where Singapore's foreign policy and security strategy over the past decade possess a distinct United States leaning.⁸⁵ Implications of this security and economic behavior include the parameters of the United States-Singapore relationship, specifically the ability for Singapore to develop a strategy to bind the United States.

Singapore-China relations

Despite having a primarily Chinese population, Singapore did not establish normal relations with China until 1990, nor has Singapore declared formal relations with Taiwan, instead acknowledging Taiwan as a wayward territory of China. Furthermore, Leifer makes it clear that Singapore, despite the presence of ethnic Chinese, does not necessarily align with China. Conversely, Singapore's Chinese population presents a challenge to its position in the region, where Singapore is enclosed by two predominantly Malay states, and to be considered a "third China" by other Southeast Asian countries would present a security challenge to Singapore. If Singapore were to gain a stigma of a Chinese outpost in Southeast Asia, it would be perceived as a threat to neighboring Malaysia and Indonesia, who could potentially limit trade access to Singapore as well as pose a military threat.⁸⁶ By the early 1990s, Singapore succeeded in dispelling its neighbors' fears of its position as a "third China."⁸⁷ However, Malaysia's opposition to Singapore's aggressive pushing for FTAs (several years later Malaysia dropped this line, but the possibility of instability remains) and Malaysia's negative perception of

⁸⁵ Tan 199

⁸⁶ Tan 194

⁸⁷ Lee 416

Singapore's anti-terrorism efforts have kept regional relations tense. Consequently, any Singaporean effort to overtly align with China would elicit a negative response from Malaysia and Indonesia.

The concern of being labeled a "third China" still remains a driving force, but has increasingly become a tertiary factor in determining Singapore's foreign policy and development of identity in Singapore. Prior the early 1990s, the government regulated system created a phenomenon where Singaporeans tend not to first identify themselves along ethnic lines, but instead, state that they are first and foremost Singaporeans and secondly Chinese or Malay.⁸⁸ This policy later changed to a strategy focused on "ethnic liberalization" and the development of "Asian values."⁸⁹ These two phenomena are crucial to Singapore's international security, because they establish either solidarity to the state under the earlier strategy or a multi-ethnic society that cannot be pinned to one country under the newer strategy, thereby establishing Singapore as a nation-state separate from China with different international interests. Consequently, on the domestic as well as normative levels, Singapore has consistently illustrated a high degree of independence from China. In other words, China's ability to project soft power in Singapore is comparatively weak in relation to mainland Southeast Asian countries.

Economic Relations

Economically, Sino-Singapore relations are driven predominantly by Singapore, whose economic security is dependent on a stable and healthy international trade environment. The end of the Cold War and Indonesia's establishment of official relations with China opened the door for Singapore to hedge its bets and pursue investment opportunities outside of the Western

⁸⁸ Bolt 83

⁸⁹ Brown 96

world, specifically China.⁹⁰ Following normalization of relations with China in 1990, Singapore took the initiative and used the advantage of *its* Chinese population to improve economic relations with China. Unlike other countries investing in China, most Singaporean investors can take advantage of preexisting relationships on the Chinese mainland as well as remaining core cultural similarities.⁹¹ By the end of the Cold War, the market system and Chinese economic gains associated with China's Four Modernizations were attractive to Singapore, who possessed the know-how, human capital, as well as the understanding that China was an accessible and profitable market.⁹²

Singapore's investments historically have been government controlled and often used in conjunction with government-linked corporations (GLCs).⁹³ Singapore's post Cold War investment in China followed this model of management, with the Suzhou Industrial Park project as one of the symbols of their economic relationship throughout the 1990s. Despite the project falling apart just prior to the turn of the century, Singapore continued investing in China, and in both 2007 and 2008, mainland China was Singapore's third largest import and export market, behind Malaysia and EU-27, and notably ahead of the United States.⁹⁴ This progression of investment serves as an indication that, while caution remains the cornerstone of Singapore's China security policy, an aggressive economic strategy has had the prophylactic effect of keeping China interested in Singapore.

In the early 1990s, Singapore began to move away from its emphasis on goodwill projects⁹⁵, to an attitude that China was a prime investment target,⁹⁶ and became more aggressive

⁹⁰ Bolt 84

⁹¹ Bolt 85

⁹² Lee 417

⁹³ Bolt 86

⁹⁴ WTO

⁹⁵ Lee 419

⁹⁶ Bolt 85

in its trade with China.⁹⁷ Lee mentions that, until the early 1990s, Singapore investors were actually unable to strike a deal with major Chinese corporations or government owned enterprises, therefore prompting the development of the Suzhou Industrial Park. As two FDI-oriented economies, the project was an opportunity for both Singapore and China to expand on their economies. China viewed the project as an opportunity to attract MNCs, while Singapore used the joint effort to fund domestic projects. The project proved to be successful for most of the 1990s, attracting investment from the United States, Europe, and Japan among other countries.⁹⁸ However, as other countries began to invest in China, the relevance of the project dwindled in light of the fact other ventures were equally or more appealing to China.⁹⁹ As a result, by 2001, the project was all but defunct.

As an export-led growth economy, Singapore's strategy for economic security has been to aggressively push for FTAs as evidenced by its completed FTAs with New Zealand, Australia, Japan, and the United States,¹⁰⁰ in addition to promoting FDI. Singapore has also been a strong advocate for the China-ASEAN FTA and has put forth effort to accelerate the process. By pushing for free trade, Singapore possesses the opportunity to pave the way in the region for free trade and emerge as a regional leader.¹⁰¹ Furthermore, by advocating the China-ASEAN FTA, Singapore can ensure its own security by creating an environment favorable to Chinese investors, thus tying China's hands both in Singapore as well as regionally. The current economic conditions in Southeast Asia are merely part of a snapshot of a China-oriented trend; therefore Singapore finds it favorable to bind China economically via the use of FTAs.

⁹⁷ Lee 419

⁹⁸ Bolt 90

⁹⁹ Lee 421

¹⁰⁰ Daquila 909

¹⁰¹ Daquila 918

In 2008 Singapore and China agreed to a bilateral FTA that went into effect in 2009. Apart from opening up access to China's healthcare market, Singapore also signed the agreement with the hope that it could be a catalyst in the PRC-ASEAN FTA.¹⁰² When the FTA went into effect, it reduced tariffs by eight-five percent, and when the decade turned, these tariffs were completely dropped. That same year a trade minister stated "as a trading nation and global trading hub, Singapore's network of FTAs complements the country's efforts to enhance international trade."¹⁰³ In effect, Singapore, via the FTA with China, is trying to keep the PRC bound economically to Singapore.

In his analysis of Singapore's aggressive promotion of FTA, Teofilo mentions the concern often echoed by other Southeast Asian countries, that Singapore's economic strategy will open a backdoor to ASEAN for countries like China and, therefore, make Singaporean goods less competitive on the global market. However, these dangers are offset by the already existing FTAs that keep interested parties in the region, specifically multinational corporations;¹⁰⁴ therefore regional economic competition is not simply a zero-sum game. In fact, the slow progression of FTAs is detrimental to Singapore's economic and security strategy,¹⁰⁵ which would rather invite competition with China than provoke regional stagnation caused by ASEAN member states' reluctance to support a China-ASEAN FTA. Nevertheless, with the turn of the decade, the China-ASEAN FTA went into effect. Despite the growing trend in favor of China, the FTA would help to solidify Singapore's otherwise vulnerable position in Southeast Asia.

¹⁰² Straits Times

¹⁰³ The Business Times-Singapore

¹⁰⁴ Daquila 920

¹⁰⁵ Daquila 912

Security and Diplomatic Relations

Singapore has taken care to tread softly around China, especially on issues such as Taiwan and human rights in China, and, in the process, has encouraged the United States to pursue a similar line.¹⁰⁶ Singapore's China stance is consistent with Singapore's overarching goal of maintaining stability in the region. Stability, however, to Singapore, is grounded in the philosophy that a responsible China is beneficial to the region, as previously evidenced by Singapore's vested economic interest in China.¹⁰⁷ Nevertheless, Singapore's caution in conducting relations with China is indicative that Singapore is still wary of China's future intentions even through the 2000s.

Kuik outlines several concerns held by Singapore's leaders regarding China's future intentions in the region, specifically China's ability to disrupt stability in Southeast Asia as well as "constrain Singapore's policy choices." However, while China has proved to be a perennial disruptive force in Southeast Asia as evidenced by its support of communist movements in the 1960s and 1970s as well as aggressive military maneuvers in the South China Sea, China, since the 1990s has never made an overt effort to directly influence Singapore's foreign policy. This fact could be attributed to Singapore's prophylactic approach, and similar to the Singapore-China economic relationship, is indicative of Singapore's ability to control the influence China exerts. The one notable exception is Singapore's relationship with Taiwan, one of the focal points of negotiation before Singapore and China normalized relations. Like most of the world's countries, Singapore acknowledged Taiwan as a wayward province of China, and respected China's demands by changing the name of bureaus directing economic relations with Taiwan. However,

¹⁰⁶ Leifer 105

¹⁰⁷ Percival 60

Singapore did score an important victory in the negotiations when China conceded the point that Singapore could continue to use facilities in Taiwan for military exercises.¹⁰⁸

In spite of this small victory, the control Singapore exerts does not mean that Singapore is capable of preventing Chinese projection of hard power into Southeast Asia. Sino-Singapore security relations are similar to the general ASEAN community's stance that Chinese military buildup and possibility of encroachment into the region would undermine regional stability. However, despite exercising discretion over issues including Taiwan and human rights, Singapore's concerns are more pronounced and transparent than other Southeast Asian countries. When tensions grew over Chinese aggression in the Taiwan Strait in 1996, Singapore was quick to respond by calling for Beijing to back down. In 1995, Singapore also conveyed its concern to Beijing over its recent seizure of the Mischief Reef, hoping to prevent China from imposing control or starting a conflict that would inhibit regional trade lanes.¹⁰⁹ This response as well as Singapore's concern over the Taiwan issue, are manifestations of Singapore's desire for stability in the region.

While both tensions in the Taiwan Strait and South China Sea died down in the previous decade, Singapore has consistently pushed for greater transparency by China in describing its military intentions and capabilities in its efforts to control, or in the very least to maintain regional stability. Furthermore, while China does not appear to be the direct threat that it was immediately following the Cold War, Singapore still exercises caution in regional policy. One such example is Singapore's policy on Burma (Myanmar). Burma is a perennial thorn in the side of ASEAN, and, with heavy Chinese involvement in the country, Singapore has taken the stance of non-involvement in Myanmar over concerns of being perceived by China as belligerent and

¹⁰⁸ Lee 418

¹⁰⁹ Leifer 119

interfering as well as to preserve the “ASEAN Way,” defined as non-interference in neighboring countries. Most Southeast Asian countries have also adopted a non-interference policy, and some have even gone as far to use a policy of “constructive engagement” with Burma. Indonesia is the only holdout and has actively attempted to promote democratization in Burma.

However, China’s military efforts in Burma generate concern in Singapore as well as in the remaining Southeast Asian countries. China is using Burma to gain naval access in the Indian Ocean, as well as to bypass the shipping routes through the Straits of Malacca and Straits of Singapore. These efforts have several implications, including the fact that Beijing is gaining the capability to project hard power, specifically military power into the region, a possibility supported by the fact that China is building a naval port in Burma. Therefore, Singapore, by opting to not interfere in Burma, is both its demonstrating suspicions about China’s long-term military goals and its reluctance to move into a security environment determined by China. These routes also have the economic implications that, in the future, China may have no need for Singapore as an economic partner, which would prove to be a direct challenge to Singapore’s efforts to bind China economically.

United States-Singapore Relations

The economic, as well as military, relationship presents the second relevant question in how Singapore responds to both the American and Chinese presence in the regional order. Singapore plays host to the largest United States military presence in Southeast Asia, and the establishment of the U.S.-Singapore FTA in 2003 could be considered a move by the United States to gain influence in the region by projecting power from Singapore. However, Singapore’s goals in agreeing to and negotiating the USSFTA go beyond trade relations, and they are reflective of its efforts to bind the United States in the region. Negotiations for the agreement

commenced a year before 9/11, and the signing of the USSFTA can be interpreted as the United States assuring Singapore that it will maintain its presence in Southeast Asia.¹¹⁰

Despite being less statistically important than Sino-Singapore economic relations, the maintenance of trade relations between the United States and Singapore is a marriage of interests, in terms of both economic and military security. By signing the FTA both countries hoped to promote free trade in the region.¹¹¹ This common interest is complemented by security interests; however, as Pang indicates, an economic relationship with Singapore alone does not largely benefit the United States, whereas a country with a smaller economy typically receives disproportional benefits from the economic relationship.¹¹² This detail raises the conundrum caused by United States' involvement in Singapore and subsequently the nature of the authority that the United States possesses in Singapore.

When the United States establishes economic relations and reaches a free trade agreement with a country that has little economic value, it is a manifestation of a reward-system that the United States often employs.¹¹³ The United States rewards countries whose foreign policy are consistent with its own and have provided some form of assistance or access to the United States while it carries out an operation relevant to its national security interests. The United States-Singapore FTA (USSFTA) is part of this strategy as well, where Singapore has attracted the United States through cooperation in the "war on terror" in Southeast Asia, and as a staging point for operations and exercises in the region. Very similar to the China-ASEAN FTA, the USSFTA is perceived by Singapore as an opportunity to bind the United States economically and provide an economic reason for the United States to stay in Southeast Asia. In fact, the USSFTA could

¹¹⁰ Daquila 918

¹¹¹ Pang 2

¹¹² Pang 2

¹¹³ Pang 3

be considered more a security arrangement than a free trade agreement, where both parties are less concerned with economics, despite the United States being Singapore's fourth largest market.

Diplomatic and Security Relations

Singapore's security relationship with the United States is driven by concerns over the stability of Southeast Asia, which is closely tied to the notion of Singapore as a garrison state. Singapore has been keen to keep the United States engaged in the region, because, like its fellow Southeast Asian states, the United States is viewed, at the very least, as a security guarantor. However, unlike other Southeast Asian countries, Singapore has aggressively engaged the United States in order to ensure stability in the region.¹¹⁴ Singapore's prosperity is contingent upon the stability of sea-lanes in the Malay Archipelago and even the Taiwan strait. Therefore, when the United States military withdrew from Subic Bay in the Philippines, Singapore, in 1990, in order to ensure United States presence in the region, offered the United States access to naval ports as well as an airfield.¹¹⁵ Ten years later, Singapore opened a naval facility designed specifically to accommodate US deep water craft, including aircraft carriers. Following 9/11, the Singapore-United States security relationship grew in importance as the United States intensified its efforts in Southeast Asia to combat terrorism, but, in the process, increased the risk of terrorist attacks on Singaporean soil.

Singapore was supportive of the United States during the first Iraq war, and, as already indicated, was interested in keeping the United States in the region. However, between 1993 and 2000, Singapore-United States relations were strained by the Michael Fay incident, where both parties allowed the affair to spin out of control as the form of punishment imposed upon Fay

¹¹⁴ Tan 197

¹¹⁵ Tan 197

resulted in mutual criticism.¹¹⁶ The incident incensed much of the left-wing press and journalists, as well as organizations that were quick to criticize the use of corporal punishment by Singapore. Diplomatically, the United States put pressure on Singapore but was met by an unyielding stance from the Singaporean government that did not appreciate American interference.¹¹⁷ As a result, economic relations deteriorated until 1997, and additional security agreements were not implemented until 1998, when Singapore announced its intention to build a naval port capable of docking American aircraft carriers.¹¹⁸ While relations did improve, as indicated by agreements throughout the past decade, as a normative and cultural incident, the Michael Fay episode exposed glaring dissimilarities between the American and Singaporean domestic systems, a point of contention that had to be addressed by the United States in order for later negotiations to succeed.¹¹⁹

This dispute, as well as its result, can be construed as evidence that, while Singapore and the United States maintain a relationship reflective of mutual interests, Singapore is able to operate freely on normative grounds. Such an assertion still holds true; however, following 9/11, as evidence already suggests, Singapore-United States relations improved. An evolution of relations thus existed between the two countries, where, during a span of a few years in 1990s, Singapore was clearly not enamored with the United States, a fact that is enforced by the normative and systematic divide with the United States exposed by the Michael Fay affair.

Notable in Singapore's security strategy, post 9/11, is its relationship with the United States in combating terrorism. Since 2001, Singapore has maintained closer relations with the United States because of the renewed threat of terrorism in the region as evidenced by the

¹¹⁶ Hodson 15

¹¹⁷ Hodson 10

¹¹⁸ Hodson 11

¹¹⁹ Leifer 107

discovery of an al-Qaeda cell in Singapore and subsequent bilateral agreements with the United States. Following 9/11, Singapore was quick to echo its support for the United States and publicly backed the American “war on terror” in the region,¹²⁰ a response much different than that of Thailand immediately after 9/11. For example, Singapore intelligence agents detained JI terrorists with links to Al-Qaeda following 9/11. The terrorist cell was planning to attack the American embassy, among others, as well as resident American military personnel, and the positive results of Singaporean intelligence officers also demonstrated the value of Singapore to the United States strategy in the region, which, as previously mentioned, subsequently led to the USSFTA. However, this incident points to a paradox in the American-Singaporean security relationship, in which Singapore’s close ties with the United States have made it one of the largest potential terrorist targets in the region because it plays host to United States vehicles and equipment.

Subsequently, Singapore supported the implementation of two new security offices and also has been supportive of the counter-terrorism component of “Cobra Gold,” a military exercise program engineered by the United States regional command.¹²¹ Additionally, Singapore plays host to programs such as the International Port Security Program (IPSP), which allows the US Coast Guard to inspect maritime facilities, as well as the aptly termed Container Security Initiative (CSI). While these initiatives are consistent and support Singapore’s goal of regional stability and absence of terrorism, these programs also signify a growing dependence on the United States to ensure Singapore’s security domestically, in addition to the preexisting goal of ensuring open trade lanes over the past several decades. The Singaporean government is aware of the growing threat of terrorism, as evidenced by their alarm that the terrorist cell that

¹²⁰ Tan 197

¹²¹ Tan 198

they dismantled was, in fact, a homegrown phenomenon and the members had all passed through the government designed and regulated system.¹²²

Conclusion

The three variables of ethnicity and its implications, economic relations, and security relations with China are all influenced by Singapore's cautious and wary stance towards China. Beyond economic relations, Singapore has successfully avoided inviting any unwanted form of influence from Beijing to its borders. This fact reflects the control that Singapore exerts over its China policies. The most important element in the Sino-Singapore discourse is Singapore's maintenance of regional stability, because, as an economy that relies on trade and FDI, regional instability, especially initiated by China, would be detrimental to Singapore's ability to survive, a reality reinforced by Singapore's position as a garrison state.

Regarding the United States-Singapore relationship, apart from the temporary worsening of relations during and following the Michael Fay incident and increased visibility from its cooperation with the United States in counter-terrorism efforts, Singapore has benefited greatly from its wooing of the United States. By providing military bases to the United States, Singapore has established a deterrent to invasion from either Indonesia or Malaysia. Additionally, the benefits from free trade go without question. One question remains, however. Is Singapore also using the United States as a direct deterrent to China? Currently, there is insufficient empirical evidence to support a claim. Instead, Singapore is interested in gaining economically via bilateral relations with both countries in addition to security aid from the United States. In short, over the past twenty years, Singapore has been mostly successful in binding both countries in order to promote its own interests.

¹²² Abuza 221

Chapter 5: Conclusion

In October 2009, the former Prime Minister and current Mentor Minister of Singapore Lee Kuan Yew commented on the present-day situation in all of Asia stating “the size of China makes it impossible for the rest of Asia, including Japan and India, to match its weight and capacity in about 20 to 30 years. So we need America to strike a balance.¹²³” While Lee Kuan Yew was speaking in part from his country’s perspective, he also expressed a concern relevant to all Southeast Asian countries. Southeast Asian countries face the reality that smaller states are weaker in economic, military, and diplomatic capacity and, in some cases, cannot freely implement a strategy within a major-power paradigm. Furthermore, China has forged a strong presence in Southeast Asia through bilateral deals with countries such as Thailand and Burma in addition to the GMS project that links almost all mainland Southeast Asian countries to China. In contrast, as evidenced by the United States interaction with the three countries analyzed, the United States only has limited interests in Southeast Asia, focusing only on terrorism and humanitarian issues relevant to human security, receiving minor economic benefits from these relations. As a result, China has an almost blank check where it can expand its presence in Southeast Asia, with the only implied stipulation of not to invade Southeast Asia militarily (although such a maneuver would be counter-productive).

However, this progression does not prove my stated hypothesis of Southeast Asian countries will increasingly find it more beneficial to align with China as China’s capacity to project power increases. Instead, a dichotomy exists between countries that have welcomed and enjoyed China’s rise and the countries that have sought to resist the progression towards a Chinese regional order. How can we explain this division? First, it must be noted that a Chinese-

¹²³ The Straits Times, October 29, 2009

oriented order does not imply Chinese hegemonization of Southeast Asia. Instead, such an order indicates the reduced presence of the United States. Of the countries with a Chinese-tilt (Laos, Cambodia, Thailand, Burma, and Malaysia), only Laos and Burma have been hegemonized, with some signs of hegemony in Cambodia. These three countries have enjoyed little interaction with the United States over the past two decades, and, out of economic necessity, have relied on their larger neighbor to the north. In the cases of Thailand and Malaysia, dependence on China does not explain their endorsement of a Sino-centric order. Instead, both countries have welcomed the China-favored regional order due to economic opportunity (GMS in the case of Thailand) and de-emphasis on United States relations relative to China's presence.

Countries that are hesitant to be part of a China-oriented regional order (Singapore, Vietnam, the Philippines, and Indonesia) unfortunately do not have a straightforward explanation. Three of these countries (Singapore, Vietnam, and the Philippines) have attempted to or have developed strong relations with the United States, especially military ties. Vietnam and the Philippines have specific security concerns in either the South China Sea or Gulf of Tonkin. Conversely, Singapore's interest in keeping the United States bound to Southeast Asia is not only to ensure American presence in the regional order, but also to enjoy protection against Malaysia and Indonesia. As for Indonesia, Indonesia could be considered somewhat of an outlier given that Indonesia's behavior indicates that, on the whole, it is reluctant to establish relations with the United States and China. Considering the variety of interests exhibited by these four countries, there is no coordinated backlash among Southeast Asian countries against China; instead, their relations with the United States are purely bilateral.

Additional Points of Explanation

Apart from economic, diplomatic, and security relations between Southeast Asian countries and either the United States or China being bilateral, there exists the question of how ethnicity and ideology affect the decision making of Southeast Asian nation-states. A strong Chinese demographic does not immediately indicate that China and a Southeast Asian country will establish relations around ethnic ties. In fact, over the past twenty years, China has largely ignored these ties, leaving Southeast Asian states to determine how they will use their ethnicity. The Thai and Singaporean ethnic Chinese demographic were some of the first investors in China and subsequent economic ventures have been based on these initial efforts. The ideology card, however, has been unsuccessful in influencing relations between Southeast Asian countries and China, a stark contrast compared to relations during the Maoist era. Vietnam, the only country to try this approach, was turned down by China. Consequently, both Southeast Asian countries and China have been realists in their relations, with institutions, norms, and ideology taking a backseat in policy making.

Further Work

The research conducted could and should be expanded in order to further understand the progression of the regional order. The work done on Laos, Cambodia, Malaysia, and Indonesia, while providing a general idea of the order, needs to be developed. Furthermore, the question exists as to whether in the future the efficacy of ASEAN will improve and Southeast Asian countries will start to operate multilaterally. There is also the question of what happens to the regional order when Japan, India, and even Australia are added to the mix and to what extent this inclusion will exacerbate the previously evaluated dichotomy of Southeast Asian countries.

Note: While I am turning this document in as my final draft, I made sweeping changes to the framework. I threw out the balancing, bandwagoning, and hedging typology in favor of a more generic explanation of Southeast Asia. Given the timing of this decision (five days before the deadline), the new “framework” is not as visible or as developed as it could have been. Consequently, in some parts the language is not succinct as I had desired or explanations as precise.

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