

## **Chapter 5**

---

# **Southeast Asia: Duterte Takes Office, South China Sea in Flux**

Tomotaka Shoji (Lead author, Sections 1-3) and  
Hideo Tomikawa (Section 4)



During 2016, new governments took office in the Philippines, Vietnam, Laos, and Myanmar. The new Philippine president, Rodrigo Duterte, took a conciliatory stance toward bilateral talks with China as a means of dealing with territorial disputes in the South China Sea, while showing himself increasingly ready to view the relationship with China as a balance to the alliance with the United States. The award made by an arbitral tribunal in July 2016 almost completely recognized the Philippines' position on Chinese territorial claims in the South China Sea, drawing vociferous Chinese objections, and out of concern for relations with China, members of the Association of Southeast Asian Nations (ASEAN), including the Philippines and Vietnam, showed only a restrained reaction.

In Vietnam, the Communist Party kept Central Committee General Secretary Nguyen Phu Trong in the game by reelecting him at its January 2016 congress. This is Trong's second term, and his regime is continuing to use "omnidirectional" diplomacy as the keystone of Vietnam's security and foreign policy. While Vietnam is seeking to stabilize its relations with China, it is also strengthening its cooperation with Japan, the United States, and India with an eye to improving its strategic environment through balance in its foreign relations. During 2016, Laos, which has a strong relationship with its neighbor Vietnam, served as ASEAN chair. While Laos is strongly influenced by China, during its time as ASEAN chair, it directed a number of ASEAN conferences and pulled together a variety of declarations relating to South China Sea issues.

Myanmar saw the birth of a civilian government led by the National League for Democracy (NLD). The major issue facing the new government is stability of domestic governance, including economic development and minority issues, and in that connection, the new government is hoping to stabilize its relations with China and India while also seeking omnidirectional foreign relations that could serve to strengthen cooperation with Japan, the United States, and other members of ASEAN.

Regarding trends in procurement of military equipment, the Philippines actively invested in important platforms for its navy and air force, but there is the possibility that the new Duterte government may be inclined to change the priority accorded to the procurement program. Vietnam is engaged in ongoing procurement of submarines, frigates, and fighters from Russia, with which Vietnam has traditionally had a cooperative relationship, and it is also actively seeking to improve its technical development capabilities through such approaches as joint

development. In recent years, Myanmar has been expanding the roles of its military including those in nontraditional security areas, while modernizing its naval and air force equipment.

## **1. The Philippines—New Administration and New Security Policies**

### **(1) New Philippine President Brings Shifts in Foreign Policy**

During 2016, new governments and new leadership took office in the Philippines, Vietnam, and Myanmar. In the Philippines, a landslide victory in May elections brought Rodrigo Duterte's inauguration as president on June 30. President Duterte, a veteran of many years as mayor of Davao City in Mindanao, had displayed talents at improving public security, and in now dealing with the variety of security problems faced by the nation as a whole, President Duterte has adopted an approach radically different from that of his predecessor, Benigno Aquino.

One of the most important and pressing security challenges facing the Philippines is territorial sovereignty in the South China Sea, in particular the conflicts with China. It was the 2012 conflict over the Scarborough Shoal that led President Aquino to take a confrontational stance toward China. One characteristic of the new Duterte administration's South China Sea policies was, first, to shift the confrontational policies to a more conciliatory stance of seeking consultations with China. Even during his election campaign, Duterte broached the possibility of bilateral talks with China, and at a press conference soon after his election, he began to talk of his intentions to improve relations with China and met with the Chinese ambassador to the Philippines.<sup>1)</sup> In August, former Philippine president

Fidel Ramos visited Hong Kong as Duterte's special envoy and met with Fu Ying, chairperson of the Foreign Affairs Committee of the National People's Congress (and former ambassador to the Philippines).<sup>2)</sup> In October, President Duterte also chose China for his first official visit outside the ASEAN member states, meeting

with President Xi Jinping.

During those bilateral talks, the South China Sea was not given priority as a major issue and discussion dealt largely with economic cooperation, with the result that Duterte returned to Manila with China's promise of a large amount of economic aid. The Duterte administration made clear its determination to approach China in a dialogue. At the same time, however, the new government repeatedly made clear that it was not retreating on Philippine sovereignty in the South China Sea, calling on China to let Philippine fishing vessels operate around Scarborough Shoal, showing that it would not easily compromise that position.

At the same time, friction has begun to appear in various facets of the alliance between the Philippines and the United States, which can be seen as the Philippines' most important foreign relationship. In the background to China's growing presence in the South China Sea is the Enhanced Defense Cooperation Agreement (EDCA) concluded between the Philippines and the United States in 2014, with the Philippine Supreme Court upholding the agreement's constitutionality in January 2016. Based on this court decision, the Philippines and the United States set about putting the agreement into effect, and in the sixth round of strategic talks held in March, the two parties agreed on US forces' use of five bases in the Philippines on a rotating basis.<sup>3)</sup> That same month, as part of application of the EDCA, joint patrols of the South China Sea were begun by the two countries' navies.<sup>4)</sup> Further, in April it was revealed that the Philippines would receive over \$120 million in military aid from the United States, the largest US award of aid to the Philippines in fifteen years.<sup>5)</sup>

It soon became clear, however, that President Duterte's policies toward the United States were undergoing a 180-degree shift from the previous administration's policy of strengthening cooperation; the new president's policies instead put more distance into the relationship. In addition, the US government expressed grave reservations over civil rights, sparked by a series of extrajudicial killings of suspects as part of Duterte's crackdown on drug dealing. President Duterte responded with some rather "irregular" comments about President Barack Obama, and the US government cancelled bilateral summit talks planned to accompany the September 2016 ASEAN meeting in Laos, markedly revealing to the international community some of the cracks that had appeared in the Philippine-US relationship. Subsequently Duterte called for withdrawal of US troops from Mindanao, suspension of joint Philippine-US military exercises and

joint patrols, and a halt to EDCA activities, in these and other ways demonstrating his intention to reduce security cooperation with the United States. At the same time, figures such as Philippine Foreign Affairs Secretary Perfecto Yasay, Jr. were proclaiming the unchanged importance of the alliance with the United States, illustrating a disconnect between the president's personal views and the position at the working level. The birth of the new Duterte administration has added growing questions about the relationship regarding the continuation and consistency of Philippine foreign policy toward the United States.

On the other hand, maritime security cooperation between Japan and the Philippines continued to develop smoothly. In April 2016, a Japan Maritime Self-Defense Force (JMSDF) submarine visited Subic Bay for the first time in fifteen years, and toward the end of that month, an escort ship also entered Subic Bay. The two countries continued cooperation on equipment, and agreement was reached at the Japan-Philippines summit talks in September on transfer of a TC-90 aircraft from the JMSDF to the Philippine Navy based on the bilateral agreement on the transfer of defensive equipment and technology. Duterte has been displaying a readiness to value his country's relations with Japan, and in addition to meeting with Foreign Minister Fumio Kishida in August during the latter's visit to Davao, in September during the ASEAN meeting President Duterte held his first summit talks with Japan since his inauguration. During these talks, Prime Minister Shinzo Abe and President Duterte reached agreement on cooperation in a wide range of matters such as strengthening cooperation on boosting maritime security through Japanese presentation of two large patrol vessels to the Philippines.<sup>6)</sup> In the latter part of October, President Duterte visited Japan and displayed the importance he placed on relations with it. This suggests that Japan is seen as a balancer between the United States and China in the diplomatic strategy adopted by the Duterte administration, which aimed at diversification of foreign relations, including the relationships with Japan, the United States, China, and Russia.

There seem to be several reasons for such a shift in orientation on the part of the new Duterte administration regarding foreign policy and the Philippines' relationships with China and the United States, such as the following three points. First would be the attempt to set the Duterte administration off from the preceding government. In the Philippines' political system, the president plays an extremely large role in influencing the basic direction of foreign policy, and a president's

personal opinions and priorities thus can greatly shape foreign policy.<sup>7)</sup> In other words, when a new president takes office, there is no systemic guarantee of continuity from one administration to the next or from one presidential term in office to the next, so foreign policy can change greatly when the president changes. President Duterte won election not as a continuation of the preceding government but as an alternative to that government. Thus, Duterte can be assumed to have been searching for ways to introduce his own particular foreign policy to differentiate himself from his predecessor.

A second reason would be the president's own view of the United States. Right from his inauguration, President Duterte has shown no predisposition to give first priority to relations with the United States and seems to be looking for more multifaceted foreign relationships which would include China and Russia. The United States has had an overwhelming influence on the Philippines in virtually every aspect of the bilateral relationship, including security, politics, economy, and culture, and his interest in developing other relationships reflects Duterte's own view of his own country, i.e., that it should relativize the influence of the United States and be more independent.

Third is the balance between security and the economy. For the countries of Southeast Asia, including the Philippines, China's hard-line stance in the South China Sea is a matter of great concern for security. Nevertheless, these countries are also faced with the essential necessity of gaining China's cooperation and aid for their economies. As he laid out at his press conference immediately after his inauguration, President Duterte's list of priorities is topped by domestic policies for maintaining public order and for the economy. In order for Duterte to maintain his domestic support, he will also need to find a balance between ensuring the Philippines' security externally and dealing with domestic problems, the economy in particular. The new administration is seeking to improve relations with China with an eye to increasing economic cooperation, so that it seems to be softening its confrontational stance in the South China Sea.

The new Philippine government is working to quickly reevaluate its traditionally close ties to the United States in particular regarding security, pushing forward with a more varied cooperative relationship, and this can introduce some instability in bilateral relations. This in turn cannot but influence Japan's relationship with the Philippines, where Japan has sought to strengthen cooperation on the premise of a close Philippine-US relationship, and any instability in relations with the

United States would probably have some influence on Japanese positions toward ASEAN and China in the South China Sea. As a new administration takes office in the United States in 2017, its strategies toward the Philippines and East Asia will come into the mix, which will likely bring greater uncertainties to the security situation in the South China Sea and Southeast Asia.

## **(2) The Arbitration Award and Its Influence on the South China Sea**

Having given up on reaching any accommodation through discussions with China over the 2012 conflict involving Scarborough Shoal, in January 2013 the Philippines resorted to arbitration proceedings under the United Nations Convention on the Law of the Sea (UNCLOS) regarding Chinese claims of territorial sovereignty in the South China Sea and its violation of Philippine rights in its own exclusive economic zone. In April, a five-member arbitral tribunal was set up under the Convention to consider the Philippine plea. This tribunal, in an October 2015 ruling, recognized its jurisdiction over seven of the fifteen matters raised by the Philippines and began to consider them. This case represented a straightforward questioning of the legitimacy under the Law of the Sea of China's "nine-dash line" and other territorial claims. China, however, refused from the outset to take any part in the arbitration, and the overwhelming opinion was that any decision by the tribunal would not be in China's interest.

With the arrival of 2016, amid expectations that some results would appear from the arbitral tribunal around midyear, China and the United States engaged in more active diplomacy toward ASEAN. In February, President Obama hosted a US-ASEAN Special Leaders' Summit in California, the first such US-ASEAN summit to be held in the United States. One US aim was to improve relations in particular with those ASEAN member states which were strongly under Chinese influence and thereby check Chinese actions in Southeast Asia. Attendees at the summit included Prime Minister Prayut Chan-o-cha of Thailand and Cambodian Prime Minister Hun Sen. Among the major matters raised at the summit, the Trans-Pacific Partnership (TPP) and terrorism were joined by the South China Sea as the United States sought to carve out a common stance with ASEAN on these matters.

The joint statement issued by the summit stated that the United States and ASEAN had reached agreement on three matters: "shared commitment to peaceful resolution of disputes, including full respect for legal and diplomatic processes, without resorting to the threat or use of force in accordance with universally



recognized principles of international law”; shared commitment to ensure “maritime security, including the rights of freedom of navigation and overflight,” as well as “non-militarization and self-restraint in the conduct of activities”; and “shared commitment to promote cooperation to address common challenges in the maritime domain.”<sup>8)</sup> The United States appears to have reached its political goals for this summit: Especially given the attendance of leaders from Cambodia, a “pro-China” ASEAN member with only relatively weak links to the United States,, and Thailand, under military rule, the United States was able to achieve consensus in the joint statement on the three matters raised by ASEAN, i.e., respect for legal process, freedom of navigation and overflight, and nonmilitarization.

At the same time, while waiting for the tribunal’s ruling to be handed down, China actively approached other countries diplomatically, pressing individual ASEAN members not to support the ruling. Foreign Minister Wang Yi in April visited Brunei, Cambodia, and Laos. It was announced that China and these three states had reached agreement on four points: (1) Disputes in the South China Sea are not an issue between China and ASEAN and should not affect China-ASEAN relations. (2) The four countries respect the right enjoyed by sovereign states to choose their own ways to solve disputes in line with international law and oppose the imposition of unilateral will on others. (3) Disputes regarding the South China Sea should be resolved through consultations by parties directly concerned under the Declaration on the Conduct of Parties in the South China Sea (DOC). (4) China and the ASEAN countries are able to jointly maintain peace and stability in the South China Sea through cooperation, and countries outside the region should play a constructive role.<sup>9)</sup> At the end of April, at a meeting of senior officials held in Singapore regarding the South China Sea, it is reported that China pressed the ASEAN nations not to issue any statement regarding the arbitral award.<sup>10)</sup> Again in June, China, seeing the inauguration of President Duterte, issued a Foreign Ministry statement pointedly calling on the Philippines to discontinue the arbitration formalities.<sup>11)</sup>

The arbitral tribunal award was handed down on July 12. Including such decisions as that the nine-dash line and other Chinese historical claims to sovereignty carried no legal basis, the award recognized virtually all the Philippine positions. China reacted adamantly to the contents of the award and again made clear that it refused to accept it. The ASEAN response to announcement of the award saw separate statements issued around the time of the award by seven

member countries (Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam). None of the statements, including that of the Philippines, included an outright demand that China abide by the award; they called on the parties concerned to exercise restraint and urged a peaceful resolution of the conflict through consultations among the parties in keeping with international law. They also sought implementation of a DOC and early conclusion of a Code of Conduct (COC) on the South China Sea. Of the other three ASEAN members, Cambodia's Ministry of Foreign Affairs and International Cooperation issued a statement immediately before the release of the award, announcing that Cambodia would not intervene in the decision and not be party to any joint statement of position regarding the award. Neither Brunei nor Laos issued any statement, but the Xinhua News Agency reported that immediately following the announcement of the award, during a China-Laos leaders' meeting held in conjunction with the mid-July Asia-Europe Meeting (ASEM) Summit in Ulaanbaatar, Mongolia, Laotian Prime Minister Thongloun Sisoulith stated that Laos supported China's position toward the arbitration.<sup>12)</sup>

The arbitral tribunal's award had great significance for ASEAN's future responses to South China Sea affairs, but it was meaningful in particular in the following three respects: First, the Philippines and Vietnam, the two countries most actively involved in the dispute, showed a relatively restrained reaction to the ruling, while the non-claimant countries of Myanmar and Thailand, each of which has close ties with China, immediately issued statements and showed their interest in the South China Sea. Thus most of the ASEAN member countries displayed a stance in favor of engaging the issue. Cambodia, however, took a position leaning progressively more and more toward China, meaning that it became much more difficult for ASEAN to reach a unified position based on consensus. In fact, when the tribunal released its decision, ASEAN was unable to issue a joint statement on the whole association's behalf. This fact reveals that ASEAN faced a crisis of its political identity not only in terms of resolving the South China Sea disputes but its identity as a regional organization in the international community.

The second implication of the reactions to the arbitral award was that China reacted vociferously to what was in effect a complete loss, and rather than contributing to China's contention that the disputes in the South China Sea should be resolved through consultations under international law, the award just created

another challenge. ASEAN will most likely maintain its basic principle of pursuing a peaceful resolution through consultations in keeping with international law and thus have to continue to seek an approach to deal with the South China Sea, but given the contents of the award, negotiations with China will be no easy matter. Still, speaking at a press conference at the China-ASEAN foreign ministers' meeting in late July, Foreign Minister Wang Yi said he would like to wrap up the deliberations on a COC during the first half of 2017, indicating that China is positive toward concluding a COC.<sup>13)</sup> This could be called an indication that the contents of the award can serve ASEAN's position toward China in a way by promoting the search for a resolution. It is still impossible to say, however, whether the contents of a COC will make it a set of rules of the sort that ASEAN has long sought, rules with binding legal effect.

Third, the tribunal award represents ASEAN with a new precondition to dealing with the South China Sea in future. While China is proclaiming that it will ignore the ruling, ASEAN has no alternative but to continue its search for a peaceful resolution of the disputes in keeping with international law. Welcomed or not, the award constitutes a precedent under international law by clearly rejecting China's claims of historical rights, based on which both parties face the question of finding realistic points for compromise. The current situation in the South China Sea, however, has gone beyond a struggle over territorial rights between China and ASEAN and now represents a security issue for the entire region, an issue in which Japan, the United States, and various other countries have become engaged. In addition, China's continuing to reclaim features in the South China Sea and militarize them, complicates the problem all the more. In light of these circumstances, the question is whether ASEAN, itself a party to the dispute, will be able to play some effective role in its resolution.

### **The Substance and Process of Arbitration in the South China Sea**

In January 2013, the Philippines submitted its disputes with China in the South China Sea to arbitration under the UN Convention on the Law of the Sea. The Philippine appeal covered fifteen matters, with the major points as follows. (1) The historical rights and the "nine-dash line" advocated by China to support its claims had no basis in the Convention. (2) Confirmation of the legal status of

Scarborough Shoal, Mischief Reef, Second Thomas Shoal, McKennan Reef, and other shoals and reefs in the Spratly Islands. (3) China was in violation of the Philippines' exclusive economic zone and continental shelf rights. (4) China was destroying the environment of the Spratly Islands in violation of the Convention. (5) Chinese used maritime law enforcement agency vessels to illegally obstruct the activities of Philippine fishing vessels. In May of that year, an arbitral tribunal was established to consider the appeal under the Convention, consisting of five arbiters from five countries (Ghana, France, Poland, the Netherlands, and Germany).

In response, China refused to participate in the arbitration and in December 2014 released a position paper. Later the tribunal held public hearings on the Philippine appeals and in October 2015 confirmed its jurisdiction over seven of the fifteen points, starting its consideration of those seven points and reaching a decision. In November 2015 public hearings were held for Philippine presentation of its case.

On July 12, 2016, the arbitral tribunal made its award, the major points of which were as follows.

- (1) There is no legal basis for Chinese claims of "historical rights" or a "nine-dash line."
- (2) The reefs and shoals of the Spratly Islands consist solely of rocks or land emerging only at low tide, and as such they provide no basis for claims of an exclusive economic zone (EEZ) or continental shelf.
- (3) China was obstructing the rights of Philippine fishermen.
- (4) Chinese actions were causing grave damage to the environment of coral reefs in the Spratly Islands, violating its obligation to preserve the environment.
- (5) China's large-scale land reclamation violated its obligations regarding the hearing of disputes, disrupted the maritime environment, violated the Philippines' rights in its EEZ, and destroyed the basis for natural conditions in the Spratly Islands.

The arbitral tribunal award thus recognized virtually the totality of the claims made by the Philippines, including those matters on which it did not initially recognize jurisdiction. China reacted vociferously to this decision and has totally refused to accept or act upon any part of the award.

*Source:* Permanent Court of Arbitration, "Press Release: The South China Sea Arbitration (The Republic of the Philippines v. The People's Republic of China)," The Hague, July 12, 2016.

### **(3) Southern Philippines—Resurgence of Islamic Radicals and Rebuilding the Peace Process**

In recent years, the Islamic State of Iraq and the Levant (ISIL) has spread its influence into Southeast Asia, stoking problems there with Islamic radicals. In January 2016, terror bombings took place in Jakarta, and ever since the frequent terrorist bombings of the first half of the 2000s attributed to Jemaah Islamiah,

there has been a clear threat of recurrence of attacks by Islamic extremists. A number of such groups are active in the southern Philippines, centering on Mindanao, one of which is the Abu Sayyaf group. Some have noted ties between this group and international terrorist network al-Qaeda, but more recently it appears that Abu Sayyaf has pledged its loyalty to ISIL and is supporting establishment of an ISIL Southeast Asia headquarters in Mindanao.<sup>14)</sup> Terrorist bombings took place in Davao, Mindanao's largest city, in September 2016, killing fourteen, with Abu Sayyaf claiming responsibility for the blasts. Abu Sayyaf has shown no sign of responding to President Duterte's call for peace talks, and the actions of the group in support of ISIL activity in Southeast Asia could become an element of instability in the Philippines and throughout Southeast Asia.

Another major group is the Moro Islamic Liberation Front (MILF). After long years of negotiations between the Philippine government and the MILF, a comprehensive peace agreement was reached in 2014. Since then the peace process has shifted to consideration of a draft Bangsamoro Basic Law (BBL) to establish self-rule in Mindanao. During the Aquino administration, support was insufficient to pass the BBL and it was dropped for the moment, making it now a matter for the Duterte government. President Duterte has spent the greater part of his political career in Mindanao, serving for many years as mayor of Davao, and he is working on his own initiative to use establishment of a federal system which would largely recognize self-rule for Mindanao as a means to solve the problem.

## **2. Vietnam—New Political Leadership and Continuation of Security Policies**

### **(1) New Leadership for Trong's Second Term and Policies toward China**

The Twelfth National Congress of the Communist Party of Vietnam (CPV) was held in January 2016 and saw reelection of conservative ideologue General Secretary Trong to a second term. Decision was also reached on the retirement of Prime Minister Nguyen Tan Dung, a member of the Vietnamese government's leadership who was repeatedly sharply critical of China. Given these moves, some media reports suggested that there had been changes in the new leadership's foreign policy, in particular regarding the United States and China and also Vietnam's response to developments in the South China Sea.<sup>15)</sup>

Even under the new leadership, however, Vietnam has firmly maintained an “omnidirectional” foreign policy, including policies toward both the United States and China, part of which has been an active exchange of senior personnel with the latter to seek greater stability in the bilateral relationship. Immediately after the CPV national congress, China dispatched Song Tao, head of the international department of the Communist Party of China, to Hanoi as special envoy, and at Song’s meeting with General Secretary Trong, Trong said, “The Party, nation, and people of Vietnam constantly hold the friendly neighborly relationship with China and our full relationship of strategic cooperation in high regard.” At the end of February, Hoang Binh Quan, chairman of the CPV Central Committee’s Commission for External Relations, was sent as special envoy to visit Beijing, where he displayed a readiness to highly rate the relationship with China, in particular the party-to-party relations.<sup>16)</sup>

Late in March, Chinese Minister of Defense Chang Wanquan visited Vietnam to take part in activities accompanying the Third Vietnam-China Border Defense Friendship Exchange and paid a courtesy call on General Secretary Trong. The general secretary expressed his hopes that “the two countries would maintain such high-level exchanges, which can contribute to effective application of systems for international cooperation in areas such as a national defense dialogue, joint patrols of the Tonkin Gulf, joint patrols of the land borders, and national defense exchanges, constantly reinforcing a peaceful, stable, friendly, and cooperative China-Vietnam relationship.”<sup>17)</sup> Also during March, Vietnam opened its third international port in strategically-vital Cam Ranh Bay, and Deputy Minister of Defence Nguyen Chi Vinh stated that Chinese naval vessels, like those of other countries, were welcome to visit the port.<sup>18)</sup>

A steady stream of senior Vietnamese officials installed at the party congress have made official visits to China, another indication of Vietnam’s stance toward China. Ngo Xuan Lich, the new minister of national defense, did so at the end of August, calling on Vice President Li Yuanchao and holding talks with Minister of Defense Chang Wanquan and Central Military Commission Vice Chairman Fan Changlong. The two countries’ ministries of national defense also initialed a memorandum of understanding regarding cooperation between Vietnam’s Defense Strategy Institute and China’s People’s Liberation Army Academy of Military Science.<sup>19)</sup> Nguyen Xuan Phuc, Vietnam’s new prime minister, also visited China during September. In meeting with Li Keqiang, premier of the State Council, Prime

Minister Phuc addressed the importance of economic cooperation with China and also stated that problems in the South China Sea should be resolved peacefully in accordance with international law, also emphasizing that China and ASEAN should serve as framework for application of the DOC and early formulation of a COC.<sup>20)</sup>

## **(2) Progress in Security Cooperation with Japan, the US, and India**

At times, however, Vietnam's concern with attention to China and its efforts to stabilize the situation in the South China Sea were not necessarily linked. There was no change in China's hard-line stance there, and in 2016, Chinese Coast Guard vessels repeatedly seized Vietnamese fishing vessels. When Chinese fishing vessels became active in the waters off Indonesia's Natuna islands and Indonesian authorities tried in March to crack down on these fishing boats, Chinese Coast Guard vessels blocked their attempts. Also during March, a large number of Chinese fishing trawlers appeared in waters near the Luconia Shoals in the southern part of the Spratly islands, an area under Malaysian control, with China using these and other ways to further emphasize its presence in the South China Sea by not only reclaiming and militarizing features but also by putting pressure on Southeast Asian coastal states. In response, while Malaysia has continued its "quiet diplomacy" (see also *East Asian Strategic Review 2016*, Chapter 5, Section 2), Indonesia used its navy in June to strengthen its restriction of Chinese fishing vessels operating near the Natunas and began to build up its naval bases there including the deployment of fighter aircraft and submarines.

Vietnam's Deputy Minister of National Defence Vinh spoke at the Fifteenth International Institute for Strategic Studies (IISS) Asia Security Summit (the Shangri-La Dialogue) in June and highlighted the "actions of unilateral imposition, changes to the status quo along with the threat of militarisation to create a deterrent strength" in the South China Sea, expressing Vietnam's strong misgivings that "if not settled in time [it] will lead to a weapons race and strategic confrontation with critical and unfathomable consequences."<sup>21)</sup> Based on this strong sense of crisis, and in order to ensure its security and also to ensure stability in its relations with China through strengthening its omnidirectional foreign relations, Vietnam has sought to further promote its cooperation with the other major nations of the region.

The Vietnam-US relationship showed considerable development during 2016. In May, President Obama paid the first presidential visit to Vietnam and officially announced that the US government would drop the embargo on weapons exports

to Vietnam which had been in place since the Vietnam War. This measure permitted the normalization of relations between the two. The removal of this weapons ban had a symbolic political effect for the normalization of the bilateral relationship, but it is not yet clear whether it will also have the military effect of more active US weapons exports to Vietnam. In an interview during the Shangri-La Dialogue, Deputy Minister of National Defence Vinh stated, “The removal of the embargo is not just significant in terms of trade, but also in terms of improving high-level trust and confidence,” but also stressed that this measure was just a “first step” and that “[w]e are not sure what we can buy from the U.S. or what we want to buy”—all together suggesting that at this point Vietnam does not have specific plans for procurement.<sup>22)</sup> Vietnamese equipment has consisted mainly of items procured from Russia, and there are many challenges involved in procuring equipment from the United States, including the prices involved. There is thus little likelihood at present that the removal of the weapons export ban will have a direct influence on elevating Vietnam’s maritime defense capabilities.

Vietnam’s cooperation with Japan is also developing smoothly. In April, two JMSDF escort vessels made a port call on Cam Ranh Bay’s international port, followed in May by port calls there by a minesweeper tender and a minesweeper. In principle, Vietnam permits other countries to make one visit annually to Cam Ranh Bay, and the fact that the JMSDF made two port calls during 2016 suggests the importance of Japan’s role in Vietnam’s security as well as demonstrating a steady deepening of Japan-Vietnam defense cooperation. During the summit meeting in September between Prime Minister Phuc and Japanese Prime Minister Abe, Japan promised to provide Vietnam with new patrol boats, continuing Japan’s active support for improving Vietnam’s maritime defense capabilities.<sup>23)</sup>

Vietnam’s relationship with India launched a new phase during 2016. In September, during Prime Minister Narendra Modi’s visit to Vietnam, agreement was reached on upgrading the India-Vietnam relationship from a “strategic partnership” to a “comprehensive strategic partnership.”<sup>24)</sup> Vietnam categorizes its bilateral relationships with other countries as comprehensive partnerships, strategic partnerships, or comprehensive strategic partnerships, and in the past it had maintained comprehensive strategic partnerships only with Russia and China. It is extremely symbolic that India has joined the list as the third comprehensive strategic partnership, indicating that Vietnam views its relationship with India as one of its most important bilateral relationships. India is building up its military



support for Vietnam, and adding in such expenditures as financing \$100 million for new patrol boats and providing \$5 million for construction of a software park at the Telecommunication University in the port city of Nhatrang in southern Vietnam, all together Prime Minister Modi announced a total of \$500 million in financial support.<sup>25)</sup>

### **(3) Laos—Taking Charge as ASEAN Chair**

Laos, which became chairman for ASEAN in 2016, held a congress of the Lao People's Revolutionary Party (LPRP) in January and elected the new leadership for the country. With the cooperation of its neighbor Vietnam and other ASEAN member countries, Laos held a series of ASEAN-related gatherings. Laos, like Cambodia, is strongly influenced by China, but unlike the situation in 2012 when Cambodia was ASEAN chairman, Laos very skillfully carried out its ASEAN duties, such as pulling together appropriate positions toward the South China Sea issue in a variety of declarations. There were, of course, some limits. Those limits, however, were more the limits ASEAN placed on itself rather than Laos' own limits.

Laos' first duty as ASEAN chairman was presiding over an informal ASEAN foreign ministers' retreat held in Vientiane in late February. A full one-third of the chairman's statement after the meeting was devoted to South China Sea matters, touching on reclamation and grave concern over escalation of the situation there, the importance of freedom of navigation, the need for self-restraint, respect for diplomatic and legal processes, resolution of problems in keeping with international law such as UNCLOS, and early conclusion of a COC.<sup>26)</sup> A special US-ASEAN summit meeting was held immediately before the Vientiane retreat, and both the joint communiqué from that meeting as well as the chairman's statement from the retreat were quite specific and meaty, strongly suggesting that both had felt the influence of US arguments.

In June, a special China-ASEAN foreign ministers meeting was convened in Yunnan Province, however, and it illustrated again the difficulties of carrying out discussions on the South China Sea with the Chinese. ASEAN drafted its own independent special statement about the meeting, and while the draft did not name China specifically, it called for demilitarization and self-restraint in actions in the South China Sea, including conducting reclamation which raised tension levels there. For its part, China sought to host the meeting before an award was handed down by the arbitral tribunal in order to seek ASEAN understand of

China's position, and it is said that before the meeting's joint press conference, China tabled a list of "ten points of consensus" which it had prepared recording its own position and sought ASEAN agreement to the list.<sup>27)</sup> In the end, the discussions were disrupted and the press conference was cancelled.

When ASEAN-related meetings were held in September, after the announcement of the arbitral tribunal's award, all eyes were on whether the meetings would adopt statements dealing with the award. In the end, there was no mention of the award in any of the meetings' statements. Most likely expressing its continuing grave concern with recent developments in the situation as in the ASEAN Summit Meeting chairman's statement was about the best that ASEAN could do.<sup>28)</sup> In the joint statement generated by the China-ASEAN Summit, reference to "working substantively towards the early adoption of a COC based on consensus" was nothing more than a general platitude, although the Chairman's Statement did note the intention of "finishing the consultation on the COC outline in the first half [of] 2017 under circumstances without disturbances and fast tracking COC consultations as contained in China's proposed Four Visions on the COC consultations."<sup>29)</sup> Such statements were able to include the Chinese intent of excluding involvement by any country outside ASEAN without specifically stating that, and at the same time, they expressed the agreement on speeding up the consultations on a COC as desired by ASEAN, which probably represented the maximum to which ASEAN intentions could be expressed in consultations with China.

In summary, Laos seems to have successfully completed its term managing ASEAN-related meetings despite the challenging strategic environment. While the focus has tended to be on the vagaries of consultations on South China Sea problems, attention should be paid to other areas as well. For example, looking at security, joint security exercises were conducted twice during 2016 via the expanded ASEAN Defence Ministers' Meeting (ADMM-Plus), which stands as just one example of the steady development of cooperation in nontraditional security concerns.

### **3. Myanmar—Omnidirectional Diplomacy under a New Government**

In March 2016, in a farewell to the long years of politics dominated by the military regime, a new government was installed in Myanmar through democratic elections. The NLD overwhelmingly won the November 2015 elections, and

while its leader Aung San Suu Kyi was constitutionally prevented from assuming the presidency, she was named to three simultaneous positions, state counselor (hereafter “counselor”), the government’s highest advisor, as well as foreign minister and minister of the President’s Office. Suu Kyi’s long-time right-hand man, Htin Kyaw, was inaugurated as president.

One feature of Suu Kyi’s government is its active diplomacy based on “omnidirectional” foreign policy. After visiting China in August as her first official trip, counselor Suu Kyi called on the United States and the United Kingdom in September, India in October, and Japan in November, countries important to Myanmar both within and outside the region. In July and September, counselor Suu Kyi visited Laos, also representing Myanmar in a number of ASEAN-related meetings including gatherings of foreign ministers and a heads-of-state summit. This range of activities made clear at home and abroad that counselor Suu Kyi was the real leader of the new Myanmar government.

Counselor Suu Kyi’s active foreign diplomacy was more than a mere symbolic gesture to demonstrate her rank as a real leader. First, the activities had the very practical effect of securing economic support for Myanmar. While visiting China, her talks with the top leadership there resulted in economic support, and in meeting with President Obama, Suu Kyi sought removal of the long-term US economic sanctions on her country. Following these US-Myanmar leadership talks in September, the United States announced the removal of the economic sanctions in October.

Second, Myanmar has long been faced with the domestic problem of reconciliation with its ethnic minorities. When dealing in particular with ethnic minorities living along the China-Myanmar border, it has been essential to have political cooperation from China, and counselor Suu Kyi was successful during her Chinese visit in securing such cooperation. At the end of August, the Myanmar government held a peace conference gathering representatives from ethnic minorities, which will serve as a basis for continued political talks in the future. The decades of discord between the military regime and armed groups, including those from ethnic minorities, cannot be resolved quickly. Still, for counselor Suu Kyi to stand up and identify herself as representative of a democratically elected government and as daughter of Aung San who held the historic Panglong Conference of 1947 for ethnic reconciliation gave her personal legitimacy, which should permit her to move forward on ethnic reconciliation and stabilization of Myanmar’s society. Resolution of Myanmar’s ethnic minority problems would not

mean just resolution of a domestic problem, it would also contribute to the security of China and Thailand, which share borders with Myanmar, and to the security of Southeast Asia as a whole, which includes a number of countries facing their own ethnic minority issues.

Third, with the stabilization of foreign relations, the economy, and society under the Suu Kyi government reinforcing its legitimacy, Suu Kyi's administration will likely give priority to seeking to amending the constitution that has been inherited from the military government and to negotiating with the military, accomplishing results with each. The stable support received both domestically and from abroad should also allow her government to directly address the Rohingya issue, on which there has been no progress. The Rohingya issue has been turning more intense, including conflict between armed groups and the military, and the importance of the problem make it incumbent on the new government to take urgent action. It should be remembered, however, that if the Suu Kyi government should prove ineffective at dealing appropriately with issues of national reconciliation, including the Rohingya issue and confrontations between the military and armed ethnic minority groups, such failure will dilute confidence in her government and possibility lead to instability.

In the near term, addressing domestic problems will probably be the most important priority for the Suu Kyi government. For the future, however, attention should also be paid to how Myanmar's successful example of peaceful transition from military regime to democratic government can serve a role of its own in ASEAN.

#### **4. National Trends in Equipment Procurement—The Influence of Changes in Administration and in the Security Environment**

##### **(1) The Philippines—New Government Shifts Program Priorities**

The Philippines national defense budget has displayed steady growth in recent years; for FY2016, the budget was 15 percent up from the preceding year, and the requested budget for FY2017 is also seeking 15 percent annual growth. Such growth relates largely to revisions to the Armed Forces of the Philippines (AFP) Modernization Act in 2012 under the Aquino administration, which saw the start of longer-term planning from 2013 over three periods totaling fifteen years. The act originally sought a minimum of 75 billion pesos invested in equipment during

the first five-year period, but equipment procurement plans for that period came in at the higher level of 90 billion pesos.

Under such leadership from President Aquino, the AFP conducted very active investment in major platforms, in particular for the Navy and the Air Force. For instance, in November 2015, the Philippine Air Force took over two FA-50 light combat aircraft from South Korea, with plans calling for acquiring another ten of these aircraft during 2017. With an eye on increasing its airlift capabilities, the AFP procured two CN-295 transport aircraft from Spain in December 2015, with a final CN-295 received the following month. In addition, in March 2016 the United States sold off two C-130T transports, and plans call for receiving an NC-212i light utility transport aircraft from Indonesia during 2017. Such acquisition represents very rapid growth for the Philippine Air Force's air transport capacity during the short time since 2014.

The Philippine Navy in June 2016 deployed the strategic sealift vessel (SSV) *Tarlac*, acquired from Indonesia, and plans call for receipt of one more of the same craft, currently under construction, during 2017. Plans for procurement of newly built frigates had been deferred several times, but it is reported that in September 2016, a procurement contract was signed for construction of two frigates with Hyundai Heavy Industries as the contractor. In the past, the Navy's major vessels had primarily been used, either purchased or handed down through selling off from friendly countries, so the procurement of brand-new vessels is a major change for the Philippine Navy's defense capability development.

With the inauguration of the new Duterte government in June 2016, however, there has been a change in the relative weight of defense and national security priorities, and it is possible that some of the many equipment procurement plans inherited from the Aquino government may be pushed back to the second term of the fifteen-year program or later. Such delays would be the result of President Duterte putting greater weight on responding to the needs of domestic public order than on dealing with international disputes, such as the tensions in the South China Sea.<sup>30</sup> For example, Duterte is seen as placing greater importance on investing in helmets and bulletproof vests and other equipment for the protection of the troops and valuing night-capable helicopters over jet fighters. In other words, he places priority on equipment useful in the ongoing counterterrorism campaign and in the counter-insurgency.<sup>31</sup> This is not to say that Duterte is declining to procure important platforms for the Navy and the Air Force; as soon

as the SSV *Tarlac* was deployed, it was dispatched for duty watching suspicious vessels in the Sulu Sea area and made a seaborne contribution to the cleansing of the Abu Sayyaf Group from the same region.

It is possible that the new government’s review of the equipment procurement program may also have an influence on the AFP equipment system. To provide support for Philippine efforts to deal with its security environment and gaps in the AFP’s capabilities, the United States has supported building up the Philippine’ war-fighting capability by selling off equipment and offering aid in financing such purchases and by providing active cooperation to the Philippines as a US ally (see Table 4.2).<sup>32)</sup> Japan has also agreed at its top-leadership level to provide support,

**Table 5.1. Trends in Philippine equipment procurement**

<b>Major procurement programs contracted under the Aquino administration</b>		
Source	Equipment procured	Amount
Italy	A-109 light attack helicopters	13
United States	Bell 412 utility helicopters	8
Indonesia	C-212 transport aircraft	2
South Korea	Military motor vehicles	200
Italy	SF-260 trainer aircraft	18
Poland	W-3 helicopters	8
<b>Major equipment support programs from abroad</b>		
Source of support	Equipment provided	Amount
Australia	Landing craft	5
Germany	UH-1 utility helicopters	5
Israel	M-113 armored personnel carriers	28
United States	UH-1 utility helicopters	7
	C-130T transport aircraft	2
	<i>Hamilton</i> -class cutters	2
	HMMWV vehicles	23
	M-113 armored personnel carriers	114

Sources: Prepared by authors based on various media reports and other materials.

such as the September 2016 transfer of a JMSDF TC-90 aircraft to the AFP Navy. In addition, a National Coast Watch Center was established in May 2015 with US support, boosting the Philippines' ability to gather maritime security intelligence, and in such ways support from other countries is contributing greatly to creating a foundation for maintenance of domestic peace and order. President Duterte, however, has mentioned on several occasions a review of his country's relationship with the United States, and in a September 2016 speech at Villamor Air Base he noted the possibility of greater future cooperation from China and Russia in procuring equipment. It is difficult at present to evaluate the intent and influence of Duterte's statement, but we can imagine that in the future, the Philippine equipment procurement program will receive a much greater number of approaches from emerging equipment supplier countries, including China.

## **(2) Vietnam—Meeting the Needs of Its Security Environment with Greater Mobility and Technological Development Capability**

Since 2008, when its strategic dialogue with Russia went on an annual basis, the People's Army of Vietnam (PAVN) has concluded a number of procurement contracts with Russia for major defense equipment mainly for its Navy and Air Force.<sup>33)</sup> Many of these procurement programs are currently facing termination of contract schedules. For example, a 2009 contract called for construction of six Kilo-class submarines, the fifth of which Vietnam received from Russia in February 2016, with the sixth handed over in January 2017. Looking at surface vessels, the third and fourth *Gepard*-class frigates were launched in April and May, and press reports foresee them being handed over to Vietnam during 2017. Regarding aerial combat capabilities, the last two of a total of twelve Su-30MK2 fighter aircraft ordered under the current procurement plan (for the third period) arrived in February 2016. During the seven-year period up to 2016, Vietnam had procured thirty-two Su-30MK2 craft (with one craft lost in an accident in June 2016). Now it is thought that Vietnam's interest has turned to aircraft with greater performance, such as the Su-35 which has already been contracted for by China and Indonesia among others.<sup>34)</sup>

At present, Vietnam's security environment is becoming increasingly challenging, and when, for example, China dispatched an oil rig to contested waters in the Gulf of Tonkin in January 2016, the Vietnamese government protested to China. Another example from the continuing series of developments

raising tensions in the South China Sea came in February of that year, when it was reported that China had deployed fighter aircraft and bombers to Woody Island (called Yongxing in Chinese) in the western Paracels (or Xisha islands), which were under effective Chinese control. To deal with the current environment, Vietnam has been building up its effective capability to resist in the smaller islands off its coast and its coastal waters. In August 2016, media broadcast pictures of training exercises using the Russian mobile coastal defense missile system K-300P Bastion-P, and there were also reports that a Coast and Islands Defense System (CIDS) from Israel, which had only recently come to public attention, was being used in Vietnam's small coastal islands. Media reports also noted that PAVN had shown interest in the new BrahMos hypersonic antiship missile jointly developed by Russia and India, and it seems likely that Vietnam will continue to invest in flexible attack systems against surface vessels and ground targets.

Recently PAVN has been actively engaged in improving its technological development capabilities to parallel its imports of modern equipment. In June 2015, it was reported that the military had received cooperation from abroad in upgrading its S-125 Pechora surface-to-air missile system (S-125-2TM) and had successfully test-fired the system, and reports also indicate that Vietnam had plans for joint development with Russia on a domestically-produced surface-to-ship missile system based on the currently deployed Kh-35. There were also reports in August that the PAVN Air Force Institute of Technology has been developing components suitable for the Israeli Spyder air defense missile system introduced around 2015, and in October that PAVN had successfully upgraded the radar for the Russian S-300PMU1 air defense system. Vietnam is thus using its opportunities to introduce new equipment and to upgrade its currently deployed equipment both to improve its application of existing systems and to acquire technology and intelligence, gaining cooperation from its long-standing partner Russia as well as new partners such as Israel in improving its production base and the technological capabilities of its research institutions. Its goal seems to be a greater capability of responding to its own needs and the acquisition of equipment suited to its own systems.



### **(3) Myanmar—Modernization of Its Navy and Air Force under the Continuing Export Ban**

With the installation of a new government in March 2016 under leadership of the NLD, the United States in October announced removal of its economic sanctions on Myanmar. This removal, however, did not extend to arms deals, and in April, the EU decided to extend its weapons embargo on Myanmar for another year. The military is seen as still having some degree of influence over politics, but it seems that the military will likely continue its own reforms begun under the earlier Thein Sein government and maintain its policy of following government direction.<sup>35)</sup> While the national defense budget has been growing, analysis indicates that it is actually on a gradual decline as a percentage of the gross domestic product and annual government expenditures.<sup>36)</sup>

Myanmar's Armed Forces have traditionally been oriented toward ground forces. At present, the government is carrying on peace talks with ethnic minority armed factions, but during 2016 there continued to be combat with armed groups in Karen and Shan states which have not agreed to a ceasefire, meaning that the Army is playing a large role in operations to maintain domestic security. Meanwhile, the Air Force is becoming increasingly important in fighting with armed groups along regional boundaries by providing logistical support and firepower support, so that it is actively engaged in modernization of its equipment.

During the 1990s, the Myanmar Air Force's primary means of seeking to modernize its equipment was through imports from China, but when the country's relationship with Russia was strengthened in 2002, imports from Russia also increased.<sup>37)</sup> During 2016, purchases of the Chinese Y-8F-200W transport were joined by procurement of training craft from Germany and Russia. Information has not been made public on the types of fighter craft it is currently considering since its procurement of sixteen of the Russian MiG-29 multirole fighters in 2011, but media commentaries have reported the military's interest in acquiring equipment such as the JF-17 jointly developed by Pakistan and China.

Looking at rotary-wing aircraft, as conflict with armed groups grew more intense during 2010, the military drew up large-scale procurement plans calling, for example, for fifty Mi-24 attack helicopters and twelve Mil-2 transport helicopters, increasing the pace of modernization. Later, in 2015, procurement continued of craft such as the Mil-35 and Bell 206 multipurpose helicopters, with the current focus seeming to be on equipment providing greater tactical air

transport and air-to-ground attack capabilities. Indeed, two of the Mil-35 helicopters were lost during fighting with the Kachin Independence Army which broke out in January 2013, and during the February 2015 fighting with the Myanmar Nationalities Democratic Alliance Army in the Kokang region of northern Shan State, air raids conducted by MiG-29 went beyond national borders to produce victims on the China side as well, so we can see that PAVN is still facing combat where such equipment is in fact being used to provide close air support in the mountainous regions surrounding the actual fighting.

It is said that one trigger for the PAVN Navy's attention to modernization of its equipment came in 2008, when it was discovered that the seabed between Myanmar and Bangladesh was rich in resources and when territorial boundaries presented a problem. Although the problem was resolved peacefully in 2012 through a decision by the International Tribunal for the Law of the Sea, the situation at the time was tense, with naval vessels from both countries dispatched to the area, and this situation has influenced subsequent policies. In its own naval yards, Myanmar is producing frigates with an advanced design that reduces their radar cross-section, but such production seems to rely on technological support from China, and during 2015, Sen. Gen. Min Aung Hlaing, commander-in-chief of defense services, visited Israel and decided on procurement of the Super Dvora Mk 3 fast patrol boat. Thus even while the United States and the EU keep their weapons embargos in effect, Myanmar is trying various approaches to secure access to the latest in technology.

In recent years, some have also sought nontraditional roles for Myanmar's Navy. Some of those nontraditional roles have included humanitarian relief: In addition to the damage to coastal areas inflicted by Cyclone Nargis in 2008, since 2015 a large number of boats setting out from Rakhine State or Bangladesh into the Andaman Sea in hopes of reaching Malaysia or Indonesia have found themselves drifting off shore and in danger of foundering. Myanmar has sought to respond to the concerns of the international community by having its navy conduct patrols, and in December 2015 it began efforts to improve its capacity to provide humanitarian support and disaster relief, for example by converting a civilian ship into a hospital ship.

**Figure 5.1. Humanitarian crisis in the Andaman Sea**



Sources: Prepared by authors based on International Organization for Migration information and other materials.

**NOTES**

- 1) *Manila Standard*, May 17, 2016.
- 2) *Philippine News Agency*, August 12, 2016.
- 3) US Department of State, “Sixth United States-Philippines Bilateral Strategic Dialogue Joint Statement,” March 18, 2016.
- 4) US Department of Defense, “Joint Press Conference by Secretary Carter and Secretary Gazmin in Manila, Philippines,” April 14, 2016.
- 5) *The Straits Times*, April 9, 2016.
- 6) Japanese Ministry of Foreign Affairs, “Nichi-Firipin Shuno Kaidan” [Japan-Philippines Summit Meeting], September 6, 2016.
- 7) Aileen SP Baviera, “Presidential Elections and the Country’s Foreign Policy,” *GMA News Online*, February 17, 2016.
- 8) White House, “Joint Statement of the U.S.-ASEAN Special Leaders’ Summit: Sunnyland Declaration,” February 16, 2016.
- 9) Ministry of Foreign Affairs, People’s Republic of China, “Wang Yi Talks about China’s Four-Point Consensus on South China Sea Issue with Brunei, Cambodia and Laos,” April 23, 2016.
- 10) *Kyodo News*, May 3, 2016.
- 11) *Xinhuanet*, June 8, 2016.
- 12) *Xinhuanet*, July 15, 2016.
- 13) *Reuters*, August 17, 2016.
- 14) Rohan Gunaratna, “Islamic State Branches in Southeast Asia,” *RSIS Commentary*, No. 4, January 14, 2016.
- 15) *Reuters*, January 28, 2016.
- 16) *Nhan dan*, January 29, 2016; Dang Cong san Viet Nam, “Tong Bi thu, Chu tich Trung Quoc Tap Can Binh tiep Dac phai vien cua Tong Bi thu Nguyen Phu Trong,” February 29, 2016.
- 17) Dang Cong san Viet Nam, “Tong Bi thu Nguyen Phu Trong tiep Bo truong Bo Quoc phong Trung Quoc,” March 27, 2016.
- 18) *BBC Tieng Viet*, March 30, 2016.
- 19) *Quan doi Nhan dan*, August 30, 2016.
- 20) Dang Cong san Viet Nam, “Thu tuong Nguyen Xuan Phuc hoi dam voi Thu tuong Quoc vu vien Trung Quoc Ly Khac Cuong,” September 12, 2016.
- 21) 15th Asia Security Summit, The IISS Shangri-La Dialogue, “Fourth plenary session, The Challenges of Conflict Resolution, Sunday June 5, 2016, Senior Lieutenant General Nguyen Chi Vinh, Deputy Minister of National Defense, Vietnam.”
- 22) *Reuters*, June 4, 2016.
- 23) Japanese Ministry of Foreign Affairs, “Nichi-Betonamu Shuno Kaidan” [Japan-

- Vietnam Summit Meeting], September 7, 2016.
- 24) Ministry of External Affairs, Government of India, “Joint Statement between India and Vietnam during the visit of Prime Minister to Vietnam,” September 3, 2016.
  - 25) *The Times of India*, September 5, 2016.
  - 26) ASEAN, “Press Statement by the Chairman of the ASEAN Foreign Ministers’ Retreat,” February 27, 2016.
  - 27) Carl Thayer, “The Truth behind ASEAN’s Retracted Kunming Statement,” *The Diplomat*, June 19, 2016.
  - 28) ASEAN, “Chairman’s Statement on the 28th and 29th ASEAN Summits,” September 6-7, 2016.
  - 29) ASEAN, “Chairman’s Statement of the 19th ASEAN-China Summit to Commemorate the 25th Anniversary of ASEAN-China Dialogue Relations,” September 7, 2016.
  - 30) Malcom Cook, “Turning Back? Philippine Security Policy Under Duterte,” *Lowy Institute*, June 2016, pp. 2-9.
  - 31) Renato Cruz De Castro, “Reluctant pursuit: The Duterte Administration’s Defense Policy,” *Philstar.com*, September 2, 2016.
  - 32) Shang-su Wu “Aquino’s Military Modernization: Unprecedented But Insufficient,” *The Diplomat*, March 23, 2016.
  - 33) Carl Thayer, “The Bear is Back: Russia Returns to Vietnam,” *The Diplomat*, November 26, 2013.
  - 34) Franz-Stefan Gady, “Will Vietnam Buy a Squadron of Russian Su-35 Fighter Jets?” *The Diplomat*, March 31, 2016.
  - 35) Zoltan Barany, “Armed Forces and Democratization in Myanmar: Why the U.S. Military Should Engage the Tatmadaw,” *CSIS*, September 13, 2016; Timothy McLaughlin “Myanmar Army Reasserts Its Key Political Role ahead of Transition,” *Reuters*, March 27, 2016.
  - 36) “Myanmar Defence Budget,” *Jane’s Defence Budgets*, February 9, 2016.
  - 37) Andrew Selth, “‘Strong, Fully Efficient and Modern’: Myanmar’s New Look Armed Forces,” *Regional Outlook Paper*, No. 49, 2015, pp. 5-10.

Chapter 5 authors: Tomotaka Shoji (Lead author, Sections 1-3) and  
Hideo Tomikawa (Section 4)

