

## **Chapter 2**

---

# **Post-9/11 Power Politics among the US, China, and Russia— Unilateralism and Central and Southeast Asia**



After the terrorist attacks of September 11, 2001, the United States formed an international “coalition of the willing” and began an attack on Afghanistan to overthrow the Taliban regime by use of force. This, in turn, made Central Asia an area of strategic importance. At the same time China and Russia, also facing the threat of terrorist attacks, decided to cooperate with the United States in the war against terrorism. Central Asian nations, faced with the presence of Islamic extremists in their midst, allowed the United States to use their military bases and airspace, hoping to derive benefit from better relations with the United States for their own nation building.

However, distrust of US unilateralism mounted in China and Russia and they became concerned over the increased US military presence in Central Asia. Both countries strengthened bilateral political and economic cooperation and, through the Shanghai Cooperation Organization (SCO), put pressure on the United States to withdraw from Central Asia.

Regarding Southeast Asia as the second front in the war against terrorism, the United States provided military assistance to the Philippines in the training of troops for the suppression of the Islamic rebel group, the Abu Sayyaf, as well as concluded agreements to cooperate in combating terrorism and in exchanging intelligence with several Southeast Asian countries. On the other hand, China has been promoting antiterrorist cooperation with the Southeast Asian countries as well, has deepened its economic and military relations with them, and is thus engaged in power politics with the United States in the region.

Since the invasion of Iraq, US relations with China and Russia have changed. Although those three countries share the goal of eliminating terrorism, differences in strategy have emerged between the United States and the other two. As their strategy got tangled with the priorities of the countries of the two regions, the rivalry between them has taken on a region-wide dynamism.

## **1. Great Power Politics in Central Asia**

### **(1) The 9/11 Terrorist Attacks and China-Russia Cooperation**

The September 11, 2001, terrorist attacks jolted the international community into realizing the seriousness of the threat posed by terrorists. Resolution 1368 of the United Nations (UN) Security Council, adopted the next day, condemned the September 11 attacks and stressed that those responsible for aiding, supporting or harboring the perpetrators, organizers, and sponsors (including states) of these acts should be held accountable; and the Security Council expressed its readiness to take all necessary steps to combat all forms of terrorism in accordance with its responsibilities under the UN Charter. Resolution 1368 and the declaration of the leaders of the Group of Eight powers (G8) of September 19 provided the basis for forging international solidarity in the fight against terrorism. The United States declared Osama bin Laden, the leader of the international terrorist group al-Qaeda, as the mastermind of the September 11 attacks, and in October launched an attack on al-Qaeda and the Taliban regime of Afghanistan harboring bin Laden. By December, the Northern Alliance backed by the United States and the United Kingdom had recaptured the areas controlled by the Taliban and the Taliban regime fell. Such a rapid victory was due to the international coalition forged by the United States and the United Kingdom to crush terrorism.

In carrying out these operations, the intelligence furnished by Russia and the cooperation of the Central Asian countries lying north of Afghanistan (Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan, and Tajikistan) were strategically crucial for the United States.

For Russia, the September 11 attacks represented an important diplomatic opportunity to strengthen cooperation with the United States. Immediately after the attacks, Russian President Vladimir Putin expressed his condolences to US President George W. Bush, and on September 24 announced a five-point program of support for the United States. This consisted of (a) sharing intelligence related to Afghanistan with the United States, (b) opening Russian airspace to US flights for humanitarian support, (c) giving the green light to former Soviet Central Asian republics for US forces to stage out of bases there, (d) potentially providing Russian search and rescue support for US combat operations, and (e) providing equipment and military support for the anti-Taliban Northern Alliance. There was strong opposition in the Russian military particularly to allowing US forces to use

the bases and airspace of Central Asian countries, but President Putin overruled it by dint of the strong popular support he enjoyed.

The sudden change in Putin's stance in the direction of deepening cooperation with the West is attributed to the following factors: (a) in order to kick-start the sluggish Russian economy, Russia had a need to lure direct investment from Western countries and to gain access to Western markets by joining the World Trade Organization (WTO), (b) Islamic militants in Chechnya believed to be aided by the Taliban regime were carrying out terrorist activity and Russia might be able to suppress them with the help it could get from the international community by joining the US-led international coalition, and (c) Russia's resources for combating Islamic extremists in Central Asia were limited and a strengthened US military presence in the area offered a good opportunity to help Russia eliminate them. In other words, Putin seemed to think that Russia could wipe out not only the Taliban regime but also the Islamic militants in Russia and Central Asian countries by cooperating with the United States in the war against terrorism. Russian leaders may also have thought that Russia's participation in the international coalition against terrorism would convince the United States of the importance of international cooperation and dissuade it from unilateral action (see p. 200, Chapter 6, *East Asian Strategic Review 2002*).

Although Central Asian nations expressed their condolences to the United States soon after the September 11 attacks, they did not initially indicate active support for the US attack on Afghanistan. However, when President Putin announced his five-point assistance package, these countries began to take a cooperative stance toward the United States. Among them, Uzbekistan was particularly positive. Historically, Russian influence has been strong in the Central Asian countries, and no doubt they preferred to take concerted action with Russia. After the September 11 attacks, they offered bases, airspace, and fuel to the US forces; and when the United States attacked Afghanistan, Uzbekistan, Kyrgyzstan, and Tajikistan allowed US forces and US allies to use bases in their countries. There were thought to have been about 1,000 US troops stationed at the Khanabad airbase in Uzbekistan, German troops at the Uzbek Termez airbase, about 700 US troops and a small contingent of US allies at the Manas airbase in Kyrgyzstan, and about 100 French troops in Tajikistan. In addition, the United States was granted permission to use military facilities in Kulyab in Tajikistan and the Almati international airport in Kazakhstan in the case of an emergency.

Since the establishment of the Taliban regime in Afghanistan in 1996, Central Asian countries had been exposed to the threat of Islamic extremists and antigovernment forces. In particular, the Islamic Movement of Uzbekistan (IMU) based in Uzbekistan attempted to assassinate President Islam Karimov of Uzbekistan in 1999, and, in Kyrgyzstan, took four Japanese mining engineers hostage. In this way Islamic extremists are perceived as a common threat in Central Asia as well and the governments hoped that the US attack on the Taliban regime would deliver the region from the Taliban threat and curb the activities of the Islamic extremists. They also seemed to have the pragmatic hope that, in return for the use of their bases, they might receive economic aid from the United States that would facilitate their economic development.

China, too, reacted quickly. China stressed fighting terrorism within the framework of the United Nations, and it was only after the adoption of the above-mentioned resolution by the UN Security Council that China expressed its active willingness to cooperate in the war against terrorism. China emphasized the role of the UN not only to check the unilateralism of the United States but also in the hope of strengthening its position within the United Nations. Another reason for China's cooperative stance was that it was itself contending with an Islamic extremist faction and separatist movement in the Xinjiang Uyghur Autonomous Region. Moreover, those Islamic extremists were suspected of receiving aid from the Taliban regime in Afghanistan. China thus hoped that the invasion of Afghanistan by the United States would crush the Taliban regime, which had assisted the extremists in its own territory. On the other hand, China had been strengthening its economic and diplomatic ties with the countries of the region and had concerns over any presence of US forces there. For China, the stationing of US forces at an airport in Kyrgyzstan only 200 kilometers from the Chinese border represents a US provocation, if not a real security threat. In regard to Afghanistan, China stressed that the UN should take the leading role in the peace process, apparently because it did not want to see a pro-US regime established in Afghanistan. Although China did cooperate with the United States in the war against terrorism, it may be wary of the unilateralism and growing military presence of the United States.

While wary to a certain degree of the unilateralism of the United States, China, Russia, and Central Asian countries all participated in the joint front against terrorism. After the collapse of the Taliban regime in December 2001, Afghanistan adopted a new constitution in January 2004 and elected Hamid Karzai as president

in October. Nonetheless, signs of change in the cooperative stance of China, Russia, and Central Asian countries have emerged as military operations in Afghanistan continue and the stationing of US forces in the area drags on.

## **(2) The Iraq Campaign and the Reaction of China and Russia**

After the September 11 terrorist attacks, the international community came to view terrorism as a common threat, and this helped form a consensus that the international community must cooperate in eliminating terrorism in order to maintain the international order. The United States and the United Kingdom attacked Iraq in March 2003, but the process leading up to the war and the chaos in Iraq after the attack weakened the confidence of many countries in the United States and had an impact on the reaction of China and Russia toward the US presence in Central Asia. In the Iraq crisis starting in 2002, Russia, France, and Germany opposed the use of force by the United States and the United Kingdom; and China followed suit. But the United States and the United Kingdom went ahead over their opposition and launched the attack on Iraq on March 20, 2003.

President Putin severely criticized the United States, declaring that the invasion of Iraq was a major political mistake. It seems that Russia opposed the US attack of Iraq for two reasons: first, its opposition to US unilateralism, and second, economic motives. That is, Russia feared that the United States might use a resulting pro-American regime in Iraq to manipulate the international price of oil. Although Russia expressed opposition to the Iraq War, it did not take a stand in direct confrontation with the United States. Russia sought to protect its own economic interests by involving itself in settling the Iraq problem, and restraining the United States from using force. China also persistently opposed the use of force in Iraq. However, it did not, in consideration of maintaining favorable relations with the United States, hint at the exercise of a veto as Russia and France did. As with Russia, however, China was apprehensive about a pro-US regime in Iraq, and favored regime change under the leadership of the United Nations.

The primary reason which led the United States to attack Iraq was the fear of proliferation of weapons of mass destruction (WMD)—the fear that rogue states might get hold of WMD and use them as a means of intimidation, or that they would fall into the hands of terrorists. At the same time, many countries entertained the apprehension that if the invasion of Iraq were to be broadly defined as part of a war on terror, then the use of force or even regime change

(democratization) might be justified under the pretext of eradicating terrorism or preventing proliferation of WMD.

In fact, the Iraq War has seen the United States change its strategy against terrorism. In his second term in office, President Bush has put stronger emphasis on spreading democracy in his war on terror. The priority of the Bush administration is national security and Bush averred that the United States would carry on an offensive against terrorists until it won the war on terror, would keep on building a coalition of the willing to defend against new threats, and would promote democracy in the Middle East and the world in cooperation with its allies in pursuit of the ultimate goal of ending tyranny. In other words, the foreign policy of his administration would not tolerate tyranny in other countries, but would pursue an idealistic policy of spreading freedom and democracy. According to the *National Security Strategy* released in March 2006, the strategic goal of the United States in South and Central Asia is to build a democratic, peaceful, and prosperous region. Central Asia is a long-term priority for US foreign policy, where it is necessary to promote the following objectives: democratization, the expansion of the free-market economy, globally diversifying sources of energy, and enhancing security and winning the war on terror. The *National Strategy for Combating Terrorism* released in September 2006 also defines promoting effective democracies as an important pillar of the long-term strategy in the war on terror.

This change in the counterterrorism policy of the United States is coloring perception of surrounding nations toward the prolonged stationing of US forces in Central Asia. For Russia and China, the presence of US forces means a possible reduction of their own political and economic influence in the region. In the past, Russia dominated Central Asia, but the economic turmoil in Russia in the wake of the collapse of the Soviet Union curbed its influence in this region. Increasing US economic assistance to countries of the region, together with the US military presence there, has drawn these countries closer to the United States and further eroded Russian influence. Naturally enough, the Russian military had been strongly opposed to the presence of US forces in Central Asia on the grounds that this would encroach upon Russian interests and pose a security problem. There has emerged a body of opinion that the prolonged stationing of US forces might come to supersede the collective security offered by the Commonwealth of Independent States (CIS). The *Nezavisimaya Gazeta* ("Independent Newspaper")

sounded a warning that, given the predominant strength and financial power of the United States, it would only be a matter of time before a Russian retreat from the area and the establishment of a long-term American presence there.

For China, also, the prolonged stationing of US forces in a neighboring region is a serious security concern. The United States would then be in a position to launch a pincer attack against both Russia and China at once. It is reported that the United States, in the name of its war on terror, is trying to strengthen military cooperation with countries in Central Asia, expanding existing military bases and establishing new ones there. Besides, there is also a view that the United States is trying to step up its intervention in Afghanistan and South Asia by using its bases in Central Asia as a platform.

There is a mounting wariness about the emerging trend of democratization, possibly tied to the US presence, not only in Central Asian countries but also in Russia, which has increasingly tilted toward authoritarianism in recent years, and in China, which is ruled by a single-party dictatorship. Further, the impact of the political changes sweeping the former Soviet republics in Eastern Europe—the Rose Revolution in Georgia in November 2003 and the Orange Revolution in the Ukraine in December 2004—has split over into Central Asia. In March 2005, political turmoil erupted in Kyrgyzstan, reputed to be the most democratic country in Central Asia, and the pro-Russian government of President Askar Akaev was toppled. Putin believes the defection of these countries from Russia is caused by the democratization efforts of nongovernmental organizations (NGOs), which are supported by the United States. The Putin administration had accepted the stationing of US forces in Central Asia as part of the international coalition against terrorism but now has become increasingly wary about the expanding presence of the United States in the region.

Uzbekistan in particular harbors a strong wariness about democratization. In an effort to keep its distance from Russia, Uzbekistan seceded from the CIS Collective Security Treaty and concluded an antiterrorism agreement with the United States in October 2001. The joint statement issued on that occasion alluded to the United States defending Uzbekistan for some time to come. Although it had gone farthest in Central Asia in cooperating with the United States, it has since moved back toward Russia. This is accounted for by the fact that it did not receive as much economic assistance from the West as it had initially hoped, and by the occurrence of an antigovernment riot called “the Andijan incident” in May 2005.

The government put down the protests in Andijan City in the eastern part of Uzbekistan by force, resulting in the death of more than 200 unarmed civilians. Behind the riot was long-smoldering popular discontent with the dictatorship of President Karimov, as well as the toppling of the government in Kyrgyzstan in March of the same year. The suppression of the riot by force drew much criticism, with calls for an investigation by the United Nations; Karimov rejected this, further stoking international criticism of his regime. Immediately after the incident, Richard Boucher, spokesman for the US Department of State, urged both the demonstrators and the Uzbekistan government to exercise self-restraint, but stressed that democratic reforms and the cessation of human rights abuses were prerequisite to the stability of the country. Secretary of State Condoleezza Rice also issued a statement critical of the government of Uzbekistan. Faced with a popular demand for democratization and Western criticism, Karimov began to move closer to Russia and China. This change in course by Uzbekistan, the most populous state in Central Asia, was a welcome event to Russia, which wants to restore leadership in the region, as well as to China, which has its own misgivings about the growing American military presence and the trend toward democratization. Russia and China thus endorsed the Uzbek government's assertion that it had acted to crush terrorism in the Andijan incident. While other Central Asian countries are not necessarily taking an anti-US position, their leaders have close ties with their Russian counterparts and share many policy objectives, so that their policies are easily influenced by Russia.

### **(3) The SCO and the United States**

The September 11, 2001, terrorist attacks, the continuing presence of US troops and the democratization actively supported by the United States have been perceived as a threat by Central Asian countries, Russia, and China. Under such circumstances, the SCO captured their attention as an effective means of countering the United States. Initially, the SCO was designed as a mechanism for controlling national borders and countering terrorism. Subsequently, however, it has evolved beyond security concerns to cover economic development as well, transforming itself into a more comprehensive regional cooperation organization. After the sixth summit meeting of the SCO, held in Shanghai on June 15, 2006, to commemorate the fifth anniversary of the organization, a joint declaration was adopted affirming cooperation among member states for regional security and

## Major Antigovernment Islamic Groups in Central Asia

The revival of Islam in Central Asia dates back to the Soviet era. The harsh suppression of Islam by the Soviets was eased during World War II when the Soviet authorities began to tolerate the Islamic faith on a limited scale. A moderate revival of Islam ensued. In the 1970s, however, an anti-communist extremist movement aimed at the creation of an Islamic state emerged. Furthermore, when President Mikhail Gorbachev recognized freedom of religion under perestroika, the revival of Islam gained additional momentum.

Late in 1992, Central Asian countries won independence from the Soviet Union, and witnessed the rise of movements inspired by Islamic fundamentalism that called for the rectification of social disparities and the fair treatment of Muslims. Of these, some became increasingly radicalized amid post-independence political turmoil, economic mismanagement, and government oppression.

The antigovernment Islamic factions in Central Asia include the Islamic Liberation Party and the Uzbekistan Islamic Movement. The Islamic group most feared by the government of Uzbekistan and other Central Asian countries is the Islam Liberation Party. Believed to have originated from the Islamic Liberation Party established in Jerusalem in 1949, it became active in Uzbekistan in the latter half of the 1990s. The party advocates nonviolence, but the Andijan revolt in Uzbekistan in May 2005 was reportedly inspired by a splinter group of the party, the Akramia. The Islamic Liberation Party is not just an antigovernment group but a political party unequivocally aiming at the seizure of political power. The party is said to have infiltrated Tajikistan, Kazakhstan, and Kyrgyzstan and to have increasingly won sympathizers in the Xinjiang Uyghur Autonomous Region of China. The aim of the party is to create an Islamic state and revive the Caliph system, in which a delegate of God's disciple is installed as the supreme ruler.

The IMU is a radical antigovernment group which captured the world's attention by kidnapping Japanese mining engineers in Kyrgyzstan in 1999. The IMU, launched by Muslims who fled from the crackdown in Uzbekistan to Afghanistan, is allegedly allied with the Taliban regime and al-Qaeda. When the Taliban regime of Afghanistan was toppled in 2001 by the coalition led by the United States, the IMU suffered a serious setback and its influence in the region has since waned.

Many Central Asian countries are ruled by authoritarian regimes, and several factors have combined to breed popular discontent and fuel the activities of Islamic radicals. These factors include: governmental suppression of Islamic radicals; political corruption; the widening disparities caused by lagging economic development; the increase in unemployment and poverty; and the collapse of the social welfare net the peoples in the region had enjoyed during the Soviet era. Unless such disequilibrium is redressed, radical antigovernment movements motivated by Islam are likely to gain ground in these countries.

lauding the constructive role the SCO had played in the uncertain circumstances created by the end of the Cold War. The member states also promised to strengthen counterterrorism measures and economic cooperation, calling attention to how the status of the SCO had been elevated in the international community. A major contributing factor for this expanded role of the SCO was the deepened ties between China and Russia. Also worthy of note is how the SCO has developed into a mechanism to check the Western presence in the region.

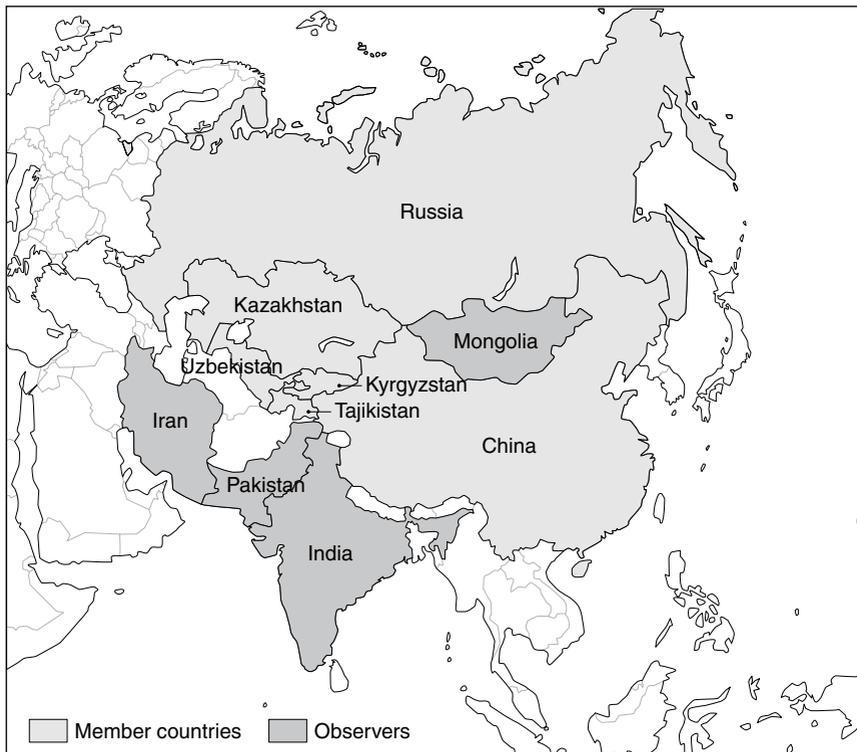
The fourth SCO summit meeting, held in Astana, the capital of Kazakhstan, on July 5, 2005, called on the United States and its allies engaged in antiterrorist operations to clearly set a time limit on the stationing of their troops in Central Asia. In addition, Uzbekistan demanded that the United States completely withdraw its troops from the Khanabad base within the next 180 days. Although the rest of the SCO member countries in Central Asia other than Uzbekistan—Kyrgyzstan, Tajikistan, and Kazakhstan—did not take an outright anti-US stance, they too accepted the declaration in accord with Russia and China. In September 2005, the United States announced the withdrawal of its troops from Uzbekistan and its forces were completely withdrawn from Khanabad airbase by November 21 of the same year.

As a result of such developments, wariness mounted in Western countries, particularly the United States, that Russia and China were using the SCO to form an anti-West bloc and to shut the United States out of Central Asia. Gen. Richard Myers, then chairman of the US Joint Chiefs of Staff, strongly criticized Russia and China for unduly pressuring weak neighboring countries (i.e., the Central Asian countries). Then, in a speech delivered at the sixth SCO summit meeting in Shanghai in May 2006, President Hu Jintao of China called on the international community to respect the social systems and the development policies chosen by SCO member and other observer countries as well as the domestic and foreign policies relating to peace, friendship, and cooperation they have tailored to meet the needs of their respective countries. The joint declaration at the summit states that “Diversity of civilization and model[s] of development must be respected and upheld. Difference in cultural traditions, political and social systems, values and model[s] of development formed in the course of history should not be used as a pretext to interfere in other countries’ internal affairs. Model[s] of social development should not be exported.” With regard to Central Asia, the declaration states that “The unique historical and cultural traditions of Central Asian nations deserve respect

and [the] understanding of the international community. The governments of Central Asian countries should be supported in their efforts to safeguard security and stability, maintain social and economic development and improve people's livelihood." The declaration is obviously directed at the unilateralism of the United States and the forcing of democracy on these countries from outside. Thus, the influence of the United States in this region has been gradually waning as the SCO has been increasingly emerging as a bloc to restrain Western influence.

Russia and China declared a strategic partnership in 1996, signed a Sino-Russian Good-neighborly Treaty of Friendship and Cooperation in 2001, and settled their 40-year-long border dispute in 2004, clearly demarcating their 4,300 kilometer border. Thus their relations have deepened from friendly cooperation to strategic partnership. At a July 1, 2005, summit meeting between President Putin and President Hu Jiantao in Moscow, the two leaders signed a Joint Declaration on

**Figure 2.1. Member countries and observers of the SCO**



World Order in the 21st Century, and in March 2006 they agreed to strengthen their strategic partnership and their cooperation with each other in various fields. As if to symbolize their new relationship, in August 2005 the two countries conducted a joint exercise named “Peace Mission 2005.” This was their first joint military exercise since the Soviet era, and elevated military cooperation between China and Russia to a new level.

Shared national interests and strategic concerns have brought China and Russia together. They are both faced with terrorist and separatist movements—in the Xinjiang Uyghur Autonomous Region and in Chechnya, respectively. China, with its rapid economic growth, is a promising market for Russian exports and has already become the major buyer of Russian weapons and military technology. China also offers a huge market for Russian energy. Conversely, Russia is a vital source of energy, weapons, and military technology for China. Geopolitically as well, the two countries share the same objective, namely, the creation of a new international order countering US unilateralism. It should be noted that the Russian economy has rebounded in recent years due to the sharp rise in oil prices, giving rise to a renewed sense of being a major power in the world. The newly self-confident Russia and the rapidly rising China are now working together through the SCO to counter the unilateralism of the United States and to minimize its influence in Central Asia.

On the other hand, Central Asia as a whole has not become completely anti-American. The SCO member states share various interests with the United States, and there is no lack of conflict of interest among the states themselves. For example, Kazakhstan is hoping to export some of its abundant oil and natural gas to Europe and the United States; in the field of energy it is thus in competition with Russia. Moreover, neither China nor Russia wants to disrupt the existing cooperative relations with the United States. Therefore, even as China and Russia are pushing back against the prolonged US presence in Central Asia, they are taking care not to overturn that delicate balance.

## **2. The United States and China in Southeast Asia**

### **(1) The War against Terrorism and US-ASEAN Relations**

The United States defines Southeast Asia as the “second front” in the war on terror. Extremist groups in the Association of Southeast Asian Nations (ASEAN)—Abu Sayyaf and the Moro Islamic Liberation Front (MILF) in the Philippines and the terrorist network Jemaah Islamiyah (JI)—have repeatedly carried out terrorist attacks, abductions, and separatist activities. The United States has strengthened its presence in the region by offering cooperation in combating terrorism, which in turn provoked a backlash against the United States to some extent.

In the Philippines, Abu Sayyah and the MILF—Islamic extremist groups believed to be affiliated with al-Qaeda—have been committing violent acts in Mindanao. However, the Philippine government lacked the capacity to suppress them because of its chronic budget deficits and subsequent slowdown in the modernization of the armed forces. For this reason, the Philippines has accepted military assistance from the United States, and conducted a training exercise late in January 2002 with the United States for the purpose of stamping out Abu Sayyah. This allowed the Philippines to receive necessary equipment and financial aid from the United States. In April 2006, in fact, the Philippine Air Force announced that it expected to take delivery of 26 used helicopters from the United States within the following six months. These helicopters are believed to be used in suppressing the New People’s Army (NPA), Abu Sayyaf, and the MILF. Subsequently, President Gloria Macapagal-Arroyo declare that her government will allot 1 billion pesos to finance a campaign by the armed forces and the National Police to repress the NPA, instructing them to regain control of important areas within the next two years. Obviously the NPA is a major concern to the Philippine government. Arroyo also hinted at further purchases of helicopters and fighters from the United States. Cooperation from the United States, such as its technical assistance for the operations against Abu Sayyaf in the southern islands of the Philippines, has become essential in maintaining internal security. US-Philippine relations have thus expanded and deepened, and the southern islands of the Philippines have become the most important staging area in Southeast Asia for the United States in its war against terror. This has given rise to speculation that the US forces might establish a new permanent base in the Philippines, but the United States has denied this.

In Indonesia, US military assistance had been suspended since 1992 on account of the Santa Cruz incident (in which the Indonesia armed forces killed 300 inhabitants of East Timor in 1990), but the suspension was lifted and the ban on arms exports was partly removed in 2005. In March 2006, the United States officially announced the resumption of normal military relations with Indonesia. This has benefited Indonesia as the modernization of its armed forces had become an urgent matter: its aircraft and navy vessels had been degraded and it could not deploy enough force to curb maritime piracy and terrorism. In addition to lifting the ban on arms exports to Indonesia, the US military conducted a joint exercise with its Indonesian counterpart in May 2005 for the first time in eight years, aimed at dealing with terrorists and pirates. Further, in July of the same year, the US and Indonesian navies conducted a joint search and rescue exercise within the framework of the ninth Cooperation Afloat Readiness and Training (CARAT). In addition, the US Department of State announced its decision to allow Indonesia to return to the International Military Education and Training (IMET) program sponsored by the US Department of Defense.

As part of the normalization of military-to-military contacts between the United States and Indonesia, in March 2006 the navies of the two countries conducted a joint counterterrorism exercise in the Celebes Sea (located between Indonesia, Malaysia, and the Philippines). In addition, the United States announced that *Kopassus* (the Indonesian Special Forces Command) would be attending the Pacific Area Special Operation Conference hosted by the US military for the first time since the arms embargo on Indonesia. Indonesia also participated, for the first time, in the 25th Cobra Gold (a multilateral joint military exercise) conducted in Thailand in May the same year. Although the exercise itself was a tabletop exercise related to UN peacekeeping operations, it is considered significant for promoting regional cooperation against terrorism. At a meeting of Indonesian President Susilo Bambang Yudhoyono and then US Defense Secretary Donald Rumsfeld in June 2006, the two men agreed to further step up military-to-military contacts between Indonesia and the United States for enhancing reforms to encourage the Indonesian military to respect human rights and democracy. During the meeting, Defense Secretary Rumsfeld asked Indonesia to join the Proliferation Security Initiative (PSI), an US effort to prevent the proliferation of WMD, and Indonesian Defence Minister Juwono Sudarsono reportedly was receptive to the idea. However, the defense minister said that even if Indonesia decided to

participate in the PSI, its role would be limited. The PSI is aimed at Iraq, Iran, and North Korea; however, Indonesia has friendly relations with Iran and Iraq and has diplomatic relations with North Korea. Indonesia will have to be cautious about its participation in the PSI, in which Singapore is currently the only participating ASEAN nation. As a practical matter, Indonesia is probably worried about the growing obsolescence of its military equipment and possible violations of sovereignty of its territorial waters by other countries.

In addition to military assistance to Indonesia, the United States also provided generous aid to Indonesian victims of the tsunami at the end of 2004 and to victims of the earthquake that hit Java in May 2006. Such aid will no doubt go a long way toward improving relations between the two countries. The United States has also cooperated in preventing the illegal logging rampant in Indonesia. In April 2006, US Trade Representative Rob Portman and Indonesian Trade Minister Mari Pangges opened negotiations for working out an agreement. If realized, this would be the first such bilateral agreement on illegal logging signed by the United States.

Another target of US military-to-military contacts in Southeast Asia is Vietnam. In June 2005, then Vietnamese Prime Minister Phan Van Khai paid a visit to the United States, the first such visit by a Vietnamese premier since the Vietnam War, and the visit started a series of exchanges. In a conversation with Prime Minister Phan on that occasion, President Bush agreed to support the Vietnamese bid to join the WTO and step up cooperation in the economic and trade fields (notably, the improvement of the investment environment of Vietnam). They also agreed to extend cooperation in the area of counterterrorism (mainly the exchange of intel-

ligence) and in military training, and to allow regular visits of US naval vessels to Vietnamese ports. In June 2006, US Defense Secretary Rumsfeld visited Hanoi to meet with his Vietnamese counterpart Pham Van Tra, and they agreed to improve the medical training of the Vietnamese armed forces and to expand personnel exchanges. In July the same year, Adm. William Fallon, commander of the Pacific Command,



**US Marines giving instruction to Thai soldiers during the Cobra Gold 2006 military exercise (June 2, 2006)** (Photo by Staff Sgt. Ethan E. Rocks, US Marine Corps in Japan)

visited Vietnam and discussed security problems with Vietnamese defense officials. In the same month, two US naval vessels called at the port of Ho Chi Minh City. The Vietnamese Ministry of Foreign Affairs announced that military relations between the two countries had entered a new stage, and military-to-military contacts between them will be active in coming years.

Cooperation between the two countries is making headway not only in the military field but also in economic relations. In 2001, a US-Vietnam Bilateral Trade Agreement came into effect, and the United States has since become the largest market for Vietnamese exports. More recently, direct investment in Vietnam by US firms has begun to increase, with Intel deciding in 2006 to invest in Vietnam. In May that year, the two countries reached an agreement on Vietnam's accession to the WTO, signing it on May 31. This agreement enabled Vietnam to join the WTO as the 150th member country, which it did on January 11, 2007.

As for regional cooperation, ASEAN and the United States signed the ASEAN-US Joint Declaration for Cooperation to Combat International Terrorism in August 2002, and, based on a US proposal, the Southeast Asia Regional Centre for Counter-terrorism was established in Kuala Lumpur to cooperate in gathering intelligence. The Philippines is the only member of ASEAN in which the United States has troops stationed, but the US presence in ASEAN has definitely grown, mainly in bilateral military cooperation and joint military exercises against terrorism and piracy. On the other hand, resistance to the US presence does exist: Southeast Asia has a large Muslim population critical of the use of force in Iraq, and ASEAN states are also sensitive to any infringement of their sovereignty.

ASEAN countries have more than 200 million Muslims, many of whom were deeply offended by US attacks on Muslims in the name of the war on terror. In particular, the governments of Indonesia (where Muslims account for roughly 90 percent of the population) and Malaysia (60 percent) cannot ignore the political influence of the Islamic majority. In fact, fierce anti-American demonstrations broke out in Indonesia and Malaysia when the United States attacked Iraq. The governments of these two countries, while opposing international terrorism, were forced to restrain rising Muslim antigovernment feeling. Consequently, although ASEAN member states have in principle endorsed the US war on terror, they have also resisted the growing presence of US forces in the region. Both Indonesia and Malaysia strongly opposed the use of force against the Taliban regime in Afghanistan, and denounced the attack in Iraq as an illegal invasion. They also

criticized US support for Israel when it mounted an armed attack in July 2006 on Hezbollah, an extremist Shi'a militia group based in Lebanon. When US Secretary of State Condoleezza Rice visited Malaysia the same month to attend an ASEAN ministerial meeting, she was met by protesters.

Amid the mounting popular displeasure with the actions taken by the United States in its war on terror, a seven-nation survey was jointly conducted in Asia in September 2006 by the *Yomiuri Shimbun*, the *Korea Times*, and the Gallop. Its findings were that the US image had dropped, and that there was a backlash to the war against terrorism waged by the United States since the September 11 attacks, especially in countries with large Muslim populations. Compared with the findings of a similar survey conducted in 1995, positive views of the United States had declined and negative views had risen in number. Particularly in Malaysia, those having a positive view of the United States dropped by 30 points to 57 percent, while negative views surged by 30 points to 41 percent. In Indonesia, while positive views remained virtually unchanged at 58 percent, negative views had increased by 16 points, to 40 percent.

Due to wariness about the infringement of their sovereignty, ASEAN states have been averse to the involvement of major powers in their internal affairs and have opted to deal with terrorism through cooperation among themselves or within the region. Already in August 2001, Indonesia, Malaysia, and the Philippines had agreed to strengthen cooperation in cracking down on Islamic extremists and transnational crime such as piracy and to exchange information concerning terrorists. The ASEAN Summit held in November 2001 adopted the 2001 ASEAN Declaration on Joint Action to Counter Terrorism. In that declaration, the heads of the member states affirmed the importance of the establishment of a regional framework for combating transnational crime (formerly a regional framework for suppressing communist guerrillas), and approved the initiatives to focus on terrorism at the ASEAN Ministerial Meeting on Transnational Crime (AMMTC) held the previous month. They also acknowledged the effectiveness of the internal security acts enacted by Malaysia and Singapore in cracking down on terrorists, and recommended other member states to adopt the same measure. The United States, concerned about increased piracy in Southeast Asian waters and the possible connection with terrorists, proposed a Regional Maritime Security Initiative (RMSI) in 2004 to strengthen the policing of the Malacca Strait. However, the initiative was met with the strong

opposition of Malaysia and Indonesia, which feared an infringement of their sovereignty by the United States.

Due to the limited capabilities of the law enforcement authorities of ASEAN states for maintaining internal security, and their governments' consideration for the feelings of Islamic inhabitants, the antiterrorist measures taken by these countries have not always been fully effective. Indeed, a large-scale terrorist bombing in Bali, Indonesia, in October 2002 claimed the lives of a large number of people. Since then, the Indonesian government has tightened control of terrorists; but it was not able to prevent the suicide bombing of an American-owned hotel in Jakarta, the explosion of a bomb in front of the Australian Embassy, and a second bombing in Bali in 2005. Such incidents have persuaded ASEAN states to accept the military and economic assistance offered by the United States since the September 11 terrorist attacks. The United States, for its part, is taking advantage of this opportunity to counter the growing influence of China by increasing its military presence in the region.

## **(2) The Growing Influence of China**

As China lacks power projection capability, it has not taken action to increase its military presence in Southeast Asia as the United States has done. However, China has been engaging in active diplomacy toward neighboring countries by using the ASEAN+3 regional cooperative framework of the ASEAN countries plus Japan, China, and South Korea, and has been promoting economic cooperation and free trade with ASEAN member countries. China has also proposed exploring the feasibility of an East Asian free trade area. On the other hand, ASEAN countries fear that the growing volume of exports from China to ASEAN might have a negative influence on their economies, and they are also concerned about the rapidly modernizing Chinese People's Liberation Army.

However, ASEAN's perceptions of China started to change with the signing of a Declaration on the Conduct of Parties in the South China Sea (DOC) at the ASEAN Summit in November 2002. In that declaration, ASEAN member states and China pledged to settle territorial issues over the islands in the South China Sea by peaceful means and not to build new structures on these islands. Although the declaration did not include any enforcement measures against violators, the fact that China, which had long rebuffed multilateral negotiations over such issues, signed it at all helped change ASEAN's image toward China. In March

2005, putting economic development above the territorial issue, China proposed to Vietnam and the Philippines a joint survey of energy resource development in the South China Sea. The free trade agreement (FTA) China signed with ASEAN offers ASEAN an opportunity to expand its exports of manufactured and agricultural products to the huge Chinese market, and promotes direct investment within the region. Such developments have helped defuse the perception of the “China threat” among the ASEAN countries.

In the security area, also, China has begun to show a more cooperative stance to ASEAN. Initially, China had been reluctant to work within a multilateral framework such as the ASEAN Regional Forum (ARF). From the latter half of the 1990s, however, China actively engaged in a multilateral security dialogue at the ARF and Shanghai Five (now SCO), along with the signing of the DOC. In October 2003, China signed the Joint Declaration of the Heads of States/Governments of the Association of Southeast Asian Nations and the People’s Republic of China on Strategic Partnership for Peace and Prosperity. In November 2004, ASEAN and China adopted a five-year action plan on the initiative of China. The action plan states that: (a) China supports the integration of ASEAN, (b) both sides will strengthen various cooperative frameworks between them and take concrete steps to solve the territorial dispute over the islands in the South China Sea, and (c) both sides will carry out military exchanges and have observers at one another’s military exercises for confidence building. In addition, China signed the Treaty of Amity and Cooperation in Southeast Asia (TAC) in October the same year, affirming the principle that both China and ASEAN will seek to settle disputes between them by peaceful means. China succeeded in building trust among the ASEAN member states by signing the treaty.

At an ASEAN+3 Ministerial Meeting on Transnational Crime (AMMTC+3) held in Bangkok in January 2004, China expressed its willingness to cooperate in preventing terrorism, drug smuggling, maritime piracy, and human trafficking. China also proposed a security policy meeting under the auspices of the ARF and succeeded in hosting the first ARF Security Policy Conference (ASPC) in Beijing in November 2004. At that conference, attention was devoted to strengthening cooperation for the prevention of transnational crime such as terrorism, with China showing interest in preventing maritime piracy in the Malacca Strait. China wants to counter the increasing influence in the region of the United States (which is worried about collusion between pirates and terrorists), Japan (which depends

considerably on ASEAN member countries for its trade), and more recently, India (which cooperates in maintaining security in the Malacca Strait and surrounding waters). In August 2006, China and ASEAN held in Dalian their first-ever symposium on cooperation in cracking down on piracy. They agreed to take practical steps toward security cooperation and put in place an effective cooperation system among their maritime security agencies to secure safe navigation of ships passing through the Malacca Strait. Toward the end of April the same year, a Chinese fishing boat was attacked by pirates in waters around the Spratly Islands and four members of its crew were killed. In reaction, China, the Philippines, and Vietnam agreed to strengthen cooperation for the security of these waters and to establish direct communications among their coast guards.

In 2005, China strove to strengthen bilateral ties with individual ASEAN states. In April, it signed a joint declaration on a strategic partnership with Indonesia that included maritime cooperation in eliminating smuggling and piracy. In July, the countries exchanged memorandums of agreement on bilateral defense cooperation in defense, disaster relief, and reconstruction. China made overtures to the Philippines as well, concluding 14 investment and loan agreements in April 2005, and the two countries agreed to explore the possibility of future military cooperation. In May, China and the Philippines held their first bilateral security dialogue, discussing the possibility of cooperating in the areas of terrorism, maritime security, and disaster relief and humanitarian assistance. In January 2006, China donated six bulldozers and six graders worth \$1.2 million, which the Philippines plans to use in its fight against the NPA and in improving its infrastructure. The Philippine government said that such cooperation with China did not pose any threat to others. The Chinese government also said that it did not expect any political quid pro quo for the donation and that the donated equipment would not pose a threat to any third country. Moreover, the two countries allegedly plan to conduct a joint military exercise similar to the exercises that the Philippines conducts with the United States. As the Philippines is plagued with chronic budget deficits, such assistance from China is more than welcome, and security cooperation between the two is expected to increase in coming years.

China has been making approaches to Indochina, offering assistance for the development of the Mekong basin project and preferential tariffs for the formation of a FTA. In particular, it is strengthening its relationship with Myanmar by building infrastructure for realizing efficient energy supply. Myanmar is also

moving closer to China as a means of fending off criticism from the West as well as ASEAN of its stalled democratization process.

China is thus conducting active diplomacy toward ASEAN countries. The emphasis of its diplomacy had been on economic cooperation, but in recent years it has extended its efforts to the security area, including nontraditional security issues. In addition to securing the energy and primary products necessary for maintaining economic growth, China's approach to ASEAN aims to increase its own influence in the region while defusing the perception in ASEAN that China poses a threat. At the same time, China is trying to counter the influence of the United States in the region. China intends to alleviate the "China threat" theory caused by its launching of missiles over the Taiwan Strait during the period from the fall of 1995 through the spring of 1996, and to counter the increased prominence of US-led alliances such as the North Atlantic Treaty Organization (NATO) and the Japan-US security alliance. The increased US military presence in Southeast Asia since the September 11 terrorist attacks means a relative decline of China's influence in the region. In order to counter this trend, China is expanding security as well as economic cooperation with ASEAN.

### **3. Outlook**

Although China has been strengthening its security cooperation with Southeast Asian countries, its military, particularly the navy, still lacks power projection capability. There is growing resistance in the region to the increasing military presence of outside powers including China and the United States. Consequently, any expansion of China's military presence in Southeast Asia in the near future is unlikely. Although China has promoted military technological cooperation with Indonesia, namely joint missile development, the technological level of the missiles is not high. Nevertheless, it is clear that China will continue to promote joint exercises to maintain maritime security and cooperation through policy dialogue with the countries of this region. China is also trying to play a leadership role in enhancing regional cooperation to form an East Asian Community.

Meanwhile, the United States has stepped up its engagement in Southeast Asia as the "second front" in its post-9/11 war on terror, paying attention on the growing influence of China. For instance, prior to the attacks of September 11, 2001, Southeast Asian countries were faced with a serious recession and financial

difficulties after the financial crisis of 1997, leading Malaysia and Indonesia to purchase low-cost Russian- and Chinese-made military equipment. In Indonesia's case, another factor was the US ban on arms exports. Increased arms sales from Russia and China would have played a role in the United States lifting its ban on arms exports to Indonesia. In fact, the United States has a long history of military relations with Southeast Asian countries, and it has many close allies in the region. Singapore allows the US Navy to use its naval bases for re-supply and repairs. Thailand and the Philippines are sometimes called non-NATO allies of the United States. As illustrated by the relief activities provided by the United States in the aftermath of the tsunami at the end of 2004, the United States has contributed greatly not only in the military area but also in non-military areas. Economically as well, the United States is an important export market and a major source of foreign direct investment for ASEAN countries; the United States has also assisted their industrialization. Therefore, the importance of the United States to Southeast Asia politically, militarily, and economically is unchanged. However, its dominance has been gradually overshadowed by the growing presence of China and India in the region. The ASEAN diplomatic strategy aimed at preventing dominance by any one particular nation has also helped create this situation.

ASEAN does recognize the important role played by the United States in the region. However, one major cause of mistrust of the United States in the region was the pressure the United States placed on ASEAN member states at the time of the Asian financial crisis, through the International Monetary Fund, to adopt a Western-style economic system, which only worsened their situation. The economic turmoil even toppled the Suharto regime. The invasion of Afghanistan and Iraq by the United States, as part of its war on terror after the September 11 attacks, demonstrated US unilateralism, which alienated Muslims in the region. Meanwhile, the West has repeatedly condemned Myanmar for human rights abuses and the standstill in the process of democratization, and the Myanmar issue has even appeared on the agenda of the UN Security Council. As a result, Myanmar has moved closer to China, offering China an opportunity to secure political influence over the country. Cambodia and Laos could likewise be areas where China can step up its cooperation to strengthen its influence in ASEAN. The unilateralist actions of the United States stimulate anti-US sentiment in some ASEAN states with fragile political systems, driving them closer to China. However, this is not to say that they have completely abandoned their wariness of

China, and their suspicions about China's future intentions remain strong. Therefore, they will be increasingly inclined to neutralize the influence of any one particular country by playing the United States off against China, and vice versa.

On the other hand, Central Asia is still under the strong political and economic influence of Russia, although China has begun making approaches to the region in the economic field in recent years. Many Central Asian countries are less developed and more authoritarian than Southeast Asian countries. Even if they wanted to develop their economies by increasing energy exports, they would have difficulty in achieving such objectives without Russian cooperation. The United States has long been aware of the geopolitical importance of Central Asia as a source of energy, but its links with these countries are still weak. After the September 11 attacks, they become important strategically in the war against international terrorism and the United States established military bases in some of these countries. However, US firms have not made extensive investments in the area; the oil majors did make some investment in energy development, but not enough to trigger dramatic economic development. US military assistance after the war in Afghanistan also fell short of these countries' expectations. As is the case with Myanmar, some Central Asian countries felt closer to Russia and China when faced with the perceived threat of democratization, which has the potential to destabilize their political systems. From their perspective, the objective of the US war on terror has been changed from the elimination of the Taliban regime in Afghanistan to the democratization of their regimes. Seizing on such trends, China and Russia are seeking to use the SCO to reduce the influence of the United States in Central Asia and to strengthen their own. With renewed confidence in itself as a major power backed by increased energy exports, Russia will seek to further its influence in the region.

However, as with ASEAN member countries, not all Central Asian countries have moved closer to Russia or China. Countries such as Kyrgyzstan and Tajikistan that have no oil and natural gas reserves are seeking to develop closer relations with the United States with a view to growing their economies through foreign investment and trade. However, Central Asian countries have not developed mature political and economic relations with the United States and European countries and their economies are less developed. If the United States continues to push ahead with its unilateralist drive for democratization, anti-American sentiment could mount, creating a window of opportunity for Central Asian

countries to move closer to other major powers. While both Central Asia and Southeast Asia are aware of the necessity of maintaining good relations with the United States, political forces wishing to curtail US influence are also at work. Such forces will be strengthened if the United States heedlessly presses ahead with its unilateral agenda. Even in Southeast Asian countries that are more developed economically and have strong relations with the United States, resentment against US unilateralism runs high. It is clear that the promotion of democratization must be accompanied by a formula for accelerating economic development through expanded investment and trade.