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New Power Dynamics in Southeast Asia: Issues for US Policymakers

Since the end of the Vietnam War, Southeast Asia has often been viewed as secondary to vital US interests. However, in a post-Cold War world that is increasingly shaped by rising powers and nonstate actors, what was previously marginal has become pivotal. After September 11, 2001, both Islamic fundamentalists and the United States identified Southeast Asia as a “second front.” Some of Southeast Asia’s Muslims have forged closer ties with the Middle East, even as Middle Eastern petrodollars have funded Southeast Asian mosques and schools. Southeast Asia has also emerged as a crossroads between status quo powers—the United States, Japan—and the rising powers of China and India.

At the 47th annual Strategy for Peace Conference, held in October 2006, the Stanley Foundation convened four panels to assess the political, security, economic, and regional aspects of the changing power dynamic in Asia, with particular attention to Southeast Asia. The dialogue brought together policymakers, scholars, analysts, and nongovernmental practitioners to consider the challenges—as well as opportunities—for US policy in this new regional environment. This policy brief reports on the substance of these discussions, with the caution that it does not necessarily represent a consensus.

Power Shifts

The Asia-Pacific region is vast, diverse, and dynamic. For example, the 21 economies that are grouped in the Asia-Pacific Economic Cooperation (APEC) forum represent 56 percent of global gross domestic product, 48 percent of global trade, and 40 percent of the world’s population. Since 1989 the APEC economies have collectively grown 26 percent, compared with 8 percent for the rest of the world. But, for the region as a whole, prosperity has not necessarily translated into peace. The region contains some of the world’s largest armed forces: of the top 20 militaries, 8 are in the Asia-Pacific, half of which are in Southeast Asia.

Although useful, statistics such as these cannot fully capture emerging trends in the region. As Cold War rivalries have given way to normalization, and as trade anoints new economic leaders, dynamics are changing in every sector of the Asia-Pacific region: security, economics and trade, politics (both domestic and international), social, cultural, and demographic. Beyond shifts in leadership, these trends call into question old assumptions and, most important, are restructuring established patterns in the region. They require a reconsideration of US policy initiatives and responses in the region. For example:

- As Southeast Asia's trade with China begins to overtake its trade with the United States and other advanced economies, the very composition of Southeast Asian economies is changing. Countries now focus less on their ability to export light manufactures and more on exports of raw materials to meet growing Chinese demand. This shift is not occurring without reservations on the part of Southeast Asian economic policymakers, for its potential to make the region's economies overly dependent upon China and possibly less competitive in the broader global economy. Fears in the latter regard were stoked when Southeast Asian countries competed to host a \$1 billion Intel microchip factory, which eventually went to Vietnam, considered an upstart by the "older" capitalist economies. Changing trade patterns also have a social impact. For example, natural resource exports usually have less potential for job creation than assembly-line light manufacturing.

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- Although regional organizations have proliferated since the end of the Cold War, many of them at the instigation of the Association of Southeast Asian Nations (ASEAN), some groups in the "alphabet soup" of acronyms—such as the ASEAN Plus Three and the East Asia Summit (EAS)—focus on Asia rather than the Asia-Pacific region, implicitly fencing out the United States. If the United States wishes to reverse this trend, it would formally have to embrace regional norms, such as those embodied in the Treaty of Amity and Cooperation (TAC).
- In the wake of the "wave" of democratization after the Cold War, Southeast Asian countries such as Thailand and the Philippines were expected to set the democratic standard for the region. Backsliding in both of these countries, especially in Thailand in 2006, have called into question whether Western-style political freedoms can take

root in the region. This shift leaves Indonesia as the region's most vigorous democracy, a trend that few would have forecast 15 years ago.

- The lackluster economic performance of the region's wobbly democracies may precipitate another round of the "Asian values" debate of the 1990s, as the semi-authoritarian countries (Singapore, Malaysia) and the "soft authoritarian" Vietnam climb the regional economic ladder. More broadly, this tempts some Southeast Asian countries to lean toward the "Beijing consensus" rather than Washington's prescriptions for open political systems to match open markets.
- A 2003 decision by the US Department of Defense to restructure US forces in Asia calls for a series of outposts that would permit US forces and their security partners to respond flexibly to crises. Apart from the potential consequences of such a shift on security dynamics in Northeast Asia, the new policy has implications for Southeast Asia. Former US opponents, such as Vietnam, and countries that had customarily maintained arm's-length distance from the United States, such as Indonesia and Malaysia, are now the recipients of greater attention from Washington for their potential as strategic "lily pads."
- As political tensions with former Cold War adversaries have eased and as trade has expanded, migration is accelerating rapidly in the region. Most strikingly, Chinese migration is changing the character of the northern provinces in some Southeast Asian nations, particularly Myanmar. More subtly, but potentially as important, labor flows within ASEAN are picking up, seen in the eight million Indonesian workers in Malaysia.

The impact of these migration patterns on US interests in Southeast Asia may be subtle, but they challenge American "soft power" in the region because they promote a stronger two-way relationship with China than with the United States. For example, many more Chinese than American students come to Southeast Asia to study, and some Southeast Asian universities are developing programs in China. Proximity is a powerful factor in this competition and poses an additional challenge to US public diplomacy efforts.

The Changing Regional Architecture

For the past several decades, the Asia-Pacific region has been marked by a difficult asymmetry: disputes

with the most danger for damage lie in Northeast Asia, while the region's multilateral institutions to manage and reduce conflict are primarily in Southeast Asia. The source of conventional security threats in the region are commonly linked to tensions involving China, Taiwan, Japan, the Koreas, and the United States. To date, however, most Asian regional frameworks (as opposed to Asia-Pacific groups) are an outgrowth of ASEAN or based on ASEAN rules, primarily of decision by consensus and noninterference in the internal affairs of member nations.

In colonial times, relations among Asian polities tended to be minimal and at most bilateral in nature and mediated through the non-Asian colonial centers. After World War II, the failure of the Cold War would-be alliance, the Southeast Asia Treaty Organization, to stem nationalist communism in Indochina seemed to showcase the irrelevance of regionalism. Nor was economic integration in Asia a factor in this era. Given this virtual void, ASEAN's very creation in 1967 was by definition a departure from this tradition. At present, although regional integration per se is still weak in Asia, new forums are proliferating and old networks are expanding, each with its own purpose, members, and methods.

These regional frameworks form both concentric and overlapping circles. From its founding five members, ASEAN has expanded to ten (with East Timor as a possible eleventh), covering the entirety of Southeast Asia. Since then, ASEAN has maintained its organizational integrity and core but has added four new dimensions:

- Internal sectoral groups, such as the incipient ASEAN Free Trade Area, the ASEAN People's Assembly, and the ASEAN Interparliamentary Organization.
- An extension into Northeast Asia with the ASEAN Plus Three group, which includes the ten Southeast Asian states and China, Japan, and South Korea.
- Broader regional forums such as the security-oriented ASEAN Regional Forum (ARF).
- A network of dialogues that covers the ASEAN's relations outside of Asia, including the US-ASEAN Dialogue, now 30 years old; the ASEAN-European Meeting; the ASEAN-Gulf Cooperation

Council; and dialogue groups for relations with Africa and Latin America.

Explicitly trans-Pacific networks are older, fewer, and more specialized. At present, most of them are focused on trade liberalization and other economic issues. These include the APEC group, an Australian initiative with strong US backing; the Pacific Economic Cooperation Council; and the Pacific Trade and Development Forum.

The newest and most contentious addition to this mix is the EAS, inaugurated in December 2005, which brings ASEAN Plus Three countries together with India, Russia, Australia, and New Zealand. Among the requirements for admission to the EAS is accession to the TAC. Although the purpose and direction of the EAS are issues of confusion and concern to its own member states, its emergence was initially hailed as a watershed, a possible prototype for a more permanent and integrated East Asian community.

Washington's concern in that regard is that momentum for an East Asia community may eclipse larger, trans-Pacific groups in which Americans can and do participate—although not mutually exclusive, these two processes have an obvious potential to become competitive. More to the point, US policymakers worry that decreasing interest in APEC and other trans-Pacific frameworks coupled with growing interest in East Asia groups strengthen the possibility that China could ride the regionalist wave to the detriment of US interests. This played out at the APEC Summit in November 2006, when the United States pressed for the inauguration of a Free Trade Area of the Asia-Pacific but failed to win a critical mass of support for the idea. In the meantime, Beijing and the ASEAN governments continue their plans for a China-ASEAN Free Trade framework, which would constitute the world's largest free trade area.

However, although the ASEAN Plus Three group is obviously confined to Asia, the inclusion of extra-regional powers such as Russia and India in the EAS broadened the geographic scope of that framework from the beginning. Were the United States to join, the EAS would by definition also be a trans-Pacific group. Washington already meets two of the three requirements for entry into the EAS, the unmet condition being endorsement of the TAC. If the United States were to accede to the treaty, it would most likely do so with several qualifications, similar to those entered by Australia when it joined the EAS.

Meanwhile, both regional orbits remain very diverse, not only in terms of history and cultural identity but also in their political ideology and national interest.

Another fundamental factor that will slow the progress of regional integration in Asia are the terms of engagement among regional partners, most of which are variations of “the ASEAN way,” which emphasize decision by consensus and noninterference in the internal affairs of member nations. Both of these often incline US policymakers to view ASEAN and its affiliations as “talk shops,” although the net result of this approach for ASEAN has been the absence of violent conflict among member states in a four-decade span. Moreover, some of the successes of the “ASEAN way” can be said to have spread to relations with external powers. One early indication of this was the signing of the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea, a protocol that lacks enforcement mechanisms but has served to lower

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tensions between China and individual ASEAN states on the oil-rich Spratly Islands in the South China Sea.

Yet if ASEAN can take pride in regional peace and argue that talking is at least preferable to fighting, its critics argue that the mere absence of war is too low a standard and point to a long list of shortcomings. These include failure to foresee or prevent the Asian Financial Crisis of 1997-98, initial passivity in the face of Indonesian-abetted violence in East Timor in 1999, and inability to address a host of transnational threats ranging from environmental haze to HIV/AIDS.

Formulating realistic and effective US policies at this time of regional fluidity is crucial to US relations with Southeast Asia. In that regard, the United States should:

- Neither exaggerate the significance of regional frameworks in the Asia-Pacific region nor assume their impotence. Steps should be taken to ensure that the United States maintains an active if selective role in advancing regionalism. The single most important measure in this regard would be to endorse the TAC, with qualifications if necessary.
- Sustain and deepen trans-Pacific ties by revitalizing APEC as much as possible.
- Appoint a US ambassador for ASEAN Affairs, as proposed in the last Congress.
- Schedule back-to-back meetings of the APEC and EAS annual meetings to strengthen them both. This would also encourage a division of labor, allowing APEC to concentrate on economic matters while the EAS could take up a range of other issues, including security.
- Encourage East Timor’s entry into ASEAN, including offers to help that country’s government develop the technical and staff capacity needed to meet the membership requirements.

Economic Rivalry and Economic Integration

The shifts in power dynamics in the Asia region, and their impact on Southeast Asia, have profound implications for security, politics, and social trends, but without doubt the proximate catalysts for many of these changes are economic. Indeed, economic growth and development have elevated Asia in the global economy to the extent that many economists expect the 21st century to be “the Asian century.” Americans cannot and do not ignore this momentum, as evidenced by the growing US economic dependence upon China, both in trade and debt.

In Southeast Asia, however, economic trends point toward declining US influence. To be sure, the United States is still a major trading partner for Southeast Asia and the fundamentals are still strong. These fundamentals include relatively free immigration policies and markets, a world-class system of higher education, and successful multinational and other businesses with long experience in the region.

However, the negative factors are equally compelling. These include declining US interest in

Southeast Asia after the 1997 economic crisis; an American focus in free trade negotiations on liberalizing services, compared to a stronger Southeast Asian emphasis on goods; the disadvantage of geography, with the Chinese and Indian markets obviously closer to the region; and declining US economic assistance to Southeast Asia. With regard to the last factor, China and Japan both have significant aid programs that they use strategically to advance their interests in the region. Across the board, the United States lacks an overall strategy for Southeast Asia that coordinates trade, aid, and investment with broader US goals in the region. Moreover, trade is an excellent conduit for cultural exchange—through media, electronics and other consumer goods, and through tourism. For example, Chinese tourism in Southeast Asia has spiked in the past decade.

Enhancing US economic engagement in Southeast Asia is a multidimensional task. It involves both promoting long-term economic growth, development, and prosperity in Southeast Asia and strengthening regional institutional frameworks and US participation in those institutions.

Ideally, multilateral liberalization includes the largest possible number of beneficiaries and harnessing global trade and investment flows to promote long-term economic growth and prosperity. As such, in theory the greatest promise lies not in bilateral or even regional arrangements in Southeast Asia but in strengthening the region's participation in the World Trade Organization Doha Development Round.

However, the difficulty to date in bringing the Doha Round to fruition points to the need for the United States to develop and pursue alternative policies in Southeast Asia. Nor are bilateral free trade arrangements a panacea, since Congress must renew the president's Trade Promotion Authority (TPA) in mid-2007 if the US Trade Representative is to continue negotiating free trade agreements (FTAs). At this juncture, only two US FTAs with Asia are under active negotiation, with South Korea and with Malaysia. If Congress does not renew the TPA, the list could remain curtailed for some time to come. In the meantime, the efficacy of existing trade agreements is under question as a hedge against economic competition in the region.

In the context of regional economic mechanisms, apart from considerations of the Asian versus

Asian-Pacific frameworks outlined above, there is considerable evidence that the United States has not exercised its leverage in regional economic groups. Although it is obvious that APEC is the US vehicle of choice, at times US policymakers utilize the organization's framework to address contemporary political or security issues rather than longer-term economic or trade matters.

Nor has the United States assumed an active leadership role in the region's international financial institutions (IFIs). For example, the United States is, along with Japan, the Asian Development Bank's (ADB's) largest shareholder with 13 percent voting rights, but it tends toward complacency regarding the bank's projects. Policymakers appear satisfied with strategic aid grants to America's allies in the war against terrorism, and have allowed China and Japan to direct ADB programs toward areas that meet their strategic and economic needs.

In the realm of economic development in Southeast Asia, a key factor is and will continue to be education. The United States has obvious advantages in this regard but does not sufficiently utilize them in their assistance programs. Southeast Asian university systems are weak and incapable of making internal upgrades. Building or strengthening educational systems in Southeast Asia was a key priority for the United States during the Cold War, since the development of educated classes was needed to resist communism, but this has ceased to be a priority. In addition, the United States has knowledge and skills in virtually all of the other areas vital to Southeast Asian economic development: the environment, public health (including epidemics), and agricultural technology.

In view of the current difficulties in constructing global economic architecture, and given unrealized US potential, the United States should:

- Use the recently signed US-ASEAN Trade and Investment Framework Agreement (TIFA) as a base to expand its economic relations in the region. The flexible nature of TIFAs make them an ideal vehicle to facilitate trade and investment flows without the rigidity (and political controversy) of more formal liberalization agreements, such as FTAs.
- Take advantage of Australia's chairing of the 2007 APEC meeting, and the close US-Australian relationship, to invigorate APEC and lay the

groundwork for more sustained US economic engagement through the group.

- Take a more active interest—and role—in Asian IFIs. For example, the United States could make better use of the ADB for trade promotion by building a coalition of like-minded ADB members, such as Australia.
- Avoid too targeted an approach to educational assistance (e.g., in areas prone to Islamic radicalism) in favor of a more comprehensive approach, to help Southeast Asian countries build strong domestic education systems that can support economic development.
- Consider ways to streamline visa processes in key areas—such as education and health—and improve port of entry procedures to allow a larger number of Southeast Asian students to pursue higher education in the United States.

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Toward a New Security Order?

Although the immediate impacts of power shifts in Asia are economic, some of the longer-term implications lie in the realm of security. Security frameworks are not likely to change as quickly as economic and political ones in the region, not least because of the centrality of the US security umbrella, but new trends are emerging among both traditional and new powers:

- Predictably, the attacks of September 11, 2001, have caused the United States to promulgate unilateral initiatives aimed at terrorist chokepoints, both strategic and financial. One example is the Container Security Initiative, introduced in 2002,

designed to protect cargo entering the United States by container and the Proliferation Security Initiative, launched in 2003, aimed at preventing the spread of weapons of mass destruction, as well as their delivery systems and related materials. Washington has pressed Southeast Asian governments to accede to these global initiatives and has funded the creation of a counterterrorism training center in Kuala Lumpur.

- Notwithstanding the intention to redeploy forces from Asia, the United States has been upgrading its defense relations with key partners in the region. In Southeast Asia, apart from US treaty allies Thailand and the Philippines, US security relations have strengthened with Singapore and, more recently, Indonesia. Since September 11, quiet cooperation with Malaysia has improved, and normalization with Vietnam has enabled Washington and Hanoi to establish cautious and incremental military-to-military ties. Two conditions probably account for this adjustment. First, the war against terrorism has made it imperative for the United States to forge closer ties with the Muslim-majority countries in Southeast Asia. Second, this broadening of security relations creates structural constraints to discourage Beijing from abusing its growing regional power.
- In recent years there has been a gradual and quiet multilateralization of security cooperation in the region. Once bilateral exercises between the United States and Thailand, the annual Cobra Gold maneuvers have been enlarged to include Singapore and Japan as formal partners, and several other nations as observers.
- The United States also helped spark maritime cooperation in the Malacca Straits, albeit initially in a negative fashion when Washington unilaterally proposed a Regional Maritime Security Initiative (RMSI). Maritime security, a vital US interest because of the heavy traffic in the Straits, became all the more critical with the rise of Al Qaeda. The RMSI was more alarming than reassuring to Southeast Asian states and it was not adopted, but it did prompt the littoral states—Singapore, Malaysia, and Indonesia—to begin multilateral exercises and patrols in the Straits. Since then, an increasing number of external powers—including India, Japan, the United States, China, and Australia—have offered training, escort support, and patrolling services to the littoral states, essentially reprising and recasting the goals of the RMSI.

- In the past decade, Southeast Asia has made a strategic shift toward concern for human security, brought on by the proliferation of transnational nontraditional security threats. This is a critical issue for the region, not only because globalization has intensified these threats but also because addressing them challenges the core ASEAN assumption of noninterference in the internal affairs of member states. These problems include environmental degradation, drug trafficking, human trafficking, illegal migration, nonstate terrorism, maritime piracy, and potentially pandemic threats to health.
- In this regard, Southeast Asian countries are both the source and the victims of transnational threats. The environmental haze that blankets Singapore and parts of Malaysia and southern Thailand on an annual basis emanates from Indonesia. The region is predicted to be the most likely center for an avian flu pandemic, if one indeed emerges. At the same time, China was revealed to be the origin of the SARS epidemic, which posed a serious threat to Vietnam and Singapore.
- The changing regional security dynamic in Northeast Asia has created new competition—and new tensions—between China and Japan. In contrast to Washington, which tends to view US-China competition as primary, Southeast Asians are more worried about being caught in the middle of Sino-Japanese rivalry. This is not to say that Southeast Asia would not also like to avoid being pulled between China and the United States, but that it views Sino-Japanese competition as inherently more destabilizing.

In this changing security environment, the United States should:

- Urge that the ARF be institutionalized through the establishment of a separate secretariat, and be prepared to take a more active role in setting the ARF agenda.
- Strengthen security cooperation in the Malacca Straits by promoting the establishment of an information-sharing center in Singapore, to improve the quality of statistics and reports on armed piracy and armed robbery at sea in the region.
- Accede to the Law of the Sea Convention, which will offer additional mechanisms for maritime security cooperation.

- Urge that the scope of maritime cooperation be extended beyond the Malacca Straits to the Celebes Sea, the Sulu Sea, and the Makassar Strait.
- Step up programs to address transnational threats in the region. Efforts to alleviate the damage in Southeast Asia of the 2004 Indian Ocean tsunami were a model for multilateral cooperation, but efforts should be made to regularize such crisis responses.

Domestic Dynamics and the Elusive Issue of Leadership

An important but unexplored dimension of new power relations in the Asia-Pacific region and their impact on Southeast Asia are domestic political and social dynamics. Whether they are democratic, authoritarian, or in between, nearly all governments in the region are under increasing domestic pressures that are reflected in their foreign policies. Many of these “domestic determinants” are still emerging, but they have a direct impact on relations with the United States and other regional powers. Moreover, political change in traditional and new powers also affects this dynamic. In the United States, for example, the 2006 congressional elections and the move toward the 2008 elections could have an impact on US policy in the region, ranging from trade to the promotion of democracy and human rights.

This trend toward domestic factors is best seen in the reaction of Muslim Southeast Asia to US policy since 2001. Public opinion surveys have charted a rising disapproval of the United States in this population in recent years. These polls suggest that the war in Iraq has had a particularly damaging effect. However, in both Indonesia and Malaysia, reaction against the intervention in Lebanon in 2006 was sharper than the initial response to the Iraq war, and more pronounced in Malaysia than in Indonesia. This underscores a critical point, that global Muslim consciousness has been growing in Southeast Asia, and has reached a crossover point at which Muslims in the region base their impressions of the United States as much—or more—on US policy in the Middle East as on US policy in Southeast Asia.

At the same time, domestic political and social crises have made some Southeast Asian countries more inward-looking. The most obvious example is Thailand, where the 2006 coup and the struggle to

return to democracy through constitution-drafting have essentially defined US-Thai relations. In the region, instability in Thailand (as well as in the Philippines) makes it difficult for these traditional US allies to defend the “Washington consensus,” which favors a liberal polity, over the “Beijing consensus,” based on authoritarian rule, the significance of social obligations, and the reassertion of the principle of noninterference.

In Malaysia, although counterterrorism cooperation with the United States remains an important priority, an increasingly negative internal discourse on race affects Kuala Lumpur’s ability to take full advantage of partnership with the United States in this regard. In contrast, in Vietnam domestic change continues to be tightly linked to economic reform, which puts relations with the United States on positive footing as trade between the two countries increases dramatically each year.

The most pressing political task for the United States in Southeast Asia will be to mitigate impressions in the region that the United States is excessively unilateral and interventionist, and that Washington’s increased attention to the region since September 11 is myopic and self-serving.

In an environment of constant domestic change in Southeast Asia, a related issue of regional leadership has emerged. Once thought to have lost its regional role in the 1997 economic crisis, Indonesia is well positioned to regain much of its former leverage with its new democracy and improved relations with Washington, according to some analysts. Because of its wealth and strategic position, Singapore remains an intellectual leader in the region, but its size and Chinese majority conspire against its becoming an acknowledged leader in the region. Other states are accorded greater weight in regional affairs because of their economic dynamism. With the fastest growth rates in the region, Vietnam is moving rapid-

ly up the ASEAN economic ladder and accruing political weight in the region as a result. These shifts in leadership present an additional challenge to US policymakers attempting to navigate new power dynamics in the region.

In the near term, however, the most pressing political task for the United States in Southeast Asia will be to mitigate impressions in the region that the United States is excessively unilateral and interventionist, and that Washington’s increased attention to the region since September 11 is myopic and self-serving. Doing so will not require 180-degree turns or quantum leaps in policy, but only a more thoughtful approach in a short-term policy environment. In this regard, the United States should:

- Acknowledge the growing global Muslim consciousness in Southeast Asia through increased dialogue on the Middle East and more consultation—publicly and privately—with Indonesia and Malaysia on US policy in the Muslim world.
- Counter impressions of a singular policy focus on terrorism with greater attention to the full range of social problems in Southeast Asia, from greater accountability (such as in the Khmer Rouge tribunal in Cambodia) to the demands on educational systems made by the rising generations. Instead of offering prepackaged public diplomacy programs, the United States should improve its image by promoting linkages between American and Southeast Asian nongovernmental institutions in these issue areas.
- Target some policy initiatives to the positive and negative consequences of US policies. The STAR program in Vietnam helped implement the US-Vietnam Bilateral Trade Agreement. In contrast, the United States urged Laos to eradicate opium, which it has done to an impressive degree, but the accompanying economic dislocations require attention. Addressing the ongoing consequences of Agent Orange in Vietnam, where the defoliant was sprayed during the war, is another example.

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About the Conference

This policy dialogue brief summarizes the primary findings developed at the Stanley Foundation's 47th annual Strategy for Peace Conference, which was held October 19-21, 2006, at Airlie Center in Warrenton, Virginia. Participants neither reviewed nor approved this brief. Therefore, it should not be assumed that every participant subscribes to all of its recommendations, observations, and conclusions.

The conference discussion groups were:

- **Domestic Determinants: Changing Asia-Pacific Societies and Foreign Policy** (chaired by Catharin Dalpino, Georgetown University)
- **Means and Ends: Regional Frameworks in the Asia-Pacific** (chaired by Donald Emmerson, Stanford University)
- **Trade, Aid, and Investment: Economic Rivalry in the Asia-Pacific Arena** (chaired by Lionel Johnson, Citigroup)
- **Allies, Friends, and "Strategic Competitors": New Security Dynamics in the Asia-Pacific Region** (chaired by Barry Desker, Institute for Defense and Strategic Studies, Nanyang Technological University)

The conference, "New Power Dynamics in Southeast Asia," was the first event in the Stanley Foundation's multiyear programming initiative on Southeast Asia that will include meetings in Indonesia, Cambodia, Singapore, China, and the United States.

The Stanley Foundation

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