Chapter One

INTRODUCTION

China’s emergence as a major regional power over the next 10 to 15 years could intensify United States-People’s Republic of China (PRC) competition in Southeast Asia and increase the potential for armed conflict. The United States is currently the dominant extraregional power in Southeast Asia. The Association of Southeast Asian Nations (ASEAN) continues to rely on U.S. military forces to guarantee regional stability and security and to balance China’s growing power. Economic growth in the Asia-Pacific region, which is important to the economic security and well-being of the United States and other powers, depends on preserving American presence and influence in the region and unrestricted access to sea-lanes.

At the same time, China seeks to reassert its historical role as the dominant regional power and has substantial irredentist territorial and maritime claims in the South China Sea. Over the next decades, China’s dependence on imported oil will increase substantially, and much of this oil will transit Southeast Asian sea-lanes. The Chinese are likely, therefore, to pursue an activist policy to influence regional developments as well as to acquire the capabilities to project military force throughout the region. In short, the United States and China have very different concepts of how security should be organized in the Asia-Pacific region and these competing visions could clash in Southeast Asia.

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1The China National Petroleum Corporation (CNPC) and the China National Offshore Oil Corporation (CNOOC) hold minority shares of offshore production and exploration blocks in the Strait of Malacca and the Java Sea.
It is by no means axiomatic, however, that a “rising China” will pose a military threat to the ASEAN states or lead inexorably to military conflict with the United States or a Chinese geopolitical challenge to American primacy in the Western Pacific. Chinese policy in Southeast Asia is the result of a complex and shifting mosaic of conflicting factors, including China’s internal political and economic evolution, regional security dynamics, the growing economic interdependence between the ASEAN states and China, and the U.S. military posture and security policy in the region. The real issue is the extent to which regional countries would feel the need to accommodate China’s ascendancy—military threat is only one element in the panoply of Chinese policy instruments.  

China has territorial, maritime, and security goals that would extend its presence into the heart of Southeast Asia. In particular, China claims sovereignty over the entire South China Sea as well as the Spratly and Paracel islands, which sit astride vital sea-lanes through which 25 percent of the world’s shipping passes. China’s claims to the South China Sea fall into the same category as its claims to Taiwan and Tibet—as a sovereign part of China—and exceed in scope (surface, subsurface, fisheries, air rights) those of other claimants.  

The Chinese have aggressively defended these claims with a tough declaratory policy backed with the use of force. Moreover, China is steadily improving its ability to project force throughout the South China Sea. Absent profound changes in China’s political system or the creation of an effective regional security “architecture,” there are relatively few political, legal, or institutional constraints on China’s use of force or coercion to pursue its interests. But China also seeks to create a stable environment in Southeast Asia for the expansion of trade and investment, which undergirds China’s strategy of market-
led economic growth and, with the demise of communist ideology, the country’s political stability and Chinese Communist party rule.

It is possible, therefore, but not inevitable that over the next 15 years China could emerge as a more powerful and hostile competitor to the United States for regional influence and access. Deterring armed conflict between China and ASEAN states and a Chinese challenge to the existing security order in Southeast Asia will pose a major security challenge to the United States. In light of the weakness of individual ASEAN countries and the limitations on effective regional defense and security cooperation, for the foreseeable future only the United States will be capable of preventing China from achieving regional hegemony should Beijing move in this direction. As a consequence, it is plausible that some of the ASEAN states, if confronted by the prospects of an aggressive and threatening China, may rely increasingly upon the United States and its military power for deterrence, reassurance, and protection.5

This study examines the role of Southeast Asia in a U.S. strategy toward China predicated on the notion that, given the many paths China could take, the most prudent approach to managing a rising China is to engage but hedge against an uncertain future. Chapter Two provides an overview of U.S. strategic interests and objectives in Southeast Asia. Subsequent chapters examine the nature of potential Chinese military threats to U.S. interests in the region, the attitudes of the ASEAN states toward military cooperation with each other and the United States, the likely response of the ASEAN states to a rising China, and the prospects that regional security arrangements might help prevent conflict and constrain China. The concluding chapter addresses the implications for U.S. defense planning, military presence, and force posture in Southeast Asia.

5The view that ASEAN’s expansion may have weakened ASEAN’s leverage vis-à-vis China by diluting the organization’s cohesion and reducing the chances for consensus has gained wide acceptance among security experts. With the admission of Cambodia on April 30, 1999, ASEAN now consists of the following ten nations: Brunei, Cambodia, Indonesia, Laos, Malaysia, Burma (Myanmar), the Philippines, Singapore, Thailand, and Vietnam.