

**“AMERICA FIRST” CANNOT MEAN “AMERICA ALONE”:
ENGAGING SOUTHEAST ASIA¹**

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“Crossroads of Competition:
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*Panel 1: U.S.-China Strategic Competition in Southeast Asia
and the Pacific Islands*

Co-Chairs Price and Schriver, distinguished Commissioners, and staff, thank you for the opportunity to testify on this first panel, “U.S.-China Strategic Competition in Southeast Asia and the Pacific Islands.” I work on the geopolitics of Southeast Asia and its international relations, particularly its ties with the United States and China, and will confine my remarks to Southeast Asia.

This is an important topic. The United States has prioritized the Indo-Pacific and recognizes that “loss of U.S. preeminence in the Indo-Pacific would weaken [the United States’] ability to achieve U.S. interests globally,”² but is ceding influence to China in Southeast Asia, a region at the geographic heart of the Indo-Pacific. With about 700 million people, Southeast Asia is projected to be the world’s fastest growing region, offering a vast market and economic opportunities. Its location makes it critical to U.S. Indo-Pacific strategy. Allies and partners offer the United States access to military facilities. However, unlike other sub-regions in the Indo-Pacific, namely, Northeast Asia, South Asia and Oceania, geographical proximity to China dovetails with rising levels of Chinese influence in Southeast Asia. In terms of U.S. engagement in the Indo-Pacific, Southeast Asia represents a weak link.

In September last year, I published a piece in *Foreign Affairs*, arguing that “America is Losing Southeast Asia.”³ I chose the title partly to focus minds, but also because it

¹ “‘America First’ cannot mean ‘America Alone’: Engaging Southeast Asia” was the title of my commentary published by the Brookings Institution on 15 December 2016. About half a year later, H.R. McMaster and Gary D. Cohn published “America First Doesn’t Mean America Alone” in *The Wall Street Journal*, 30 May 2017. Their piece acknowledged that America is “asking a lot of our allies and partners,” but emphasized that “in return the U.S. will once again be a true friend.”

² U.S. Strategic Framework for the Indo-Pacific, declassified on 5 January 2021 ((approved in February 2018).

³ Lynn Kuok, “America is Losing Southeast Asia: Why U.S. Allies in the Region are Turning Toward China,” *Foreign Affairs*, 3 September 2024.

captured ground sentiment. Just prior to my commentary’s publication, I was speaking to a senior diplomat from the region who, without knowing the title of my then-upcoming piece, told me, “If the United States is not careful, it will lose Southeast Asia,” echoing my choice of title.

None of this, of course, is to say that the U.S. position in Southeast Asia is irreversible—at least for the moment. Through decades of providing a strategic counterweight and security umbrella in the region, the United States has contributed to the region’s peace and prosperity and is valued for it, even as these contributions have brought benefits to the United States as well. Even today, the region does not want to have to choose between the United States and China. Without a strong U.S. presence, the region’s strategic options will shrink and, with them, its ability to demand better behavior from China.

Moreover, a loss for the United States does not necessarily mean a win for China—the region is also looking to increase economic and strategic engagement with other players. In May, for instance, Malaysia, as ASEAN chair, will host a joint ASEAN-GCC summit aimed at strengthening ties between the two groupings. However, given China’s proximity, economic heft—it is already the region’s largest trading partner and one of its top investors—and consistent engagement with ASEAN and its member states, China stands to benefit most from any fallout between Southeast Asia and the United States.

The Commission’s decision to focus on Southeast Asia is an important step toward reversing the loss of U.S. influence and enabling the United States to compete more effectively with China in the Indo-Pacific.

U.S. goals and strategy?

I just suggested that U.S. goals in the region are regaining influence and out-competing China. But the extent to which this remains true is far from clear. To what extent can we continue to take guidance from the Indo-Pacific Strategy of the United States issued during the Biden administration, which identifies China as one of several regional challenges and seeks to work with allies and partners to counter China?⁴ Or even from the first Trump administration’s declassified U.S. Strategic Framework for the Indo-Pacific,⁵ which seeks “strategic primacy” and aims to have “most” Indo-Pacific countries view the United States as their “preferred partner,” recognizing that “[s]trong U.S. alliances are key to deterring conflict and advancing our vital interests”?

⁴ The White House, “[Indo-Pacific Strategy of the United States](#),” February 2022.

⁵ “[U.S. Strategic Framework for the Indo-Pacific](#),” classified by Matt Pottinger, DAP and Senior Director for Asia, NSC, and declassified in part by Assistant to the President for National Security Affairs Robert O’Brien, 5 January 2021.

A grand bargain or a comprehensive economic deal with China could make Washington more willing to accommodate Beijing's concerns, whether regarding support for Japan in general or specifically in the East China Sea, Taiwan, the South China Sea, or U.S. support for the Philippines under their treaty alliance.

Even if Washington continues to act on the basis that China is a strategic, rather than just an economic, threat, it is not evident that it continues to view allies and partners as essential in countering China. Washington's ambiguity on security guarantees for Ukraine and NATO allies, its treatment of allies and partners in Europe, and its threats of tariffs and uncertainty surrounding military support for Japan, South Korea and Taiwan suggest otherwise. Threatening tariffs does not just have economic implications; it also makes it harder for allies and partners to align with broader U.S. goals.

For the purposes of this testimony, I will assume that the United States remains committed to enhancing its influence and maintaining strategic primacy over China in the Indo-Pacific—or at least to deny China regional hegemony.

My testimony today is structured as follows:

1. Southeast Asia's perceptions of China and the United States
2. Why Southeast Asia is turning toward China
3. Factors driving the decline of U.S. influence in Southeast Asia
4. The effectiveness of China's diplomacy in the region
5. Strategic implications of diminishing U.S. influence for the United States
6. Recent developments and their impact on America's position in Southeast Asia
7. Rebuilding U.S. influence: Policy and legislative priorities

1. Southeast Asia's perceptions of China and the United States

The United States is losing ground in Southeast Asia. In an annual poll of Southeast Asian government and non-government elites ("the ISEAS poll" or "ISEAS survey"),⁶ 2024 marked the first year in which China edged past the United States as the region's choice of alignment partner if forced to align with one of the two powers: 50.5 percent of respondents chose China, and 49.5 percent chose the United States.

China's edge was slim. Breaking down the result by country, however, reveals a sharp decline in support for the United States among respondents in Laos (-30 percentage

⁶ *The State of Southeast Asia 2024*, ISEAS-Yusof Ishak Institute, Singapore, 2 April 2024.

points), Malaysia (-20), Indonesia (-20), Cambodia (-18), and Brunei (-15). The United States has also lost ground in Myanmar (-10) and Thailand (-9).

Only in three countries did respondents' preference for aligning with the United States over China grow from 2023 to 2024—the Philippines, Singapore, and Vietnam—and the increases were small. While the United States remained the preferred choice in the Philippines (83%) Vietnam (79%) and Singapore (62%), as well as Myanmar (58%), and Cambodia (55%), this likely overstates countries that might align with the United States if they had to choose. Non-government respondents in Myanmar and Cambodia are more pro-U.S. than their governments, which have close ties to Beijing and depend on it for economic, military and diplomatic support. Cambodia under Prime Minister Hun Manet who came into power in 2023 is seeking improved relations with the United States to better balance its foreign policy, but there is little doubt where Cambodia's loyalties must lie if push comes to shove.

In short, the 2024 poll shows a significant drop in support for the United States in seven out of the 10 ASEAN countries, including in Thailand, a U.S. ally, and Indonesia and Malaysia, two of the four partners with which the United States' 2022 Indo-Pacific Strategy seeks stronger relations.

2. Why Southeast Asia is turning toward China

The primary driver of Southeast Asia's turn towards China is its vital economic role. I will not go into detail on this as Panel 3 will focus on economic issues, but it is important to highlight a few key points to understand China's pull. China has outperformed the United States across multiple economic dimensions, including trade, multilateral engagement and infrastructure development.

China became ASEAN's largest trading partner in 2009, and its economic ties with the region have only deepened since. While the United States has withdrawn from multilateral trade agreements, China concluded the Regional Comprehensive Economic Partnership (RCEP) in 2020, which entered into force in 2022, involving all 10 ASEAN countries, and applied to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in 2021, portraying itself as a staunch supporter of the multilateral trading system.

Despite criticism and setbacks, China's Belt and Road Initiative (BRI) has delivered major infrastructure projects across Southeast Asia. One of the most notable examples is Southeast Asia's first high-speed rail service, the Jakarta-Bandung High-Speed Rail (Whoosh), which began commercial operations in 2023. Plans are now underway to extend the rail network across Java, potentially connecting Jakarta and Surabaya. In

December 2021, the Boten-Vientiane railway was completed, connecting Laos to China's high-speed rail network. It has transformed Laos from a landlocked country into a land-linked one, boosting trade, tourism, local businesses and investment.

Some in the West emphasize the appeal of China's authoritarian model, but ideology plays a limited role in the region's foreign policy choices. China's economic strength and perceptions of it as a growth engine, rather than its governance model, drive China's influence in Southeast Asia.

Framing the U.S.-China rivalry as a battle of ideologies may serve a purpose in the West—helping to unify Western governments and building domestic support for countering Beijing—but does not capture why Southeast Asia seeks stronger ties with China. Even democratic-leaning ASEAN countries continue to engage with China despite differences in political systems, reinforcing that pragmatism, not ideology, dictates regional foreign policy choices. Any effective U.S. response in the region must recognize and address China's economic pull.

3. Factors driving the decline of U.S. influence in Southeast Asia

Two primary factors have contributed to the decline of U.S. influence in Southeast Asia.

3.1. The Gaza factor

The first is the U.S. approach to the Gaza crisis since 7 October 2023. The 2024 ISEAS poll revealed a particularly steep drop in support for the United States in Muslim-majority countries. Seventy-five percent of Malaysian respondents, 73 percent of Indonesian respondents, and 70 percent of Bruneian respondents indicated a preference for alignment with China over the United States, compared with 55 percent, 54 percent, and 55 percent, respectively, in 2023.

Respondents were not explicitly asked why they made this choice, but the U.S. stance on Gaza was likely a major factor. When asked to select their top three geopolitical concerns, nearly half of all respondents ranked the Israel-Hamas conflict as their top concern, surpassing even the South China Sea dispute. The numbers were even higher in Muslim-majority countries, where 83 percent of Malaysian, 79 percent of Bruneian, and 75 percent of Indonesian respondents ranked Gaza as their foremost concern. In Singapore, where 15 percent of the population is Malay-Muslim, 58 percent of respondents also ranked Gaza as their top geopolitical priority.

The U.S. position on Gaza has reinforced perceptions of Western hypocrisy and double standards in the application of international law and the treatment of different

populations. Beyond the issue of double standards, many in Southeast Asia, including non-Muslims, have been horrified by the humanitarian crisis in Gaza and see the United States as having contributed to or at least been complicit in the suffering.

3.2. U.S. economic engagement

The second factor contributing to the decline of U.S. influence in Southeast Asia is Washington's relatively weak regional economic engagement, particularly in comparison to China's expanding trade, investment and major infrastructure projects.

Once a dominant economic force driving growth in Southeast Asia, the United States has fallen behind China. While the United States remains the largest foreign investor in ASEAN, much of this investment is concentrated in Singapore.

The United States' withdrawal from the Trans-Pacific Partnership (TPP)—now the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)—in 2017 was an own goal that further weakened its position in the region. China has since applied to join the CPTPP.

A U.S. withdrawal from the Indo-Pacific Economic Framework (IPEF), a framework already criticized for lacking market access, would further undercut America's clout and credibility in Southeast Asia. Without broad-based and multi-faceted engagement extending beyond security, U.S. influence in a region for which economics is security will be limited.

The United States has also struggled to compete with China in infrastructure development. China launched its Belt and Road Initiative (BRI) in 2013, delivering large-scale infrastructure projects that have transformed connectivity across the region. In response, the United States and its allies have introduced several initiatives, including reforms to the BUILD Act in 2018, the Blue Dot Network (with Japan and Australia) in 2019, and the G7's Build Back Better World (B3W) initiative in 2021. In 2022, the United States, together with G7 partners, rebranded B3W as the Partnership for Global Infrastructure and Investment (PGII), pledging to mobilize \$600 billion by 2027. However, these efforts have, as yet, yielded few tangible results in Southeast Asia.

The United States' relatively weak economic engagement with Southeast Asia is reflected in regional perceptions. In the 2024 ISEAS survey, nearly 60 percent of respondents identified China as the "most influential economic power" in Southeast Asia, while only 14 percent chose the United States.

4. The effectiveness of China's diplomacy in Southeast Asia

China's bilateral and multilateral diplomacy in Southeast Asia has been consistent and sustained, with Beijing successfully cultivating formal strategic partnerships with nearly all ASEAN members and ASEAN itself. Of the ten Southeast Asian countries, all but Singapore have signed strategic partnerships with China, though the depth of these relationships varies. Even U.S. treaty allies—the Philippines and Thailand—have entered into high-level strategic agreements with Beijing. The Philippines and China established a Comprehensive Strategic Cooperation (CSC) agreement in 2018 under President Rodrigo Duterte; Thailand signed a Comprehensive Strategic Cooperative Partnership in 2012. In 2021, China also elevated its relationship with ASEAN to a Comprehensive Strategic Partnership.

China's pandemic diplomacy was particularly effective in Southeast Asia, in contrast to Europe, where its pandemic response drew criticism. Beijing's rapid provision of vaccines, medical supplies and financial assistance during the pandemic strengthened diplomatic goodwill across much of ASEAN.

In contrast, China's actions in the South China Sea remain the primary thorn in the side of its relations with Southeast Asian countries. Beijing's militarization of disputed land features, and low-tide and submerged features in its neighbors' exclusive economic zones—as well as its violations of its neighbors' exclusive economic rights to their exclusive economic zones (EEZs)—have strained relations, particularly with the Philippines and Vietnam. Beijing could have consolidated greater influence by resolving maritime disputes diplomatically—all its Southeast Asian neighbors want good ties with China—but Beijing shows no indications that it is open to shifting its approach to the South China Sea.

That said, Beijing has been remarkably effective in minimizing the diplomatic fallout from its actions in the South China Sea through economic incentives and diplomatic outreach. For instance, despite repeated Chinese incursions in Indonesia's exclusive economic zone near the Natuna Islands, Jakarta continues to engage closely with Beijing on multiple fronts. In August 2024, China and Indonesia agreed to resume joint drills for the first time in a decade. In November 2024, both sides issued a joint statement agreeing to elevate defense and security as an additional pillar of cooperation, signifying “strong mutual trust between the two countries.”⁷ The joint statement also included a “common understanding on joint development in areas of overlapping claims,” which could be interpreted as Jakarta conceding that China has overlapping maritime claims

⁷ “[Joint Statement Between the People's Republic of China and the Republic of Indonesia](#) on Advancing the Comprehensive Strategic Partnership and the China-Indonesia Community with a Shared Future,” Beijing, 9 November 2024.

with Indonesia—something Jakarta has always denied. The statement also included language aligning with China’s position on Taiwan—“the Government of the People’s Republic of China is the sole legal government representing the whole of China and that Taiwan is an inalienable part of China”—leading to strong protests from the Ministry of Foreign Affairs of the Republic of China (Taiwan).⁸ Similarly, Malaysia’s political elites have maintained pragmatic ties with China, opting to quietly manage or downplay disagreements over the South China Sea whenever possible.

While determining the exact rankings of investment destinations can be challenging due to varying definitions of what constitutes BRI investment and the timeframes considered, it is notable that Indonesia and Malaysia consistently rank as the leading recipients of Chinese BRI investments in Southeast Asia.

5. Strategic implications of diminishing U.S. influence for the United States

Countries in Southeast Asia will continue to hedge between the United States and China as far as possible. However, China’s growing sway in Southeast Asia hampers the United States’ ability to engage bilaterally and multilaterally in the region to strategic effect. The most obvious example is ASEAN’s cautious approach on the South China Sea. Despite Beijing’s increasingly assertive actions within the Philippines’ exclusive economic zone, including physical confrontations between Chinese and Philippine naval or coastguard vessels, the bloc has issued no statement calling China out by name.

Another example is the deterioration of U.S. defense cooperation with Thailand. Ties with Thailand have frayed since the United States declined to provide direct financial assistance to Thailand during the 1997 Asian financial crisis and downgraded military ties following coups in 2006 and 2014, although multilateral engagement in the form of the annual Cobra Gold exercises has continued. China filled the gap, expanding military and economic cooperation. It overtook the United States to become Thailand’s primary arms supplier in 2016.⁹ Although the United States maintains a higher volume of bilateral training and defense dialogue with Thailand, Beijing has been steadily expanding its footprint through increased joint military exercises, such as the “Strike-2024” drill, technology transfers and investments in Thailand’s defense sector. China’s expanding footprint in Thailand contributes to the erosion of U.S. influence in Southeast Asia.

⁸ Ministry of Foreign Affairs Republic of China (Taiwan), “[MOFA response to false claims regarding Taiwan in joint PRC-Indonesia statement issued by PRC](#),” 11 November 2024.

⁹ Jack Sato and Abdul Rahman Yaacob, “[Is China Replacing the US as Thailand’s Main Security Partner?](#)”, *The Diplomat*, 2 December 2023, citing data from the Stockholm International Peace Research Institute (SIPRI).

Beyond the region, the erosion of U.S. standing in Southeast Asia has also weakened Washington’s ability to marshal support on key global issues—whether in condemning Russia’s invasion of Ukraine or in securing even limited understanding for its policies in the Middle East. While national interests ultimately drive foreign policy decisions, Washington’s diminished standing in Southeast Asia has made it harder to convince regional governments why a particular position might serve their interests. Washington’s appeals for stronger action against Russia’s flagrant violations of international law—which undermine the interests of all countries, including Southeast Asia, in the rule of law—largely fell on deaf ears in Southeast Asia. Meanwhile, Chinese and Russian narratives about the war have found traction in the region. Perceptions that the United States has double standards in its foreign policy—and self-interested goals when it comes to China—have undermined its ability to garner greater support. With a new U.S. administration in place, there are valid questions to be asked about whether regional perceptions have shifted or become more entrenched.

I mentioned that countries will continue to try to hedge between the United States and China for as long as they can. This, of course, assumes that they are not forced into a binary choice, as we saw Washington do recently with Panama, demanding that it reduce Chinese “influence and control.” Similarly, the National Security Presidential Memorandum signed on 21 February established a “fast-track” investment process for “specified allies and partners,” conditioned on them refraining from “partnering with our foreign adversaries in corresponding areas.”¹⁰ In an upcoming article for *Foreign Affairs*, I examine the emergence of a more binary and coercive U.S. approach and its potential consequences for the region—and for Washington’s position there. Forcing Southeast Asian countries to choose between the United States and China would run counter to their preference for hedging and non-alignment, shaped by colonial history and the Cold War. Countries will weigh U.S. leverage, economic ties with China and the viability of alternative options. Ultimately, forcing a choice on Southeast Asia risks backfiring, driving countries in the region closer to Beijing. In short, the United States could force a choice—but it might not like the answer.

6. Recent developments and their impact on America’s position

Several factors will shape the future of U.S. influence in Southeast Asia.

First, the Gaza issue will likely continue to damage the United States’ reputation. As one might expect, the proposal to empty Gaza of Palestinians and transform it into a “Riviera of the Middle East” has not been received well in the region.

¹⁰ The White House, “[Fact Sheet: President Donald J. Trump Encourages Foreign Investment While Protecting National Security](#),” 21 February 2025.

That said, Southeast Asian countries are pragmatic and will welcome deeper economic and diplomatic engagement with Washington. Malaysia's Prime Minister Anwar Ibrahim has been the most outspoken of Southeast Asian leaders in condemning the U.S. approach toward the Gaza crisis—Putrajaya takes the position that what is happening in Gaza is “genocide” and failure to act constitutes “complicity.” But even Malaysia would welcome further economic and diplomatic engagement with the United States.¹¹

Second, whether Washington forces countries into a binary choice or relies on coercive diplomacy will be a major determinant of its regional standing.

Third, the degree to which the United States is perceived as a reliable partner will be crucial. Southeast Asia has always been skittish about U.S. dependability. But anxieties now run deep. Governments in Asia have taken Washington's abrupt recalibration away from long-standing European allies and partners to heart. Beijing has warned behind closed doors, including at ASEAN meetings, that Washington could similarly withdraw from its commitments in Asia. But governments in Southeast Asia, like those in Northeast Asia, have not needed these warnings.

The Philippines, a U.S. treaty ally, is particularly exposed. The Marcos administration has significantly expanded defense ties with the United States and has been actively pushing back against unlawful Chinese claims in its exclusive economic zone. Yet, Manila must now contend with the increased possibility that U.S. support might not be forthcoming in a crisis. Senior Filipino diplomats and military officials have expressed their “concern.” Although the Philippines enjoys bipartisan support in Congress and the U.S. Department of State has reaffirmed America's “ironclad” commitment to the country and confirmed that the U.S.-Philippines Mutual Defense Treaty extends to the South China Sea and Philippines coast guard,¹² President Trump has demonstrated a strong aversion to military entanglements.

¹¹ Writing before Malaysia assumed the Chair of ASEAN, he stated that as ASEAN Chair, Malaysia would seek to bolster ties with ASEAN+ partners, “China, Japan, South Korea, India, Australia and New Zealand.” There was no mention of the United States in his piece: Anwar Ibrahim, “[ASEAN's Second Renaissance is Now](#),” *Project Syndicate*, 16 December 2024. More recently, however, he explained that Malaysia has no interest in taking sides in the Sino-American rivalry and its decision to join BRICS was not about aligning with an anti-US bloc but about expanding its strategic options in turbulent times and addressing development gaps between the Global South and the Global North. Anwar Ibrahim, “[The Global South's Path to Economic Resilience](#),” *Project Syndicate*, 14 March 2025.

¹² “[Senators Coons, Ricketts introduce resolution celebrating the 73rd anniversary of our mutual defense treaty with the Philippines](#),” 3 September 2024; “[Secretary Rubio's Call with Philippine Secretary of Foreign Affairs Manalo](#),” readout, U.S. Department of State, Office of the Spokesperson, 22 January 2025; “[U.S. Support for the Philippines in the South China Sea](#),” press statement, Tammy Bruce, Department Spokesperson, U.S. Department of State, 19 February 2025.

Further compounding concerns around U.S. reliability is the lack of clarity surrounding the United States' goals and strategy in the Indo-Pacific, a point I alluded to in my opening. A grand bargain between Washington and Beijing, or even a more limited economic deal, could make Washington more willing to make concessions on issues affecting regional allies and partners, whether related to Japan and the East China Sea, Taiwan, the South China Sea, or the U.S.-Philippines defense alliance. The perception that U.S. objectives in the region could shift—and that the interests of its allies and partners could be sacrificed in the process—will hurt U.S. credibility and influence.

Fourth, the risk of U.S. trade retaliation deeply concerns many countries in the region and could further complicate U.S. ties in Southeast Asia. Vietnam, Thailand, Malaysia and Indonesia all have significant trade surpluses with the United States. If President Trump withdraws from the Indo-Pacific Economic Framework (IPEF), one of the few remaining avenues of U.S. multilateral economic engagement in the region, Washington's economic leverage will weaken further.

Fifth, the withdrawal of U.S. foreign aid and development assistance risks accelerating the decline of U.S. influence in Southeast Asia. On the one hand, it may facilitate engagement with some regional governments that saw U.S. investments in democracy and education initiatives as meddling or interference in domestic affairs. Moreover, it is not clear that U.S. aid was yielding meaningful strategic returns. According to the Lowy Institute's Southeast Asia Aid Map,¹³ the United States disbursed more aid in grants than China between 2015 and 2022—\$8.0 billion compared to \$1.9 billion (although China disbursed far more in loans—\$51.8 billion compared to \$597 million), yet this did not translate into clear geopolitical advantages.

Even if U.S. aid failed to produce strategic gains, its abrupt withdrawal will reinforce perceptions of U.S. disengagement and diminish U.S. standing in the region. The decision to cut funding for humanitarian aid, health programs, and demining, in particular, sends an unfortunate message of American callousness—these initiatives can mean the difference between life and death. Meanwhile, China has stepped in to fill some gaps, recently providing a grant to support a Cambodian mine-clearing project.

Finally, there are broader concerns about whether the United States will remain a positive presence in the region. Singapore has been one of the United States' most steadfast security and economic partners in the region. When the Philippines decided to close Clark and Subic bases in 1990 and regional countries opposed U.S. basing, Singapore stepped up granting the United States access to its air and naval facilities. In 1998, Singapore allowed it to use the newly constructed Changi Naval Base, a facility

¹³ Lowy Institute Southeast Asia Aid Map.

purpose-built to accommodate aircraft carriers—despite Singapore not having one of its own. Defense ties have expanded through multiple agreements. Singapore also strongly supports U.S. regional economic integration and hosts over 5,800 U.S. companies, contributing significantly to U.S. employment.

Part of Singapore’s rationale for supporting a robust U.S. presence is to prevent any single power from dominating Asia. But if Washington forces a choice upon the region or becomes a source of instability rather than a constructive force, it could erode support for the United States. The 2025 ISEAS survey will launch in early April, but since responses were collected between early January 2025 and mid-February, it may not fully capture evolving regional perceptions of the United States. However, the read thus far is not reassuring: at this year’s Munich Security Conference, Singapore’s Defence Minister observed that perceptions of the United States in the region had shifted—from “liberator” to “disruptor” to “landlord seeking rent.”¹⁴

7. Rebuilding U.S. influence in Southeast Asia: Policy and legislative priorities

Rebuilding U.S. influence in Southeast Asia demands a comprehensive, coherent and sustained strategy that integrates all elements of American power effectively. A single-dimensional or piecemeal approach will fall short. In particular, unwarranted tariffs will have strategic repercussions, limiting the extent to which countries are willing to align with Washington. U.S. strategy must encompass greater economic engagement, strengthening alliances and partnerships, and a firm commitment to international law.

7.1. Deepening U.S. economic engagement

Economic engagement is central to rebuilding U.S. influence. While existing frameworks such as IPEF and PGII provide a foundation for engagement, they must be reinforced by targeted, high-impact strategic initiatives and sustained commitments.

Policy recommendations:

1. *Sustain U.S. commitment to IPEF.* A withdrawal would further erode Washington’s credibility and leverage in the region.
2. *Negotiate sector-specific trade agreements in strategic industries,* such as digital infrastructure, semiconductors and critical minerals, to enhance American technological leadership and economic security.
3. *Increase U.S. International Development Finance Corporation (DFC) funding* to incentivize private-sector investment in regional infrastructure.

¹⁴ Philip Hejmans, “Singapore Says Asia Sees US as ‘Landlord Seeking Rent,’” Bloomberg, 16 February 2025.

4. *Prioritize USAID funding toward initiatives that more directly align with U.S. strategic interests, such as maritime security capacity-building and digital infrastructure.*

Legislative proposals:

- *Southeast Asia Trade and Supply Chain Resilience Act:* To encourage U.S. private investment in key Southeast Asian sectors to reduce reliance on China and strengthen supply chains in industries critical to U.S. economic and strategic interests (e.g., digital infrastructure, semiconductors and critical minerals).
- *Southeast Asia Infrastructure Development Act:* To increase DFC resources to support private-sector investment in digital connectivity, clean energy, and transportation infrastructure. Digital connectivity strengthens U.S. tech leadership and aligns regional digital standards with the United States' rather than China's. Clean energy investment focuses on renewable energy infrastructure, such as power generation, grid modernization, and energy storage, to reduce dependence on China for energy solutions and prevent Beijing from monopolizing critical mineral supply chains needed for clean energy technologies. Transportation infrastructure enhances U.S. economic access and limits Beijing's ability to dominate key trade routes. The legislation should require adherence to good governance, environmental sustainability and anti-corruption provisions while ensuring eligibility criteria are not overly restrictive or complex.

7.2. *Strengthening alliances and partnerships*

U.S. influence in Southeast Asia depends on strengthening alliances and partnerships through clear, consistent and credible commitments. This requires reinforcing existing security relationships while expanding engagement with key regional players.

Policy recommendations:

1. *Reaffirm U.S. security commitments to the Philippines* via a statement in a White House National Security Strategy (NSS) or through a formal presidential statement or joint declaration. The Philippines grants access to key military facilities near Taiwan and the South China Sea under the U.S.-Philippines Mutual Defense Treaty (MDT) and the Enhanced Defense Cooperation Agreement (EDCA), amplifying U.S. power projection. The Luzon Strait's depth allows nuclear submarines to pass undetected. Manila's high-profile legal and physical clashes with China also highlight Beijing's flouting of international law and bolster the U.S. narrative that China is a rule-breaker and there is regional demand for the United States to counter China's actions.
2. *Enhance U.S. force posture in the Philippines in a measured and non-confrontational manner*—focusing on domain awareness cooperation, joint maritime patrols and

intelligence sharing. This is to balance Manila's—and the region's—desire to avoid outright confrontation with China while enhancing U.S. credibility and deterrence.

3. *Expand cooperation with key partners:*

- *Deepen defense and economic ties with Singapore and Vietnam.* Singapore offers the United States military access to Changi Naval Base and Paya Lebar Air Base, despite not seeking direct U.S. security guarantees. Its stable government, advanced economy and diplomatic influence within ASEAN make it a cornerstone of U.S. regional presence. Vietnam's 2023 Comprehensive Strategic Partnership with the United States presents an opportunity to advance defense, economic and technological cooperation.
- *Enhance engagement with Cambodia, particularly on economic issues.* China is reportedly establishing a presence at Ream Naval Base; while Phnom Penh previously denied reports of a Chinese base, recent developments suggest increased Chinese activity and infrastructure projects. Despite Phnom Penh's pro-China leanings, 55% of Cambodians in the ISEAS poll still preferred aligning with the United States, although this figure dropped 18 percentage points from 2023. Prime Minister Hun Manet, a West Point graduate and fluent English speaker, is more open to leveraging great power competition to secure concessions. While the country is highly dependent on China economically, its lower development levels provide Washington an opening for deeper economic engagement and influence.
- *Strengthen ties with Indonesia and Malaysia,* recognizing their growing regional and global clout. Both have pursued BRICS membership—Indonesia became a full member this year—a move motivated by a desire to expand economic options, but one that could still lead to a shift away from the West if not managed carefully.

4. *Bolster engagement with ASEAN* as an institution, reinforcing its central role in diplomacy and security.

5. *Increase training programs, joint exercises (e.g., Balikatan with the Philippines and Cobra Gold with Thailand), defense technology transfers, and selective arms sales* focused on defensive capabilities to strengthen regional deterrence and align Southeast Asian militaries with U.S. defense systems.

6. *Avoid a transactional approach and coercive diplomacy.* Washington must reject a purely transactional approach towards allies and partners, where support is contingent on short-term gains. U.S. alliances and partnerships provide strategic advantages that cannot be measured solely in financial terms. Approaching allies and partners in a transactional manner and threats to force alignment can alienate allies and partners and risk driving regional countries closer to China.

Legislative proposal:

- *Southeast Asia Maritime Security Assistance Act*: To expand existing initiatives, such as the Indo-Pacific Maritime Security Initiative (MSI), by providing increased Foreign Military Financing (FMF) and facilitating transfers of surplus U.S. defense equipment (patrol vessels, surveillance aircraft and radar systems) to key allies and partners. While Excess Defense Articles (EDA) already enables transfers, this legislation provides additional financing and explicit prioritization for Southeast Asian allies and partners.

7.3. *Defending international law and maritime rights*

Defending international law reduces conflict risks and advances concrete U.S. interests. The second Trump administration should continue the strong legal stance on the South China Sea that it adopted during President Trump's first term. During the first Trump term, the United States made regular, lawful assertions of passage rights and freedoms of the seas, preserving these freedoms in practice and under international law. It also, in 2020, accepted the merits of the 2016 international tribunal ruling,¹⁵ a stance the earlier Obama administration had failed to take. This helped reassure coastal countries that the United States cared about their economic rights as well as passage and freedoms of the seas.

Policy recommendations:

1. Sustain regular, lawful assertions of passage rights and freedoms of the seas. While regional sensitivities exist—Malaysia, for instance, views foreign warships as tension-inducing—these actions are critical to preserve passage rights and freedoms and to ensuring that the South China Sea does not become a Chinese-controlled waterway.
2. Reaffirm that the United States accepts the merits of the 2016 South China Sea tribunal ruling.
3. Ratify UNCLOS to strengthen U.S. credibility when challenging China's illegal maritime claims and denial of passage rights and freedoms of the seas.

Legislative proposal:

- *South China Sea Freedom of Navigation Act*: To mandate and fund continued Freedom of Navigation Operations (FONOPs) and to revitalize the broader U.S. Freedom of Navigation program. Beyond FONOPs, this legislation should reinventorize a Track 1 or Track 1.5 U.S.-China maritime dialogue to resolve disagreements over passage rights and maritime freedoms. Such disputes put stress on even the most robust military-to-military communication channels and

¹⁵ Michael R. Pompeo, "[U.S. Position on Maritime Claims in the South China Sea](#)," press statement, 13 July 2020.

increase the risk of incidents at sea and in the air, which could escalate into a broader conflict.

Even during the Cold War, the United States and Soviet Union reached an agreement on the Uniform Interpretation of Rules of International Law Governing Innocent Passage, harmonizing their positions on innocent passage in the territorial sea.¹⁶ The United States and China should aim for similar agreements to reduce tensions and enhance regional maritime stability.

Conclusion

Expanding U.S. influence in Southeast Asia requires a clear strategic vision and a coherent approach that integrates deepened regional economic engagement, stronger alliances and partnerships, the rejection of coercive diplomacy, and a firm commitment to defending and promoting international law.

But even the most well-crafted strategies require political will to be implemented. I return to my initial question: What are America's goals in the region? If they remain to restore influence and out-compete China, the United States must act now. Lee Kuan Yew, the founder of modern Singapore, once noted that Asia is not a movie where America can pause freeze developments and expect its ability to shape the region's strategic trajectory to remain unchanged.¹⁷ His words remain as relevant today as ever. More than at any other time, the United States—and the region—is at a turning point.

China builds influence through sustained, long-term engagement. If Washington fails to recognize the strategic importance of its alliances and partnerships and actively weakens them, it risks becoming a power that, in Oscar Wilde's words, "knows the cost of everything but the value of nothing." Without allies and partners, Washington's leadership in Asia—and globally—will erode, leaving America weaker abroad and poorer at home.

¹⁶ Lynn Kuok, "[China can learn from Soviet approach to the law of the sea](#)," Brookings Institution, 27 March 2018.

¹⁷ Graham Allison and Robert D. Blackwill, *Lee Kuan Yew* (Cambridge, MA: Belfer Center for Science and International Affairs, 2012), p 28.