While the overall U.S. diplomatic profile remained low in the ASEAN region this past quarter as the new Bush administration sorted out its foreign policy priorities and personnel, the U.S. Pacific Command (PACOM) continued to promote regional security cooperation as well as bilateral relations in military affairs with planned exercises and visits. The political transition in the Philippines from President Estrada to Gloria Macapagal-Arroyo and continued turmoil in Indonesia complicated U.S. efforts to keep relations with both states on an even keel. Economic stagnation, persistent insurgencies, secession movements, and ongoing human rights concerns roiled Washington’s relations with Jakarta. In Vietnam, violent demonstrations against the government in the central highlands led to accusations of U.S. support for the dissidents—a charge vigorously denied by the U.S. embassy.

**PACOM Promotes Regional Cooperation**

As discussed in last quarter’s issue, (see “The United States and Southeast Asia: Blowing Hot and Cold,” *Comparative Connections*, Vol. 2, No. 4 [http://www.csis.org/pacfor/cc/004Qus_asean.html](http://www.csis.org/pacfor/cc/004Qus_asean.html)), U.S. Pacific armed forces have concentrated on increasing military ties to Southeast Asia. Since 1999, Washington has signed a Visiting Forces Agreement with the Philippines and initiated International Military Education and Training (IMET) programs for Southeast Asian officers in the United States. There are collaborative programs with Thailand, some limited spare parts for Indonesian air force cargo planes, and PACOM has called for enhanced multilateral exercises. This interest in cooperative security has continued. Its latest manifestation is in communications technology.

Pacific Command chief Admiral Dennis Blair has inaugurated an internet site for improve intelligence and logistics operations during coalition military missions. Dubbed
the Asia-Pacific Area Network (APAN), the site provides unclassified news items and other information on military matters in Asia. APAN is part of the Asia-Pacific Regional Initiative, a U.S. effort to foster cooperation among militaries in the region. APAN is also seen by the U.S. Congress as a device to improve regional coordination with America’s armed forces. So far, however, the website has generated little regional
action. Most of the reports on the site dealing with peacekeeping, humanitarian assistance, and disaster relief come from the staff at Camp Smith in Honolulu.

PACOM has also come up with a batch of Advanced Concept Technology Demonstration (ACTD) projects, one of which deals with coalition logistics designed to improve the sharing of logistics information among coalition partners. This program grew out of the U.S. experience in East Timor, where U.S. forces were unable to exchange automated information concerning the arrival of personnel and equipment with other peacekeepers. The ACTD is designed to allow commanders to share information. Australia is collaborating with the United States on ACTD, while Thai forces in East Timor are primary consumers of the information.

The other major multilateral security plan for Southeast Asia is the annual Cobra Cold exercise involving 5,000 U.S. and 12,000 Thai soldiers. Although the May 15-19 exercise will be scaled back for financial reasons and will not include live firing to save ammunition and fuel, this year’s Cobra Gold will stress training to support UN peacekeeping operations and command post exercises. Joining the American and Thai organizers will be a small contingent of 50 from Singapore as well as observers from Malaysia, the Philippines, Indonesia, Japan, and—for the first time--China and Vietnam.

Thai strategic analysts said this year’s exercise is meant to view the region as an “open security community.” The peacekeeping emphasis coincides with recent regional armed forces deployments in East Timor. This is a significant change from earlier Cobra Gold exercises, which focused on conventional combat.

Bilateral U.S. military relations with Southeast Asia were active though low key. Singapore’s new Changi Naval Base, capable of servicing the largest U.S. ships, has opened with Minister of Defense Tony Tan stating that it will be “helpful to the U.S. military in sustaining its operations in this region.” Caught between an Indonesia in turmoil and frequently prickly relations with Malaysia, Singapore sees its military ties with the United States as an implicit security guarantee.

Indonesia’s Foreign Minister Alwi Shihab, in a March visit to the United States, implored the Bush administration to renew military aid, which has been withheld since 1999 in reaction to the Indonesian Army’s depredations against the population of East Timor after it had voted for independence. Minister Shihab stated that the aid cutoff had crippled Jakarta’s ability to overcome separatism and that it was in America’s interest to see that Indonesia’s “territorial integrity was effectively protected.” Shihab subsequently stated that he would lobby the U.S. Congress, which had strong reservations about lifting the arms embargo, while the “U.S. government actually wants to lift the embargo.” Although Washington now permits the export of spare parts for Indonesian C-130s on humanitarian missions, new arms sales remain prohibited.

A group of Republican Congressmen, led by Dana Rohrabacher of California, is spearheading a drive to increase military support for the Philippines. As a reward for the military non-intervention in the recent Philippine political crisis over President Joseph
Estrada’s ouster, Rohrabacher has urged the Pentagon to provide surplus U.S. equipment to Manila. While Philippine military spokesmen have welcomed the Congressman’s efforts, his anti-China remarks, asserting that the PRC had corrupted Estrada and Philippine politics, offended the Chinese embassy in Manila as well as some Philippine commentators. One such commentator dismissed Rohrabacher’s suggestion of surplus U.S. equipment as the disposal of “near-junk” that would lead to large purchases of spare parts from U.S. companies to keep old equipment running.

In fact, the Pentagon and the Philippine Ministry of National Defense are completing a year-long joint assessment of the Philippines armed forces needs. Helicopters, unmanned aerial vehicles, and radar systems would all help the Philippines monitor its coastal areas and South China Sea claims. These could be provided as excess to U.S. inventories.

**Indonesian Turmoil and U.S. Frustration**

Indonesia’s ongoing travails encompassing secessionist, ethnic, and confessional violence at locations throughout the archipelago have led to U.S. reluctance to become involved. As Secretary of State Powell inferred at his January U.S. Senate confirmation hearing, the United States is pleased that Australia has taken the lead in peace operations and that Washington will coordinate policies with “our firm ally...” During Foreign Minister Alwi Shihab’s March visit to Washington, Secretary Powell reiterated U.S. support for “Indonesia’s territorial integrity and democratic path” but promised no additional U.S. aid for Indonesia’s faltering economy. Moreover, considerable concern persists in U.S. policy circles over the Indonesian military’s relationship with militia groups active in several areas, one of which has repeatedly attacked UN peacekeepers across the West Timor-East Timor border. This, in turn, led the United States to cancel plans for renewed military training for the Indonesian Army. Indeed, former U.S. Permanent Representative to the United Nations Richard Holbrooke last fall accused the Indonesian military of “equipping and training the militia to go back into East Timor.”

Human rights groups estimate that as many as 4,000 people died in separatist and communal violence last year and that more than 1 million are now homeless. Indonesian President Wahid’s government appears helpless against these onslaughts; and the armed forces, whose cohesion is essential to hold the country together, are disillusioned by a lack of direction from Jakarta and the government’s highly publicized plan to prosecute soldiers for human rights violations.

The U.S. State Department’s annual human rights report released in February charged that many of the conflicts grow out of the Indonesian government’s misappropriation of land from indigenous peoples for development without fair compensation. Military involvement is buttressed by the fact that the armed forces’ private business interests, frequently in outlying areas, account for two-thirds of its budget. Morgan Stanley economists estimate Indonesia’s total public debt to be $152 billion, or virtually its entire GDP. With 40 percent of government expenditures going to debt payment, Indonesia faces a permanent debt trap.
Further darkening this bleak outlook was the March 13 decision by Exxon-Mobil to suspend operations at its Arun gas field in Aceh after a security breakdown precipitated by the Free Aceh Movement (GAM). The economic impact on Indonesia will be severe for the gas fields in that region account for $1 billion in revenue for the government. While the gas fields’ shutdown is significant for Exxon-Mobil, company officials say it represents only 5 percent of its global and oil and gas output. For Indonesia, however, gas exports account for 20 percent of its exports and 5 percent of the government budget.

Violence in the Central Highlands Strains Vietnam-U.S. Relations

In early February, thousands of central highlands ethnic minorities took to the streets to protest against transplanted northerners from the Kinh majority and other ethnic minorities from the lowlands who had encroached on the central highlands, undermining their cultures and taking their land. The protestors, who were Protestants, demanded the right to practice their faith and insisted on the return of ancestral lands confiscated for coffee plantations. They also asked for political autonomy. It took a combination of soldiers, riot police, and water cannons to disperse the crowds, which were mostly concentrated in Pleiku, Gia Lai’s provincial capital. While U.S.-based human rights groups protested the crackdown, both Vietnamese and U.S. officials insisted that the central highlands unrest would not derail the planned ratification of the U.S.-Vietnam bilateral trade agreement.

On March 7, Vietnam’s Public Security Ministry accused the U.S.-based Montagnard Foundation of a plot to infiltrate Vietnam and organize a secessionist campaign for the central highlands. Vietnamese media also accused Vietnamese Americans of organizing and financing sabotage attempts after illegally entering the country. (Under U.S. law, it is an offense to conspire against any government with which Washington maintains diplomatic relations.) A U.S. embassy spokesman in Hanoi told *The Far Eastern Economic Review* for its March 1 issue that the “U.S. government is not funding, supporting, or encouraging any violent, anti-government activities in Vietnam.”

Only a minority of the highlanders supported the communists during the Vietnam War (1965-1975); and remnants of what had been U.S.-backed anti-communist guerrillas continued to fight from locations across the Cambodian border until as recently as 1992. Many of these veterans settled in the United States and are now accused by Hanoi of inciting the unrest. However, some Vietnamese officials told Western reporters that the allegations against U.S.-backed outsiders are a diversion against protests that are entirely homegrown. One official admitted: “It will take decades to overcome the animosity of the ethnic minorities toward the Vietnamese.” The Department of State has asked that U.S. and other diplomats be granted access to the central highlands to observe the situation there.

[This author heard southern resentment against the north during a brief February visit to Ho Chi Minh City. A southern employee of a government agency openly criticized northerners for privileged access to the best jobs and quarters in the south and for
obstructing the region’s economic development. This individual likened the roles of northerners to an occupation.]

**ASEAN and the Bush Administration**

For ASEAN, the Bush administration’s early decision to up the ante against Beijing on sensitive issues such as national missile defense, Taiwan arms sales, and human rights has directly affected Southeast Asia. The ASEAN states fear a Chinese military buildup in reaction to U.S. missile defense programs and the sale of advanced weapons, such as Aegis-equipped destroyers, to Taiwan. Should these fears come true, ASEAN states may have to increase their own defense spending since the PLA’s military capability could also be directed toward the South China Sea.

ASEAN’s concerns were revealed in the meeting of senior officials in Ho Chi Minh City on March 15-16 to map out a strategy on how best to deal with a more competitive U.S.-China relationship than the one that prevailed under President Clinton. ASEAN’s own hopes for a regional Code of Conduct with China appear stalemated, though China’s overall diplomacy toward Southeast Asia has made considerable progress since 1995 and the Mischief Reef discovery. So far, the Bush foreign policy team has shown little appreciation of Southeast Asian concerns about how the two great powers get along. ASEAN hopes for greater consultation from Washington.

**Chronology of U.S.-ASEAN Relations**

**January-March 2001**

**Jan. 1, 2001:** Based on an American formula combining foreign and Cambodian prosecutors and judges, the Cambodian National Assembly voted to create a tribunal to try selected leaders of the notorious Khmer Rouge regime.

**Jan. 2, 2001:** The U.S. Department of Commerce increases Cambodia’s textile export quota to the United States by 9 percent because of progress by the Cambodian government in improving working conditions in government factories.

**Jan. 4, 2001:** A retired Philippine general chides U.S. President-elect George W. Bush’s advisors for saying the United States would not recognize a new Philippine government installed through military intervention, noting that the 1986 EDSA revolution was backed by Washington.

**Jan. 10, 2001:** Singapore and the U.S. begin talks in Washington on a free trade agreement.

**Jan. 10-14, 2001:** USCINCPAC Admiral Dennis Blair visits Malaysia and Cambodia, meets Malaysian PM Mahathir, and discusses the security situations in Indonesia and the Philippines. Blair’s scheduled visit to Vietnam is canceled at the last minute by Hanoi with the explanation that officials were “too busy” to receive him.
**Jan. 15, 2001:** Thai authorities state a former secretary to Burmese drug lord Khun Sa, apprehended in Thailand, will be extradited to the U.S. to stand trial on drug charges.

**Jan. 17, 2001:** At his U.S. Senate confirmation hearing, Secretary of State-designate Colin Powell states that the U.S. will coordinate policy toward Indonesia with Australia, “our firm ally in Asia and the Pacific.”

**Jan. 18, 2001:** With the help of the U.S. Drug Enforcement Agency, the Thai Navy seized a massive meta-amphetamines and heroin shipment from a Burmese fishing boat in the Andaman Sea.

**Jan. 21, 2001:** The U.S. embassy in Manila expresses relief that the presidential crisis in the Philippines was resolved without violence and also thanks now ex-President Estrada for his “constant efforts on behalf of close U.S.-Philippine relations.”

**Jan. 31, 2001:** Thailand announces that the forthcoming annual Cobra Gold joint exercise with the United States scheduled for May 18-29 will be scaled back because of budgetary constraints.

**Jan. 31, 2001:** Indonesia announces it will seek additional sources of defense equipment because its primary supplier, the U.S., has halted most arms sales in the wake of the Indonesian Army’s complicity in to East Timor violence.

**Feb. 1, 2001:** Philippine prosecutors dropped charges against 17 U.S. Navy SEAL commandos which were leveled following the detonation of an abandoned shell found by a group of children following joint exercises on the island of Cebu. An out-of-court settlement was reached with the families of the victims.

**Feb. 3-15, 2001:** U.S., Thai, and Singaporean air forces hold joint exercise in Northeast Thailand.

**Feb. 6, 2001:** Republican Congressman Dana Rohrabacher urges the Washington to provide modest modernization support for the Philippine armed forces in recognition of its nonintervention during the recent presidential transition.

**Feb. 7, 2001:** The Philippine Senate approves the appointment of Teofisto Guingano, Jr., an opponent of the U.S.-Philippine Visiting Forces Agreement, as the country’s vice president.

**Feb. 9, 2001:** The U.S. embassy in Hanoi warns Americans in Vietnam not to travel to the central highlands where protests by ethnic minorities against the government have turned violent.

**Feb. 18, 2001:** Cambodian PM Hun Sen condemns the U.S. for harboring a “terrorist,” Chun Vasit, who is accused of provoking armed clashes in Phnom Penh.

Feb. 19, 2001: The Philippine government files a diplomatic protest with the U.S. over the illegal entry of a U.S. Navy P-3 aircraft into Philippine airspace.

Feb. 28, 2001: High level State Department official, Ralph Boyce, visits Thailand, eliciting a comment from Thai FM Surakhiart that he expects the U.S. to continue playing a pivotal security role in the region.

Feb. 28, 2001: U.S. officials meet with Burma’s opposition leader Aung San Suu Kyi in her home where she has been under de facto house.

Mar. 1, 2001: In response to Vietnam’s allegations that former anti-communist guerrillas have used U.S. funds to foment unrest in the central highlands, a U.S. embassy spokesman in Hanoi denied the claims and insisted that the U.S. government neither supports nor encourages anti-government activities in Vietnam.

Mar. 2, 2001: Exxon Mobil halts its operations at the Arun gas field in Aceh after threats from separatist rebels.

Mar. 7, 2001: Acting Assistant Secretary of State Thomas Hubbard characterizes Gloria Macapagal-Arroyo’s rise to the Philippine presidency as “democratic” and welcomes her administration’s efforts to end separatist conflict in the country.

Mar. 8, 2001: The Thai Interior Minister wants the United States to help improve the country’s counter-narcotics intelligence.

Mar. 10, 2001: Singapore deputy PM Tony Tan states that the first foreign navy to use the new Changi naval base would be the U.S.

Mar. 13, 2001: Secretary Powell meets with Indonesian FM Alwi Shihab, U.S. reiterates its support for Indonesia’s territorial integrity but also gives importance to human rights and the continuation of Indonesia along a democratic path; later, Shihab asks the U.S. to restore military aid.

Mar. 15-16, 2001: ASEAN senior officials meet in Ho Chi Minh City to discuss growing U.S.-China competition.

Mar. 21, 2001: A Thai Army spokesman says that China and Vietnam will send high-level teams of military observers to the May Cobra Gold exercises.

Mar. 23, 2001: State Department spokesman Richard Boucher calls upon Vietnamese authorities to permit U.S. and other diplomats access to the central highlands where violent ethnic demonstrations have taken place.
Mar. 24, 2001: Thai authorities will rely on U.S. investigators with equipment superior to their Thai counterparts to determine whether the explosion on the Thai Airways Boeing 737 flight scheduled to carry the prime minister was sabotage or an accident.