

ASEAN-Korea Strategic Cooperation amidst Heightened US-China Rivalry  
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1. **Overview on US-China strategic rivalry.** The US-China strategic rivalry has entered a new phase. The trade war is only one facet of a broader competition between the world's two largest economic powers. This competition did not begin nor will end it with President Xi Jinping or President Donald Trump. At the risk of oversimplifying a complex problem, the US is trying to preserve its position at the top of the strategic totem pole while China is trying to catch up to the US. Whether China intends to supplant the US is immaterial because as far as the US is concerned China's narrowing of the strategic gap is in itself a threat. On the other hand, China has every right to increase its power base, irrespective whether those increased capabilities are targeted at any one party. Therefore, the on-going US-China trade war will be less of a sprint and will devolve into a marathon.
2. **Take Positions not Sides.** The trade war puts ASEAN in an uncomfortable position and forces its member states to choose sides. There is no perfect choice or solution to this conundrum. Taking sides entail high trade-offs and opportunity costs. At the same time, ASEAN will invariably pay a price for not taking sides as China and the US fending off pressure from Beijing and Washington entails costs as well. ASEAN should stick to its position of "not taking sides" and adopt an approach of "taking positions" based on principles informed by international law. ASEAN's relations with the major powers and the international community should be based on the rule of law. ASEAN should hold China, the US and all parties (including ourselves) to the same standard and provisions as informed by international law.
3. **Is the US a reliable strategic partner?** The US' perceived disinterest in multilateralism and free trade is a major setback for regional affairs. The current administration has pulled back from the Trans-Pacific Partnership (TPP) and the Paris Climate Change agreements, and prefers to renegotiate multilateral agreements on a bilateral basis. This sets a dangerous precedent as reneging on agreed deals undermines the sanctity of treaties and international agreements, rendering the basis of international relations in a flux. The larger question concerns the US' interest in the region and credibility as the region's security guarantor? The US' traditional role is put into question when President Trump declared that the US will no longer serve as the world's policeman.
4. **ASEAN provides an element of continuity amidst strong pressure for change.** The role and position of the US as the region's security guarantor is irreplaceable. Any reduction of US strategic presence will have a negative effect on the region's delicate balance of power. In this respect, ASEAN-led processes such as the ASEAN Regional Forum, East Asia Summit and ASEAN Defence Ministers Meeting Plus (ADMM Plus) serve to anchor US' presence in the region and to ride out Washington's disinterest in multilateral cooperation. These processes help to maintain continuity in US' presence in the region

amidst strong pressure for change. It would count as a big success for the region if the US were to maintain its profile and presence in the region even though its strategic direction or interest may point elsewhere.

5. **Is there a role for the middle powers?** Short of a “u-turn” on the part Washington, we can expect East Asia (except on China and DPRK related issues) to be accorded lower priority in terms of US’ diplomatic attention and resources. The region cannot thus rely on the US to provide frontline leadership, which opens the door for the middle powers to work in concert with like-minded states in the region. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a case in point. Australia worked tirelessly with Japan and Singapore to keep negotiations alive until the CPTPP came into fruition. ASEAN will welcome Korea to play a more active role in regional affairs.
6. **Moving forward with the ASEAN-Korea partnership.** The ASEAN-Korea bilateral relationship is unique in that there are no historical issues as “baggage” to constrain the relationship. In other words, both sides start with a clean slate. In addition, Korea’s unassuming way of engagement with ASEAN by focusing on economic and people-to-people relations have reaped mutual beneficial benefits while keeping divisive political issues at bay.

From an economic perspective, there are two pertinent issues that deserves some attention. First, Korea has the second largest trade surplus with ASEAN (US\$43.6 billion in 2017), an anomaly that ASEAN and Korea can cooperate to redress. Second, 68% of Korea’s foreign direct investment to ASEAN is concentrated in the “CLMV” countries. This ratio is the highest among ASEAN’s Dialogue Partners and highlights Korea’s important contribution to the economic development and growth of Cambodia, Laos, Myanmar and Vietnam, in addition to assisting ASEAN to narrow the development gap among its member states.

7. **Support for the New Southern Policy.** ASEAN welcomes the “New Southern Policy” announced by President Moon Jae-in in 2017. This new initiative which focuses on the “3 P” pillars of “people, prosperity and peace” injects new energy in the bilateral ties. The region owes a debt of gratitude to Korea’s leadership, especially that of President Kim Dae-jung who proposed and supported the establishment of the East Asia Vision Group (EAVG) which eventually led to the formation of the East Asia Study Group (EASG). The study group proposed the establishment of the East Asia Summit (EAS), which today is the region’s premier leaders-led strategic forum. Korea has been at the forefront of regional integration and community-building with its support for the ASEAN Plus Three process, and at this current moment where multilateralism is in question, the New Southern Policy signals, among others Korea’s increased interest to play a more active and larger role in regional affairs. As ASEAN thinks through its responses to the Indo-Pacific concept, Korea’s voice in this discourse is important to ensure that the region remains open and inclusive. There is ample room for Korea to establish itself as a political-strategic actor and not limit its leadership and engagement only to the economic and socio-cultural spheres.