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ISSN 0129-797X (print) /
ISSN 1793-284X (electronic)



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Asia/Japan/Aust/N.Z.	US\$59	US\$92
Europe/North America/Africa/Mid. East	US\$71	US\$113
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These annual rates include electronic delivery as well as the printed copy by air. *CSEA* is published three times a year, in April, August and December. Subscription orders and enquiries should be addressed to:

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Contemporary Southeast Asia (CSEA) is indexed in the Social Sciences Citation Index (SSCI); SCOPUS; International Bibliography of Periodical Literature on the Humanities and Social Sciences (IBZ); International Bibliography of Book Reviews of Scholarly Literature on the Humanities and Social Sciences (IBR); Sage Public Administration Abstracts; PAIS International; Contents Pages on Asia (INSEAD); World Affairs Online; International Political Science Abstracts; Ingenta; EBSCO Publishing; Sociological Abstracts; ProQuest Information and Learning; Gale Group; and ISI Emerging Markets.

CONTEMPORARY SOUTHEAST ASIA

Volume 46, Number 1

April 2024

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Introduction: Domestic Determinants of Southeast Asia’s Relations with the United States and China

CHIN-HAO HUANG AND SELINA HO

The strategic competition between the United States and China is often seen as a rivalry confined to the two great powers alone, in which secondary states such as those in Southeast Asia have little influence and will inevitably end up “choosing sides”. However, this assumption overlooks how the domestic politics of Southeast Asian states shape their foreign policies. Furthermore, if the United States or China is to attain a leadership role and legitimacy in the region, it requires the validation, support, and deference of smaller states, none of which can be achieved without consideration of domestic politics. Thus, this Special Issue—including case studies of Indonesia, Malaysia, Singapore, Laos, Thailand and the Philippines—underscores the domestic determinants of the foreign policy of Southeast Asian

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states, identifying how their concerns about economic security, political legitimacy and regional stability mediate their engagement with the United States and China.

Keywords: balance-of-power politics, US-China-Southeast Asia relations, strategic diversification, domestic politics.

Southeast Asia is at a crossroads between two superpowers—the United States and China—and their intensifying strategic competition. According to the conventional narrative, Southeast Asian states possess a relatively limited and constrained set of options available to respond, especially as China’s military and economic influence surges in the region.¹ This Special Issue questions that assumption. Each of the six country case studies reveals that the region’s foreign policy statecraft is far broader and more complex than is often assumed.

Southeast Asian states take a long-term perspective.² Instead of fearing or resisting China’s economic and geopolitical rise since the 2000s, they have mostly seen it as strategically beneficial for themselves. Indeed, it has not only helped them financially but also compelled China to bilaterally and multilaterally engage in the region, including through the Association of Southeast Asian Nations (ASEAN), thus incentivizing Beijing to adopt peaceful, norms-based behaviour and re-evaluate its own approach to potential regional conflicts. Moreover, an active China allows Southeast Asian states to pursue economic and geopolitical diversification, preventing them from becoming overly reliant on the United States. At the same time, it provides a strategic rationale for Southeast Asian states wanting the United States to maintain a commitment to the region, assuaging their concerns about Washington potentially abandoning them.

Thus, Southeast Asian states have not simply chosen sides, even if the uncertainties—from China’s growing economic and military capabilities to suspicions about Washington’s long-term commitment to the region—are of considerable significance to regional stability.³ Rather than choosing the United States over China (or vice-versa), they have pursued policies that minimize their sense of vulnerability.⁴ This is often referred to as “hedging”. According to Evelyn Goh, it is “a set of strategies aimed at avoiding—or planning for contingencies in—a situation in which states cannot decide upon more straightforward alternatives such as balancing,

bandwagoning or neutrality. Instead, they cultivate a middle position that forestalls or avoids having to choose one side at the obvious expense of another.”⁵ Small states can broaden, expand and diversify their economic and strategic dependencies by seeking pragmatic ties across security and economic domains with as many powers as possible.⁶ Doing so gives the external powers a stake in a stable regional order. Moreover, in pursuit of greater inclusivity, Southeast Asian states try to minimize the chances of suboptimal outcomes, such as an increasingly coercive China, a disengaged United States and an unstable regional order.⁷

However, the domestic factors influencing Southeast Asia's foreign policy outcomes are vastly underemphasized in the existing literature. Observers tend to assess the changing balance of power in the region solely through the lens of US-China rivalry and great power prerogatives. But this overlooks many important factors that influence a Southeast Asian government's foreign policy. For instance, how do historical legacies and cultural differences with either superpower affect Southeast Asian decision-making? What role do regime legitimacy and political fragmentation play in domestic politics? By examining how foreign policy is, to some extent, shaped at the domestic and national level, the rationale for Southeast Asia in adopting strategic diversification externally becomes much clearer and more nuanced. More importantly, uncovering how domestic factors vary across time and space further enables us to map the changes and continuities in Southeast Asian states' policies towards great powers. Interestingly, while Southeast Asian states' policies may evolve over time, the rationale behind these decisions has been remarkably consistent, driven by the imperatives of political survival and regime legitimacy.

Unfortunately, such a crucial role that small states play has often been relegated to immateriality in the field of International Relations. For instance, according to Kenneth Waltz, “It would be as ridiculous to construct a theory of international politics based on Malaysia and Costa Rica as it would be to construct an economic theory ... based on the minor firms. The fates of all states are affected much more by the acts and the interactions of the major ones than of the minor ones.”⁸ But it is not always the case, as the adage claims, that “the strong do what they can and the weak suffer what they must”. After all, a major power's authority cannot be realized through force alone. Coercion as a

means of demonstrating strength might be convenient and expedient, but it is also costly to maintain over time and often undercuts a state's ability to wield actual influence.⁹ A more enduring form of leadership and influence derives from the validation and acceptance by others, a critical aspect of relational power which is much more difficult to attain than material strength. Indeed, when smaller states confer upon a larger state the recognition of regional or global leadership, it comes with the expectation of providing order and upholding (or at least not violating) the existing norms of regional security.¹⁰ In short, small states possess an influence with which large, powerful states must contend.¹¹ Southeast Asian states can provide and confer the legitimacy the United States and China desire. According to Alice Ba,

Ultimately, major powers cannot simply decide to lead; others must also be persuaded to follow. What this suggests is that leadership is not just a material relationship but also a socially negotiated one—one that, moreover, requires a minimum of attentiveness to the concerns and sensitivities of other states.¹²

Large, powerful states also rely on “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions”.¹³ Given that self-legitimation is an oxymoron, it stands to reason that whether the United States' or China's behaviour is deemed desirable depends largely on affirmation by Southeast Asian governments, which requires an exploration of how domestic politics within the region's states inform that affirmation.

Beyond Balancing

This Special Issue was borne out of a conference held in Singapore in the spring of 2023. With the 2024 US presidential elections in mind, one of the reasons for convening this workshop was the need to better inform US policy elites about why Southeast Asia matters to US foreign policy and how the region views the United States' role in Southeast Asia. As the US-China strategic competition intensifies, it becomes increasingly important to understand how Southeast Asian states think accurately. Indeed, it is often easy to misread them if one only looks through the perspective of Washington or Beijing. To ensure that the thoughts and voices

of Southeast Asians are accurately represented, the conference participants cum authors of these articles are senior and emerging Southeast Asian scholars. The guest editors of this Special Issue are also from the region.

The analysis in each country case study in this Special Issue affirms two key observations: Southeast Asian states are not engaging in all-out deterrence or hard military balancing in response to China's rise—the region is not embracing China's rise without any qualms, but it is engaging in strategic diversification while keeping all channels of communication open¹⁴—and the increasing reliance on military capabilities by the United States and China to assert their authority in the region is not conducive for regional security and stability. In fact, the jostling for regional influence between the United States and China is exacerbating tensions and disrupting the regional order.

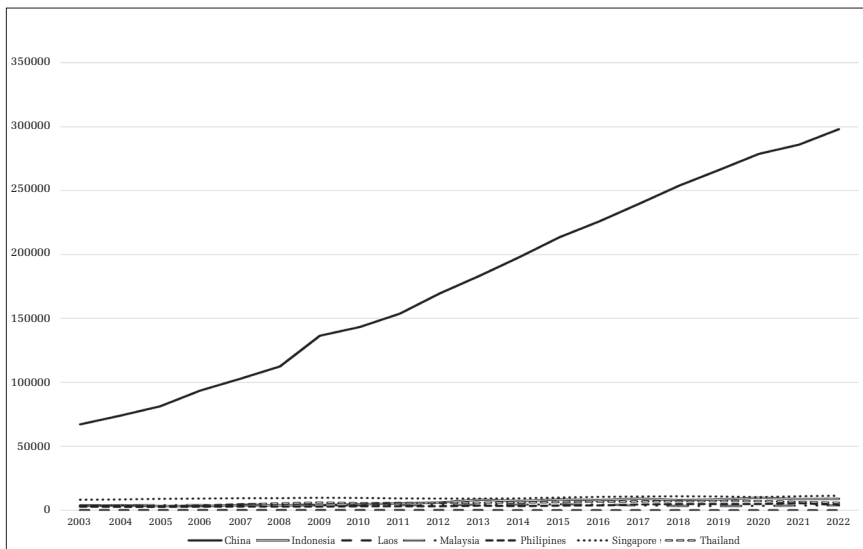
Amid ever-growing concerns about a new arms race in Asia, coupled with a more robust US military re-balancing towards the Indo-Pacific, many observers see the region as ripe for superpower rivalry.¹⁵ By most metrics, China has already completed a regional power transition, with regional distribution of capabilities and wealth changing rapidly over the past generation. For instance, China's share of regional gross domestic product (GDP) in East Asia and the Pacific grew from 7 per cent in 1988 to nearly 60 per cent in 2022, while Japan's fell from 72 per cent to 14 per cent in the same timeframe.¹⁶ Indeed, the debate over whether China's rise would instil fear in its Asian neighbours began at least two decades ago.¹⁷

Given that China has already risen to regional economic dominance, the only question is how much larger the gap between China and its neighbours will become. The “just wait” narrative that China's neighbours would balance out China's own economic growth might have been a reasonable prediction in the mid-1990s or even the early 2000s, but if Southeast Asian states were going to compete head-on with China, this balancing process would have had started a long time ago. Moreover, those who think that a counterbalancing coalition of Asian states will emerge to deter China's assertive behaviour need to explain why this has not yet occurred after three decades of China's rapid economic and military growth. Instead, as this Special Issue suggests, the apparent need to deter or balance China's rise reflects the United States' strategic priorities

in Southeast Asia rather than being the priorities of the Southeast Asian states themselves. To assume that the region's governments share the United States' threat perceptions about China reveals the most obvious and problematic assumption of military deterrence, which risks making Southeast Asia appear to be a powder keg. It also obscures the fact that no two regional states share the same views on the efficacy of the use of force and threats.

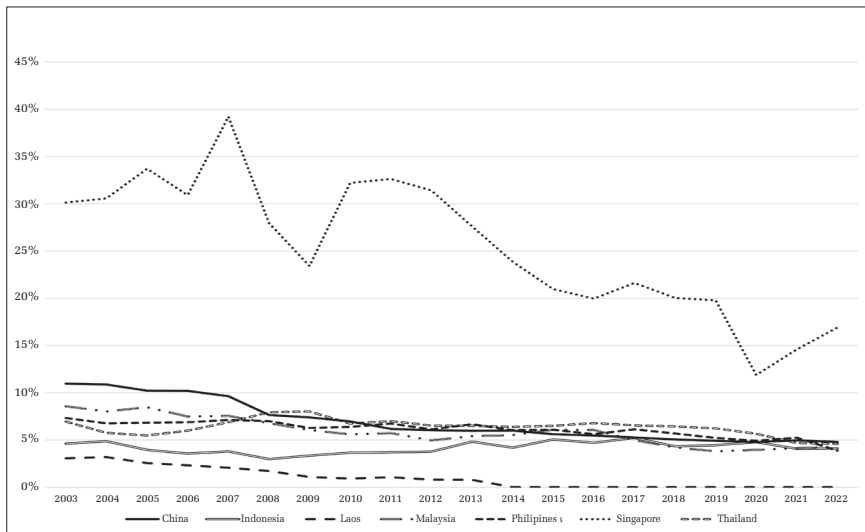
The data on Southeast Asian defence spending appears to reaffirm this puzzle: if the region's governments are increasingly concerned about a conflict in their backyard, as some observers suggest, why has their military expenditure declined or remained relatively stable for more than two decades (see Figures 1, 2, and 3)? However, if one focuses on what Southeast Asian states are doing rather than what external observers in the United States (or elsewhere) think they are doing, then we have to critically assess how they are actually prioritizing domestic politics and their own security situation in the context of a rising China.

Figure 1
Military Expenditure in Southeast Asia, 2003–22
 (In constant 2022 US\$ million)



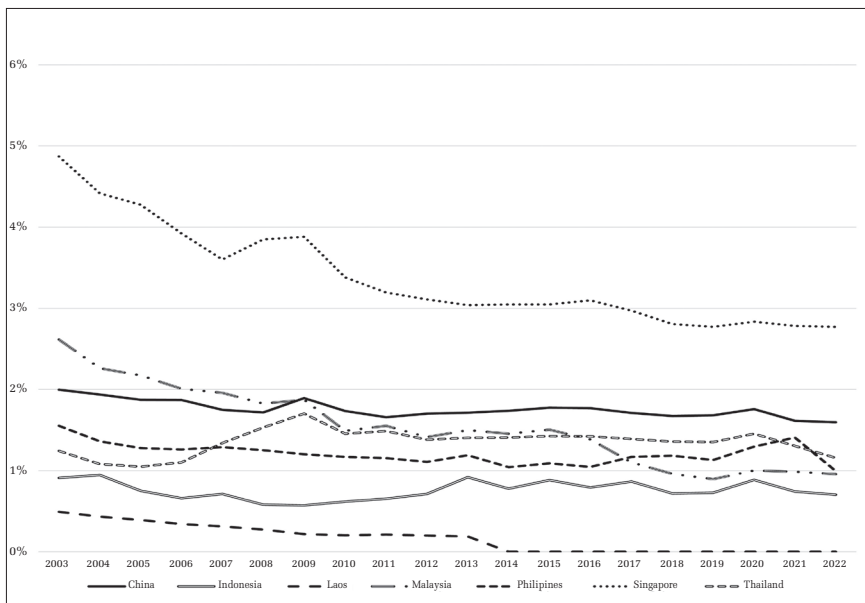
Source: Stockholm International Peace Research Institute.

Figure 2
Military Expenditure as a Share of Government Spending, 2003–22



Source: Stockholm International Peace Research Institute.

Figure 3
Military Expenditure as a Share of GDP, 2003–22



Source: Stockholm International Peace Research Institute.

The standard way security scholars measure a country's militarization is to measure the "defence effort" or "defence burden", usually presented as the ratio of defence expenditure to GDP.¹⁸ In some ways, this measure serves as a proxy explainer of a country's foreign and domestic politics since the share of its economy that a nation devotes to defence reflects its priorities. When a country perceives there to be a significant external threat, expenditure on its military will usually take precedence over domestic priorities, such as education or social welfare. In reverse, during times of relative peace, a country is more likely to devote a greater share of its economy to domestic priorities, as was the case following the Cold War when many countries across the world cut defence spending as part of the so-called "peace dividend".

However, things become more complex when economic relations are factored in. As the case studies in this Special Issue demonstrate, all Southeast Asian states are actively increasing their economic interactions with China because they believe that economic security is an indispensable part of Southeast Asia's comprehensive security, so a rising China is inextricably linked to the region's economic growth. Infrastructure development and cooperation have been particularly salient in China's engagement with the region.¹⁹ On trade, the ten ASEAN states replaced the European Union (EU) as China's largest partner in early 2020, while bilateral ASEAN-China trade has more than doubled since 2010 and was valued at nearly US\$510 billion in 2019.²⁰ These strong commercial ties are undergirded by the ASEAN-China Free Trade Agreement—a regional trade treaty that came into effect in 2010 and is considered the largest free trade zone (by population) and the third largest (by combined nominal GDP)—and by the Regional Comprehensive Economic Partnership (RCEP) of 2020.

Southeast Asian states have consistently engaged in what some observers, such as Goh, call complicity *and* resistance to external powers. Such an approach can explain relations with the United States and China today.²¹ For instance, this strategic positioning is most clearly demonstrated by Indonesia. Although it does not formally contest claims over territory in the South China Sea with Beijing, it has witnessed China launch incursions around the Natuna Islands, where parts of Indonesia's exclusive economic zone (EEZ) overlap with China's disputed "nine-dash line". Ordinarily, one might expect Jakarta to respond by forging closer security cooperation with the United States. However, in October 2020, Jakarta publicly

rebuffed a US proposal to allow P-8 Poseidon maritime surveillance planes to land and refuel in Indonesia. When then US Secretary of State Mike Pompeo subsequently visited Jakarta and sought clarification, Indonesian officials did not yield. This is not to say that US-Indonesian military ties have been cut off completely. In fact, the two sides have engaged in annual military exercises, such as the Super Garuda Shield. This illustrates how Indonesia practices complicity *and* resistance in its interactions with the United States. Similar to most Southeast Asian governments, Indonesia applies the same approach to China and prefers to resolve its differences with China through multilateral dialogue and diplomacy, even as they lodge protests in response to Chinese maritime incursions in the South China Sea.

A consequentialist viewpoint, of material capabilities and distributions of power, is only one way of understanding state interactions, particularly between large powers and smaller actors. The United States and China may be competing for regional leadership, but few Southeast Asian states feel the need to choose sides.²² Moreover, few Southeast Asian leaders appear willing to make the costly domestic and economic trade-offs required to significantly bolster their military capabilities and, thus, their ability to ward off apparent Chinese aggression. Furthermore, apart from those with maritime disputes with China, namely the Philippines and Vietnam, most Southeast Asian states do not view China as expansionist or a military threat. Instead, they prefer not to become trapped within the US-China rivalry and are wary of anything that could potentially incite conflict or exacerbate tension between the superpowers, such as the US military increasing the frequency of its freedom of navigation operations (FONOPs) in the South China Sea and the Chinese responses with increasing anti-access, area denial systems and capabilities. According to Nick Bisley,

A FONOP should not happen because of a sense that something must be done to push back against a country that seems only to understand the currency of force. Such a rationale massively increases the risks of miscalculation and escalation, badly overstates the ability of such an operation to achieve the lofty goals of pundits and politicians, and needlessly increases the temperature in a region which is already pretty febrile.²³

Therefore, calls for a more interventionist US military role in the region must be considered cautiously and based on an understanding of Southeast Asian states' security preferences.

Southeast Asian Priorities amid US-China Competition

Given its unique geography, history and ethnicity, Southeast Asia is characterized by as many differences and variations between countries as similarities. However, analysis of the countries included in this Special Issue—a state that appears to be in China’s sphere of influence (Laos), US allies (the Philippines and Thailand) and middle powers that maintain longstanding, strategic ties with both external powers and yet pursue independent foreign policies (Indonesia, Malaysia and Singapore)—finds converging trends of how and why each of the six countries is responding to rapidly changing dynamics in regional security. These countries were chosen because they are “least similar” cases in that they comprise different regime types and vary in how close they are to China and the United States. Yet, their policy response to both external powers is driven by similar sets of domestic considerations, specifically regime legitimacy, political fragmentation and economic growth.

Each author in this Special Issue was asked to address a common set of questions: What key factors—historical, cultural, political, institutional, economic and strategic—shape a country’s overall foreign policy decision-making? How do domestic politics, political fragmentation, political systems and regime legitimacy determine foreign policy choices concerning the United States and China? Having established the domestic politics and priorities, we then asked the authors to turn to their assessed country’s foreign policy considerations with the following questions: What are the most important bilateral security and economic developments in relations with China; and what are the most important bilateral security and economic developments in relations with the United States? The authors were also asked to consider the broader implications for regional security that arise from their analysis.

Indonesia, Singapore and Malaysia—which have maintained longstanding strategic ties with both external powers—emphasize an independent foreign policy. This is particularly salient for Indonesia and Malaysia, which have consistently articulated non-alignment and neutrality as guiding principles for their foreign policies regardless of leadership transitions and regime changes. Similarly, Singapore is keen on retaining regional centrality amid geopolitical uncertainties and has emphasized friendly relations with all countries as a key prong of its foreign policy. Each of these foreign policy considerations can be traced back to domestic politics.

Adhi Priamarizki observes that after the fall of the Suharto dictatorship in 1998, Indonesia's political system has meant that domestic determinants play an even more essential role in foreign policymaking. For instance, after 1998, the Indonesian government was hesitant to engage with the United States because of the prevalence of anti-Western sentiment among the public. Although the Indonesian public rarely treats foreign policy as a daily concern, some foreign policy issues, such as those related to Islam or nationalism, attract their attention. The need to maintain popular support emerged as a key domestic determinant, as the failure to accommodate mainstream voices can undermine the popularity and electability of Indonesia's political leaders. Similarly, negative public opinions about China—because of the allegedly harmful impact of Chinese investment projects on society and the environment, as well as tensions in the South China Sea—have limited Indonesia's ability to fully embrace economic cooperation with Beijing.

Singapore adopts a policy that largely seeks to maximize the gains it can reap—extenuating its economic centrality in Asia and its role as a robust regional commercial and financial hub with global ambitions—from cooperating with the United States and China. Moreover, maintaining this strategic position is essential for its survival as a small state. Terence Lee argues that the domestic imperative of legitimizing the political dominance of the ruling People's Action Party (PAP) also shapes the government's foreign policy towards external powers. Maintaining strategic ties with the United States and China accrues performance legitimacy for the city-state's government. For instance, Singapore's close relations with Beijing augment the PAP's standing with the ethnic Chinese community and their business interests in the mainland, sustaining *specific* support. At the same time, taking on an independent and more assertive foreign policy (against China, in particular), while necessary for a small state, creates a rally-around-the-flag effect and increases *diffuse* support for the ruling party.

In Malaysia, the governing elites' concern for their own political legitimacy in a multiethnic society is perhaps the most salient domestic determinant in foreign policy decisions vis-à-vis China and the United States. Cheng-Chwee Kuik notes that this domestic process intersects with pluralistic sociopolitical contestations, prompting political leaders to adopt policies that may seem contradictory at times. For Malaysia's foreign policy, this means positioning itself "equidistant" between the United States and China, maintaining

a neutral position at the macro level while seeking inclusive but selective multilayered partnerships with both external powers across micro-level domains. Such a pragmatic policy is manifested not only in economic development initiatives but also in the defence and diplomatic domains. For example, the US-Malaysia defence partnership is much closer than that between Malaysia and China, whereas Malaysia-China diplomatic and developmental ties have expanded in recent years and are more multifaceted than those between Malaysia and the United States. Malaysia's equidistant stance is not unique among similarly situated ASEAN states, but the domestic politics that undergird Kuala Lumpur's foreign policy decisions are quite distinctive. Kuik argues that the power blocs that represent the diverse array of sociopolitical and economic interests in Malaysia's multiethnic society are constantly competing for influence, prompting the state to hedge by pursuing seemingly paradoxical approaches to offset risks while maximizing benefits with politically acceptable trade-offs under conditions of uncertainties.

Laos' foreign policy is also guided by a search for equidistance between the two great powers, despite being regarded as a client state of China.²⁴ Soulatha Sayalath argues that the Lao People's Revolutionary Party (LPRP), the ruling party since 1975, has sought to achieve an even-handed policy towards China and the United States. Importantly, it was the LPRP's fear of both countries supporting counter-revolutionary and anti-regime groups that prompted Vientiane to adopt closer relations with both countries in the late 1980s. The loss of economic assistance from the Soviet Union was another key motivation for the LPRP to adopt market reforms in 1986 and to develop closer security and economic ties with China and the United States. Thus, regime survival and performance legitimacy through economic development drove Laos' pursuit of better relations with the two external powers. However, Sayalath notes that there are limits to Laos' relations with the two countries. Traditional ties with Vietnam prevent Laos from becoming too entrenched in the Chinese camp, and Laos has been treading a fine line between the two communist neighbours as it does not want to be sucked into their territorial dispute in the South China Sea. Furthermore, anti-China sentiments have grown more prevalent among the Lao public because of the impact of China's growing economic clout on Laos' society and environment. With regards to the United States, anti-US sentiment is strongly ingrained among senior LPRP cadres who still

believe that the United States is promoting “peaceful evolution” to weaken and overthrow the communist regime.

Regime insecurity is also paramount in driving Thailand’s foreign policy towards the United States and China. Pongphisoot Busbarat argues that although there has been a historical pattern since the nineteenth century for Bangkok to swiftly adjust its policies to align more closely with whichever external power it thinks is prevailing in regional and world politics, we might be witnessing a deviation from this traditional “bamboo diplomacy” because of domestic politics, specifically the resurgence of the Thai military since 2014. As a US treaty ally, Thailand has maintained close security relations with the United States, although it has been drawn closer to China for economic reasons. However, the crisis of legitimacy that the military junta faced at home and abroad after the 2014 coup led it to accommodate China in the security realm as well because Beijing offered political support to the military junta. In contrast, the United States responded to the coup with criticism and sanctions. But, according to Busbarat, closer accommodation of China since 2014 dates back further. Its roots can be traced to the end of the Cold War, when the *raison d’état* of the Thai-US military alliance (anti-communism) disappeared, and after Washington was perceived as being unhelpful after Thailand’s economy was struck by the 1997–98 Asian Financial Crisis. By contrast, Beijing has been seen as more reliable and generous in aiding Thailand’s economic recovery since then. Despite some rapprochement with the United States since the 2019 general elections, Busbarat argues that Bangkok’s increasingly accommodative stance towards China and its fear that Beijing might misconstrue Thailand’s engagement with the United States as a sign that it is joining US efforts to contain China are likely to continue under the coalition government that took office in August 2023. Indeed, the pursuit of regime legitimacy and economic growth is expected to draw Thailand even closer to Beijing.

The articles in this Special Issue also demonstrate that while the contours of foreign policy may differ because of leadership transitions and different leaders’ varied interpretations of what constitutes their own political survival, the broad principles that guide foreign policy have been consistent throughout the decades. This is especially evident in the Philippines, another US treaty ally that has drawn closer to China primarily for economic reasons. Raymund Jose Quilop argues that despite leadership transitions and

the seemingly closer stance that the Duterte administration (2016–22) took towards China, Manila has not deviated from the three pillars of its foreign policy: the protection of territorial integrity and sovereignty; economic development; and the protection of overseas Filipinos. Quilop demonstrates how the outsized influence of the president on foreign policy, the Philippines' personality-oriented political culture, the dynamics among various government agencies and public opinion have shaped Filipino foreign policy towards the United States and China. He argues that the Department of National Defence, the Senate and public opinion played key roles in constraining Duterte's policy towards China, particularly concerning territorial disputes with China and relations with the United States. Notably, the improvements in relations with the United States have actually begun towards the tail end of the Duterte administration and hence, cannot be completely attributed to the shift by the Marcos Jr. administration (2022–present) back to a more traditional foreign policy posture.

Conclusions and Outlook

The findings suggest the primacy of regime survival and political legitimacy in all of the assessed Southeast Asian countries. The need for economic security largely drives their foreign policymaking, ensuring that the ruling party and governing regime can address the economic needs of its citizens and thereby enhance their legitimacy and survival. The primary motivation for Southeast Asian states is, thus, to expand pragmatic cooperation with the United States and China in the economic domain as much as possible.

Beyond material benefits, ideational factors are also at stake. For instance, what constitutes the ideal developmental and governance model? How important are values such as human rights, separation of power, political accountability and democratic institutions? Who supports a rules-based international order? The Southeast Asian countries analysed in this Special Issue generally support a strong developmental state but also embrace free trade and export-oriented growth to sustain long-term growth. At the same time, they recognize the importance of regime stability and govern through a delicate balance of democratic practices or strong personal or party rule. The region has yet to fully adopt the political values or governance models that either the United States or China espouses or represents,

a practice that reflects Southeast Asia's longstanding preference for diversity and approach of delimiting the dominance of ideas and influence by any single actor.

Thus, strategic diversification is a common-sense strategy in Southeast Asia because it ensures maximum flexibility in alignment options while facilitating agency as and when necessary to suit each country's domestic priorities and politics. In the short term, countries that engage in strategic diversification (or hedging) may seem to be leaning more towards China or the United States. However, they will also continue to preserve their strategic options in the other direction. Overall, the region undertakes constant adjustments to achieve the overall effect of equidistance between two competing great powers. Indeed, rather than employing exclusive power balancing by choosing one side, they ultimately seek "an omnidirectional state of equilibrium that will enable [Southeast Asian states] to maintain the best possible relations with *all* the major powers and thus preserve autonomy".²⁵

The challenge for the United States and China in seeking greater influence and an expanded leadership role in the region is to understand the motivations of Southeast Asian states and what they are willing or unwilling to do. If either Washington or Beijing wants to emerge as the legitimate great power in the region, it will need to pay far more attention to how domestic politics influences the preferences and priorities of Southeast Asian states.

NOTES

Acknowledgements: The authors thank Alice Ba, Mely Caballero-Anthony, Ronan Tse-Min Fu, Ryan Hass, David Rank and Arne Westad for their extensive comments and thoughtful feedback on the papers in this special issue during our conference in March 2023. We are also grateful to the editorial team at *Contemporary Southeast Asia* for their superb editing and for so generously giving their time and energy to help make the final product better and more coherent. We also thank Mae Chow for excellent research assistance work. We acknowledge the generous support from the Tan Chin Tuan Foundation to Yale-NUS College for helping us convene this timely research programme on US-China-Southeast Asia relations.

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Understanding the Domestic Determinants of Indonesia’s Hedging Policy towards the United States and China

ADHI PRIAMARIZKI

Using Indonesia as a case study, this article aims to contribute to the existing literature on why weaker states engage in hedging by examining how Indonesia’s domestic factors influence its foreign policy decisions regarding the United States and China. The article argues that domestic and foreign policies are interconnected as domestic agendas, including the interests and aspirations of Indonesian politicians as well as public opinion, have led to variations in the country’s hedging behaviours towards the two great powers. On one hand, domestic political and economic considerations drive Indonesia to engage with the United States and China. On the other hand, the same factors can also act as hindrances that limit Indonesia’s engagement with these powers. Consequently, despite having strong defence ties with the United States, Indonesia now sees China as a major and essential economic partner that helps the country and its leaders achieve their development goals.

Keywords: Indonesia foreign policy, hedging, domestic determinants, US-China competition, Indonesia.

In the mid-2000s, Dewi Fortuna Anwar, a prominent Indonesian foreign policy scholar, asked: “Is Indonesia’s foreign policy shifting towards the East or the West?”¹ This question has resurfaced with

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renewed urgency due to the increasing tensions between the United States and China in the Indo-Pacific. The conventional answer is that Indonesia's foreign policy does not lean towards either the West or the East, but rather, Jakarta strives for close cooperation with both Beijing and Washington. In order to maintain regional security and stability and uphold its strategic autonomy, Jakarta employs a strategy of "hedging" between the great powers.² This approach is not new, as Indonesia has always aimed to avoid external interference while seeking external support since gaining independence.³ As pointed out by Darren J. Lim and Zack Cooper, Jakarta has always had to make trade-offs over "the fundamental (but conflicting) interests of autonomy and alignment".⁴

Nevertheless, it is important to note that hedging strategies are not solely a result of geopolitical pressure. They also emerge from "contingent adjustments to events as well as responses to particular and changing domestic and international agendas".⁵ In other words, foreign policy cannot be isolated from domestic politics. A variety of actors, including governmental and non-governmental entities, opposition parties, and internal government dynamics, all play a role in shaping Indonesia's foreign policy.⁶ In fact, in 2022, former foreign minister Hassan Wirajuda coined the term "intermestic"—a combination of "international" and "domestic"—to describe how both factors intertwine to shape Indonesia's foreign policy.⁷

Against the backdrop of escalating US-China strategic rivalry, how have domestic factors shaped Indonesia's hedging policy towards the two great powers? This article contends that domestic and external policies are closely intertwined, as the nation's domestic priorities—such as the agendas of its politicians and public opinion—have influenced its approach towards these two superpowers. As a result, despite maintaining robust defence relations with the United States, Indonesia has increasingly viewed China as a crucial economic ally that supports its leaders in achieving their development goals.

This article proceeds as follows. The first section reviews the existing literature on domestic determinants and hedging and then discusses the role of domestic determinants in Indonesia's foreign policy. The second and third sections elaborate on Indonesia-US and Indonesia-China relations, respectively. The article concludes by summarizing the key findings and offering some preliminary assessments of the role of domestic factors in Indonesia's foreign policymaking under the presidency of Prabowo Subianto.

Domestic Determinants, Hedging Strategy and Indonesia's Foreign Policy

According to Evelyn Goh, hedging “cultivate[s] a middle position that forestalls or avoids choosing one side at the obvious expense of another”.⁸ Goh also noted that fear of uncertainty amid great power competition makes hedging a rational response for weaker states.⁹ According to Cheng-Chwee Kuik, this uncertainty, notably when the power dynamics of international politics are unclear, allows weaker states to balance “returns-maximizing”—the maximizing of economic gains and diplomatic and political benefits by forging a partnership with a stronger power through selective collaboration but without accepting a subordinate position—and “risk-contingency”—the avoidance of dependency through diversified economic cooperation, the utilization of non-military means to cultivate a balance of influence amongst the great powers and the minimization of security risks through defence partnerships and upgrading military power.¹⁰ Because of this, hedging means that small states send ambiguous signals about their future alignment.¹¹

However, the idea of sacrificing partial or complete autonomy in security relations is not uncommon; throughout history, larger powers have often provided security protection for smaller states, as seen during the Cold War.¹² In addition, a small state's autonomy can also be compromised through what scholars Robert Keohane and Joseph Nye refer to as “asymmetrical interdependence”, in which smaller states may put themselves at risk in pursuit of economic gains from their relationships with larger powers.¹³ However, while external systemic pressures may push smaller states to hedge, domestic factors also play a significant role.

David Martin Jones and Nicole Jenne argue that the lack of a grand strategy is a principal reason in how domestic politics can influence a small state's hedging policy. They point out that the ruling party's domestic considerations or the personal preferences of the current head of state often hold more sway in decision-making than a strategic assessment of security risks.¹⁴ As a result, the formulation of a hedging strategy may not always be based on rational calculations. Instead, the leader's discretion can play a significant role in shaping the policy, as has been the case in Indonesia since independence.

In September 1948, Prime Minister Mohammad Hatta delivered a famous speech titled *Mendayung di Antara Dua Karang* (“Rowing between Two Reefs”). It became the basis of Indonesia's sacrosanct

“independent and active” foreign policy ever since. According to Ahmad Rizky M. Umar, Hatta’s concept was a response to both internal and external dynamics.¹⁵ Primarily, his speech was a response to critics of the Renville Agreement. Ratified in January 1948 during the Indonesian War of Independence (1945–49), this agreement led to Indonesia losing a significant portion of its territory to the Netherlands, which was attempting to reassert its colonial authority over the country after the end of the Second World War. In his defence of the agreement, Hatta argued that it would resolve the conflict with the Netherlands via democratic means and provide a pathway for greater international recognition of Indonesian sovereignty, particularly his idea of a “United States of Indonesia”. Hatta emphasized the necessity of internal stability—which he thought the Renville Agreement would bring—in order to achieve international recognition. He also believed that Indonesia’s weak position in global politics undermined its internal development.¹⁶ As a result, his 1948 speech outlined three key elements of an “independent and active” foreign policy: a strong link between foreign and domestic policies; a rational and realistic diplomatic approach amid great power competition; and national interests as the ultimate objective of foreign policy.¹⁷

As a result, Indonesia’s foreign policy has frequently shifted as it responds to the changing domestic priorities. Interactions between government and non-government entities, such as domestic opposition and civil society groups, act as catalysts or hurdles for foreign policymaking. The alignment or incompatibility of political interests and aspirations among them plays a significant role in shaping foreign policy decisions. For instance, between 2007 and 2008, the Indonesian parliament lambasted the government’s stance on the Iranian nuclear crisis. Iran’s pursuit of a nuclear programme and allegations that it could potentially be used for military purposes resulted in the five permanent members of the UN Security Council (UNSC)—the United States, Russia, China, the United Kingdom and France—drafting UN Resolution 1747, which imposed sanctions on Tehran. As a non-permanent member of the UNSC at the time, Indonesia voted in favour of the resolution, a move that met with strong criticism from opposition parties within the parliament because they felt they had not been adequately consulted over the issue. In the aftermath, the Indonesian government agreed to increase dialogue with the parliament before making any foreign policy decisions on sensitive or crucial issues. This example highlights how domestic

politics can significantly influence and shape Indonesia's foreign policy.¹⁸

The values and characteristics of Indonesia's governmental bodies and bureaucratic competition can also influence foreign policy decisions. This is evident in Indonesia's response to tensions in the South China Sea, where multiple agencies such as the Ministry of Foreign Affairs, Ministry of Marine Affairs and Fisheries and the Indonesian military all have a say. This sometimes leads to conflicting viewpoints and disagreements, making it challenging for the government to have a unified stance.¹⁹

In sum, the involvement of non-government entities and political opposition as well as bureaucratic competition add complexity to the foreign policy-making process. These actors bring their own interests and agendas, creating a mismatch between international pressures and domestic politics. As a result, Indonesia is often forced to reinterpret its non-alignment stance and adapt to changing circumstances, rather than rigidly sticking to it.

Indonesia-US Relations: Partnership without Devotion

Following the Madiun Affair in 1948, an attempted military coup by the Indonesian Communist Party and its sympathizers, Indonesia found itself in a tumultuous political climate and started to turn to the United States for political support, notably to end hostilities between the Netherlands and Indonesia during the Indonesian War of Independence (1945–49).²⁰ However, during the 1950s, Indonesia remained neutral and refused to align with either Cold War bloc, fearing a backlash from its parliament.²¹ Prime Minister Mohammad Natsir (1950–51) even cancelled an agreement to purchase arms from the United States over concerns that it would spark a parliamentary revolt.²² In fact, the government of Natsir's successor, Soekiman Wirjosandjojo (1951–52), collapsed over secret negotiations it had held with the United States regarding aid donations.

Prime Minister Ali Sastroamidjojo (1953–55 and 1956–57) hosted the famous Asia-Africa Conference, also known as the "Bandung Conference", in 1955. The main purpose of this conference was to reaffirm Indonesia's "independent" foreign policy and garner international support for the liberation of West Irian (now known as "West Papua"), which was still under Dutch control. However, the conference also had a domestic angle. Sastroamidjojo was facing widespread opposition at home because of a weak economy, rampant corruption, Islamist "Darul Islam" rebellions across the

country, friction between his cabinet and the Indonesian army, and a debacle involving his ruling party.²³ The prime minister hoped the Bandung Conference would make him more popular within Indonesia and prevent the political opposition from rallying public opinion against his cabinet. It did not work out as he imagined; he failed to tame domestic opposition and was eventually ousted four months after the conference.²⁴

Indonesia's experience with colonialism inspired President Sukarno (1945–67) to campaign against imperialism globally. He labelled Western countries *nekolim* (“neo-colonialist”) and maintained friendly relations with the Soviet Union, even allowing the Indonesian Communist Party to exist. Indonesia's relations with the United States reached a low point in 1958 when Washington supported a rebellion led by a group of military and civilian representatives in Sumatra and North Sulawesi who were demanding greater economic and regional autonomy.²⁵ On one hand, the attempted coup further fuelled Sukarno's antagonism against the United States. On the other hand, the Indonesian army, which put down the rebellion, emerged as a powerful player in domestic politics, leading to closer ties between the United States and the Indonesian military in the long run.²⁶ Sukarno's impatience with political divisions in the late 1950s led him to publish the 1959 Presidential Decree, which dissolved parliament and consolidated power with the president, establishing a system known as “Guided Democracy”. This also gave the president greater control over foreign policy.²⁷

Cold War geopolitics greatly influenced US engagement with Indonesia during this period, leading the United States to eventually support Jakarta during the West Irian crisis in the late 1950s and early 1960s. Jakarta demanded that the Netherlands hand back this region, which the Dutch had held onto after Indonesia gained independence. Before Washington lent its support, Sukarno had begun forcibly nationalizing Dutch-owned enterprises in the region. At the same time, its procurement of Soviet arms raised alarm in Washington over Jakarta potentially falling into the communist camp. Sukarno exploited the situation by playing the United States and Soviet Union against each other. Ultimately, the United States stopped supporting the Netherlands in the West Irian issue, making it practically impossible for the Dutch to launch military operations to assert its claim.²⁸

However, US support for Indonesia over West Irian did not stop Sukarno from accommodating communist groups at home. His principle of *nasakom* (nationalism, religion and communism) meant

he accommodated all political factions, including in the cabinet. Nonetheless, Sukarno was perceived as leaning too closely towards the communist camp. The launch of Confrontation (1963–66)—Sukarno's policy of resisting the formation of the Federation of Malaysia through diplomatic and military means, including guerilla warfare—added to US concerns since the Indonesian Communist Party took part in the military campaign.²⁹ Sukarno explicitly stated that his country was not dependent on US support. During his Independence Day speech in 1964, he told the United States: "Go to hell with your aid."³⁰

The fall of Sukarno and the subsequent rise of Suharto and his New Order regime significantly improved Indonesia-US relations. The September 1965 "failed coup" by Indonesian communists opened the path for Suharto, a military leader, to rise to power. He ousted Sukarno in March 1966 and formally became president of Indonesia in March 1967 after a parliamentary vote. However, he inherited a multitude of economic problems from the previous regime, including rampant poverty with over 60 per cent of Indonesians living under the poverty line and hyperinflation at 650 per cent in 1966.³¹ To address these problems, Suharto courted economic investment from Western countries, particularly the United States. Washington became Indonesia's biggest economic partner during the early years of his New Order regime. In 1965, Indonesian exports to the United States, its largest export market, were valued at US\$153 million, while its exports to Japan, its second-largest market, were worth US\$123 million.³² Additionally, in 1967, six donor countries—the United States, Japan, the United Kingdom, Germany, the Netherlands, and Australia—formed the Inter-Governmental Group on Indonesia to provide financial assistance. The group was only dissolved in 1992 due to Suharto's belief that it was interfering too much in Indonesia's affairs.

Besides economic cooperation, Suharto's regime also enjoyed close defence relations with the United States. Prior to his coup, Indonesia primarily relied on Soviet arms, which had quickly become obsolescent. Under the New Order regime, the country shifted to purchasing weapons from the United States. At the same time, dialogues between the two countries' military officers and the training of Indonesian military officers in the United States became regularized under the International Military Education and Training (IMET) programme.

However, despite this close relationship, Indonesia and the United States never signed a formal alliance pact. Some prominent

New Order leaders were sceptical of Washington over concerns that Indonesia was being entirely dominated and politically annexed by Washington.³³ Foreign Affairs Minister Adam Malik took a nationalistic stance, claiming that if the United States were to withdraw from the region, it would not create a power vacuum since the Southeast Asian states could take over the United States' security role.³⁴

The end of the Cold War opened a new chapter in Indonesia-US relations. Anti-communist authoritarian leaders, such as Suharto, could no longer depend on support from Washington. Instead, human rights protection and democratization became more important in Washington's foreign agenda in the post-Cold War era. The United States had been a major defence partner of Indonesia, but the Santa Cruz Massacre in 1991—when Indonesian soldiers opened fire on a crowd of protesters in a cemetery in East Timor, which Indonesia had invaded and occupied in 1975 with the United States' blessing—put an end to this. The use of US-made weapons during the massacre led the US Congress to condemn Washington's previous military assistance and arms sales to Indonesia.³⁵

After Suharto's New Order regime collapsed in 1998, Indonesia's relations with the United States deteriorated due to the anti-Western sentiments held by the Indonesian public. This was further intensified by Washington's support for East Timor's independence. After 24 years of Indonesian occupation, the East Timorese voted overwhelmingly for independence in a referendum in 1999, which was supported by Western states. Although Washington also assisted Indonesia in conducting its 1999 general elections, the first since the fall of the New Order regime, Washington was perceived as trying to use its influence to impose liberal reforms on the country. Abdurrahman Wahid, the winner of the 1999 presidential elections, realigned Indonesian foreign policy towards its Asian neighbours.

The "War on Terror" following the 9/11 terrorist attacks allowed for a reset since Washington needed an ally in Southeast Asia to support its global anti-terrorism campaign. The United States even treated the region as a "second front" in its War on Terror.³⁶ This juncture marked a period of US rapprochement with Indonesia.³⁷ However, a military embargo imposed after the Santa Cruz Massacre meant that bilateral defence cooperation remained limited. Furthermore, Indonesia only cautiously embraced counterterrorism cooperation with the United States due to negative public perception stemming from the American invasions of Afghanistan and Iraq. According to a 2002 survey by the Pew Research Centre, 61 per cent of Indonesians held favourable views of the United States.

However, this number drastically dropped to only 15 per cent in 2003, following the US invasion of Iraq.³⁸ Despite this, the United States played an important role in the establishment of Indonesia's elite counterterrorism unit, Special Detachment 88, in 2003.³⁹

The presidency of Susilo Bambang Yudhoyono (2004–14) marked a significant turning point in Indonesia-US relations. Yudhoyono's commitment to counterterrorism and democracy brought the two countries closer together, for the first time since the Cold War.⁴⁰ Yudhoyono launched the Bali Democracy Forum in 2008 to project Indonesia as an Asian democratic powerhouse and to demonstrate Indonesia's return to the international stage following a decade of low-profile diplomacy. With Indonesia's democracy becoming more stable, it provided Jakarta and Washington with a set of shared values again after anti-communism faded with the collapse of the Soviet Union.⁴¹ The United States gradually lifted the military embargo and resumed the IMET programme in 2005.

The victory of Barrack Obama in the 2008 US presidential elections significantly improved the United States' image in Indonesia. His predecessor, George W. Bush, was often perceived as anti-Islam by many Indonesians. Obama's personal connection to Indonesia through his childhood also added a personal touch to the relationship between the two countries. During the Obama administration, a ban on the Indonesian Army Special Forces (Kopassus) was lifted.⁴² The United States also supported the development of Indonesia's peacekeeping centre. However, bilateral relations did not improve as much in the economic realm. US investment in Indonesia was mainly concentrated in the mining sector. Indonesia's poor economic governance—notably economic nationalism—significantly obstructed cooperation.⁴³ However, in 2010, Indonesia and the United States launched a comprehensive partnership, a framework for closer security and economic links. This evolved into a strategic partnership in 2015, which some thought would lead to Indonesia playing a more prominent role in regional affairs.⁴⁴

President Joko Widodo (2014–24) had a strong domestic focus on infrastructure and economic development during his administration. However, relations between Indonesia and the United States stalled somewhat when Donald Trump became US president in 2017. His aggressive foreign policy towards China and emphasis on regional security cooperation made Indonesia uneasy. That said, Widodo's interactions with the Obama, Trump and Biden administrations were limited. Between 2014 and 2023, he had at least six one-on-one

interactions with US presidents. Moreover, his domestic economic agenda, such as securing economic investments and increasing palm oil exports and nickel production, dominated these meetings. This demonstrated Widodo's attempt to make domestic concerns, notably Indonesia's economic ambitions, more prominent in US-Indonesia relations. However, during these talks, Washington still emphasized its regional security agenda and security stability in the Indo-Pacific (see Table 1).

Table 1
Widodo's One-on-One Interactions with US Presidents, 2014–23

Year	Figures	Topics
November 2014	Widodo-Obama	<ul style="list-style-type: none"> • Bilateral relations, notably the continuation of US-Indonesia Comprehensive Partnership
October 2015	Widodo-Obama	<ul style="list-style-type: none"> • Maritime security and defence cooperation • Counterterrorism • Global health and climate change • Economic cooperation, notably digital economy investment • Indonesia's intention to join Trans-Pacific Partnership (TPP)
July 2017	Widodo-Trump	<ul style="list-style-type: none"> • Regional security • Economic cooperation, notably Indonesia's crude palm oil export • Counterterrorism
April 2020	Widodo-Trump	<ul style="list-style-type: none"> • COVID-19 management • Post-COVID-19 economic cooperation commitment
November 2022	Widodo-Biden	<ul style="list-style-type: none"> • Indo-Pacific security stability, including ASEAN centrality and maritime security • Economic cooperation, notably a sustainable economy • People-to-people ties
November 2023	Widodo-Biden	<ul style="list-style-type: none"> • Indo-Pacific security stability • Climate crisis • Economic cooperation, including Indonesia's nickel industry • People-to-people ties

Source: Author's own compilation based on various media sources.

In recent years, Indonesia has shown a growing interest in joining US-led economic initiatives, such as the Indo-Pacific Economic Framework for Prosperity (IPEF) and the Just Energy Transition Partnership (JETP), which aims to support Jakarta's own economic agenda. In May 2022, President Biden launched the IPEF with 13 regional partners with the aim of deepening economic cooperation and boosting the region's economic resilience.⁴⁵ The expectation of gaining greater access to the US market, which would increase trade and investment opportunities, especially for Indonesia's raw materials industries, was as a major factor behind Indonesia's embrace of the idea. Indonesia's Coordinating Minister for Economy, Airlangga Hartarto, stated in March 2023: "We also focus to get the real benefits of IPEF in the form of trade and investment improvements."⁴⁶ However, the 14 IPEF leaders failed to conclude negotiations on the framework's trade pillar during a sideline meeting at the November 2023 Asia-Pacific Economic Cooperation (APEC) Summit.⁴⁷ Despite this setback, Indonesia's participation in the initiative still offers a platform for economic diplomacy that Jakarta can use to gain greater US support in economic matters.⁴⁸

During the G-20 summit in Bali in 2022, President Joe Biden announced a financial package of US\$20 billion for Indonesia under the JETP. This partnership, backed by other G-7 countries, aims to support Indonesia in reducing its carbon emissions by transitioning away from coal and developing new renewable energy sources.⁴⁹ The Indonesia JETP secretariat was established in Jakarta on 17 February 2023. However, the details of its implementation are still unclear, as Indonesia has been slow in ratifying the necessary legal framework for the scheme. There is also ongoing uncertainty in Jakarta regarding private investment and public sector contribution under the JETP.⁵⁰ Despite this, the Indonesian government has shown a more positive response towards the IPEF and the JETP compared to the Quadrilateral Security Dialogue (Quad) and AUKUS—a security pact between the United States, Australia and the United Kingdom. This is likely due to the former's focus on economic development, which aligns with President Widodo's domestic agenda of boosting infrastructure development.⁵¹

Cooperation between Jakarta and Washington remains steadfast in the defence sector because Indonesia sees the United States as an essential partner in the modernization of its military. According to Indonesia's latest military acquisition plan, Jakarta wants to

purchase 24 F-15 jet fighters, for which the US government has given the green light.⁵² Indonesia has also ordered five Lockheed Martin C-130J Super Hercules and will receive them by April 2024.⁵³ During a private meeting with his Indonesian counterpart, Prabowo Subianto, at the 2023 Shangri-La Dialogue, US Secretary of Defence Lloyd Austin III also reaffirmed America's commitment to supporting Indonesia's defence modernization and maintaining the bilateral strategic partnership.⁵⁴

The Super Garuda Shield military exercises in 2022—an expanded version of the annual Garuda Shield military exercise between the Indonesian and US armies that was first conducted in 2004—demonstrate these healthy defence relations. The United States perceives the Super Garuda Shield as a platform to enhance regional cooperation and to support a Free and Open Indo-Pacific. However, the reinvigoration of the Quad has created uneasiness in Jakarta.⁵⁵ Furthermore, Indonesia has expressed concerns about the formation of the AUKUS trilateral security pact. Jakarta criticized the provision of nuclear submarines to Australia under AUKUS, which it believes will trigger a military build-up in the region and breach nuclear non-proliferation obligations.⁵⁶ However, in May 2023, Widodo softened this view by describing AUKUS and the Quad as “partners, not competitors”.⁵⁷ Recent developments, such as the “2+2” meetings between Australia and Indonesia, and the potential role of AUKUS in ensuring regional security stability, have also contributed to Indonesia's softened stance towards AUKUS.⁵⁸

In 1994, Ali Alatas, Indonesia's foreign minister at the time, stressed that US-Indonesia relations must “demonstrate the breadth and depth of our shared interests”.⁵⁹ However, congruence of national interests has historically not been enough to move US-Indonesia cooperation forward. As this section has shown, Indonesia's domestic considerations have normally emerged as hindrances. Even when the United States was an important partner for Indonesia, such as during the Suharto dictatorship, the relationship never evolved into a formal alliance. Following the downfall of his New Order regime, although shared democratic values emerged as a new common ground for Indonesia and the United States to promote their cooperation, greater democratic freedoms within Indonesia also provided greater room for domestic politics to influence foreign policy. This was evident in the way politicians in Jakarta carefully considered their actions to avoid inciting anti-Western or anti-American sentiments among the public. The post-New Order era also illustrated how a leader's personal agenda can alter foreign relations. Yudhoyono

stressed shared democratic values as the basis of US-Indonesia relations, while Widodo saw the US-Indonesia relationship as an opportunity to further his domestic economic ambitions. However, as demonstrated in the next section, none of this would prevent Indonesia from forging closer ties with China, especially in the economic domain.

Indonesia-China Relations: Economy Above All

Indonesia established diplomatic relations with the People's Republic of China (PRC) in 1950. Initially, Jakarta wanted to develop cordial ties with Beijing—as seen in President Sukarno's proposal of a “Jakarta-Pyongyang-Beijing” axis, which also referenced communist North Korea—to demonstrate his opposition to Western states that he considered as neocolonialist.⁶⁰ However, in 1967, Jakarta froze diplomatic ties with China in response to Beijing's backing of the Indonesian Communist Party's failed “coup” in 1965.

During Suharto's New Order regime, China was perceived as an existential threat because of its association with international communism. However, this perception gradually faded, especially after China adopted pro-market economic reforms in the late 1970s. The rapid growth of China's economy has since become the driving force behind the two countries' relationship.⁶¹ Despite this, until the 1990s, the Indonesian military remained wary of China, citing concerns about the potential resurgence of communism within Indonesia.⁶² However, these concerns were somewhat eased when Chinese Foreign Minister Wu Xueqian stated in a private conversation with Indonesian leaders in 1985 that his country would not intervene in Indonesia's domestic politics.⁶³ In addition, Suharto's desire to play a more prominent role on the world stage also contributed to his willingness to normalize China-Indonesia relations. He entrusted one of his most trusted aides, Minister of State Secretary Moerdiono, with leading the discussions to resume trade ties with China, rather than delegating the task to the Ministry of Trade or the Ministry of Foreign Affairs.⁶⁴ Trade relations resumed in 1985, followed by a normalization of diplomatic ties in 1990. Around the same time, Beijing's commitment to non-interference in Indonesia's internal affairs was further solidified when the Chinese Communist Party (CCP) severed ties with Indonesian communists.⁶⁵

The May 1998 riots, which preceded the resignation of President Suharto later in the same month, elicited protests from Beijing because many of the rioters attacked ethnic Chinese Indonesians,

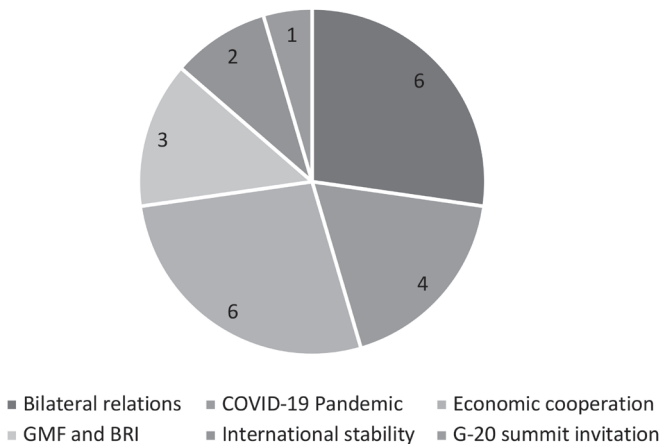
highlighting the longstanding discrimination faced by this minority group.⁶⁶ Habibie, the first post-Suharto president, faced considerable opposition at home (his presidency lasted just over one year) and international pressure due to atrocities committed in East Timor. As a result, he adopted a rather accommodating stance towards Beijing's protests over the attacks on ethnic Chinese during the riots. Meanwhile, because of the devastating impact of the 1997 Asian Financial Crisis on Indonesia's economy and the palatable anti-Western mood of the Indonesian public, President Abdurrahman Wahid, Habibie's successor, considered it necessary to strengthen trading relations with China and India.⁶⁷ He even launched the so-called "Jakarta-Beijing-New Delhi" axis, although the idea was short-lived.⁶⁸ More impactful was his government's "Look Towards Asia" policy, which emphasized trade among Asian countries as a means for economic recovery. In May 2000, his government signed a memorandum of understanding with Beijing to enhance cooperation in politics, economics, tourism, science and technology.⁶⁹

Wahid's successor, Megawati Soekarnoputri, placed ASEAN at the forefront of Indonesia's foreign policy. Her administration mainly utilized the ASEAN+3 platform, which included South Korea, Japan and China, to reach out to Beijing. During Megawati's presidency, China assisted in the construction of the Surabaya–Madura Bridge, connecting Java and Madura islands, which was completed in 2009. With a relatively stable domestic political climate, her successor, Yudhoyono, continued to foster this relationship and in April 2005 secured a strategic partnership with Beijing, signed during Chinese President Hu Jintao's visit to Indonesia on the 50th anniversary of the Bandung Conference. This partnership was later elevated to a comprehensive strategic partnership in 2013.⁷⁰ Bilateral trade grew from US\$8.7 billion in 2004 to US\$48.2 billion in 2014, the same year that China replaced Japan as Indonesia's top trading partner.⁷¹

After taking office in 2014, the Widodo administration deepened economic cooperation with China. His Global Maritime Fulcrum (GMF) scheme—which aimed to turn Indonesia into a global maritime hub⁷²—dominated much of Widodo's early years in office, although he somewhat abandoned the concept halfway through his presidency.⁷³ Nonetheless, the GMF played an important part in Indonesia's relationship with China because of its compatibility with Beijing's Belt and Road Initiative (BRI).⁷⁴ It was during Widodo's first visit to China in March 2015 that Beijing persuaded Jakarta to support the BRI.⁷⁵ Signing up to the BRI also improved diplomatic, economic and people-to-people relations between the two countries.⁷⁶ In addition,

Indonesia was a supporter of China's Global Development Initiative (GDI), a platform to engage the Global South and an alternative source of funds other than the US-led development agencies.⁷⁷ Economic relations were galvanized further by Indonesia's ratification of the Regional Comprehensive Economic Partnership (RCEP), a free trade agreement between ASEAN states and Australia, China, India, Japan, Korea and New Zealand.⁷⁸ Throughout his presidency, Widodo had at least 18 one-on-one meetings with President Xi Jinping. While their conversations were not limited to bilateral ties—they also discussed global issues, such as the COVID-19 pandemic and international stability⁷⁹—economic cooperation, specifically the GMF and BRI, dominated their discussions (see Figure 1).

Figure 1
Discussions during Widodo-Xi Jinping's One-on-One Interactions, 2014–23



Source: Author's own compilation based on various media sources.

However, the alignment of Indonesia's GMF and China's BRI did not positively influence defence cooperation between the two countries. In fact, compared to the United States, Indonesia's engagement with China in this area remains very limited. Regular interactions between the two countries' militaries only occur through their navies. China has been a regular participant in the biannual KOMODO multilateral training exercise initiated by the Indonesian Navy since its inception in 2014.⁸⁰ At the 2022 Boao Forum, Xi outlined his Global Security Initiative (GSI), a scheme for China to take a central role in the post-Western-led regional order.⁸¹ Although

Beijing has attempted to woo Indonesia into signing up for this initiative, Jakarta has maintained its non-alignment principle and remains cautious.⁸²

Despite progress in trade relations, with bilateral trade value increasing from US\$48.2 billion in 2014 to US\$133.6 billion in 2022,⁸³ Indonesia-China ties have sparked some consternation among the Indonesian public. The increase in bilateral trade has been driven primarily by Indonesia importing more goods from China, thus widening its trade deficit with China. The influx of cheap Chinese imports since the 2000s has also weakened Indonesia's local industries. Much of the Indonesian business community was concerned when Beijing proposed creating the ASEAN-China Free Trade Area (ACFTA) in 2000, although Indonesia was one of the first Southeast Asian countries to ratify the agreement.⁸⁴ China's assertiveness in the South China Sea also became a thorny issue in Indonesia-China relations. The occasional intrusion of Chinese fishing vessels into Indonesia's exclusive economic zone has caused tensions to arise. In an effort to maintain good relations, the Yudhoyono administration kept many of these incidents hidden from the public.⁸⁵

The Indonesian public has been increasingly expressing anger towards the growing involvement of China in their economy. This sentiment was particularly evident in the Jakarta-Bandung High-Speed Railway project in which Beijing played a major role. In October 2015, Jakarta announced that China, not Japan, would be the principal backer of the project.⁸⁶ The reason appeared to be financial; China offered a business-to-business framework to finance the project without any state-guaranteed funding from Jakarta. In the end, however, the Indonesian government was forced to divert some of the state budget to complete the project, frustrating many Indonesians.⁸⁷ As is common across Southeast Asia, the Indonesian public has also grown disgruntled that mostly Chinese workers are employed in Chinese investment projects and that some Chinese-funded projects have generated negative environmental and social impacts.⁸⁸ Frustration boiled over during the COVID-19 pandemic when Chinese-owned companies allegedly laid off Indonesian workers while retaining Chinese employees.⁸⁹ In response, the Widodo government delayed the work permits of some Chinese nationals.⁹⁰ The influx of Chinese workers has also become a sensitive issue for Jakarta, which feared that it could lead to anti-Chinese sentiment and even the replication of the mass violence against ethnic Chinese, similar to what happened in the late 1990s. Such

a situation would jeopardize domestic political stability and, thus, weaken the government's economic agenda.

In June 2020, Indonesia's Coordinating Minister for Maritime and Investment, Luhut Binsar Pandjaitan, acknowledged China's global status, particularly its economic power. According to Luhut, "China is a global power that cannot be ignored."⁹¹ Moreover, he noted that Indonesia's cooperation with China had centred on the economy. Indeed, President Widodo played a crucial role in fostering closer ties between Jakarta and Beijing, driven by his domestic agenda of promoting economic growth. Because he needed China's resources to develop his various infrastructure projects, he rolled out the red carpet for Beijing.

In sum, domestic politics have played an important role in shaping Indonesia's engagement with China. After the fall of Suharto's dictatorship in 1998, politicians were compelled to compete for popularity and votes, leading to a focus on economic growth as a means of gaining legitimacy. Moreover, Indonesia's volatile economy in the late 1990s and early 2000s meant it was crucial to secure new trade partnerships, with China emerging as a key player. Indonesia also perceived healthy relations with Beijing as a way to lessen its reliance on Japan and the United States. However, domestic factors—including public anger over how Chinese investors operate in Indonesia and financial difficulties associated with some Chinese investment projects—have also hindered the deepening of Indonesia's relationship with China.

Conclusion

This article examines how Indonesia's domestic factors have influenced its foreign policy decisions regarding the United States and China. The above analyses show that domestic and foreign policies are interconnected as domestic agendas, including the interests and aspirations of Indonesian politicians and the public, have led to variations in the country's hedging behaviours towards the two great powers. On one hand, domestic political and economic considerations have often encouraged Jakarta to develop close ties with the two great powers. From time to time, however, these same factors can also hinder Jakarta's relations with Washington and Beijing. Following the fall of the Suharto regime, for example, the Indonesian government showed hesitation in engaging with the United States due to prevalent anti-Western sentiments among the public. Similarly, negative sentiments towards China due to

negative issues associated with Chinese investment projects, as well as tensions in the South China Sea, have limited Indonesia's ability to fully embrace economic cooperation with China.

Indeed, since 1998, Indonesia's democratization has enabled domestic determinants to play an increasingly essential role in foreign policymaking. Although the general Indonesian public rarely treats foreign policy as a daily concern, some foreign policy issues, such as those related to Islam or nationalism, can attract their attention. Politicians' desire to maintain public support further amplifies the role of domestic factors, as not addressing the concerns of the majority can jeopardize the popularity and electability of the government. Moreover, the absence of a dominant power bloc in Indonesian politics has resulted in a fractured elite political landscape where political elites with different political and economic agendas are constantly vying against each other. This allows their domestic considerations to shape their foreign policy preferences, especially when they find certain foreign policies conducive to their domestic goals.

On 14 February 2024, Indonesians cast their vote for the next president. The incumbent Minister of Defence, Prabowo Subianto, known for his stalwart nationalism, emerged victorious. During the campaign period, Prabowo portrayed himself as Widodo's successor and pledged to continue his policies, including the ambitious plan to build a new capital city and his economic strategies. Prabowo has also pledged to put national interests at the centre of foreign policy.⁹² This suggests that domestic factors will continue to heavily influence Indonesia's foreign policy during his presidency.

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Explaining Hedging: The Case of Malaysian Equidistance

KUIK CHENG-CHWEE

For decades, Malaysia has positioned itself as being “equidistant” between the United States and China. But being equidistant does not mean being equally distant or equally close. Instead, it means maintaining a neutral position at the macro level while seeking inclusive but selective multilayered partnerships with all competing powers across micro-level domains. While the Malaysia-US defence partnership is much closer than that between Malaysia and China, Malaysia-China diplomatic and developmental ties are more multifaceted than those between Malaysia and the United States. Therefore, Malaysia’s equidistant stance entails several puzzling contradictions emblematic of hedging. This article theorizes hedging by unpacking the two-level determinants of Malaysia’s inclusive but prudently selective and contradictory policy of equidistance. It argues that while the smaller state’s macro-level neutrality is driven primarily by the structural imperative of insuring against the danger of entrapment and other systemic risks, the inclusive and contradictory elements in Malaysia’s micro-level, multilayered alignments are primarily due to domestic reasons. Chief among these is the governing elites’ necessity to optimize the different pathways of legitimation in a multiethnic society. This intersects with other domestic processes, prompting the state to hedge by pursuing seemingly paradoxical approaches to offset risks while maximizing benefits with politically acceptable trade-offs under conditions of uncertainties.

Keywords: hedging, equidistance, alignment, legitimation, Malaysia.

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Malaysia is one of the few Southeast Asian countries that has moved from an alliance-based strategy to one of non-alignment, neutrality and “equidistance”. During the first 14 years following its independence in August 1957, Malaysia (or “Malaya” before 1963) anchored its foreign policy on the Anglo-Malayan Defence Agreement (AMDA), an alliance established with its former colonial ruler, the United Kingdom.¹ This coalition, which also involved Australia and New Zealand, protected the small state from internal and external communist threats during the height of the Cold War.² It also protected Malaysia during *Konfrontasi*, a low-intensity conflict launched by Indonesia in 1963 in opposition to the formation of the Federation of Malaysia.³ When threats were direct *and* allied support was certain, an alliance was a rational and practical policy choice.

However, a rational policy is not necessarily a sustainable solution. Indeed, the sustainability and feasibility of an alliance or partnership are often beyond the desirability of the weaker partners. Even when threats remain, the patrons in an alliance might reduce or retract their commitments, leaving the smaller partners to face dangers and challenges on their own. Britain’s decision in 1968 to retreat “east of Suez” led to the replacement of the AMDA by the Five Power Defence Arrangements (FPDA) in 1971. The FPDA, which also includes Australia, New Zealand and Singapore, was a consultative mechanism rather than an alliance, as there was no mutual defence commitment among its members.⁴ This coincided with the Nixon Doctrine in 1969, which led to the withdrawal of US troops from mainland Asia. These developments signalled a reduced Western commitment in Southeast Asia and exposed Malaysia and other Western-allied states in the region to the risk of being abandoned. Thus, the late 1960s was a watershed moment for Malaysian defence planning. Malaysian leaders began to realize that while a clear-cut policy of full alignment with one side against another provides significant returns, it also presents profound risks. And while big powers might come and go, the long shadow of uncertainty remains for smaller states.⁵

For the next half-century, Malaysia persistently adopted a neutral, no-alliance policy. In addition to joining the Non-Aligned Movement (NAM) in 1970, Malaysia began using the Association of Southeast Asian Nations (ASEAN) as the cornerstone of its foreign policy. However, a regionalist policy and a non-aligned posture did not preclude Malaysia from developing and maintaining pragmatic defence partnerships with countries far from its territory—primarily

the United States and other Western powers—and, more recently, also those closer to home—China and other Asian nations. Although Malaysia’s defence and security cooperation arrangements with China pale in comparison with those with the United States, its choice to maintain concurrent security ties with both powers, while embracing other partnerships, demonstrates Malaysia’s neutral and “equidistant” position. But being equidistant does not mean being equally distant or equally proximate to competing powers. Instead, it means maintaining an impartial, not-taking-sides position at the macro level while simultaneously seeking inclusive but selective partnerships with all powers across all micro-level domains, with an eye on mitigating risks, maximizing benefits and keeping options open under conditions of uncertainties.

Malaysian equidistance entails three puzzling contradictions. First, despite its proclaimed non-alignment position since the early 1970s, Malaysia, in practice, has actively maintained increasingly robust military partnerships with several Western powers, meaning *de facto* “alignments” without alliances.⁶ Second, despite increasing concerns about China’s intentions in the South China Sea, as China grows more assertive near Malaysian waters, Malaysia has gradually developed closer defence and security cooperation *with* China since the 2010s.⁷ Third, despite Malaysia’s openly expressed concerns about AUKUS, a pact formed by the United States, the United Kingdom and Australia in 2021, it has continued to enhance bilateral military ties with each of these three states while also maintaining the FPDA *and* widening its engagements with more partners, including China, Japan, South Korea and Europe across defence, diplomatic and development domains.⁸ In short, Malaysia has pursued *non-alignment via multi-alignments*.⁹ Hence, Malaysia’s equidistance is not passive neutrality but an active, inclusive and seemingly contradictory form of impartiality.¹⁰

What explains this paradoxical policy? Why has Malaysia persistently avoided alliances and insisted on a neutral, equidistant policy for the past half-century, even amid growing security concerns because of tensions in the South China Sea? Why has Malaysia adopted these puzzlingly contradictory approaches rather than a clear-cut policy *vis-à-vis* the competing powers? Why has Malaysia pledged a non-aligned position at the macro level but pursued multilayered alignments and partnerships in practice across micro-level domains?

This article offers a two-level explanation. Describing Malaysia’s paradoxical policy as quintessential “hedging” behaviour, it argues

that the smaller state's macro neutrality is rooted in *structural* conditions, while its micro multi-alignments are driven and limited primarily by *domestic-level* determinants. Specifically, while Malaysia's insistence on not taking sides is attributable to structural imperatives, the manner and extent to which it pursues inclusive but prudently selective multi-alignments across domains have been profoundly shaped by its elites' desire to optimize different pathways of domestic legitimation. This legitimation process intersects with the pluralistic socio-political contestations, thereby pushing the elites to pursue paradoxical approaches to balance multiple policy trade-offs, such as economic benefits versus security considerations, internal autonomy versus external concerns and immediate interests versus longer-term identities.

The article proceeds in four sections. The first presents a two-level framework to theorize hedging as a small-state alignment choice under uncertainties. The second traces the changing *structural* factors driving Malaysia's shifting alignment position from non-hedging to hedging before analysing Malaysia's enduring macro neutrality *vis-à-vis* the United States and China since the 1970s. The third unpacks the *domestic* determinants of Malaysia's micro-level, multilayered alignments and partnerships with the major and second-tier powers across domains. The concluding section summarizes the key findings and suggests directions for future research.

A Two-Level Framework: Explaining “Hedging” in International Relations

Hedging is defined as an insurance-seeking behaviour under high-stakes and high-uncertainty conditions, which aims at mitigating and offsetting risks while maximizing returns via three approaches: active neutrality, inclusive diversification and prudent fallback cultivation.¹¹ Accordingly, hedging is conceived of not only as a “middle” position—between the competing powers—but also as an “opposite” position, where two or more *mutually counteractive* measures are pursued to *offset* risks of uncertainties and cultivate fallback options.¹²

Conceptually, hedging is distinguishable from “balancing” and “bandwagoning”, the two more clear-cut, straightforward alignment behaviours, which have dominated International Relations (IR) literature for decades. Balancing means a security-seeking act of pursuing alliance (external balancing) and armament (internal balancing) to counter the strongest power or the most threatening

power.¹³ Bandwagoning refers to a utility-seeking act of accepting a subordinate role to a rising or dominant power in exchange for profit or security.¹⁴ The distinctions are illustrated by four key aspects (see Table 1).

Table 1
Balancing, Bandwagoning and Hedging Compared

	Balancing	Bandwagoning	Hedging
Macro-level alignment	Fully siding with one power against another (a rising power or a growing threat).	Fully siding with one power (a rising power or a growing threat).	Not taking sides / neutral / equidistance / non-alignment via multi-alignments.
Principal drivers	Security-seeking: Balancing the strongest power (Waltz) / Balancing the most threatening power (Walt).	Utility-seeking: Maximizing profits (Schweller) / Minimizing security threat (Walt).	Insurance-seeking: Mitigating and offsetting risks; Cultivating fallback options.
Principal means	Primarily military means (alliance and armament) + any other tools and instruments.	Primarily political means (displaying full deference) + any other tools.	All available instruments pursued in an opposite and mutually counteractive manner.
Antecedent conditions	Certainty in principal threat and principal patron.	Certainty in principal patron or principal threat.	Uncertainty in structural conditions (diffuse threats, uncertain supports).

Theoretically, a two-level model posits that hedging originates at the structural and domestic levels. While structural conditions explain *when* states hedge, domestic reasons explain *why* a state hedges in the ways and extent it does. That is, states choose to hedge, rather than to balance or bandwagon, when two structural conditions prevail: when threats are neither immediate nor straightforward; and when states are uncertain of credible, sustainable allied support. However, the manner and degree to which a state opts to hedge are necessarily the result of domestic factors: optimizing pathways of legitimation necessitates ruling elites to hedge in ways that balance key trade-offs in foreign policy choices. These two-level explanations are elaborated as follows.

When Do States Start (and Stop) Hedging? Structural Sources of Alignment

Structural factors matter. Alignment choices are primarily a function of the *relative certainty* about two systemic-level conditions. First, high or low certainty about the presence of a principal threat—an immediate, predominant danger in all key domains. Second, high or low certainty about the presence of a principal patron—highly reliable, sustainable and long-term allied support. This article has developed a 2x2 matrix (see Figure 1) to explain when states opt for hedging, balancing, security-driven bandwagoning or profit-driven bandwagoning. Balancing and bandwagoning are likely when one of three clear-cut circumstances prevail: when a state is highly certain of both an imminent threat *and* reliable allied support (Quadrant 1), balancing will prevail; when a state is highly certain about the existence of an immediate threat, *but* uncertain about the availability of a credible ally as a countervailing force (Quadrant 2), security-driven bandwagoning will prevail; and when a state is highly certain about the availability of an indispensable multi-domain patron *and* the absence of an intolerable threat (Quadrant 3), profit-driven bandwagoning will prevail.

Figure 1
Relative Certainty about Principal Threat and Principal Patron

		Certainty about an Imminent, Principal Threat	
		Low	High
Certainty about a Reliable, Principal Patron	High	<u>Quadrant 3</u> Bandwagoning (profit-driven)	<u>Quadrant 1</u> Balancing
	Low	<u>Quadrant 4</u> Hedging	<u>Quadrant 2</u> Bandwagoning (security-driven)

However, under less certain but far more common circumstances—when danger is neither immediate nor straightforward (harmful in one domain but helpful in others) *and* when reliable patrons are not

readily available (Quadrant 4)—a state is likely to eschew the rigid strategies of balancing and bandwagoning. This is because, under such conditions, the security and economic benefits that can be garnered from either strategy will almost certainly be accompanied by unacceptable trade-offs: greater risks and opportunity costs across domains and over the longer terms. When threats are diffuse and a dependable patron is not readily available, hedging is the dominant choice. Under such conditions, the state, as a prudent actor, is likely to *start* hedging—pursuing mixed and deliberately contradictory approaches aimed at creating the space and options to mitigate and offset the multiple risks (the primary goal)—while still obtaining multiple benefits (the secondary goal) from as many partners as possible. The state will *stop* hedging if and when it is certain of its principal threat and principal patron.

Why Do States Hedge the Ways They Do? Domestic Determinants of Alignment

While systemic uncertainties explain *when* states hedge, domestic factors explain *why* states hedge in the manner and to the extent that they do. Fundamentally, hedging is about the management of risks.¹⁵ “Risks”—exposure to possible dangers, potential harms or probable losses—are distinguishable from “threats” regarding certainty and the immediacy of hazards. While threat refers to clear and present dangers, risk refers to plausible and potential harms.¹⁶ This model postulates that, in the absence of an immediate threat, the identification and prioritization of risks as foreign policy concerns are neither given nor straightforward. Instead, there is a “riskification” process by which some risks are highlighted, and some are downplayed based primarily on elites’ domestic political needs.¹⁷

All states want to maximize security, prosperity and autonomy. But, in reality, it is impossible to maximize all three goals simultaneously. This is akin to the “impossible trinity” in economics: an economy cannot simultaneously pursue independent monetary policy, preserve a fixed exchange rate and permit the free flow of capital across national borders.

The impossible trinity in international politics manifests as follows. Of the three goals that smaller states seek—security and freedom from threat, prosperity and freedom from economic deprivation, sovereignty and freedom from autonomy erosion—only one or at most two can be attained through a single approach. The

nature of the trinity is such that a state cannot hope to rely on any single policy to pursue all three goals at once. Indeed, regardless of the policy adopted, a state's attempt to use that approach to maximize goals and minimize certain risks will invariably expose it to other forms of danger. For instance, an alliance helps a smaller state to maximize its security but exposes it to the erosion of its autonomy. Gaining something always comes at the expense of losing something else. No single patron or partner, no matter how powerful, can help smaller states attain all three goals.

Hence, the impossible trinity involves policy *prioritization* and *trade-offs*. Different states make different prioritization and trade-off calculations based on their external circumstances and internal needs. When a state faces a direct and profound threat, security is prioritized. However, when an immediate threat is absent, the prioritization of a state's goals—either prosperity over autonomy or vice versa—depends primarily on ruling elites' domestic concerns, especially their legitimation needs.

This article defines “legitimation” as elites' inner justification, the process by which ruling elites seek to justify and enhance their political domination by acting in accordance with the very foundations of their authority at a given time.¹⁸ Legitimacy is a noble *end* in politics, but legitimation is often a *means* to other parochial ends such as power, patronage and privilege.¹⁹ All elites seek to acquire and advance their “right to rule” via the following pathways of legitimation: *performance* (results-based), *procedural* (ideology-based) and *particularistic* (identity-based) justification.²⁰ These pathways are not pursued exclusively. All elites, regardless of the political systems they are in, concurrently pursue a combination of these pathways. This is because different constituencies have different political demands, coalition politics compel elites to fulfil the different expectations of their political backers and changing public attitudes necessitate elites to recalibrate their use of legitimation pathways.

Which pathways are primary and which are secondary depends on a state's sociopolitical system, demographic structure and other internal attributes.²¹ For instance, in democratic systems, elites derive their legitimacy and enhance their authority primarily from the procedural pathway: winning electoral mandates and conforming to democratic values, social justice and rule-of-law ideals. This is the primary, but not the only, pathway as procedural legitimation is consistently implemented with and complemented by other justification efforts: demonstrating performance—delivering

development results, ensuring economic growth or preserving internal order—and/or mobilizing various identity-based sentiments at the grassroots level. In authoritarian or semi-democratic systems, elites tend to rely more on performance legitimation and/or identity-based particularistic legitimation—mobilizing nationalist sentiments, religious appeals and personal charisma—to exert and expand their authority, partly to compensate for their lack of popular mandate. In ethnically divided societies, elites tend to emphasize development-based performance legitimation and/or procedural justification more heavily, not least to compensate for the lack of nationwide identity mobilization. The causal mechanism of a domestic-level explanation goes as follows: legitimation pathways determine policy prioritization, dictate riskification and trade-off calculations, which in turn shape policy choices.

When development-based performance legitimation is the elites' primary pathway of justification, prosperity-maximization would be emphasized over autonomy- and security-maximization as the prioritized goals. Legitimation not only determines policy prioritization but also shapes riskification and trade-off calculations. Accordingly, such a state will likely prioritize the immediate economic benefits, play down the longer-term sovereignty and security risks and pursue policy options with acceptable trade-offs.

When identity-based particularistic legitimation is the primary pathway, autonomy and/or security would be prioritized over prosperity. Accordingly, this state is likely to be more vigilant about near- and longer-term existential risks, place more emphasis on preservation and policy independence over material gains, as well as project a greater readiness to invest in more risk-mitigation options, even to defy and confront the stronger power(s).

All policy options entail trade-offs.²² Trade-offs are deemed acceptable when a given policy option serves to maximize certain prioritized benefits without undermining the primary pathway of legitimation. Trade-offs are considered unacceptable when certain gains or returns are obtained at the expense of undermining one or more major pathway(s) of legitimation. Trade-offs are regarded partially acceptable when certain stakes are acquired at the price of affecting elites' secondary pathway of legitimacy but without eroding the core foundations of their domestic authority.

There are three types of trade-offs: *sectoral* (economy versus security; economy versus autonomy; security versus autonomy); *spatial* (internal versus external); and *temporal* (the present versus the future). Balancing trade-offs means optimizing politically

prioritized benefits across as many domains as possible—as opposed to maximizing returns in one single domain—while offsetting and minimizing the corresponding costs. All elites seek to balance policy trade-offs in accordance with their prevailing legitimation needs. Understanding how and why elites seek to do so helps explain the different patterns of state alignment behaviour, such as why some states hedge more heavily than others and why some “light hedgers” pursue more selective and contradictory options.

Structural Logic of Macro Neutrality: When Do States Shift from Balancing to Hedging?

Malaysia’s shift from an alliance-based strategy to a neutral, active but prudent equidistance stance—a hedging policy—has been driven primarily by dramatic structural changes since the late 1960s. The systemic-level changes, which will be discussed shortly, underscored the unpredictable nature of power relations and alliance commitment. Uncertain about the long-term reliability of its patrons, Malaysia began replacing its siding-with-the-West strategy with a non-aligned and ambiguous policy of active equidistance in the early 1970s, which included a pragmatic adjustment in dealing directly and politically with communist China, the source of its perceived dangers.

A “Balancing” Strategy

Malaysia did not pursue any form of hedging throughout the first decade of its nationhood. Upon gaining independence from Britain in August 1957, the smaller state adopted a full-fledged balancing strategy. It opted to align directly with the United Kingdom and indirectly with the United States, and it maintained an antagonistic policy against the People’s Republic of China (PRC). Under Prime Minister Tunku Abdul Rahman (1957–70), Malaya condemned China’s suppression of the Tibetans and criticized Beijing when the 1962 India-China border war broke out.²³ The hostility was mutual. When Indonesia launched *Konfrontasi* against Malaysia in 1963, Beijing supported Jakarta.

To the Malaysian elites, China was an imminent threat, and the Western powers were indispensable patrons. Such black-and-white outlooks were rooted in relatively straightforward structural conditions. At the time, power relations were configured primarily on ideological grounds, with the US-led Western bloc, on one side, and the Soviet-dominated communist camp, on the other. Against

this backdrop, Malaysia and the other non-communist Southeast Asian states' perceptions of threats and patrons were relatively clear cut. The convergence of external and internal threats further reinforced these perceptions. Chinese leader Mao Zedong's support of indigenous communist insurgencies in Southeast Asia, which sought to overthrow the governments in Kuala Lumpur, Bangkok, Manila, and Jakarta, coupled with Beijing's "overseas Chinese" policy, led Malaysian and other Southeast Asian leaders to perceive China as their principal security and political threat.²⁴ At the same time, they viewed Washington and its Western allies as their principal patrons, providing crucial security guarantees, military aid *and* economic support via market access, capital, humanitarian assistance and technology.²⁵

A Shift to "Hedging"

In the late 1960s, a series of major geopolitical changes occurred. By 1967, despite a considerable expansion of US involvement in Vietnam, it appeared that Washington was far from winning the war. Around the same time, Sino-Soviet relations, marred by mutual distrust since the late 1950s, further deteriorated. In June 1967, China successfully tested its first hydrogen bomb. These changes coincided with the British announcement in July 1967 that it would withdraw its forces back "east of Suez", in effect, pulling out of Southeast Asia. In July 1969, US President Richard Nixon announced in Guam that the United States would no longer unconditionally defend its allies in Asia. While Washington would continue to uphold its alliance obligations, it expected its allies to be responsible for their own military defence. In addition, the 1969 Sino-Soviet border clashes, the PRC's admission to the United Nations in 1971 and the US-China rapprochement in 1972 meant that Beijing had emerged as a third factor, alongside Washington and Moscow, in the region's power equation by the early 1970s.

These developments fundamentally altered the geostrategic landscape in Southeast Asia. States in the region began questioning the reliability of their respective patrons. One after another, they gradually adjusted their alignment positions *vis-à-vis* the major powers, stressing self-reliance, regionalism and active diplomacy in their external planning.²⁶ Elites in Malaysia and Singapore grew alarmed by the British "East of Suez" decision. Moreover, in January 1968, due to mounting financial pressure, the British government announced its decision to accelerate its withdrawal from the region,

which began in 1971. The AMDA alliance was replaced by the FPDA, which obligated all members to consult each other in the event of external aggression against Malaysia and Singapore, but it did not obligate the partners to act militarily.²⁷ This took place as Washington began drawing down its troops in mainland Southeast Asia under the Nixon Doctrine.

These structural changes, which exemplified the risks of abandonment, were watershed moments for Malaysia and other ASEAN states. In light of the imminent departures of their Western patrons, the non-communist Southeast Asian nations began recalibrating their external postures. The structural shock was particularly profound for Malaysia.²⁸ Realizing that Malaysia could no longer count on its Western patrons for security protection, its leaders sought to deal directly with China. Prime Minister Tun Abdul Razak Hussein (1970–76) replaced Malaysia's former pro-West stance with non-alignment and "regional neutralization".²⁹ This new approach necessitated that Malaysia change its China policy because neutralization "required formal relations between the neutralized and the guarantor".³⁰ According to a speech Razak gave in December 1970 on Malaysia's neutralization proposal: "Malaysia could not afford to ignore a big neighbour such as China."³¹

Security concern was a key driver. Given the reduced strategic presence of the Western powers, the Malaysian elites—similar to the leaders of other ASEAN states—began to think that reducing friction with Beijing and normalizing relations with China were necessary political steps to reduce threats from the China-backed communist movements. As China moderated its external posture, Malaysia could explore a reconciliation with Beijing. The years-long normalization negotiations culminated in Razak's historic May 1974 visit to Beijing, making Malaysia the first ASEAN state to forge official ties with China.³²

In retrospect, the move not only marked Malaysia's shift away from balancing *but* also signified the first of such policy shifts within ASEAN. The Philippines and Thailand, the two US treaty allies in Southeast Asia, followed Malaysia's footsteps by establishing ties with China in 1975. They ended their earlier posture of completely siding with one camp and started a rudimentary form of hedging by pursuing opposite measures to keep their options open.

Malaysia ceased fully aligning with the West and its public confrontation with China. It sought to mitigate politico-security risks by insulating its ethnic Chinese minority from Beijing's influence and maintaining defence links with Western powers while

simultaneously forging relations with China on both economic and diplomatic grounds. A similar pattern can be discerned in the policies of the Philippines and Thailand: economic pragmatism and bilateral engagement, on the one hand, and political and security hedges, on the other. In all these cases, the shifting structural circumstances unleashed uncertainties and posed risks to the weaker states, driving them towards hedging. Hence, just as Malaysia and Singapore were anxious about the British “East of Suez” policy, Thailand and the Philippines became uneasy about the Nixon Doctrine and the eventual withdrawal of US troops from mainland Southeast Asia.³³ The debacle of the Vietnam War highlighted that US power might not be invincible after all. The US-China rapprochement in 1972 prompted Thailand and the Philippines to consider normalizing relations with Beijing. Similar to Malaysia, the two states also viewed normalization as a political means—as opposed to such military means as alliances—to neutralize the security threats posed by the China-backed insurgencies in their own countries.³⁴

However, the effects of such structural pressures were not even. While the growing uncertainties pushed Malaysia, the Philippines and Thailand to normalize relations with China by the mid-1970s, the other ASEAN states did not establish official ties with China until after the end of the Cold War, although Singapore stepped up its economic engagement with China from the mid-1970s onwards and Indonesia resumed direct trade with China in 1985.

While changing structural factors drove the shift from balancing to hedging, domestic conditions determined the *pace* and *patterns* of this shift. The shifts were faster for Malaysia, the Philippines and Thailand because of more pressing domestic political reasons. In Malaysia, Prime Minister Razak’s rapprochement with China was aimed, in part, at restoring internal stability and elite legitimacy following the ruling coalition’s electoral setback in May 1969 and the ensuing ethnic clash between Malays and Chinese.³⁵ In the Philippines, during the 1973–74 oil crisis, Manila accepted Beijing’s offer of oil at a “friendship price”, adding economic impetus to normalization.³⁶ In Thailand, the fast pace of normalization was also attributable to domestic needs. The fall of the Thanom Kittikachorn military regime in October 1973 coincided with the onset of the oil crisis, meaning that Thailand’s new civilian elites, which sought to establish their authority through economic development and internal stability, viewed détente with Beijing as politically desirable.³⁷ Indonesia and Singapore displayed different patterns of

normalization with China. Although growing systemic uncertainties also pushed their elites to rethink their alignment positions and consider normalization with China, their moves were deferred by dissimilar domestic logic.³⁸

Malaysia's Evolving Equidistance in the Post-Cold War Era

Structural uncertainties have deepened and endured into the post-Cold War era, pushing Malaysia, as well as other Southeast Asian states, to maintain and expand its equidistance policy. In addition to anchoring itself on ASEAN and ASEAN-led institutions, advocating non-aligned and South-South causes, as well as advancing relations with Muslim countries, Malaysia has also deepened its macro-level neutrality *vis-à-vis* the major powers.

Malaysia's post-Cold War equidistance policy is not passive non-alignment but *active* neutrality, adaptive to changing circumstances. The country has actively pursued equidistance by engaging with major powers simultaneously to maintain its macro-position of not siding with any power, by employing mutually counteracting means to offset multiple risks and keep options open and by exploring ways to adapt to changing power realities, such as by taking the initiative to elevate certain partnerships when the other power becomes too strong or too unpredictable, and to expand more layers of alignments when external power structure becomes more uncertain.

When the Cold War ended in the early 1990s, Malaysia's relations with the United States, the unipolar power in the new era, were strong and well-institutionalized. Despite occasional political disagreements, especially during Mahathir Mohamad's first tenure as prime minister (1981–2003), Malaysia-US relations have been close and broad-based, covering significant economic links, people-to-people exchanges in education, technology and sociocultural areas, as well as close military and security collaboration.³⁹ While continuing to forge stronger developmental and defence ties with the United States, Malaysia took the initiative to engage China bilaterally and regionally. Despite their problematic past, Malaysia dispatched an official delegation to Beijing when China was isolated by the West after the Tiananmen incident in June 1989. Mahathir invited Chinese Foreign Minister Qian Qichen as a guest of the Malaysian government, to attend the opening session of the July 1991 ASEAN foreign ministers' meeting in Kuala Lumpur, which marked the beginning of the ASEAN-China dialogue process.⁴⁰ Efforts

to develop Malaysia-China and ASEAN-China relations have grown hand in hand, setting the stage for wider regional integration.⁴¹ By the late 2000s, China had emerged as Malaysia's principal trading partner and, by the mid-2010s, a principal investor.⁴²

Engaging the major powers does not mean that, as a smaller state, Malaysia would have to submit to them. In fact, like other regional countries, Malaysia has concurrently displayed deference and defiance in its dealings as mutually counteractive measures.⁴³ "Deference" is saying yes and showing respect to the bigger power, while "defiance" is saying no and showing autonomy. In 2004, Malaysia and Indonesia defied the United States when the US Pacific Command proposed to deploy US forces in the Malacca Strait to tackle maritime piracy and potential maritime terrorism threats. Both states insisted that regional security issues should not compromise their national sovereignty.⁴⁴ In September 2021, when AUKUS was announced, Malaysia and Indonesia defied the Western powers by expressing concerns that the new security pact would trigger a nuclear arms race and escalate tension in Asia. However, Malaysia, especially under Najib Razak's premiership (2009–18), does defer to US interests and preferences, ranging from Iran and North Korea to nuclear non-proliferation, trade and economic initiatives.⁴⁵ Malaysia was a signatory of the proposed, US-led Trans-Pacific Partnership (TPP) and of Washington's Indo-Pacific Economic Framework for Prosperity (IPEF). Malaysia's adoption of selective deference and selective defiance can also be observed in its China policy, particularly over issues such as the Belt and Road Initiative (BRI), the South China Sea and alleged human rights abuses in Xinjiang (discussed below).⁴⁶ Malaysia's concurrent adoption of such mutually counteractive efforts offset the risks of falling into the orbit of any single power, thereby preserving its independence and neutrality at the macro level. When the Obama administration implemented its "rebalancing" to Asia, Malaysia embraced Washington's overtures and elevated Malaysia-US relations to a "comprehensive partnership" in 2014. This came shortly after the Malaysia-China Comprehensive Strategic Partnership, which was established in 2013.

In sum, Malaysia's equidistance policy is active and adaptive. The policy is marked by efforts aimed not against any single power but at a broad range of risks stemming from systemic uncertainties, most notably the dangers of entrapment and abandonment, as well as the undesirable scenarios of regional polarization and ASEAN

marginalization. Prudential offsets are instrumental in hedging against these systemic-level risks. Hence, Malaysia has adopted both deference and defiance *vis-a-vis* the major powers. Deference without defiance results in subservience and dependency; defiance without deference invites suspicion, hostility and entrapment. By adopting such opposite approaches, Malaysia actively underscores its neutrality, inclusively diversifies its external links and prudently keeps options open.

Domestic Logic of Micro Multi-Alignments: Why Does Malaysia Hedge (the Ways It Does)?

External policies are an extension of a country's internal politics. In the case of Malaysia, its internal dynamics considerably shape its external equidistance. Specifically, it has hedged the ways it has throughout the post-Cold War era—*active and inclusive* but *prudently selective and contradictory* in developing multilayered alignments with the competing powers—primarily because of domestic imperatives, especially its ruling elites' desire to offset multiple risks and optimize the major trade-offs based on the necessities of their legitimation at home.

Malaysia's partnerships with the United States and China are, in many ways, *de facto* "alignments" without alliance.⁴⁷ Malaysia's respective partnership with both powers has been driven by a considerable degree of converged strategic interests, developed by continuous needs to forge closer cooperation, as well as maintained by regular institutionalized cooperative mechanisms and high-level consultative processes. These attributes make Malaysia's respective partnership with both powers an alignment that is distinguishable from other less strategic, less institutionalized and less extensive partnerships. As noted, Malaysia's alignment with both powers has been broad-based and multilayered, covering virtually all micro-level domains. This inclusive and multilayered approach has enabled Malaysia to maintain its active neutrality at the macro level.

On different occasions, Anwar Ibrahim, Malaysia's current prime minister, has used the term "ally" to describe the United States and China.⁴⁸ This term is technically incorrect because Malaysia's alignment with either power entails no mutual defence commitment. However, the leader's repeated uses of the term "ally" for both powers do reflect Malaysian elites' outlook of viewing Malaysia's partnerships with both superpowers as *de facto* alignments, albeit ones with uneven emphases across domains (discussed below).

Domestic Drivers of “Light Hedging”

Malaysia’s multilayered alignment with the United States and China—inclusive but prudently selective and, at times, low-profile, ambiguous and contradictory—can be described as a “light hedging” act. It differs from “heavy hedging” in at least three aspects: first, both light and heavy hedgers see a spectrum of risks in the real world, but light hedgers tend to see lighter shades of risks and dangers, preferring to downplay risks whenever possible. Second, both light and heavy hedgers see the need to pursue risk-mitigation measures wherever necessary, but light hedgers prefer to opt for less confrontational, less conflictual and more low-profile approaches. Third, both light and heavy hedgers see the need to pursue opposite, mutually counteracting measures to offset risks, but light hedgers tend to display more deference than defiance towards bigger powers, whereas heavy hedgers are more ready to defy, oppose and even confront stronger power when core interests are at stake.⁴⁹

It is necessary to identify these distinctions not only for conceptual clarity but also for policy purposes of discerning the complex nuances across similar cases. For instance, the distinctions provide a better understanding of the varying approaches among the claimant countries in the South China Sea. The Philippines’ leaders openly describe China’s increasingly aggressive actions at sea as a threat and, thus, align militarily with the United States to counteract this threat, which is a balancing strategy. In contrast, Malaysia’s successive leaders—even under the four different governments after the unprecedented change of government in 2018—have consistently downplayed the China challenge and publicly denied that its longstanding defence alignments with the United States and other Western powers are aimed at countervailing China. Moreover, unlike Vietnam, which has displayed a greater readiness to show public defiance and quiet deference towards China while showing a growing inclination to leverage the US power to restrain Beijing’s actions but without fully aligning with Washington (a “heavy hedging” policy), Malaysia has opted to keep its military alignments in the backdrop and, presumably, as a last resort. Malaysia has also openly demonstrated greater deference than quiet defiance *vis-à-vis* China.⁵⁰

Malaysia’s prudent persistence in keeping a non-confrontational stance and avoiding antagonizing the giant neighbour is rooted in its leaders’ judgment that the “China threat” notion is a “self-fulfilling prophecy”. According to Mahathir: “If you identify a country as

your future enemy, it becomes your present enemy—because then they will identify you as an enemy and there will be tension.”⁵¹ Such a judgment leads to a long-held position of “not viewing China as a threat”. According to a former secretary-general of the Malaysian Ministry of Foreign Affairs: “The question of whether China is in fact a threat to the region, including Malaysia, or is not a threat is a complex and debatable issue. But this point must not be confused with Malaysia’s *conscious and deliberate policy* of not viewing China as a threat. [emphasis in original].”⁵²

Such a counter-intuitive policy, which underpins Malaysia’s persistent light hedging behaviour, however, does not mean that it is not wary of China’s actions in the South China Sea. In fact, like other smaller states in the region, Malaysia has become increasingly concerned about China’s growing maritime assertiveness since the late 2000s. This has been especially the case since 2013 when China began showing an increasing and eventually near-permanent presence in Malaysia’s waters. Malaysia’s anxiety reached a new height in May 2021 when 16 People’s Liberation Army Air Force (PLAAF) aircraft flew into airspace some 40–60 nautical miles off Malaysia’s Sarawakian coast.⁵³ In the eyes of Malaysian policy elites, this PLAAF deployment signalled that China’s “show of presence” approach in the disputed areas is now escalating into a “show of force”.⁵⁴ Despite this, Malaysia has not departed from its diplomacy-first policy.⁵⁵ Even though Malaysia publicly rejected China’s “standard map” released in August 2023, which claimed virtually the entire South China Sea, including areas off the coast of Malaysian Borneo, its low-profile policy has remained largely unchanged. Between February and March 2024, when a Chinese coastguard vessel was spotted in its Exclusive Economic Zone (EEZ) for its latest patrol, Malaysia kept its low-key approach and avoided actions that risked escalation.⁵⁶

Malaysia’s sanguine outlook may owe to several factors, such as the mutually beneficial and productive bilateral cooperation between the two countries, the judgment that China sees Malaysia as a valuable partner in the East Asian region and the confidence that Malaysia’s current approach has worked so far in preventing the overlapping claims from affecting the overall relationship. In an interview with the *Financial Times* in February 2024, Prime Minister Anwar said that there are no reasons why Malaysia would “pick a quarrel” with China, before asking: “Why must I be tied to one interest? I don’t buy into this strong prejudice against China, this China-phobia.”⁵⁷

Of course, nothing is set in stone. Malaysia's China policy was changed before, and it should not come as a surprise if it changes again in response to changing circumstances. For instance, if China begins to threaten Malaysia's primary interests more profoundly, Malaysia's policy might evolve into heavy hedging or even balancing. But, for now, domestic determinants dictate that Malaysia sticks to its light hedging approach and avoids other options. Full-balancing—fully aligned with Washington and its allies to counter-check and contain Beijing—is rejected, for now, because Malaysia does not see China as an immediate, clear-cut threat that must be pushed back at all costs. It is also because Malaysian elites view the trade-offs of that strategy as politically unacceptable. Even though full-balancing might boost the smaller state's security, this benefit will be acquired at the price of forgoing economic and other opportunities from China (thereby undermining the ruling elites' development-based legitimacy); eroding sovereignty and autonomy (thereby harming identity-based legitimation); and alienating the majority Malay Muslim voters who are resentful of the US policy towards the Palestine-Israel conflict, especially after the Gaza War since 2023 (thereby hurting the electoral-based procedural legitimation). Meanwhile, full-bandwagoning—accepting a hierarchical relationship with Beijing for profit or security—is also a non-starter because it similarly entails unacceptable trade-offs, such as adversely affecting the elites' identity-based and electoral-based legitimation.

Under the current circumstances, heavy hedging is possible but not likely. This is partly because of China's actions. While heightening Malaysia's anxiety, they have not reached a level that would push Malaysia towards making a major policy reassessment. Unless China turns even more aggressive and harms Malaysia's interests more directly, such as using force to disrupt Malaysia's oil and gas exploration activities or change the status of Malaysia's occupied atolls, Malaysia is unlikely to overreact to China's actions in the South China Sea. Premature or disproportionate responses might result in action-reaction and outcomes that risk undermining Malaysian elites' political legitimacy.

The mild perception of the China "challenge" and the imperative of elite legitimation, thus, combine to dictate the persistence of Malaysia's current light hedging approaches. The enduring salience of performance legitimation as the primary pathway of elite justification, in particular, means that the elites would continue to prioritize concrete developmental benefits, play down potential

risks and prefer non-confrontational approaches. This imperative intersects with the other pathways—the identity-based and electoral-based justification—with mutually complementing and contradicting dynamics that give rise to Malaysia’s moderate riskification and pragmatic trade-off calculation.

Accordingly, some risks have been played up while others have been played down. Presently, Malaysian elites—like their counterparts in many ASEAN countries—are more worried about the risks of tension escalation, conflict entrapment and external instability much more than the risks of Chinese aggression. They are also more concerned about economic recession, regional polarization—the danger of the United States’ decoupling strategy resulting in two divided blocs—and group marginalization—the danger of ASEAN losing centrality—much more than the risks of economic dependency and economic coercion. Above all, elites are most fearful of the domestic ramifications of any of the perceived risks and risk-mitigation efforts, which might invite voter resentment, impair legitimacy, and ultimately erode elites’ authority at home.

Why Inclusive but Selective? Optimizing the Sectoral Trade-offs

A characteristic of Malaysia’s equidistance policy is its inclusive but selective approach. The small state inclusively engages all powers, especially the United States and China, but does so selectively, with different relative emphases across micro-level domains. The net result is the uneven, multilayered alignments across policy realms: the Malaysia-US defence alignment is much closer than Malaysia-China security ties, while Malaysia-China diplomatic and developmental ties are more cordial and multifaceted than those between Malaysia and the United States. Of course, the two superpowers are not Malaysia’s only partners. In addition to enhancing bilateral ties with the two powers, Malaysia has simultaneously developed partnerships with other powers in and out of Asia across multiple domains.

The inclusive and selective patterns of Malaysia’s multilayered alignments result from Malaysia’s past interactions with these powers as well as its ruling elite’s efforts to optimize the policy trade-offs across multiple sectors, as opposed to maximizing one single sector at the unacceptable expense of undermining other sectors key to elite legitimation.

If security-maximization was the only or the main motive, Malaysia would have allied solely with the United States, the dominant power of the post-Cold War era. If prosperity-maximization was the

only driver, Malaysia would have aligned fully with China, Asia's biggest and fastest growing economic giant. However, both options are rejected because states do not pursue a single goal, and each entails unacceptable trade-offs. Since full-fledged alignment with any single power inevitably exposes the junior partner to the risks of subservience, entrapment and abandonment, it undermines the core elements of elites' legitimation efforts. This is even more the case when presently there is no immediate threat and when there is no credible patron with an unshakable commitment.

By comparison, an *inclusive but selective* approach enables Malaysia to engage as many partners as possible to diversify ties and maximize prioritized benefits from all the partnerships while allowing it to mitigate and offset risks across sectors in accordance with elites' domestic needs. *Concurrently*, partnering with both powers serves to offset the security risks of entrapment and abandonment, the economic risks of recession and dependency, as well as the political risks of becoming subservient externally and irrelevant internally. *Selectively*, developing each partnership on different prioritized areas of aligned cooperation, on the other hand, serves to trade respective divergences with maximized convergences across domains.

To optimize trade-offs across domains, the net approaches are selective alignments with pragmatic *limits*. Hence, there is pragmatism in maintaining robust defence alignment with the United States without upgrading it into an alliance while steadily developing closer cooperation in functional and economic realms with the superpower wherever essential, especially in the high-tech sectors. In a similar vein, Malaysia has forged an increasingly strong development and diplomatic alignment with China *without* sliding into a hierarchical relationship, while gradually developing defence ties with China. Such selective approaches serve different purposes. For instance, while Malaysia's defence alignment with the United States is primarily aimed at capability- and compatibility-building, Malaysia's security cooperation with China is chiefly for confidence- and trust-building purposes.⁵⁸

Why Active but Ambiguous: Optimizing the Internal-External Trade-offs

Another paradoxical aspect of Malaysia's equidistance policy is its active but ambiguous approach towards the competing powers. While Malaysia has actively developed a productive partnership with the

United States, it has avoided too much publicity on its military and security cooperation with the superpower. On the other hand, while Malaysia has sought to cultivate as close and cooperative a partnership with China as possible, it has quietly hedged the risks of uncertainty by pursuing various low-key defiant *vis-à-vis* the giant neighbour, as noted earlier.

Such puzzling features are attributable to Malaysian elites' needs to offset different risks and to optimize the *spatial* trade-offs, i.e., to strike a balance between mitigating *external* concerns while maintaining and maximizing *internal* authority. To mitigate external security uncertainties, it is imperative for Malaysia to keep its long-held, robust defence ties with the United States for as long as possible. However, making Malaysia-US defence alignment too high profile will spark both external and internal risks: provoking China *and* displeasing those Malay-Muslim voters who are highly critical of US and Israeli policies in the Islamic world, thereby potentially undermining Malaysian elites' performance- and identity-based legitimation, respectively. To mitigate external economic and geopolitical risks, it is imperative for Malaysia to develop a cordial, productive partnership with China for as long as possible. However, making the Malaysia-China partnership too close or too timid will lead to various risks: inviting external suspicions, eroding autonomy, and potentially causing imbalanced inter-ethnic relations domestically. These risks are politically undesirable and unsustainable, potentially presenting unacceptable trade-offs to elite legitimation.

Hence, Malaysia adopts a deliberately low-key approach towards Malaysia-US defence ties while undertaking quietly defiant and indirect contingency acts *vis-à-vis* China. From the outset, Malaysia has opted to keep its strategic cooperation with the United States under the radar. For instance, Prime Minister Mahathir's forging and institutionalizing of bilateral defence ties—through the signing of the Bilateral Training and Consultative Group in 1984—was not publicized at the time in the Malaysian media.⁵⁹ Ditto his decision to enter the Acquisition and Cross Servicing Agreement in 1994. During a speech by then Defence Minister Najib Razak at the Heritage Foundation in May 2002, he admitted that, despite a wide range of cooperation, “our bilateral defence relationship seems to be an all too well-kept secret” with “virtually no fanfare or public acknowledgement”.⁶⁰ Successive ruling elites in Malaysia have avoided publicity about the Malaysia-US defence alignment, choosing to keep it low-key in the eyes of the Malaysian populace.

In a similar vein, albeit with different contexts, Malaysia has actively promoted a cordial and “special” Malaysia-China relationship. This is driven primarily to enhance development-based legitimation and, to some extent, to please the Chinese Malaysian community. However, due to the needs to ensure internal autonomy and external security, it has also quietly hedged the risks of uncertainty by adopting limited defiance and indirect fallback measures. In addition to maintaining military ties with Western powers to keep its strategic options open, Malaysia has defied China when its core interests are at stake, albeit doing so in a low-key manner and with prudent offsets. Evidence abounds. When Mahathir returned to power in 2018, he suspended three China-related infrastructure ventures and pressed for the renegotiation of the East Coast Rail Link (ECRL) contract. This defiant act was offset by high-profile deference: emphasizing Malaysia’s support for the BRI, placing all blame on Najib—thus undermining political opponent while saving face for China—and openly expressing support for Huawei at the height of US-China 5G competition. Besides, Malaysia also defied China’s request to repatriate Uighurs in Malaysia to China but chose neither to comment nor criticize Beijing’s Xinjiang policy openly. On the South China Sea issue, Malaysia indirectly defied China by making a submission to the United Nations’ Commission on the Limits of the Continental Shelf in 2019 but denying that the submission was aimed at China specifically.

Thus, active diplomacy, selective alignments and ambiguous measures go hand-in-hand in Malaysia’s light-hedging acts, not least to offset multiple trade-offs. Malaysia’s response to the West Capella incident perhaps best illustrates this. In April 2020, a Chinese seismic survey ship, *Haiyang Dizhi 8*, was spotted tagging the West Capella drillship, contracted by Malaysia’s petroleum giant Petronas, in exploration activities near the outer edge of Malaysia’s EEZ in the South China Sea. A Vietnamese vessel was also spotted tagging the West Capella. Soon after, US and Australian vessels conducted a naval exercise near the site of the West Capella’s operation, purportedly in support of Malaysia.⁶¹ The Malaysian government reacted in its typically low-key manner: it denied that any standoff had occurred between the Chinese and Malaysian ships, called for peaceful means to resolve the situation and expressed concern about potential miscalculation. Then Foreign Minister Hishammuddin Hussein stated that while “international law guarantees the freedom of navigation”, the presence of warships in the South China Sea

“has the potential to increase tensions that in turn may result in miscalculations which may affect peace, security and stability in the region”, before adding that Malaysia maintains “open and continuous communication with all relevant parties, including China and the United States”.⁶² By mentioning both China and the United States while highlighting the possibility of increased tensions and miscalculations, Hishammuddin clearly indicated that the Malaysian authorities were more concerned about the dangers of being entrapped in big-power conflict than the encroachment of foreign vessels into its EEZ.⁶³ Considering Malaysia’s status as a claimant state and considering its long-held defence ties with the United States and Australia, such prioritization of interests reflects a prudent “riskification” process, in which some external risks are downplayed while others are emphasized based on the elites’ internal political necessities.⁶⁴

Why Contradictory and Adaptive: Optimizing the Short- and Longer-term Trade-offs

Malaysia’s decades-long equidistance is rather stable, but it is not static. It entails a prudently contradictory but pragmatically *adaptive* approach to diversifying and cultivating as many multilayered partnerships as possible. For instance, Malaysia has adopted a two-pronged approach to AUKUS by openly expressing concerns about the pact while still pragmatically maintaining and enhancing Malaysia’s longstanding alignment with each AUKUS power. It has also shown a gradual readiness to develop a closer defence and security partnership with China, despite its growing concern about the rising power, as well as a greater tendency to adapt to the increasing uncertainties by deepening not only existing alignments with the United States and China but also its new partnerships with Japan, South Korea and European powers.

These seemingly contradictory features originate from the elites’ legitimation needs, motivating them to balance several short- and long-term trade-offs. These include addressing the elites’ immediate domestic needs while still ensuring the state’s long-term survival, as well as optimizing here-and-now considerations and future contingencies. Optimizing these *temporal* trade-offs requires Malaysia and other smaller states to navigate between short-term signalling and longer-term uncertainties. These uncertainties include the possibility of China becoming even more assertive and aggressive, the potential for reduced security commitments from the United

States, and the prospect of US-China rivalry escalating into a direct military conflict.

Raja Nushirwan Zainal Abidin, the Director General for National Security Council, observed in June 2023: “Sino-US rivalry will certainly create tensions until such time that a new equilibrium is found. When and how this new equilibrium will be achieved and what it will resemble are not yet known. What is known is that we will face great uncertainties and even danger from time to time”, adding that “Malaysia is a frontline state in this unfolding drama.”⁶⁵

To hedge against the multiple risks associated with these uncertainties, Malaysia, like many small states increasingly nervous about the US-China rivalry, has made pragmatic recalibrations whenever necessary and wherever possible. Several examples indicate that Malaysia elevates a particular partnership to refresh, rejuvenate and restore its balanced equidistance. Since mid-2015, as Malaysia and the United States continue to deepen their decades-long security ties and launched the Malaysia-US Strategic Talks (MUSST), Malaysia has also stepped up its security cooperation with China, including launching the bilateral military exercise with China (“*Aman Youyi*”) that evolved into a trilateral exercise in 2018 and a six-nation exercise in 2023. Strategic recalibration continued in 2024, with Malaysia putting more effort into pushing ahead with a proposed memorandum of understanding (MoU) on defence cooperation with the United States. According to a senior-level Malaysian official familiar with the efforts: “Malaysia wants to have a balanced relationship” between the competing powers.⁶⁶ The proposal came after the Malaysia-Japan defence MoU was signed in 2018 and the Malaysia-South Korea defence MoU was signed in 2022—and after Malaysia was increasingly perceived as tilting closer to China in recent years.⁶⁷

The preceding analysis does not imply that hedging is necessarily a “strategy” in the strict sense of the word. Hedging is, very often, more an *instinctive* behaviour that emerges under high-stakes and high-uncertainties conditions than a carefully thought-through and closely coordinated strategy.⁶⁸ Neither does this article suggest that Malaysian equidistance is a coherent policy. In fact, Malaysia’s external policies in recent years have been marred by its leaders’ domestic preoccupations, inter-elite struggles, bureaucratic inertia, inter-agency problems and other internal constraints. These issues notwithstanding, the structural and domestic imperatives, as analysed above, would continue to drive Malaysia and other smaller states,

especially those that are socially diverse and politically divided, to instinctively hedge as US-China rivalry intensifies.

Equally important, this article does *not* assert that it is all about elite legitimation. The imperative of legitimation is the principal domestic driver that explains the substance of a state's hedging behaviour but, clearly, it is not the only variable. Other domestic factors, most notably the extent to which political power is pluralized and diffused (as opposed to centralized) among actors across the state-society divide, also matter. Future studies can explore how the interplay of elite legitimation and political pluralization shapes state alignment behaviour.

Conclusion

This article makes three contributions to the existing literature, each highlighting important themes in theorizing alignment choices that are generalizable to middle states—states sandwiched between competing powers. These themes, which help explain how and why middle states align and position themselves *vis-à-vis* the big powers, are becoming increasingly pertinent as the US-China rivalry intensifies and global uncertainties grow.

First, theoretically, the article's two-level framework underscores that state alignment decisions in general and hedging in particular are too complex to be explained by any single-level factor. While structural factors are essential in accounting for *when* states hedge and *when* states opt to shift to/from non-hedging behaviour, such as balancing and bandwagoning, they are inadequate in explaining *why* states hedge or align the way they do. This is where domestic factors, especially the imperative of elite legitimation, are key explanatory variables. They explain why a state chooses to hedge heavily or lightly and why it chooses an active but selective approach in pursuing an equidistance policy. Such a framework can potentially be developed into a two-level model for broader foreign policy analysis, especially focusing on trade-off calculations along sectoral, spatial and temporal lines. Future research should use comparative cases to unpack further how specifically domestic factors filter structural effects, how legitimation shapes riskification and risk-mitigation, and how these processes intersect with other domestic variables, such as different patterns of political pluralization, to lead to varying heavy hedging and light hedging behaviour.

Second, conceptually, the article's notions of "macro-neutrality" *via* selective "micro-multilayered partnerships" enrich the existing

literature on alignment by illuminating alignment choices as a *spectrum* rather than a dichotomy. This is not a trivial matter; the distinction helps to expand and shift the focus of alignment debates from a to-align-or-not-to-align false binary to a more complex, nuanced set of questions: the ways and extent states align inclusively but selectively with multiple powers, often in prudently contradictory manners. This sharpened focus, in turn, sheds new light on the conceptualization of hedging. It underscores that hedging is more an “opposite” than merely a “middle” position between full-balancing and full-bandwagoning, the latter of which is widely portrayed in the existing literature. As discussed in this article, to *offset* multiple risks and *optimize* numerous policy trade-offs, a hedger typically pursues opposite, contradictory and mutually counteracting measures at the micro-level to maintain its macro-neutrality and keep its options open. Future studies should examine how strategic offsets are instruments of small-state agency and why such offsets allow some hedgers to cultivate more options than others.

Third, regarding policy implications, the article’s findings suggest that choosing not to side with either power is a choice and not a temporary or indecisive position. Concurrent partnerships across multiple domains with all powers at the micro level allow a middle state to maintain its neutrality at the macro level for as long as possible. As big-power rivalry intensifies and manoeuvring space shrinks, middle states have more, not less, reasons to insist on not taking sides. The space diminishes mainly if and when big power rivalry escalates into direct armed confrontation. Short of that, the space for hedging, however limited, is likely to persist.⁶⁹ Equidistance is a prerequisite for hedging. Without being equidistant and neutral, it would be impossible for middle states to engage all key powers for inclusive diversification and to cultivate prudent fallback options. Equidistance, despite its limitations and trade-offs, presents more favourable conditions for the elites to hedge risks, gain from big-power courtships externally and enhance legitimation internally. Future studies should focus more on how such legitimation-driven trade-off calculations shape state alignment choices and contribute to wider regional peace and stability under uncertainties.

NOTES

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The Domestic Determinants of Hedging in Singapore’s Foreign Policy

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In response to the intensifying US-China rivalry, Singapore ostensibly “hedges”, a strategy that avoids choosing between Washington and Beijing and maximizes gains from cooperating with both powers while avoiding confrontation. Hedging also extenuates Singapore’s central location in Asia and its role as an established commercial and financial hub. As such, it appears to reflect the imperative of any small state: survival. However, in contrast to the argument that domestic politics does not matter in Singapore’s foreign policy, this article demonstrates how the domestic imperative of legitimizing the political dominance of the ruling People’s Action Party (PAP) shapes the government’s hedging strategy.

Keywords: Singapore, hedging, China-US rivalry, domestic politics, legitimacy, People’s Action Party.

... sometimes, the steps we take may look like it is more aligned with one country, other times it may look as if we are more aligned with another country, but actually we are always only aligned to one country—Singapore, ourselves and our principles. ... The consistent message is: We act, always, based on what is in Singapore’s interests and our principles-based approach.¹

In this statement made on 5 February 2023, Singaporean Minister for Home Affairs and Law K. Shanmugam described Singapore’s

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foreign policy in seemingly schizophrenic terms. He portrayed it as cooperative and aligned, yet independent and neutral. For observers of Singapore's foreign policy, these contradictions describe "hedging", a concept that eschews the realist concepts of "balancing" and "bandwagoning" as irrelevant in explaining how small states respond to security challenges.² Hedging also entails an evident "inclination to diversify, to preserve policy independence, or to keep options open".³ Singapore hedges by not choosing between Washington and Beijing. Instead, it seeks to benefit from the economic opportunities offered by its relations with China while striving to keep a US military presence in the region for stability and security.⁴ Singapore is far from alone in articulating this strategic preference; several Southeast Asian states pursue similar proclivities.⁵

Prima facie, hedging is prudent as it mitigates risk while keeping fallback options, mixing engagement with balancing while "maximizing policy autonomy and minimizing provocation of either great power" and "reserving the flexibility to align in the future should either great power come to constitute [a] direct threat".⁶ However, if foreign policy reflects the means to achieve the interests and values of nation-states, what ends does hedging seek to attain? Paraphrasing Clausewitz, what are a hedging state's political goals if foreign policy is the continuation of politics by other means? In other words, what are Singapore's political objectives if hedging is its strategy to guide its diplomatic interactions with the United States and China?

This article answers these questions by examining the domestic sources of Singapore's foreign policy. While acknowledging certain shortcomings in the existing literature, the article does not seek to add to the theorizing on hedging in International Relations. Instead, it explores how hedging addresses the political goals of Singapore's ruling elite. Because the government, the ruling elite and the People's Action Party (PAP) are analogous in Singapore, examining their political goals offers insights into why it hedges when dealing with China and the United States. Thus, this elite-centred analysis is consistent with the observations that foreign policymaking in Singapore is divorced from the broader public.⁷

By hedging, Singapore's foreign policy legitimizes the PAP, which has ruled the city-state since its independence in 1965. Unpacking this process further, this article reveals that hedging fosters legitimacy for the PAP through "specific" and "diffuse" support mechanisms. *Specific* in that support from the population is circumscribed to

officeholders or government bodies based on evaluations of their actions and decisions. *Diffuse* in that support is determined by attachments to prescribed principles, values and norms.⁸

This article is organized as follows. The first section provides a brief overview of how Singapore hedges in dealing with China and the United States. It then discusses how the existing literature fails to explain why states hedge and how this practice achieves foreign policy objectives. The next section then presents the theoretical explanation of how hedging, as a foreign policy tactic, can effectively contribute to the goals of domestic legitimation. The empirical discussion of the article shows how the theoretical argument works in the case of Singapore. Finally, the conclusion summarizes the key findings and offers preliminary thoughts on whether Singapore's domestic legitimation considerations are likely to persist.

How Does Singapore “Hedge”?

Most scholars identify Singapore as a typical hedger.⁹ According to Evelyn Goh, the city-state's hedging entails “strong engagement with China and the facilitation of a continuing US strategic presence in the region to act as a counterweight or balance against rising Chinese power”.¹⁰ Singapore views the United States as indispensable to security and stability in the Indo-Pacific.¹¹ The two countries share a close defence relationship, which Tim Huxley has called a “quasi-alliance”.¹² Singapore has supported the United States' presence in Asia, hosting US naval and aircraft deployments. Its facilities were utilized by US forces *en route* to Afghanistan and for use in various counterterrorism operations following the 9/11 attacks. Under the “Rebalance to Asia” policy during the Obama administration, which the Trump administration continued, Singapore agreed to the forward deployment of US Littoral Combat Ships (LCS). The LCS deployment was followed by that of the P-8 Poseidon surveillance aircraft and the conclusion of an enhanced bilateral Defence Cooperation Agreement, both in 2015.¹³

Singapore's hedging involves actively courting China as well as the United States. Singapore seeks a range of cooperative economic opportunities with Beijing, including Singaporean investment in China and encouraging Chinese investment in Singapore. It is a supporter of the Beijing-led Regional Comprehensive Economic Partnership (RCEP), was one of the founding members of the China-backed Asian Infrastructure Investment Bank (AIIB) and is an enthusiastic promoter of the Belt and Road Initiative (BRI).

Singapore has also increased defence cooperation with China. For example, they signed the Agreement on Defence Exchanges and Security Cooperation in 2008. However, according to Darren J. Lim and Zack Cooper, the “scope and depth of Singapore’s defence cooperation with the United States far exceeds that with China, Singapore has been careful to cultivate positive security relations with Beijing.”¹⁴

When Singapore hedges, it maintains “policy autonomy” and “independence” *vis-à-vis* the great powers.¹⁵ Although close to the United States, Singapore has remained independent in several instances. In 1988, for example, the Singaporean government expelled a US diplomat, E. Mason Hendrickson, for meeting and allegedly cultivating opposition politicians, which Singapore claimed amounted to interference in its internal affairs.¹⁶ During the “Asian Values” debate of the 1990s, Singaporean leaders were forthright in challenging the United States’ position that democratic freedoms and human rights are universal.¹⁷

Singapore has also been cautious and tempered in its perceived military alignment with the United States. For instance, in 2003, it declined the offer to become a “major non-NATO ally,” preferring not to antagonize China (nor its Muslim-majority neighbours).¹⁸ When hosting the US Air Force and Navy, Singapore has frequently stressed that US military assets are not permanently based in Singapore.

While courting China, Singapore has asserted its sovereign right to act no matter what Beijing thinks. In 2004, Prime Minister Lee Hsien Loong made a “private visit” to Taiwan. Singapore has also voiced concerns about China’s increasing militarization of the South China Sea.¹⁹ It has stood up to what it has perceived as Chinese pressure, interference and subversion. It has rebuffed Beijing’s expectations that it should pay due deference to Beijing because it is a small Chinese-majority nation.²⁰ Singapore responded robustly to 2016 accusations carried in the *Global Times*. It refused to cede to Chinese pressure about its military training in Taiwan despite China detaining the Singapore military’s Terrex fighting vehicles in Hong Kong.²¹ Also, it revoked the permanent residence status of the Chinese-American academic Huang Jing, accusing him of being an “agent of influence” seeking to subvert Singapore.²² In 2018, Singapore’s veteran diplomat Bilahari Kausikan publicly alleged that Chinese covert influence operations had targeted Singapore.²³

Why Do States “Hedge”?

As Singapore's relationship with China and the United States illustrates, hedging denotes a mixed foreign policy, combining cooperative and conflictive approaches and a mix of engagement and balancing. However, there is a notable gap in the existing literature regarding *what* states do when they hedge, *why* they hedge, what *ends* hedging attains, and if hedging *realizes* a state's goals.

There are at least three theoretical explanations for why states hedge: as a form of alignment; as a means for risk management; and as a strategy.²⁴ In essence, states hedge to avoid decisive alignment amid a major-power competition. According to Evelyn Goh, hedging is a “middle position that forestalls or avoids having to choose one side at the obvious expense of another”.²⁵ Denny Roy sees it as a midpoint between outright balancing and bandwagoning, to keep options open “against the possibility of a future security threat”.²⁶ Hedging may also be viewed as non-alignment and a “multi-pronged” alignment, simultaneously “cultivating, maintaining, and enhancing partnerships with as many powers and players for as long as feasible”.²⁷

However, the existing understanding of hedging is imprecise regarding what alignment behaviour it entails. Hedging is a catch-all concept encompassing any combination of engagement and protective measures, ubiquitous for a broad range of state actions, rendering the term analytically inconsequential. In addition, without a precise specification of what type of foreign policy behaviour hedging is (or isn't), assessing successful (or unsuccessful) hedging in relation to a state's goals becomes challenging.

Relatedly, assuming that foreign policy results from a deliberative process, why do states choose hedging as their preferred mode of diplomacy? Prior scholarship has suggested that hedging is the preferred “fallback” option to mitigate potential future losses in the face of multiple risks and high uncertainties.²⁸ Alternatively, it supposes that states hedge because it is a “returns-maximizing” or “gain-seeking” form of economic and diplomatic engagement and a protective “risk-contingency” military measure.²⁹ However, how exactly does hedging help achieve these ostensible goals? Again, when states (and governments) decide to hedge, does this foreign policy approach have a higher likelihood of achieving the desired national outcomes and goals compared to alternative approaches?

These critiques suggest that the third conceptualization of hedging, as a strategy, may also have its flaws. Strategy involves studying

ends and means, value systems and preferences of actors, and how these are connected within a particular political environment, often the consequence of opposing preferences and political struggles.³⁰ The lack of specification of *ends* and how hedging attains these *ends* have already been discussed. Moreover, the existing literature has presented hedging as a logical (and seemingly only) strategy in response to external factors such as risk and uncertainties, but this view presents several problems.

Hedging is a suboptimal strategic response. While exercising maximal autonomy through ambiguous and mixed diplomatic stances, the hedging state communicates confusing and contradictory stances. More importantly, hedging sends unclear intentions. As scholars of international relations have noted, uncertainty about the capabilities, intent or resolve of leaders and states has long been identified as an essential cause of armed conflict.³¹ Moreover, in treating hedging as an almost reflexive state response to external stimuli, it regards national governments as unitary actors and their domestic politics as hidden or not readily understood. Most studies do not capture how the interplay of elite politics and the interactions between the institutions—such as defence ministries, foreign ministries, key executive agencies and civil-military relations—that shape hedging behaviour.³²

While the existing literature on hedging has begun to recognize the importance of domestic politics, it does not fully capture the complex relationship between politics and foreign policy. Indeed, there is no systematic theorizing of how and under what conditions domestic politics influences hedging behaviour.³³ This article addresses these shortcomings by examining the domestic determinants of Singapore's hedging strategy.

Domestic Politics and Foreign Policy: Legitimation in Authoritarian Regimes

A non-controversial axiom is that politicians seek to stay in power and that policymaking reflects this imperative. Leaders are not neutral but wield influence over policy processes to pursue their self-interests and to reward supporters who keep them in power.³⁴ The same logic may be extended to foreign policy decision-making: leaders conduct external affairs to preserve their power and policy agenda at home. State survival and the maximization of national power and influence are commonly prescribed foreign policy objectives, but this necessarily includes regime survival.³⁵ A regime's survival depends on it securing

power bases and controlling resources. Political survival depends on the leadership's ability to manage the external-internal nexus. Paraphrasing Robert Putnam, leaders navigate both international and domestic realms, playing a two-level "game" in their foreign policy choices to satisfy both domestic and international audiences.³⁶ In other words, leaders need to justify their foreign policy initiatives *vis-à-vis* national priorities and scrutiny by non-elites.

Legitimacy is central to power and stability in any political regime, democratic or otherwise. According to Seymour Martin Lipset, political systems must be able "to engender and maintain the belief that the existing political institutions are the most appropriate one for the society".³⁷ No political regime can merely rely only on repression and co-optation. All types of regimes need to justify their rule to maintain longevity. As a result, legitimation manufactures active consent, compliance with the rules, passive obedience or mere toleration from the population.³⁸ Thus, the question becomes not whether but rather how and to what extent a regime procures legitimacy from its foreign policy.

Regimes can achieve legitimation through their foreign policies in two ways.³⁹ First, foreign policy can bring concrete benefits to the country and the regime. Even dictatorships are performance-dependent, relying on quasi-social contracts in which political acquiescence is granted in return for socio-economic development and a government's ability to maintain internal order and social security.⁴⁰ Foreign policy successes, such as the concluding defence and trade agreements, reinforce a government's capacity and deliver tangible security and economic benefits to citizens. This is analogous to David Easton's notion of "specific support", in which legitimation is obtained from "quid pro quo for the fulfilment of demands" and "satisfactions that members of a system feel they obtain from the perceived outputs and performance of the political authorities".⁴¹

Second, foreign policy could buttress legitimacy and create "diffuse support" for the regime through the rally-around-the-flag effect. To develop such public support, leaders can engage in external acts of assertiveness, sabre-rattling, conflict behaviour or other forms of belligerence. Through these actions, legitimacy claims appeal to patriotism, the nation's identity or the national interest.⁴²

"Diffuse support" for the regime can arise through the following logic. At first, the rally-around-the-flag effect buttresses support for a government and encourages critics of a regime to look past their differences.⁴³ Opposition forces are likely to either support the administration's policies or be stymied by broad popular support for

the government. This phenomenon has been linked to sociology's general in-group/out-group hypothesis that greater conflict with an out-group may improve bonds within the in-group.⁴⁴ At the same time, through foreign policy, the leadership can demonstrate its competence to the public, which in turn raises public approval of the government.⁴⁵

The legitimacy of Singapore's ruling PAP has been described as based on "pragmatic" or "instrumental acquiescence", in which its support is premised on its ability to deliver security, political stability and acceptable material standards of living in exchange for the curtailment of certain civil liberties.⁴⁶ Performance legitimacy is the foremost source of political support for the PAP and is analogous to Easton's understanding of "specific support". In practice, for Singapore (and the PAP government) to enjoy continued economic success, it must be open to foreign investments, neoliberal market practices, globalization and free trade.

Concomitant with performance legitimacy is the hegemonic discourse of vulnerability and survival, a reminder to Singaporean citizens of how the PAP has developed the nation "from Third World to First" and how Singapore's accomplishments, though substantial, are fragile.⁴⁷ This discourse is peppered with portents of Singapore's smallness and insecurity and how the ruling party has kept the city-state safe through diplomatic relations and considerable investment in defence. By continually highlighting the severity of Singapore's vulnerability, the PAP presents itself as the guarantor of the country's sovereignty, augmenting its bases of *diffuse* support.

This article contends that hedging stabilizes Singapore's one-party rule through specific and diffuse support mechanisms, and it demonstrates in the following sections that Singapore's engagement in cooperative diplomatic activities with China and the United States aids *specific* support, whereas asserting Singapore's autonomy and independence *vis-à-vis* Beijing and Washington sustains *diffuse* support.

Cooperative Foreign Relations and Specific Support

Economics and Specific Support

The contention that the PAP derives performance legitimacy and, thus, *specific* support from cooperation with China and the United States is not controversial. Singapore's economy depends considerably on the two powers. Since 2013, China has been Singapore's largest

trading partner. The United States is its third-largest trading partner, fourth-largest export market and third-largest supplier of imports.⁴⁸ Singapore's economic links with the two countries are largely facilitated by the US-Singapore Free Trade Agreement (signed in 2003) and the China-Singapore Free Trade Agreement (signed in 2008), respectively, and these comprehensive bilateral trade agreements were the first that each of the superpowers signed with an Asian nation.

Singapore depends on Beijing and Washington's initiatives to enhance the Indo-Pacific's financial and trading architecture. Singapore was an early advocate of China's BRI, a founding member of the Beijing-led AIIB and the first country to ratify the RCEP. Singapore is a key financing hub for the BRI and a source for third-country partnerships.⁴⁹ Similarly, it was among the first countries to back the Biden administration's Indo-Pacific Economic Framework (IPEF), which is consistent with its early support for the Obama administration's abortive Trans-Pacific Partnership (TPP).⁵⁰

Singapore is the largest foreign investor in China, beginning in the 1980s as Beijing opened up its economy. Some of these private sector-led, government-supported projects include the Singapore-Sichuan Hi-Tech Innovation Park, the Nanjing Eco High-Tech Island and the Jilin Food Zone. There were also state-led investment projects, including the China-Singapore Suzhou Industrial Park, the Sino-Singapore Tianjin Eco-City, the China-Singapore (Chongqing) Demonstrative Initiative on Strategic Connectivity and the China-Singapore Guangzhou Knowledge City.

The United States remains by far the largest single-country investor in Singapore, with direct investments totalling over US\$270 billion (as of 2020). Singapore receives more than double the American FDI invested in other Asian countries.⁵¹ In the manufacturing sector, US investment in Singapore is almost 50 per cent more than what it invests in all of Asia. US investment in financial and insurance services is 60 per cent larger than that from the European Union (EU), Singapore's second largest investor.⁵²

While Chinese FDI in Singapore remains small relative to the United States and other developed countries, Chinese private wealth has poured into the city-state. Affluent mainlanders have moved their assets and set up family offices in Singapore, believing it to be a safe haven.⁵³ Wealthy Chinese have invested in private property—they accounted for 42 per cent of the private condominiums sold to overseas buyers in Singapore in the first eight months of 2022. Mainland Chinese constitute the biggest group of investors buying

luxury properties in prime districts, purchasing almost a fifth of apartments with price tags exceeding US\$3.5 million.⁵⁴

Chinese companies have redomiciled or registered in Singapore to hedge against rising geopolitical risks as tensions escalate between Beijing and Washington. Online fast-fashion retailer Shein, electric vehicle maker Nio and IT services provider Cue were among the first to switch parent companies or global headquarters to Singapore, list on the local stock exchange, acquire local businesses and form joint ventures in the city-state.⁵⁵

Before the COVID-19 pandemic, China was Singapore's top source of tourist arrivals, with more than 3.6 million travellers, accounting for roughly 20 per cent of all international arrivals. China was also the top contributor to Singapore's tourism receipts in 2019, generating S\$900 million (US\$1.2 billion) in revenue.⁵⁶

External Security and Specific Support

Defence ties with the United States are critical for protecting Singapore's independence and territorial integrity and are a source of *specific* support for the government. Although Singapore seeks to be self-reliant, such as through its significant investment in its armed forces, it depends on the benevolence of the United States and its security commitments in the Indo-Pacific. For Singapore, the United States is the benign hegemon. According to Michael Leifer,

Since Britain's withdrawal in the 1970s, and despite clashing with Washington over political values, the USA has long been the preferred primary source of external countervailing power ... for Singapore, balance of power is a policy which discriminates in favour of a benign hegemon as opposed to one which guards against any potential hegemonic state.⁵⁷

Singapore's first prime minister, Lee Kuan Yew (1959–90), said during a visit to Washington in April 1986 that the United States is best suited to providing the security assurance Singapore needs because

Southeast Asians are more acutely aware of the uncertainties of US policies than other regions of the world. They remember the American retrenchment in the 1970s followed by a decade of self-doubt. Hence ASEAN countries drew towards each other to seek greater strength in self-reliance. They found that together in ASEAN, they could better overcome their problems; but they still need the United States to balance the strength of the Soviet

ships and aircraft. The renewal of self-confidence in America has reassured us that America will help maintain the peace and stability of the region. It is this balance of power which has enabled the free-market economies to thrive.⁵⁸

Speaking in New York in 1992, Lee Kuan Yew justified Singapore's proactive support for the United States' continued role as the region's "central player", stating

No alternative balance can be as comfortable as the present one with the US as a major player. But if the US economy cannot afford a US role, then a new balance it will have to be. However, the geopolitical balance without the US as a principal force will be very different from that which it now is or can be if the US remains a central player.⁵⁹

To this end, Singapore actively encourages the United States' military presence in the region. In 2019, it extended the 1990 memorandum of understanding (MOU) that facilitated US military access to its air and naval bases and logistics support to US personnel, aircraft and naval vessels. While not directly participating in the Quadrilateral Security Dialogue (Quad) and AUKUS, an alliance between the United States, the United Kingdom and Australia, Singapore implicitly supports these new US-led security arrangements.⁶⁰

The defence capabilities of the Singapore Armed Forces (SAF) would not be as extensive without the country's strong security ties with the United States. It is the main source of the SAF's hardware via the US' Direct Commercial Sales (DCS) and Foreign Military Sales (FMS) system. Prominent FMS sales include advanced fighters (F-15SG and F-35B), AH-64D Apache Helicopters and guided munitions. At the same time, the top categories in DCS were aircraft parts and components, gas turbine engines and military electronics. The SAF enhances its professionalism through military exercises and exchanges with the United States. Singapore exercises bilaterally with the United States—the navy's "Pacific Griffin" and the army's "Tiger Balm"—as well as in multilateral exercises, such as the "Rim of the Pacific" (RIMPAC) and "Red Flag". More than 1,000 Singaporean military personnel participate in training, exercises and professional military education in the United States annually. According to the US State Department, Singapore is one of its "strongest bilateral partners in Southeast Asia [that] plays an indispensable role in supporting the region's security and economic framework".⁶¹

The Ethnic Chinese in Singapore and Specific Support

Cooperative and sound ties with China also generate domestic political (*specific*) support for the PAP government, particularly from ethnic Chinese Singaporeans and their business interests. Positive Sino-Singapore relations portray the ruling party as a defender of “Chineseness” and Chinese-Singaporean business interests.⁶² The necessity for doing so, while strategic, stems from repairing the PAP’s previous antipathy towards the Chinese-educated and their business activities.

Although the ethnic Chinese in Singapore comprise approximately three-quarters of the population, this community is bifurcated into two—“Chinese-educated” (*huaxiaosheng*) and “English-educated” (*yingxiaosheng*)—based on the dominant language of education. The Chinese schools were established, some prior to independence, by clan associations (*huiguan*) with funding from philanthropists and the business community. For instance, Hokkien Huay Kuan, a cultural and educational foundation, was established in 1840 to promote education and social welfare and to preserve the Chinese language and culture among Chinese Singaporeans and other overseas Chinese groups in Southeast Asia. The Hokkien Huay Kuan played a prominent role in establishing Nanyang University (known as “Nantah”), the first Chinese-language university in Southeast Asia and the region’s focal point of Chinese education and culture. The Hokkien Huay Kuan donated the land on which the university was built in the 1950s while other Chinese business leaders contributed financially. However, around the time of Singapore’s independence, graduates from Chinese schools did not find jobs as easily as their English-speaking counterparts. In addition, Chinese-educated students were especially involved in political activism, contributing to a stereotype of them being pro-China or pro-Chinese Communist Party (CCP).⁶³

After Singapore’s independence in 1965, the PAP believed it was strategically necessary to avoid being seen as a “third China”, so the emphasis was put on “de-Chineseness”, in which the government consciously sought to build a multiracial society and develop a “Singaporean Singapore” identity.⁶⁴ “De-Chineseness” can also be attributed to Lee Kuan Yew’s belief that Chineseness was tied to China’s active support of communism in Southeast Asia in the 1950s and 1960s:

... it was difficult to identify good Chinese-educated candidates who would remain loyal when the communists opened fired on us

[PAP] ... we were fishing on the same pond as the communists, who exploited both Chinese nationalism and Marxist-Maoist ideas of egalitarianism ... Their mental terms of reference were Chinese history, Chinese parables and proverbs, the legendary success of the Chinese communist revolution as against their own frustrating life in Singapore.⁶⁵

To “de-Chinese” Singapore, the PAP government made English the first language for education, international commerce and industry. Conspicuously, it merged Nanyang University with the University of Singapore to form the National University of Singapore. To dilute the influence of ethnic Chinese clan associations and Chinese businessmen who had considerable resources and support to sway local politics,⁶⁶ especially on issues of culture and language, the PAP developed new para-political and para-statal organizations such as the People’s Association, Citizens’ Consultative Committees and Community Centre Management Committees. These organizations directed grassroots activities in the newly developed public housing estates that gradually replaced ethnic enclaves.⁶⁷

In its economic development strategy, the PAP pushed aside Chinese businesses and relied instead on foreign multinational corporations. In its eyes, family-owned Chinese enterprises were synonymous with unproductive rentier activities.⁶⁸ As a result, “de-Chineseness” led to suspicion among the Chinese-educated that the PAP, which drew primarily from the English-educated, was engaging in political and cultural marginalization. This created a division in Singapore’s social fabric between the Chinese-educated and English-educated Chinese Singaporeans.⁶⁹ During his 1999 National Day Rally speech, then-Prime Minister Goh Chok Tong noted the persistent cleavage between the English-educated professionals who constituted Singapore’s “cosmopolitans” and dialect-speaking “heart-landers”.⁷⁰

Two occurrences rendered the PAP’s policy of “de-Chineseness” politically unsustainable. An economic downturn in 1985, a result of a global recession, led to significant business failures, especially among former “Nantah” graduates and other Chinese-educated Singaporeans. This forced the PAP government to re-evaluate its economic policies and its efforts to promote local business internationalization.⁷¹ The government decided to develop a “Second Wing” of the national economy and incentivized Singaporeans to tap into China’s vast potential as a market and business partner.⁷² The PAP government viewed “Chineseness” as an advantage for Singapore, permitting it to play a middleman role, parlaying its

Sinic affinities and its ability to straddle East and West to tap the growing economic opportunities in China.

The second circumstance compelling the PAP to reconsider its “de-Chineseness” policy was the erosion of the party’s electoral support among Chinese-educated Singaporeans. When the ruling party lost seats to the Workers’ Party and Singapore Democratic Party in the 1984 and 1991 general elections, especially in Chinese working-class constituencies, analysts believed the government had neglected the Chinese educated and dialect speakers, and the election results were sending “the PAP an important signal”.⁷³ Since then, the PAP has ensured it fields electoral candidates deemed acceptable to the Chinese-educated or with the necessary Chinese dialect proficiency. These politicians would campaign using Chinese dialects, especially in the heartlands. The government also formed the Chinese community liaison group, which comprises mainly Chinese-educated MPs, to help it be “attuned to sentiments in the politically important Chinese-speaking community ... [and] to make sure this community does not feel marginalized in increasingly English-speaking Singapore”.⁷⁴

The re-emergence of the Singapore Chinese Chamber of Commerce and Industry (SCCCI) illustrates the reassertion of “Chineseness”. Founded in 1906, the SCCCI was the leading Chinese organization in Singapore, with membership encompassing the wealthiest and most influential businessmen, many of them serving as its leaders. Marginalized from its leading social and cultural roles during the period of “de-Chineseness”, the PAP turned to the SCCCI after the 1985 economic recession. It encouraged the clan associations to reconceptualize their role in cultural and economic life to attract younger members and to reap potential economic benefits from kinship ties with China.⁷⁵ One early visible step to this revival was the SCCCI’s convening of the inaugural World Chinese Entrepreneurs Convention (WCEC) in 1991 and its subsequent creation of the online World Chinese Business Network.⁷⁶ Thereafter, the SCCCI “used its status to put itself at the vanguard of the ethnic Chinese network at a time when the entire economic and political world was looking for ways to benefit from the economic opening up of the PRC” and “because the Chamber had the network, which the PAP government dearly wanted and needed, it could be the broker following, and protected by, the government’s diplomatic and political endeavours”.⁷⁷

Further examples of the Singapore government’s reassertion of Chineseness include the establishment of the Chinese Heritage

Centre in 1995, under the auspices of the Singapore Federation of Chinese Clan Associations, and the National Chinese Internet Programme to develop Singapore into a cyber-hub for the Chinese language internet. Mirroring the SCCCI, the government supported the creation of the Singapore Chamber of Commerce and Industry in China (SingCham) in 2002 to represent Singapore's business interests in China and help businesspeople network with their Chinese counterparts. Today, SingCham has more than 1,000 members and chapters in nine provinces and cities, including Chongqing, Guangdong and Shanghai.⁷⁸

Another less overtly discussed overture to enhance Chineseness in Singapore is the PAP government's policy to maintain the city-state's "racial balance", preserving Chinese-Singaporean demographic ascendancy at three-quarters of the total population. The policy was asserted in the context of the 2013 Population White Paper. According to Grace Fu, Minister in the Prime Minister's Office,

It is our policy to maintain the ethnic balance in the citizen population as far as possible ... We recognize the need to maintain the racial balance in Singapore's population to preserve social stability. The pace and profile of our immigration intake have been calibrated to preserve this racial balance.⁷⁹

According to Prime Minister Lee Hsien Loong, "We will maintain the racial balance among Singaporeans. The percentage of Malays among Singapore citizens will continue to be stable, even into the long-term."⁸⁰ As birth rates among Chinese Singaporeans continued to decline, substantively for the city-state, this meant encouraging more emigres from the mainland.⁸¹ Since the 2000s, mainland Chinese have become the second-largest source of migrants to Singapore.⁸²

Not all Chinese-Singaporean businesses were regarded as rentier and hence disregarded in the past. Several family-controlled enterprises, primarily those in banking, real estate and property development, remained influential in Singapore.⁸³ For example, the late chairman emeritus, Wee Cho Yaw, of United Overseas Bank (UOB) had deep ties with the SCCCI and the broader Chinese-educated communities. He held strong connections with the chairmen of the government's Citizens' Consultative Committees, Chinese businesspeople and many members of the SCCCI network. Viswa Sadasivan, a former nominated member of parliament, described him as "the power" behind the SCCCI.⁸⁴

In tandem with the externalization of Singapore's economy in the late 1980s, influential Chinese-Singaporean companies have seen

their business interests with the mainland grow and become more important to their revenue streams. Ensuring healthy Sino-Singapore ties has become essential to their bottom lines. Mainboard-listed, privately owned Chinese-Singaporean companies operating significant China-based businesses include OCBC, which opened in the mainland in the 1920s; UOB, which set up its first representative office in Beijing in 1984 and incorporated UOB-China in 2007; UOB's UOL Group, which opened UOB Building in Xiamen in 1996; and agribusiness Wilmar International's Chinese subsidiary Yihai Kerry, which has been operating in China since the 1990s.⁸⁵

Independent Foreign Policy and Diffuse Support

Foreign affairs do not feature prominently in Singaporean electoral campaigns.⁸⁶ Nevertheless, in asserting Singapore's independence *vis-à-vis* Beijing and Washington, the PAP educates *diffuse* support by appealing to the national interest and invoking the need for Singapore to defend its autonomy and sovereignty. In turn, this demonstrates the ruling party's competence in confronting these external challenges to Singaporeans. However, the government's assertion of foreign policy autonomy does not *only* serve these domestic imperatives. Clearly, championing Singapore's national interests and withstanding pressure from other states, especially bigger powers, is necessary to survive.

But we can observe the envisioned legitimating goals by examining when Singapore pushes back against the great powers. Specifically, what issues did the Singaporean government assert its autonomy over? Who among the ruling elite explained the incidents, and to whom was their message directed? What was the forum the PAP used to expound its foreign policy actions? Apart from statements in parliament, key political officeholders assert Singapore's independence and emphasize the importance of upholding sovereignty on occasions when there is grassroots support for the ruling party. These include constituency and cultural events, clan association celebrations, festivities to mark major national holidays and national events such as the Prime Minister's holiday messages or National Day Rally speech.

One such event was the Hokkien Huay Kuan Spring Reception in February 2023. Minister for Home Affairs and Law K. Shanmugam stated during the festivities:

As a small country, we have to be clear on what are our principles. We must always put Singapore's interests first, and never be afraid to act in our own interests ... uphold our principles and positions

consistently, impartially, objectively, and not let other countries, big or small, no matter how friendly, dictate to us what we do.⁸⁷

At the Pasir Ris West constituency's Chinese New Year Dinner in 2017, Teo Chee Hean, the coordinating minister for national security and a local member of parliament, said

We should also conduct our foreign relations based on mutual respect. We have always stood by this principle whether we are conducting relations with countries, like the US or China, or with our neighbours ... all of whom are bigger than we are ... Standing by this principle allows every country to maintain our independence and sovereignty, and conduct our relations with other countries in the spirit of mutual respect ... Importantly, when we conduct ourselves in a principled way, it also allows Singapore and Singaporeans to hold our heads up in the world, rather than bending to the will of others.⁸⁸

The most visible platform Singapore's leaders have used to assert its independence *vis-à-vis* the great powers is the National Day Rally (NDR).⁸⁹ During the 2016 event, Prime Minister Lee Hsien Loong made clear Singapore's support for the Permanent Court of Arbitration's ruling against China's claims in the South China Sea:

Big powers can insist on their own interests and often do ... China is not the only country to do this and nor is this the first time something like this has happened. Nevertheless, Singapore must support and strive for a rules-based international order ... If rules do not matter, then small countries like Singapore have no chance of survival.⁹⁰

At the 2022 event, speaking in Mandarin, with a clear hint to the intended audience, the prime minister spoke about Singapore's principled position against the war in Ukraine:

But we have to be firm in our position and defend fundamental principles robustly. We cannot be ambiguous about where we stand. We believe the sovereignty and territorial integrity of all countries, big or small, must be respected. These principles are existential for all nations, but especially so for a small nation like Singapore.⁹¹

At the same event, Lee also warned Singaporeans to be vigilant about messages shared on social media and actively guard against hostile foreign influence, but without naming China. He stated

We need to ask ourselves: where do these messages come from, and what are their intentions? And are we sure we should share

such messages with our friends? So please check the facts and do not accept all the information as truths. We must actively guard against hostile foreign influence operations, regardless of where they originate. Only then, can we safeguard the sovereignty and independence of our nation ... I am heartened that most Singaporeans support the government's position on the war in Ukraine, including Chinese Singaporeans who are active on Chinese-language social media.⁹²

Conclusion

This article contends that Singapore's hedging strategy aids the domestic legitimation of the ruling PAP. It does so through the mechanisms of *specific* and *diffuse* support. The city-state relies on Beijing and Washington for its economy, defence and security. Thus, cooperative ties with the United States and China accrue performance legitimacy for the government. Separately, Singapore's close relations with Beijing augment the PAP's standing with the ethnic Chinese community and their business interests in the mainland, sustaining *specific* support. Finally, an independent and assertive foreign policy (against China, in particular), while necessary as a small state, creates a rally-around-the-flag effect and increases *diffuse* support for the ruling party.

The article's findings contrast with neorealist perspectives of Singapore's foreign policy, which emphasize a small state managing its vulnerabilities in a hostile international system. Singapore's foreign policy has been characterized as inherently *realpolitik*. According to its first foreign minister, S. Rajaratnam, the "primary task" of Singapore's foreign policy was "how to make sure that a small nation with a teeming population and no natural resources to speak of, can maintain, even increase, its living standards and also enjoy peace and security in a region marked by mutual jealousies, internal violence, economic disintegration and great power conflicts."⁹³ Even though it is a one-party, autocratic state with an elite-centred foreign policy decision-making process, domestic legitimation matters in Singapore. Indeed, to invert the oft-cited adage, domestic politics does not "end at the water's edge".

Are these domestic legitimation considerations likely to persist as the PAP prepares to transit from the "third generation" of leaders to the fourth when Lee Hsien Loong steps down (likely in late 2024)? How will these domestic imperatives affect Singapore's foreign policies towards the United States and China? This study posits

that hedging—or being equidistant—will likely remain Singapore's guiding foreign policy stance *vis-à-vis* China and the United States. According to Lawrence Wong, the presumptive next prime minister and the current deputy prime minister,

Singapore has longstanding bilateral relations and deep economic links with both the US and China. The US played a vital role in underwriting the post-war global order, paving the way for stability and prosperity in Asia. This is one of the reasons that Singapore has long supported the US' presence in our region. [...] At the same time, we have supported China's continued reform, and participated in China's development journey over the decades. We will continue to foster close ties with China and the US, and strive to be a consistent and reliable partner to both. Our foreign policy is neither pro-US nor pro-China, but rather grounded on Singapore's national interests.⁹⁴

The PAP's need for cooperative ties with China to elicit support from Chinese-speaking Singaporeans is also likely to persist, not least because of the Singaporean public's favourable views of China and President Xi Jinping⁹⁵ and the continued efforts by Beijing to cultivate a pro-China image through Mandarin-language outlets such as the city-state's flagship broadsheet, the *Lianhe Zaobao*.⁹⁶

NOTES

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From Foes to Friends: China and the United States in Laos' Foreign Policy

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Domestic politics has shaped the foreign policy of Laos (formally the Lao Peoples' Democratic Republic, or LPDR) since the 1970s, specifically its relations with China and the United States. During the 1980s, the communist government of the Lao People's Revolutionary Party (LPRP) feared that China and the United States were supporting counter-revolutionary resistance groups, prompting Vientiane to adopt closer relations with Beijing and Washington to ensure its own internal security by motivating them to cut off their support for anti-LPRP groups. As the Soviet Union reduced economic aid to Laos in the latter stages of the Cold War, the LPRP adopted market-based reforms in 1986 to generate closer security and economic cooperation with China and the United States and to grow its economy. Domestic concerns of regime survival and performance legitimacy remain key drivers of Laos' foreign policy.

Keywords: Laos, domestic politics, legitimacy, regime survival, China, United States.

The existing literature on foreign policy decision-making in Laos (formally the Lao People's Democratic Republic, or LPDR) pays little attention to the role of regime survival or the communist government's domestic sources of political legitimacy.¹ Instead, it has tended to focus on the waxing and waning of relations between Laos and Vietnam—which played a key role in the victory of the communist

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Lao People's Revolutionary Party (LPRP) against the US-backed Royal Lao Government (RLG) in 1975—and to downplay Vientiane's agency in making independent foreign policy decisions.² However, overly fixating on Laos' relations with Vietnam does not explain why Laos normalized relations with China and the United States before Hanoi did. Moreover, much of the existing literature overlooks the fact that—unlike in multiparty, democratic countries, where national security relates almost entirely to the state's survival—national security in one-party states (such as Laos) is intractably linked to the ruling party's survival.³ For instance, Alouni Vixayphongmany has explored how the LPRP regime faced insecurity when China and the United States lent support to armed resistance groups that opposed the communist takeover in 1975, yet that study did not emphasize how this affected Laos' relations with the two superpowers.⁴ As such, this article seeks to contribute a better understanding of how the LPRP's objectives of regime survival and legitimization have shaped relations with Beijing and Washington since the 1970s.

On 2 December 1975, the LPRP, at the time known as the Pathet Lao, seized power from the US-backed royal government.⁵ The immediate threat to the new communist regime came from armed groups primarily composed of ethnic Hmong, who had been trained by the US Central Intelligence Agency (CIA) during the Laotian Civil War (1959–75) and who had refused to surrender after the communist takeover. With 2,000–3,000 troops, these groups held strongholds close to the nation's capital, Vientiane.⁶ At the same time, the nascent communist regime made enemies for itself after imprisoning soldiers, police and high-ranking civil servants who had worked for the RLG, despite many of them having voluntarily agreed to work for the new government. Fearing execution, many escaped to refugee camps in Thailand, thus threatening the regime's international credibility. Yet another security threat arose when the communist government forcibly introduced agriculture cooperatives between 1978 and 1979. Instead of joining these collectivized units, many farmers slaughtered their animals and destroyed their crops before also fleeing to refugee camps across the Thai border.⁷ In 1975, when the communists took power, there were around 10,000 Laotian refugees in Thailand. By 1978, the number had swollen to almost 48,000 refugees.⁸ There were more than 100,000 by 1980, many of whom were from the Hmong and Mien ethnic groups that had fought in anti-communist militias.⁹ These refugee camps in Thailand became safe havens for anti-LPRP resistance groups. Vientiane suspected that Washington, the financier of the ousted

royal government, supported the cross-border incursions these groups carried out during the 1980s.¹⁰

As head of a small state with limited military capabilities, the LPRP government looked to communist Vietnam—which had supported the Laotian communists in the civil war—as a bulwark against these threats from across the Thai border. In July 1977, both countries signed a 25-year Treaty of Friendship and Cooperation, which allowed Vietnamese troops to be stationed in Laos. The LPRP government quickly suppressed what was left of the counter-revolutionary activity within Laos.¹¹ Indeed, three months after the treaty was signed, the Lao and Vietnamese armed forces attacked the last stronghold of the Hmong militias.¹² In November 1978, Vientiane and Hanoi issued a declaration of victory. Vietnamese troops, numbering between 50,000 and 60,000, remained in Laos until 1989, helping to put down what was left of the anti-LPRP resistance based in Thailand and to guard Laos' borders.¹³

As well as ensuring its own survival, the young communist government also sought to develop performance-based legitimacy, meaning it wanted to grow the economy—gross domestic product (GDP) per capita was just US\$71 in 1975¹⁴—to win support from the Laotian people. To do this, Vientiane needed to secure external assistance and maximize mutual benefits from foreign cooperation. Between 1975 and 1985, Laos received economic aid worth from US\$40 50 million annually from the Soviet Union, as well as US\$100 million worth of military assistance, including the transfer of Soviet-made trucks, artillery, tanks, helicopters and aircraft.¹⁵ Geopolitically, Moscow supported Vietnam in its disputes with China at the time—Beijing launched incursions into Vietnam in 1979 after Vietnamese troops had overthrown Cambodia's Khmer Rouge regime, an ally of Beijing, that year—and also sent military advisors to train the LPRP's new army.¹⁶ However, major economic problems within the Soviet Union during the 1980s meant Laos could not rely entirely upon Moscow's largess, thus affecting the LPRP's ability to satisfy the social and economic needs of the Lao people.¹⁷ To justify and consolidate its rule, in 1986, Vientiane transitioned from a socialist, centrally planned, command economy to a market-based economy. Ever since, economic reform has been the principal pathway towards regime legitimization, with the LPRP claiming its one-party rule is legitimate because it claims to have addressed the needs of the people—alleviating poverty, creating job opportunities, bridging the urban-rural divide and diversifying cooperation with new partners.¹⁸

Laos' early foreign policy decision-making was guided by the LPRP's domestic imperatives of regime survival and legitimization. The same two concerns also motivated Laos to improve relations with China and the United States from the late 1980s onwards, including to the present day, as will be described later. The rest of this article is as follows. The first section demonstrates how domestic insecurity has shaped Laos' foreign policy *vis-à-vis* China and the United States. The second section discusses how the LPRP advances its regime security and legitimacy with the two powers, while the third concerns how Laos has had to balance domestic concerns with international problems.

Regime Security Shapes Laos' Foreign Policy

A single-minded fixation on regime survival shapes the LPRP's foreign policy.¹⁹ Between 1975 and 1981, "peace, independence, friendship and non-alliance" were the central tenets of the regime's foreign policy. Vientiane nominally declared non-alignment when trying to eliminate the coordinated opposition of those loyal to the royalist government it had ousted in 1975 while, at the same time, it also sought to maintain a semblance of cooperation with Beijing in the name of socialist solidarity.²⁰ For instance, Chinese military engineering teams had been helping to construct roads in northern Laos as part of an aid programme financed by Beijing since 1962. However, all cooperation ended in February 1979 when China launched military incursions into Vietnam, Vientiane's main ally.

Relations with the United States, which had backed the ousted royal government, were tense ever since 1975. Laos' communist government believed that Washington—and Thailand's anti-communist government—was sponsoring anti-LPRP resistance groups living in refugee camps in Thailand. At the LPRP's Third Party Congress in 1982, it replaced its non-alignment policy with a socialist-framed foreign policy stance, mainly to signal its allegiances with Vietnam and the Soviet Union. At the same Congress, Washington and Beijing were accused of preparing "a series of variegated subversive acts against [Laos]" and of "threatening Laos with aggression".²¹

Indeed, Vientiane perceived China and the United States as the "gravest threat" to the stability of its communist regime, a perception heightened after China attacked Vietnam in 1979.²² The United States also vocally opposed Vietnam's invasion of Cambodia that year, which had overthrown the Khmer Rouge regime (allied to Beijing), sparking China's invasion of northern Vietnam. Amid the

Sino-Soviet split, Washington ostensibly took Beijing's side against the Soviet Union, which was the patron of communist Vietnam and LPRP. After China attacked Vietnam in 1979, Vientiane demanded that Beijing suspend its road construction project in northern Laos. The Chinese embassy in Laos was ordered to reduce its staff to 12, and diplomatic relations were downgraded to *chargé d'affaires* level. The same demands were made on the United States' mission in Vientiane.²³ In retaliation, Beijing said it would accept and resettle 10,000 ethnic Hmong, many of whom were part of anti-LPRP militias, from refugee camps in Thailand. China also turned areas in Yunnan province, which borders northern Laos, into training camps where approximately 3,000 to 4,000 men were recruited, trained and armed as part of an anti-LPRP resistance movement.²⁴ Reported clashes between the Lao army and these resistance groups, and Beijing's decision to start stationing troops near its border with Laos, raised the threat of "a possible invasion aimed at overthrowing the LPRP government and replacing it by a regime loyal to [Beijing]".²⁵ Naturally, Vientiane perceived this as a threat to its regime's survival.

To counter the threats from Beijing, Kaysone Phomvihane, the Secretary-General of the LPRP, stated in the Political Report to the Third Party Congress in 1982 that Laos was ready to normalize relations with China based on respect for each other's independence, sovereignty, territorial integrity, non-interference in each other's internal affairs, equality, mutual benefit and the peaceful negotiation of bilateral tensions.²⁶ According to Kaysone, Vientiane was "patiently trying to do everything in our power to preserve and strengthen good-neighbour relations between the Laotian people and the Chinese people. In the interests of the two countries, of peace in Southeast Asia and the world, we are ready to normalize our relations with the People's Republic of China."²⁷

In 1986, Vientiane hosted a high-level delegation of Chinese diplomats, led by Deputy Foreign Minister Lui Shuqing, to exchange ideas on improving cooperation.²⁸ The following year, Beijing welcomed Lao First Deputy Foreign Minister Khamphai Bouppha, who was reportedly given assurances from Beijing that it would not encourage or supply arms to the anti-LPRP resistance. As a result, in June 1988, the two sides restored diplomatic ties to the ambassadorial level.²⁹

According to Cheng-Chwee Kuik, by the late 1980s, Laos had come to terms with its asymmetrical relationship with China, compelling Vientiane to normalize relations with Beijing.³⁰ Because

Laos knew it could not avoid its neighbouring giant, it had to make peace and live with it. When presenting the Political Report to the Fourth Party Congress in 1986, Kaysone acknowledged that “China is a great country, one of the permanent members of the UN Security Council, with the responsibility for peace and security in Southeast Asia, Asia-Pacific and the world. We hope that relations between our two countries would be normalized.”³¹ In 1989, Kaysone became the highest-ranking LPRP politician to visit Beijing, where he held productive talks with senior Chinese leaders and agreed to accept Chinese aid.

Laos’ relations with the United States underwent a similar rapprochement during the late 1980s. In 1981, the CIA had sponsored incursions into Laos by anti-LPRP groups that were tasked with finding evidence of US prisoners of war (POWs) who had allegedly been held captive in the south of the country since the end of the Vietnam War. Vientiane considered this evidence of the United States directly supporting the anti-communist resistance and made a formal diplomatic protest.³² Another incursion was launched from Thailand in 1982, when a team of 15 members of the anti-LPRP resistance, led by a handful of US citizens, entered Laos to search for POWs. All of these incursions failed to find any evidence of POWs.³³

The LPRP saw these incidents as threats to its domestic security.³⁴ In response, it decided to accommodate Washington’s desire to resolve the question of POWs and US soldiers Missing In Action (MIA). In early 1983, Vientiane hosted the first technical-level meeting with US officials to negotiate joint search and recovery efforts. At the end of the year, a preliminary joint survey was conducted at the crash site of a US warplane. In 1984, both sides agreed in principle to conduct the first joint excavation of the remains of US soldiers. This took place the following year when US and Lao personnel excavated the site where a US AC-130 gunship had been shot down in 1972 to search for skeletal and dental remains.³⁵ Vientiane said it would only agree to the joint excavation efforts if the United States publicly ended its support of anti-LPRP resistance groups in Thailand and agreed to recognize and respect Laos’ foreign policy decisions *vis-à-vis* Vietnam. Eventually, in 1987, Washington issued a joint statement with Laos stating that it respected Laos’ sovereignty and publicly distanced itself from the anti-LPRP resistance.³⁶

In other words, Laos’ desire to protect its domestic security shaped its relations with the United States.³⁷ Vientiane utilized POW/MIA negotiations with Washington to reaffirm its sovereignty,

especially over its ties with Hanoi. Likewise, the United States used interactions with Vientiane to advance its agenda, which at first centred on the POW/MIA issue. However, from 1990 onwards, the United States also began cooperating with Lao authorities to address illegal narcotics trafficking, another of its main priorities in mainland Southeast Asia. US-Laos diplomatic relations, which had been downgraded in 1975, were eventually restored in 1992.

Policy Orientation: Advancing Regime Security and Legitimacy

During its first decade in power, the LPRP government heavily relied on external aid to subsidize its trade deficit. Between 1976 and 1978, imports cost Laos around US\$180 million annually, sevenfold the value of its exports (around US\$26 million). Aid from external donors plugged this trade deficit hole—project and commodity aid alone accounted for US\$190 million during the same period.³⁸ However, exports remained low throughout the 1980s. In 1986, for instance, exports were worth US\$55 million—8.6 per cent of GDP—whereas imports cost US\$186 million—29 per cent of GDP. Moreover, Laos was at risk because of economic instability in the socialist bloc, namely the Soviet Union's collapsing economy, which was supplying about 70 per cent of Laos' foreign assistance. According to Grant Evans, the LPRP government "acted swiftly before [the socialist bloc's] dramatic collapse".³⁹

In November 1986, at the Fourth Party Congress, the LPRP adopted market-based economic reforms known as *Chitanakan Mai* (literally translated as "New Thinking"). It was a decisive turn, similar to the Communist Party of Vietnam's "Doi Moi" reforms of the same year. Intended to secure foreign resources and diversify Laos' cooperation with non-socialist countries, the reform package provided fresh incentives to normalize relations with China and the United States.⁴⁰

Following the normalization of diplomatic ties with China in 1989, both countries agreed in 1991 to start demarcating their shared border, in line with the Sino-French Border Agreement of 1895 (which was agreed upon when Laos was part of French Indochina). Marker posts were placed along their 508 km-long border over the next two years.⁴¹ In 2000, Laos and China signed the Joint Statement on Bilateral Cooperation, which included an agreement to cooperate on border security. Much later, China and Laos agreed to enhance cooperation between their armed forces, which subsequently led to joint medical training exercises (known as

“Peace Train”) in 2017 and a combined humanitarian and medical rescue exercise the following year in response to deadly flooding in southern Laos after the collapse of a hydroelectric dam. It took place again in 2019, combining humanitarian and medical rescue drills.⁴² The China-Lao Friendship Shield 2023, a combined military exercise, was a significant development.⁴³

Following the elevation of bilateral relations with China to a Comprehensive Strategic Partnership in 2009, the primary focus of cooperation was public security. Both Laos and China had become increasingly concerned about transnational crimes, including drug smuggling, human trafficking and illegal migration.⁴⁴ In 2010, the public security ministries of both countries signed an agreement on security cooperation to combat cross-border crime.⁴⁵ Two years later, the Lao Public Security Ministry extradited Burmese drug trafficker Naw Kham—the leader of the criminal group that had murdered 13 Chinese nationals on a cargo ship in the Mekong River—to China.⁴⁶ In 2013, the ministry also permitted the appointment of Chinese security coordinating officials to the Chinese embassy in Vientiane to strengthen coordination.⁴⁷ The same year, their public security ministries signed a pact on intelligence gathering. However, the agreement, although designed to safeguard the two countries’ national security, also mandated the exchange of strategic information to fight against the “peaceful evolution of hostile forces”, an implicit reference to the United States using non-military means to overthrow their one-party socialist regimes.⁴⁸ Both sides also agreed to provide security for important Lao and Chinese individuals and international events. In 2018, additional joint security cooperation agreements were signed in Vientiane to enhance cooperation over security for Chinese-led development projects with Laos, including the US\$6.8 billion, 414-km long Lao-China railway that links Yunnan Province in southern China to Vientiane (which opened in 2021). The agreements also included terms on the extradition of criminals.⁴⁹ Between 2018 and 2020, Laos extradited 527 suspected criminals who had committed crimes in China but then fled to Laos. Most of these cases involved cases of fraud, assault and murder.⁵⁰ In 2023, Laos deported a further 462 Chinese nationals, including those accused of running call-centre scam networks and human-trafficking rings at the Golden Triangle Special Economic Zone in Laos’ Bokeo Province.⁵¹

Between 1990 and 2015, China provided US\$3.4 billion worth of development assistance to Laos, as well as US\$1.9 billion of non-interest loans, US\$10.42 billion of special low-interest loans and

US\$2.91 billion of additional loans.⁵² Thanks to China's financial support, Laos was able to weather not just the collapse of the Soviet Union in 1991 but also the 1997 Asian Financial Crisis. Chinese development assistance grants and loans also meant that Laos was not dependent on similar assistance from the West, such as from the World Bank and the International Monetary Fund. Assistance from these sources often comes with demands for political reform, greater government accountability, protections for civil society groups and democratization—all of which the communist LPRP has been reluctant to accept.⁵³ As such, Chinese aid and loans have acted as a buffer against Western pressure on the LPRP to loosen its monopoly on power, another indication of how domestic political concerns influence Laos' foreign relations.⁵⁴

Chinese assistance has been critical to Laos' economic development and, thus, the LPRP's domestic legitimacy. A prime example is when Laos hosted the 25th Southeast Asian Games (SEA Games) in 2009. In anticipation of the event, Laos had agreed to accept US\$100 million in concessional loans from several Chinese companies via the China Development Bank to build sports complexes in Vientiane.⁵⁵ In 2007, the Lao authorities announced that these Chinese companies, coordinated by the Suzhou Industrial Park Overseas Investment Company, would also build the complexes, including a new 20,000-seat stadium in the capital. In return, the Chinese firms were given a 50-year concession to develop 1,640 hectares of swampland a few kilometres outside central Vientiane.⁵⁶ At the opening ceremony of the SEA Games, Lao Deputy Prime Minister Somsavat Lengsavad—who was also the Minister of Foreign Affairs and the Head of the Organizing Committee responsible for supervising the loan agreement—proclaimed that hosting the SEA Games was “an important way of showing the development of Laos over the last 34 years”, a clear sign that these Chinese loans helped the LPRP to burnish its image as the architect of Laos' national development.⁵⁷

Laos has also pursued closer bilateral security and economic cooperation with the United States since the 1990s. At first, joint excavation efforts for the remains of POW/MIA between the Lao Ministry of National Defense and the US Department of Defense dominated engagement.⁵⁸ After three rounds of negotiations with Washington in early 1981, Laos permitted a joint excavation effort to investigate the site where a US AC-130 gunship with 13 men on board had crashed in 1972. The excavation, which took place in 1985, marked the beginning of military-to-military relations

between Laos and the United States.⁵⁹ A team of 11 US military personnel inspected and cleared unexploded ordnance (UXO) at the excavation site before they unearthed the remains of soldiers; Lao military personnel acted as field guards for their US counterparts.⁶⁰ Between 1985 and 2022, 288 sets of remains—out of a total of 573 cases registered by the US Department of Defence’s Defense POW/MIA Accounting Agency—were recovered. US personnel and their Lao counterparts continue to investigate and excavate sites throughout Laos.⁶¹

Cooperation over the search and recovery of POW/MIA remains allowed Laos to address two areas of concern: national security and the legacies of past conflict. As stated earlier, national security was an integral reason why Vientiane permitted the first excavation in 1985. By allowing the United States to search for the remains of its soldiers, Vientiane received Washington’s public assurances that it would end its support for anti-LPRP groups.⁶² In 1987, Laos pushed for a joint statement as a framework for bilateral cooperation, the final draft of which included a national security clause in which Washington “reaffirmed its opposition to irresponsible private efforts”, a reference to anti-LPRP resistance groups incursions into Laos in 1981 and 1982 even though Washington denied involvement in these incidents.⁶³

At the same time, the Lao government also wanted better relations with the United States so that it could address the problem of UXO. The United States dropped more than two million tons of bombs on Laos during its “secret war” between 1964 and 1973.⁶⁴ Most of the bombs were cluster munitions, of which around 30 per cent failed to explode upon impact. Around 80 million of the cluster munitions dropped on Laos did not explode, resulting in at least 50,000 victims being maimed or killed by UXO since 1973.⁶⁵ Between 1977 and 1996, there were, on average, 500 UXO accidents each year. Annual casualty rates fell to an average of 115 per year between 1999 and 2017.⁶⁶

In order to safeguard the rural population and allow land to be accessed for agricultural development, Laos needed Washington’s assistance in the removal and disposal of UXO.⁶⁷ To attain this, Vientiane accepted that it had to cooperate with the United States on the POW/MIA issue. In 1995, the United States began providing financial assistance to Laos, not all of it for UXO clearance. Between 1995 and 2010, US assistance averaged US\$3 million annually.⁶⁸ In 2012, US Secretary of State Hillary Clinton assured her Lao counterpart during a visit to Vientiane that the United States would

continue assisting Laos in resolving the UXO problem.⁶⁹ In 2016, during the first visit to Laos by a sitting US president since the communist revolution in 1975, President Barack Obama extended US assistance with a three-year package worth US\$90 million and agreed to a Comprehensive Partnership between the two countries.⁷⁰

Economically, Laos also wanted friendlier relations with the United States so that it could obtain Normal Trade Relations (NTR) status, a legal designation in the United States for free trade with a foreign nation. Negotiations began in 1997, an agreement was signed in 2003 and the US Congress approved Laos' NTR status the following year.⁷¹ Between 2007 and 2019, Laos received development assistance from the United States through the Laos-US International and ASEAN Integration (LUNA) programme, which was designed to help Laos implement its NTR requirements, to support its accession obligations to the World Trade Organization (WTO)—Laos acceded to the WTO in 2013—and to integrate Laos into the ASEAN Economic Community (AEC).⁷² Because Laos received NTR status in 2004, its exports to the United States were no longer subjected to the highest tariff rates, averaging 45 per cent.⁷³ As a result, exports from Laos to the United States increased 65-fold between 2005 and 2022, from US\$4.2 million to US\$273.3 million.⁷⁴

Because of its market-based economic reforms adopted in 1986, the LPRP improved its domestic legitimacy by demonstrating its ability to foster and advance security and economic cooperation with China and the United States. For instance, the 2000 Joint Statement on Bilateral Cooperation with China included provisions that Beijing would not interfere in Laos' domestic politics nor infringe on its national sovereignty, thus ensuring regime security after China's previous dalliance with anti-LPDR groups. Likewise, improved relations with the United States meant the LPRP government attained assurances from Washington that it would respect Laos' independence, sovereignty and territorial integrity.⁷⁵ Through the Joint Declaration of Comprehensive Partnership, signed by Lao President Bounyang Vorachit and US President Obama in September 2016, the LPRP again obtained a commitment that the United States would not interfere in "Lao PDR's independence, sovereignty, prosperity, and integration into the international community".⁷⁶ According to then US Secretary of State John Kerry, "We are trying to help Laos, not to do what we think we want it to do, but with what Laos wants to do."⁷⁷

According to Kuik, greater economic cooperation with China and the United States helped the LPRP's "quest for legitimacy and

capacity to govern”.⁷⁸ In simplistic terms, Beijing supports Vientiane’s ambitions of fast-paced economic growth, whereas Washington assists Laos’ integration into the global economy. Since the US Congress approved the NTR in 2004, Washington has assisted Laos’ integration into the global economy; it was admitted into the WTO in 2013 and into the AEC two years later.⁷⁹ Laos regards Chinese loans, particularly those provided under the Belt and Road Initiative (BRI), as a mutually beneficial strategy, even if they have sparked concerns over the debt Vientiane has incurred in the process. For instance, the Lao state backed a significant portion of the loans for the US\$6.8 billion high-speed Lao-China railway. In 2019, then Lao Prime Minister Thongloun Sisoulith pushed back against concerns that Vientiane might be unable to afford its debt repayments, as well as the long-term implication of economic dependency on China (the so-called “China debt trap”). According to Thongloun, his government has “its own measures to manage the debt”.⁸⁰ Moreover, Vientiane contests that the China-Lao railway, which was opened in 2021, provides Laos with better access to Chinese markets. According to Kuik, this will “yield long-term gains by enhancing Laos’ trade and ability to attract investment”.⁸¹ Laos’ exports to China increased from US\$1.55 billion in 2018 to US\$1.67 billion in 2019 before falling to US\$1.47 billion in 2020 because of the COVID-19 pandemic. However, they increased to US\$2.25 billion in 2021 and US\$2.45 billion in 2022.⁸²

In other words, improved relations with China and the United States have aided the LPRP’s political authority and legitimacy at home. The country’s GDP grew by an average of 6 per cent between 1990 and 1996 and 7 per cent between 2003 and 2018—although the COVID-19 pandemic has negatively affected growth rates.⁸³ Indeed, GDP per capita grew from US\$170 in 1989 to US\$2,054 in 2022.⁸⁴ According to Kuik, such economic growth has been a significant factor in the LPRP’s performance legitimacy since the post-Cold War era, making it “a principle pathway of LPRP self-justification” and a means to “enhance [its] political relevance and authority”.⁸⁵

Defensive Diplomacy in Laos’ Foreign Policy

With a small economy and military, Laos does not want to become entrapped in the regional security competition between China and the United States, especially over contentious issues such as the South China Sea. When Laos held the annually rotating chairmanship of ASEAN in 2016, it managed to mitigate these tensions. The

Philippines, one of the main disputants in the South China Sea, wanted two legally binding phrases—“no legal base for China to claim historic rights”, a verdict awarded by an arbitral tribunal convened under the United Nations Convention on the Law of the Sea over the South China Sea dispute in July 2016, and “full respect for legal and diplomatic process”—to be included in the joint communiqué after the ASEAN Summit and in the Chairperson’s Statement after the East Asian Summit.⁸⁶ However, Beijing would only sign off on the statements if they used vaguer language than Manila had proposed, while the United States preferred the stronger language.⁸⁷ As ASEAN Chair, Laos toned down the language used in the Chairperson’s Statement after the East Asian Summit but, by way of a compromise, included the sentence “importance of the rule of law in international relations”. This was an illustration of Laos’ defensive diplomacy—“keeping everybody equally unhappy”, as a Lao diplomat has framed it⁸⁸—which seeks to keep Vientiane from becoming entrapped in another country’s strategic rivalry.

Indeed, Laos has adopted a neutral stance over the South China Sea conflict because it must maintain fraternal relations with China and Vietnam, both of which claim the same maritime territories. Not only does China purchase 80 per cent of Laos’ agriculture exports, but it is also the largest source of infrastructure financing in Laos, estimated to be approximately US\$12.2 billion as of 2023.⁸⁹ Yet, Laos must also maintain good relations with Vietnam, the LPRP’s oldest and most trusted ally. Their communist parties fought together against the United States during the Vietnam War—or the “American War”, as it is referred to in Hanoi and Vientiane.⁹⁰ The Vietnamese military continues to train, assist and protect Laos from internal security threats, an arrangement that has been in place since 1975.⁹¹ Thus far, there are no indications that Laos shares the same degree of security relations with China.⁹² Moreover, while Vietnam knows it cannot compete with China for economic influence in Laos, it can counter China’s largess by providing landlocked Laos access to the sea for trading purposes. Both countries are in talks over a Vietnam-funded railway that will link Vientiane to the deep-water port of Vung Ang in central Vietnam’s Ha Tinh Province.⁹³ According to Hanoi, this planned megaproject demonstrates its “great” and “special” relationship with Vientiane.⁹⁴ According to Soulatha Sayalath and Simon Creak, the notion of Vientiane being absorbed into Beijing’s growing sphere of influence in the same way that Phnom Penh has been is, for now, “a simplistic and often misguided exercise”.⁹⁵

Vientiane must tread carefully around tensions between China and Vietnam while it must also be cautious about becoming too friendly with Beijing and Washington because of anti-China and anti-US sentiment that persists in Lao society. Indeed, sections of the Lao public have grown increasingly frustrated about the vast Chinese-led development that has taken place in recent years, especially when it is perceived as negatively impacting the Lao people.⁹⁶ At the same time, Laos' communist government is aware that senior officials within the LPRP maintain the anti-US attitudes that were prevalent in the post-revolution atmosphere. Some Laotian communist officials even think that Washington still intends to foment an anti-communist uprising in Laos, known in communist parlance as "peaceful evolution".⁹⁷

In 2008, a year before Laos hosted the SEA Games, accusations circulated online of apparent "treason" by Deputy Prime Minister Somsavat Lengsavath—also head of the SEA Games Organizing Committee—who was rumoured to have agreed to allow 50,000 Chinese families to live in the area leased to Chinese companies in return for them building a sports complex.⁹⁸ The scandal went viral, and Somsavat presumably felt compelled to insist in a LPRP-run newspaper that "a patriot must know to seek means to build and develop the country".⁹⁹ Anti-China sentiment visibly manifested itself again in 2016 when a suspected bomb exploded near a Chinese-owned mining operation in Xaisomboun Province, killing two of the Chinese employees and injuring another. Beijing urged the Lao government to investigate the attack, which had ostensibly targeted Chinese nationals, while the Chinese embassy in Vientiane issued a safety advisory for its citizens travelling and residing in Laos.¹⁰⁰ According to David Hutt, anti-China sentiment is the result of "growing disaffection with China's rising economic clout" and its effects on the Lao people, which include land grabs, forced resettlement of communities to make way for China's development projects and Chinese companies' negligence in observing safety measures or in protecting the environment.¹⁰¹

Moreover, despite improved cooperation with the United States, some within the LPRP still believe that Washington poses the threat of "peaceful evolution". In communist parlance, this alleges that a foreign government (namely the United States) is secretly using non-military means—inciting people to protest over their minority and religious rights or whipping up public agitation over democratic and human rights—in order to overthrow the LPRP's one-party rule.¹⁰²

In 2013, Lao Minister of Defence Lieutenant General Duangchay Phichit claimed that democracy and human rights were still being used to destabilize the regime.¹⁰³ Such opinions, not uncommon within the LPRP, have limited political and security cooperation with the United States.¹⁰⁴ In part, anti-US sentiment within the LPRP is a remnant of the siege-like mentality it adopted during the Cold War.¹⁰⁵ The idea that Washington is fomenting “peaceful evolution” in Laos has become more rhetorical in the public sphere in recent years, with occasional mentions in state-run newspapers, radio and TV programmes and social media.¹⁰⁶ However, it continues to be a prominent source of discussion at LPRP political seminars. Indeed, it is much more commonly held among senior cadres in public security and defence ministries than in other government departments.¹⁰⁷

Nevertheless, the LPRP is vigilant and responsive in managing China’s growing influence and improved relations with the United States. In 2021, for example, a Chinese company was reportedly ordered by the LPRP authorities to take down Chinese-style lanterns from utility poles that it helped build in Vientiane after public backlash on social media.¹⁰⁸ This indicates the fact that despite having a monopoly on power, the LPRP is still concerned about public opinion. According to Oliver Tappe, one response to the improving relations with Washington was the decision to omit the letters “USA” from an ostensibly anti-US monument at the entrance of the Lao People’s Army Museum in Vientiane.¹⁰⁹ The *Vientiane Times* implied in an article published in 2010 that this was an attempt to tone down anti-US sentiment and highlight Vientiane’s diplomacy efforts of “reducing enemies, increasing friends”.¹¹⁰

Interestingly, the COVID-19 pandemic provided opportunities for China and the United States to strengthen their partnerships with Laos and dampen anti-China and anti-US sentiments. The pandemic hit Laos particularly hard. However, by the end of 2022, 72 per cent of the population had been fully vaccinated, close to the government’s target of 80 per cent.¹¹¹ Vientiane relied entirely on donations of vaccines from abroad. Beijing supplied more than 9.1 million doses (as of December 2022), and Washington provided 2.9 million (as of October 2022).¹¹² According to then Prime Minister Phankham Viphavanh, “China’s assistance has helped improve Laos’ capability to combat COVID-19 and demonstrated the long-standing and stable comprehensive strategic cooperative partnership as well as the spirit of good neighbours, good friends, good comrades and

good partners between the two countries.”¹¹³ Daniel Kritenbrink, the US Assistant Secretary of State for East Asia and Pacific Affairs, stated during a visit to Vientiane in October 2022 that US vaccine donations were a demonstration of the growing US-Lao partnership and that Washington “reaffirms the strong partnership, under the U.S. Lao Comprehensive Partnership, in combating the COVID-19 and setting the foundation to build back better”.¹¹⁴

Conclusion

This article has discussed the role of regime survival and political legitimacy in shaping Laos’ foreign policy towards China and the United States. Perceived threats from the anti-LPRP resistance in the late 1980s drove its communist government to seek closer relations with both countries to ensure regime survival. But the collapse of the Soviet Union, Laos’ principal benefactor, forced Vientiane not only to adopt pro-market reforms in 1986 but also to look to China and the United States as necessary economic and security partners. By quickly demarcating their joint border in the early 1990s, it allowed Laos-China relations to expand in the security and economic realm, which, in turn, allowed Laos to benefit from Chinese development aid and loans, thus providing economic legitimacy to the LPRP at home. With the United States, Vientiane cooperated in the search and recovery of the remains of MIA personnel in return for Washington cutting off its alleged ties with anti-LPRP forces. Moreover, the United States also greatly helped Laos integrate into the NTR, WTO and AEC, boosting the Lao economy and, thus, the LPRP’s economic legitimacy.

However, despite improved relations, anti-China and anti-US sentiment remain a sensitive issue for the LPRP. There are growing concerns among the Lao public that China’s economic clout is having a negative impact on society and the environment. Anti-US sentiment, a legacy of the Cold War, means that many senior LPRP cadres still believe that Washington is promoting ideas of democracy and human rights in order to weaken and eventually overthrow the communist regime. Wary of public dissent or factions forming within its own ranks, the LPRP has sometimes had to constrain relations with China and the United States. Moreover, Laos’ historic ties with Vietnam, especially close cooperation between their militaries and security agencies, means that Vientiane has had to tread carefully around the South China Sea dispute, thus not automatically taking Beijing’s side in the dispute.

NOTES

Acknowledgements: The author is grateful to Chin-Hao Huang, Alice D. Ba and Arne Westad for their comments on the early drafts of this article. The author would also like to thank Selina Ho and David Hutt for their inspiring comments, suggestions and editing assistance. Any shortcomings are the author's own.

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“Bamboo Stuck in the Chinese Wind”: The Continuing Significance of the China Factor in Thailand’s Foreign Policy Orientation

PONGPHISOOT BUSBARAT

This research article examines how domestic politics has affected Thailand’s engagement with the United States and China since the 2014 military coup. It argues that Thai conservative elites, primarily the military, perceive the United States as a threat to their political legitimacy because of Washington’s emphasis on human rights and democracy. In contrast, they appreciate Beijing’s commitment to non-interference while increased economic ties with China strengthen their domestic legitimacy. Although Thailand’s foreign policy underwent an adjustment following the 2019 general elections, with Bangkok and Washington reaffirming their security ties, Thai policymakers continue to perceive China as a more dependable partner and think they must reassure Beijing that they are not aligned with the alleged US goal of containing China.

Keywords: Thai domestic politics, foreign policy, great power competition, US-Thai relations, Sino-Thai relations.

According to Arne Kislenko, Thai diplomacy is “always solidly rooted, but flexible enough to be whichever way the wind blows to survive”.¹

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Hence the moniker “bamboo diplomacy”. Through such statesmanship, Thai policymakers have navigated great power rivalries over the centuries by pursuing policies that, while negatively impacting the country in the short term, work towards broader goals of preserving Thailand’s independence and autonomy. Bangkok employed various diplomatic tactics in the late nineteenth century to balance competing European colonial powers against one another, accommodating some of their demands for territorial expansion into Thailand’s periphery in return for Bangkok preserving its control over the bulk of the country. As such, Thailand was the only Southeast Asian country that avoided outright colonization by a European power. In recent decades, Bangkok has had to attempt another balancing act because of the intensifying US-China strategic competition.

Domestic politics have played a key role in determining Thailand’s response. Political fragmentation since the mid-2000s—a political struggle between a royalist-conservative coalition and progressives since the military coup that toppled Prime Minister Thaksin Shinawatra’s democratically-elected government in 2006—has shaped each successive government’s foreign policy direction. On the one hand, an unstable political system at home has distracted Thai policymakers from foreign affairs, meaning they have primarily been reactive, not proactive, to the pressure exerted on them by China and the United States. On the other hand, ruling elites have prioritized their own domestic legitimacy and survival when responding to external concerns.

The existing literature has attempted to elucidate a general pattern in Thai foreign policy behaviour, primarily by looking for continuity between successive governments (democratically elected or military-run). These studies can be divided into two main groups. The first contends that Bangkok continues its traditional foreign policy behaviour—“bamboo bending with the wind”—to balance external power.² The second doubts Thailand’s maintenance of this bamboo diplomacy and instead argues that it has increasingly leaned towards China.³

“Bending with the wind” presupposes that Thailand has two corollary foreign policy goals. In its relations with great powers, policymakers think maintaining a balanced position safeguards national sovereignty and independence. Thus, Bangkok should be flexible in accommodating the demands of external powers so long as the country’s vital interests are not compromised. At the same time, balancing multiple powers creates a competitive environment, maximizing the potential rewards Thailand can reap

from interactions with foreign powers. Much of the existing literature on this topic explores how bamboo diplomacy functioned during the late nineteenth and early twentieth centuries when Siam (as Thailand was called before 1939) proactively managed the competing interests of competing European colonial powers. For instance, Siam invited the European states to contribute to its modernization programmes but, at the same time, counterbalanced each of their colonial ambitions against one another.⁴

According to the existing literature on this, flexibility and pragmatism are key. By allowing numerous powers a stake in Thailand, its policymakers could swiftly evaluate the external situation and adjust their policies to align more closely with whichever power they thought was prevailing. Despite having good relations with Imperial Germany, Siam entered the First World War on the side of the Allies, not Berlin's Central Powers. In fact, Siam only entered the war during its final year because Bangkok predicted an Allied victory, which, it reasoned, would give Siam a better position to renegotiate the unequal treaties it had previously been compelled to sign by the Allied countries.⁵ Similarly, Siam remained neutral during the first two years of the Second World War but sided with Japan in 1941 after Tokyo's forces invaded much of the rest of Southeast Asia. However, it switched allegiance in the war's latter stages once it was clear that Japan was heading for defeat.⁶ During the early years of the Cold War, Thailand fully aligned with the United States to receive support from the West and in response to the perceived threat of communist expansion in Southeast Asia, yet Thailand also maintained contact with communist China and quietly encouraged cultural exchanges.

This historical pattern of foreign policy established normative guidelines for subsequent Thai policymakers to interpret, and much of the existing literature on Thai foreign affairs still aligns with the concept. Indeed, scholars argue that Thailand still bends towards the major power that can provide the most benefits while simultaneously diversifying cooperation with other powers for risk management. As this is usually defined in the post-Cold War era, Bangkok considers the United States its security guarantor and seeks improved relations with Beijing to benefit from China's growing economy.⁷

In many ways, Thailand's so-called bamboo diplomacy is much like the hedging strategies employed by other Southeast Asian states. While scholars differ on how to define "hedging", they generally agree that it means that smaller states pursue neither absolute balancing nor bandwagoning *vis-à-vis* great powers while also, in

contrast to the presuppositions of neorealist theorists, adjusting their strategies according to their national interests. Put simply, they strengthen their political and economic ties with external powers while being cautious about losing their autonomy; they diversify their political and security partnerships to minimize dependency on any one power while engaging multiple external powers in political and security affairs, thus creating a balance that prevents any one power from dominating them.⁸

Although China has become a major economic partner in Thailand, Bangkok still wants to expand trade with as many markets as possible so that it does not become economically dependent on China. At the same time, although its treaty alliance with the United States remains a cornerstone of security, Bangkok does not want to rely solely on Washington for defence, so it increasingly engages in security cooperation with China. This strategy also serves to shield Bangkok from pressures exerted by Washington, especially in anticipation of periods of democratic and human rights deterioration in Thailand—when the United States is likely to constrain relations or impose sanctions—or when the United States' attention on Southeast Asia wanes, as was experienced in the aftermath of the Asian Financial Crisis in the late 1990s.

However, this research article concurs with a growing body of research that doubts whether Thailand has continued to exercise bamboo diplomacy (or hedging) because of China's rise.⁹ Increased trade with China has undeniably contributed to Thailand's economic development, yet it has also increased Chinese influence and pressure on Bangkok, especially after the military coup in 2014. For instance, when Beijing did not invite Prime Minister Prayut Chan-ocha to the inaugural Belt and Road Initiative (BRI) Summit in 2017, it was widely interpreted as a sign of China's frustration with the slow pace of the Thai-Chinese high-speed railway project. In response, Prayut took swift action and ordered any legal obstacles to be removed, which paved the way for the project to commence.¹⁰ Meanwhile, Bangkok's reluctance since 2014 to cooperate with the United States, even on non-security issues, is driven by concerns that China will misinterpret such cooperation as Thailand aligning with Washington's alleged containment of China.¹¹

This research article argues that deviation from Thailand's traditional bamboo diplomacy is the result of domestic politics, particularly the resurgence of the Thai military in politics since 2014. The military junta, formally the National Council for Peace and Order, that ruled between 2014 and 2019 suffered a

crisis of legitimacy at home (and abroad), leading to a reciprocal accommodation of China, including in security, as Beijing offered political support to the Thai regime.¹² Hence, domestic variables should be considered as significant as structural determinants when analysing Thai foreign policy.¹³ However, much of the existing literature that takes this perspective focuses on events between 2014 and 2019; few studies attempt to connect it with broader domestic transformations since the early 2000s. However, since the turn of the century, Thailand has sought to rebalance its foreign policy, but the process has been slow and inconsequential, which this article argues is because successive governments have overly focused on boosting their domestic legitimacy, including the legitimacy derived from rapid economic growth, which has required ever-greater assimilation with China's fast-growing economy. This article employs qualitative research, utilizing a diverse range of open-source documents and information for analysis. The primary sources include official websites of various government agencies, news reports and digital content, with a focus on materials from Thailand, China and the United States. Additionally, this study is enriched by interviews with Thai government officials and secondary sources from scholarly literature.

This article proceeds as follows. After reviewing the existing literature to establish a foundational understanding of Thailand's bamboo diplomacy, it discusses how regime legitimacy influences foreign policy decisions. The subsequent section explores the relevance of regime legitimacy in Thai foreign policy since the end of the Cold War. This period highlights the increasing significance of the China factor in Thailand's strategic considerations. The final section analyses the post-Cold War implications of this shift. It shows how maintaining strong ties with China provides substantial economic benefits to the country, enabling Thai governments to bolster their economic performance and, by extension, their political legitimacy. The article concludes by observing that the connection between regime legitimacy and Thailand's proclivity towards China remains consistent across different forms of government, whether democratic or authoritarian.

Regime Stability and Foreign Policy

Although academics and foreign policymakers often invoke neorealist strategies when analysing global events, foreign policy is an inherently complex business, with numerous variables influencing the outcomes

of decisions and much deviation from neorealist predictions. While foreign policy analysis falls within the broader discipline of International Relations, it emphasizes factors that structural theories may overlook. This section establishes a theoretical foundation for examining the impact of domestic determinants, particularly regime stability, on foreign policy while demonstrating this perspective's relevance to Thailand.

In contrast to neorealists, neoclassical realists emphasize that because state affairs are conducted by human beings, policymakers are constrained by their own limitations, including the type of regime making the decision and its strategic culture, state-society relations and decision-makers' personal opinion.¹⁴ Moreover, policymakers are liable to misjudge their own or another country's strengths and can oftentimes lack enough information to make decisions adequately, leading to an underestimation or overestimation of the outcomes of their decisions. In some cases, states face domestic constraints, such as limited resources, in pursuing specific foreign policies. Power struggles within domestic politics can be another constraint, as the political opposition and non-governmental groups may oppose specific options from which the government has to choose. Elite cohesion or vulnerabilities within the regime can also steer decision-making towards different foreign policy choices.¹⁵

Regardless of the type of regime (democratic or not), politicians prioritize their own political survival. Once in power, they aim to remain in power, while those not in power strive to attain it. To achieve this, those in power must appease supporters—even authoritarian regimes cannot avoid politics' inherent nature to please the masses. However, leaders sometimes struggle to formulate optimal policies when faced with persistent political opposition. When the incumbent government's authority or legitimacy is challenged, it must struggle to survive in power. For example, the political opposition may allege that the government fails to protect the nation's interests and lacks public legitimacy. In response, the government might attempt to explain to the public why its current policies benefit them, or as is often the case, it might implement policies intended to simply win over voters. As such, domestic political competition sometimes results in the incumbent government implementing policies that maximize its own political survival, but which are not necessarily good for the country. A government might try to stir up nationalist sentiment at home to mobilize support, but it could incite frustration (or worse) from neighbouring countries.

In other words, in foreign policymaking, the optimal options for a nation when responding to external pressure may differ from the (suboptimal) options that better serve an incumbent leader or government's domestic political interests. As such, foreign policy can become a tool to manipulate domestic politics. Thus, events in the international system remain relevant when shaping foreign policymaking, but domestic variables also play a role in determining a government's final decision.

This perspective aligns with the prevailing description of the hedging behaviour of Southeast Asian states. According to Cheng-Chwee Kuik, hedging involves a country's assessment of risks associated with inherently ambiguous threats. Southeast Asian states interpret these risks and threats differently based on how they align with the interests of policy elites.¹⁶ Consequently, the domestic considerations of these elites shape hedging strategies along a vast spectrum from "balancing" to "bandwagoning". Indeed, although all Southeast Asian states can be characterized as hedgers, no two employ the same hedging strategy. Drawing on these theoretical approaches, it becomes evident that understanding domestic politics is essential when comprehending foreign policy dynamics, as we will see in Thailand's case.

Regime Legitimacy and Thai Foreign Policy

Thailand's integration into the global economy in the late 1980s empowered much of society, leading to vast political changes, after decades of military rule, and the rise of civilian governance under Prime Minister Chatichai Choonhavan (1986–91).¹⁷ This period coincided with the end of the Cold War and the conclusion of regional conflict over Cambodia, with Vietnam withdrawing its troops from the country in the late 1980s. The beginning of peace in the region, which had been engulfed in conflict for decades, led Thailand to seek reconciliation and economic cooperation with its neighbours, epitomized by the slogan: "turning battlefields into marketplaces".

Emerging China factor in regime legitimacy in the post-Cold War Thailand

However, the post-Cold War era also saw a shift in Bangkok's relations with China. During the Cold War, the Thai-US military alliance was crucial to Thailand's campaign to combat communism, within

and abroad. But with the communist threat now gone, Thais began looking differently at communist China. Some looked favourably upon it for “protecting” Thailand during Vietnam’s occupation of Cambodia in the 1980s, given that Beijing had launched military attacks on Vietnam because of its invasion of Cambodia in 1978.¹⁸ By the 1990s, Thais of Chinese ethnicity had become relatively well-integrated into mainstream society and played an important role in developing Thailand’s economy. Frequent contact between the two countries’ leaders and policymakers, particularly the Thai royal family, also helped improve trust between the two nations. Moreover, the two countries have never had territorial disputes since they do not share a border, unlike several other Southeast Asian countries.¹⁹

The Asian Financial Crisis of 1997 was a major turning point in Thailand’s relations with the United States and China. Whereas Washington was perceived as providing limited support to Thailand—primarily through a standard structural adjustment programme from the International Monetary Fund (IMF)—China provided Thailand with US\$1 billion in aid, mitigating the belt-tightening measures imposed on Thailand by the IMF’s programme.²⁰ The United States’ tepid response led Bangkok elites to start doubting the effectiveness of their countries’ security alliance and the overall US contribution to Thailand. At the same time, they welcomed China’s economic support, especially as the country’s economy was booming in the 1990s, leading to closer economic ties and gradual dependence on China for economic stability during the late 1990s. The democratically elected government of Prime Minister Thaksin Shinawatra (2001–6) strengthened relations with China, a source of Thailand’s economic revival during this period, which added to the legitimacy of Thaksin’s administration (besides its landslide victories in the 2001 and 2005 general elections). Thailand’s exports to China increased sixfold between 2000 (the year before Thaksin Shinawatra came to power) and 2007 (the year after a military coup overthrew him).²¹

However, domestic crises sparked by the 2006 coup greatly impaired Thailand’s foreign policy. Political polarization between Thaksin’s supporters (Red Shirts) and royalists and conservatives (Yellow Shirts) led to domestic instability and frequent changes in the ruling coalition. Between 2006 and 2014, the positive image of China remained while perceptions of the United States, especially among Thailand’s conservative bloc, worsened due to Washington’s perceived attempts to intervene in Thai politics.²² Although a pro-Thaksin coalition led by the former prime minister’s sister, Yingluck

Shinawatra, won the 2011 general elections, it only eased tensions temporarily. Seeking domestic stability, Yingluck's administration was initially receptive to US engagement, but it was concerned that China would misinterpret such friendliness negatively and that the Yellow Shirt opposition would make political capital out of her government aligning too closely with Washington. Indeed, the Yellow Shirts criticized Yingluck's pledge to join the US-led Trans-Pacific Partnership (TPP), a global free trade pact, and its approval for NASA, the United States' space agency, to conduct scientific research in Thailand. It asserted that such engagement with the United States would send the wrong signal to Beijing, chiefly that Bangkok was part of Washington's alleged "containment" strategy against China.²³ Such opposition affected Yingluck's attempt to strengthen her legitimacy and, thus, her government's stability.²⁴ Eventually, Yellow Shirt protests and judicial activism brought down Yingluck's government, culminating in a military coup in 2014.

Deepening China factor in securing regime legitimacy of the coup government

Following the coup, Thailand began to align even more closely with China due to US opposition to the military putsch. Because of the coup, the United States suspended high-level contacts and cooperation, including military assistance and arms sales, while the annual Cobra Gold joint-military exercise was scaled down.²⁵ US criticism of Thailand's worsening human rights situation in the years that followed—the military arrested, interrogated and intimidated more than 900 people, including the Red Shirt leaders, politicians, academics and students²⁶—exacerbated bilateral tensions.²⁷ Thailand's foreign ministry was particularly incensed when the US human trafficking report in 2015 ranked Thailand lower than the previous year, which Bangkok perceived as a political move by Washington.²⁸ A war of words between Thai leaders and US officials ensued. General Prayut Chan-ocha, the junta leader and self-appointed prime minister, and Foreign Minister Don Pramudwinai accused the US government of "leaving another scar on the Thai people's heart", a reference to the perceived lack of financial assistance after the Asian Financial Crisis, which remained a bitter memory for Thai political elites.²⁹ Many pro-coup public figures and media outlets piled in, demanding that the US ambassador to Bangkok be classified as *persona non grata* and that Bangkok abandon its treaty alliance with the United States.³⁰

By contrast, Beijing endorsed the 2014 coup and recognized the Prayut regime as Thailand's legitimate government. The Chinese ambassador to Thailand is thought to have met with another instigator of the coup, General Thanasak Patimaprakorn, weeks afterwards to offer assurances that bilateral ties would not be affected.³¹ The military regime in Bangkok courted China and even tried to emulate Beijing's political and economic development model. Thai military leaders believed adopting China's model would serve a dual purpose: it would consolidate their political authority and stimulate economic growth, thereby strengthening the regime's legitimacy. General Prayut even suggested that his cabinet read Chinese President Xi Jinping's book, *Xi Jinping: The Governance of China*.³² Politically, Prayut admired the Chinese model because his regime wanted to ensure that the conservative establishment—the royal palace, the military, the civil service bureaucracy and businesses closely aligned with them—remained dominant in Thai politics. In fact, the military-drafted 2017 Constitution created a political structure that gave the military-appointed Senate, the upper house of parliament, greater power over the elected House of Representatives, the lower chamber. Importantly, these military-selected senators were given veto power over the lower house and the ability to vote for or against the appointment of a prime minister—which allowed them to block the prime ministerial candidate of the largest (and anti-military) party after the 2023 general elections. Prayut's government also tried to replicate China's economic development successes.³³ Formulated by a small pro-military group and given constitutional sanction that obliges succeeding governments to follow it, the 20-Year National Strategy (2017–36) set out an ambitious restructuring of the economy that it asserted would allow Thailand to overcome a middle-income trap and become a modern and advanced economy. Such a long-term strategy has been compared to Xi's "China Dream".³⁴

Junta leaders in Bangkok recognized that economic performance, which required closer cooperation with China, would bolster their legitimacy among the Thai populace after the coup, especially as they faced challenges of political legitimacy because of widespread discontent within the population over the coup. Close ties with China have provided economic opportunities for Thailand since the 1980s. It became Thailand's largest trading partner in 2013³⁵ and surpassed Japan as Thailand's largest foreign investor in 2021.³⁶ Thailand's vital tourism sector also relies on Chinese visitors, who accounted for almost one-third of inbound tourists by 2019.³⁷ Chinese

visitors grew substantially from less than 5 million in 2014 to 12 million in 2019.³⁸

Policymakers in Prayut's military government saw China's BRI as an economic opportunity. Central to the BRI in Thailand is a high-speed railway that will run from Nong Khai Province (on the Laos border) to Bangkok and Thailand's eastern seaboard.³⁹ This will connect Thailand to the Laos-China railway that opened in 2021. Moreover, the junta's 20-Year National Strategy also prioritized the development of the Eastern Economic Corridor (EEC), a vast special economic zone across three provinces in eastern Thailand that, planners hope, will attract more investment in advanced industries, such as the bio-industry, medicine and artificial intelligence.⁴⁰ Another idea was for the EEC to become a regional aviation and logistic hub, modelled on China's Zhengzhou Airport Economy Zone.⁴¹ Chinese companies such as Alibaba, Huawei and SAIC Motor Group became major investors in the EEC.⁴² Furthermore, contracts to construct mega-projects within the EEC, such as railways and ports, were given on concessional terms to Chinese companies, including Sinohydro Corporation, China State Construction Engineering Corporation, China Harbour Engineering Company and China Railway Construction Corporation.⁴³ Thailand was also enthusiastic about signing up for the Regional Comprehensive Cooperative Partnership (RCEP), an initiative in which China was proactive because it would benefit the Chinese economy and serve as a political counterbalance to US-led economic frameworks such as the TPP.⁴⁴ Thai policymakers in the junta believed that joining RCEP would allow for increased trade with China. According to Jurin Laksanawisit, a Thai commerce minister after 2019, the RCEP can also be utilized to develop a Thailand-China economic corridor, allowing Thai firms to tap into the Chinese supply chain and expand their exports to China.⁴⁵

Washington's opposition to the military coup of 2014 resulted in the Thai military taking a dimmer view of security relations with the United States. According to a 2017 survey conducted by John Blaxland and Gregory Raymond, Thai military personnel expected China to become more influential for Thailand than the United States.⁴⁶ Because post-coup restrictions imposed by Washington restricted the export of Western military goods to Thailand, Bangkok turned to China for arms. In 2015, Prayut's military government approved a deal worth roughly US\$1 billion to purchase three Yuan-Class S26T submarines from China.⁴⁷ Bangkok then ordered 34 VN-1 armoured vehicles in 2017, 63 VT-4 tanks in 2018 and

another 38 VT-4 tanks in 2019.⁴⁸ Also in 2019, Thailand ordered a Chinese Type 71E LPD amphibious ship, a CX-I anti-ship cruise missile and a CM 708UNB Sea Eagle submarine-launched anti-ship missiles.⁴⁹

Beijing also agreed to transfer China's military technology to Thailand, strengthening its ability to repair and develop its own military equipment.⁵⁰ During a meeting in 2014, Chinese Prime Minister Li Keqiang and Prayut agreed that China would assist Thailand in its production of a multiple-launch rocket system—based on the Weishi models (WS-1 and WS-2)—the FD-2000 missile defence system, FL-3000N surface-to-air missiles and CS/VP3 Mine-Resistant Ambush Protected Vehicles.⁵¹ In 2016, both countries agreed to set up a military maintenance, repair and overhaul (MRO) facility in Thailand, which began operations in January 2018, to repair VT-4 and VT-1 tanks and for future domestic production of similar equipment.⁵²

Combined military exercises were another manifestation of close security ties between Thailand and China, although they had begun after the previous military coup in 2006. Exercises between Thai and Chinese Special Forces (codenamed “Strike”) took place in 2007, 2008, 2010, 2012 and 2013. In 2010, both countries' marines conducted a separate bilateral drill (“Blue Strike”) and repeated it in 2012, 2016 and 2019. Combined exercises between their air forces (“Falcon Strike”) took place in 2015, 2017, 2018 and 2019. According to some commentators, these exercises were unsophisticated and merely photo opportunities, while they paled in comparison to the Cobra Gold drills between the United States and Thailand.⁵³ Others argued that the Thai military would gradually adopt Chinese military doctrines and tactics if the bilateral exercise continued, thus steering Thailand's military away from the United States.⁵⁴

Impacts on Thai Foreign Policy: “Bamboo Stuck in the Chinese Wind”

By cultivating closer relations with Beijing after the 2014 coup, it became more difficult for Bangkok to rebalance its foreign policy when the military junta agreed to hold elections in March 2019. Although the military-aligned parties did not win the elections and the larger, anti-military parties attempted to form a coalition government, post-election scheming meant that Prayut was renamed prime minister as part of a military-civilian government. Subsequently,

the United States sought to repair relations with Bangkok. It lifted some of the sanctions it had imposed in 2014, allowing Bangkok to purchase US weapons and equipment.⁵⁵ In November 2019, both countries signed the Joint Vision Statement for the US-Thai defence alliance, which pledged to promote cooperation for regional peace and stability.⁵⁶ The following year, they signed a strategic vision statement on enhancing military cooperation.⁵⁷ The Biden administration, which entered office in 2021, was quick to proclaim that Thai-US bilateral relations are a cornerstone of US policy in mainland Southeast Asia.⁵⁸

However, improving ties with the United States was a double-edged sword for Thailand because of Beijing's belief that Washington intends to encircle China.⁵⁹ This has made Bangkok cautious about cooperating too closely with Washington, especially the US "Free and Open Indo-Pacific" strategy, for fear that doing so might trigger Beijing's irritation. In April 2022, for instance, Thai Foreign Minister Don visited his Chinese counterpart, Wang Yi, in Beijing, a meeting that some foreign diplomats and media outlets claimed was a result of Don being summoned by the Chinese government to be lectured on Thailand's recent cooperation with the United States. The Thai Foreign Ministry felt compelled to publish a post-meeting statement denying the rumour. According to a foreign ministry spokesperson, the visit "had been planned by both sides since the end of 2021 ... to reciprocate the official visit of Mr. Wang Yi in October 2020", as well as being intended to strengthen the Thailand-China Comprehensive Strategic Partnership and to enhance economic cooperation in the post-COVID-19 pandemic era.⁶⁰

Despite US attempts at rapprochement after 2019, some in Bangkok still considered the United States to be an unreliable partner, especially over allegations that it neglects its security alliance with Thailand.⁶¹ For instance, despite several visits to other Southeast Asian states, no senior figure from the Biden administration travelled to Thailand until June 2022, almost 17 months after the administration entered the White House. Neither did President Biden attend the 2022 Asia-Pacific Economic Cooperation (APEC) Summit in Bangkok. However, Chinese President Xi did attend the summit, underscoring Beijing's commitment to Thailand. During the summit, Xi and Prayut agreed to collaborate towards establishing a shared future Thailand-China community to promote stability, prosperity and sustainability. The two sides also signed five agreements to strengthen political, economic and educational ties.⁶²

Similar to its neighbours, Thailand wants to keep the United States engaged in the region, yet Washington's ever-changing Southeast Asia policy since the end of the Cold War has created uncertainty in Bangkok. Despite their treaty alliance, there appears to have been a lack of a common understanding between the two countries since the disappearance of the mutual threat of communism after the Cold War. Washington is concerned that Beijing is challenging its regional dominance, yet Thailand does not view China as a threat. In fact, it sees it as a natural partner, partly because Beijing tolerates whatever happens in Thailand's domestic politics, including military coups. Therefore, Thailand wants to avoid confronting China. At the same time, Washington's criticism of Thailand's human rights and democracy record has alienated Thai conservative elites who regard these values as disadvantageous to their power and wealth. According to the 2017 survey by Blaxland and Raymond, Thai military officials perceived the United States as the greatest threat to Thailand despite the US-Thai treaty alliance.⁶³

Thai-China economic relations continued apace after the 2019 elections. Thailand's commitment to China's initiatives was reflected in the 4th Joint Action Plan on Thailand-China strategic cooperation (2022–26) as well as the Cooperation Plan on the Silk Road Economic Belt and the 21st Century Maritime Silk Road, which were signed during Xi's visit to Bangkok in December 2022. In these documents, both countries agreed on closer cooperation for sustainable development under the China-led Global Development Initiative (GDI) and greater security cooperation under the Global Security Initiative.⁶⁴ Prayut attended the High-level Dialogue on Global Development in June 2022, and Foreign Minister Don participated in the Ministerial Meeting of the Group of Friends of the GDI a few months later. According to Don, "Thailand supports China's constructive role as a responsible major power in contributing to global peace, stability and sustainable development. The GDI and Global Security Initiative reflect China's endeavours to realize such goals."⁶⁵

In contrast, Thailand has remained cautious about US-led initiatives. Despite pledges to do so, it did not join the TPP—likely because the TPP involved large comprehensive tariff reductions that would have forced Thailand to undertake far-reaching reforms, including on intellectual property rights, investment liberalization and government procurement standards. These issues held particular sensitivity for sectors like agriculture and traditional domestic industries, including the automobile sector and local pharmaceutical

companies, which faced increased competition under the new arrangement.⁶⁶ Such dynamics could influence their support for politicians who favoured joining the TPP, potentially affecting the political landscape and stakeholder backing. Thai policymakers have also remained cautious about joining the US-led Indo-Pacific Economic Framework (IPEF). According to members of Thailand's IPEF negotiating team, many Thai stakeholders accept the IPEF's direction but are concerned about Thailand's lack of capacity to adjust its standards. For instance, IPEF's promotion of clean energy will benefit Thailand environmentally, but the country may not have the right technology to implement the plan, thus requiring expensive imports. Moreover, switching to clean energy will raise domestic prices and affect low-income consumers, potentially affecting a government's popularity.⁶⁷ Despite reservations from domestic stakeholders, Thailand joined the IPEF, a decision that appeared to be influenced not only by the potential economic benefits but also by Bangkok's deliberate strategy of rebalancing Thailand's foreign policy between the two great powers.

Thailand's apprehensions about the United States and favourable views of China will likely continue under Prime Minister Srettha Thavisin's new coalition government, formed after the 2023 general elections. Despite being led by the pro-Thaksin Pheu Thai Party, the coalition includes other parties with ties to the previous military governments, namely the military-aligned Palang Pracharath Party—led by General Prawit Wongsuwan, a significant figure in the junta after the 2014 coup—and Prayut's United Thai Nation Party. Prayut and Prawit's influence within the new administration can be seen by the appointments of two former secretaries-general of the National Security Council. General Natthapon Nakpanich and General Somsak Rungsita, two Prayut protégés, are now the secretary and advisor, respectively, to Defence Minister Sutin Klungsang.⁶⁸

While the Srettha administration may seek to improve relations with Washington, strategic considerations related to China will remain paramount, ensuring Bangkok remains balanced and avoids appearing overly aligned with the United States. Keen to stimulate the economy, the current Thai government is desperate to boost exports to China and to welcome more tourists from China. On 15 September 2023, it announced that Chinese tourists would enjoy a 30-day visa exemption when visiting Thailand.⁶⁹ It has also revisited an earlier concept of creating a link between the Indian and Pacific Oceans across Thailand's southern isthmus. Rather than constructing a canal, as was previously imagined, the Srettha administration

has proposed the Land Bridge Project, which would feature deep seaports in Chumporn Province (on the Gulf of Thailand) and in Ranong Province (on the Andaman Sea) connected via a network of railways and roads. The primary aim of this initiative is to capitalize on the heavy traffic in the Malacca Strait and offer an alternative shipping route through Thailand. Prime Minister Srettha introduced this idea to Xi during his visit to China for a BRI summit in October 2023. During the summit in Beijing, Srettha and Xi held an official bilateral dialogue, Srettha's first formal meeting with a US or Chinese leader—he had met with Biden on the sidelines of a United Nations General Assembly session a month earlier, but it was not an official bilateral talk.⁷⁰

Srettha's visit encapsulated Thai policymakers' perception that China will be the project's crucial supporter and most significant investor. During his visit to Thailand in January 2024, Chinese Foreign Minister Wang Yi expressed Beijing's interest in this idea. According to Srettha, "Mr Wang had said that the Chinese government was interested in the Land Bridge Project but needed more information about it and that the Chinese private sector wanted a part in it."⁷¹ This initiative would also complement China's other BRI projects—including the Laos-China railway and the forthcoming Thailand-China high-speed railway—and align with Beijing's long-term interest in a route between the Indian and Pacific Oceans. The involvement of Chinese firms in this project could further enhance China's economic and political influence in Thailand.

Conclusion

This article argues that regime stability has been the main driver of Thailand's foreign policy, especially under military-led governments between 2014 and 2023. In response to the criticism and sanctions imposed by the United States over its democracy and human rights record, military governments sought political support from China, prompting further engagement with China in other areas, too. Meanwhile, China's economic role in Southeast Asia has convinced Thai policymakers that Beijing is more reliable than the United States, especially as Washington's interest in the region has fluctuated from retreat in the 1990s to pivoting back in the 2010s, although even Washington's re-engagement has worked against the interests of Thailand's conservative elites. As political divisions within Thailand have widened—as seen by the youth-focused, progressive Move Forward Party winning the most votes in the 2023 general

elections—conservative elites perceive themselves as increasingly vulnerable, impacting Thailand's foreign policy decisions.

Although relations with the United States have somewhat improved since the 2019 elections, senior decision-makers in Bangkok still do not share Washington's fundamental values (democracy and human rights) or priorities (competing with China). They also fear that Beijing will perceive too much cooperation with the United States as a sign that Thailand is joining alleged US efforts to contain China. This is likely to continue under the democratically elected coalition government that took office in 2023.

Ultimately, for Thai political elites, whether they are military or elected civilians, preserving their domestic political legitimacy is of utmost importance—and economic growth, which requires close cooperation with China, is a crucial element of this legitimacy. Thus, Thailand sees accommodation and alignment with Beijing as essential to reaping economic benefits. As such, Thailand's position towards China and the United States is unlikely to change drastically in the coming years.

NOTES

Acknowledgements: This research article is partially supported as part of the research project entitled "Great Power Rivalry and Thailand's Strategic Adjustment towards the United States and China". Research project number 660090, approved on 20 March 2023.

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Consistency amid Seeming Shifts: Philippine Foreign Policy between the United States and China

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The Philippines' foreign policy is anchored on three pillars: the protection of territorial integrity and sovereignty; economic development; and the protection of overseas Filipinos. Since these tenets were first enunciated by the Ramos administration (1992–98), they have remained constant despite perceptions that subsequent presidents have gravitated towards a closer partnership with the United States or China. Alternatively, it has been said that Manila partners with a particular foreign power to advance a particular pillar, thus creating a de facto division of roles: the United States is an ally that protects the Philippines' territorial integrity and sovereignty, while China is a partner that advances economic development. However, the notion of a division of responsibilities is somewhat superficial. In reality, the Philippines' relations with both the United States and China contribute to all three pillars.

Keywords: pangulo regime, independent foreign policy, territorial integrity, economic diplomacy, overseas Filipinos.

As in any country, foreign policy in the Philippines is primarily formulated by state bodies, with powers notionally shared between

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the executive, legislative and judicial branches of government. As advised by the Department of Foreign Affairs, the president is directly responsible for foreign policy and has the authority to sign treaties and other international agreements. However, such agreements must be approved by a two-thirds majority vote in the Senate, the upper House of Congress, while the judiciary can also review foreign policy matters.

This system may sound commonplace, with the customary checks and balances that one would find in most presidential democracies. However, the Philippines is somewhat exceptional because the president (or *pangulo* in the Filipino language) has oversized influence over foreign policy. In 1999, the academic Remigio E. Agpalo dubbed this the “Pangulo Regime”.¹ According to Agpalo, its defining characteristic is that it “operates on the principles of the supremacy of the executive”.² Interestingly, this is enshrined in Philippine jurisprudence. According to a 2005 ruling by the Supreme Court, in the Philippines’ system of government,

... the President, being the head of state, is regarded as the sole organ and authority in external relations and is the country’s sole representative with foreign nations. As the chief architect of foreign policy, the President acts as the country’s mouthpiece with respect to international affairs. Hence, the President is vested with the authority to deal with foreign states and governments, extend or withhold recognition, maintain diplomatic relations, enter into treaties, and otherwise transact the business of foreign relations. In the realm of treaty-making, the President has the sole authority to negotiate with other states.³

The personality-orientedness of Philippine political culture further reinforces the influence of the president. According to Carl Lande’s seminal work from 1965, in contrast to the United States’ presidential system, in which political parties are the dominant means by which politicians acquire political power, it is the opposite in the Philippines: Filipino politicians wield tremendous political power *vis-à-vis* political parties.⁴ As the saying goes, political parties come and go, but the politicians stay. Therefore, the political preferences of the president have a significant bearing on foreign policy, which explains why Manila’s external relations are perceived as significantly shifting under different administrations. According to the popular narrative, President Benigno Aquino III (2010–16) was close to the United States. For instance, his administration signed the Enhanced Defence Cooperation Agreement (EDCA), which allowed more US

troops to be rotationally deployed at Philippine military bases. However, President Rodrigo Duterte (2016–22) swung Manila’s foreign policy away from the United States and much closer to China. President Ferdinand Marcos Jr. (2022–present) has oscillated the Philippines back towards the United States.

This article proceeds as follows. It begins with a section exploring how successive presidents have interpreted the Philippines’ constitutional commitment to an “independent foreign policy” and the “three pillars” of foreign policy. It then investigates, in sequential sections, each of those pillars—the preservation and enhancement of national security, the promotion and attainment of economic security and the protection of the rights and the promotion of the welfare and interest of all Filipinos overseas—and how they relate to domestic politics. It ends with a brief conclusion.

Foreign Policy Orientations

The Philippine Constitution explicitly states that the country “shall pursue an independent foreign policy”.⁵ However, an “independent foreign policy” only really became a household term in the Philippines during the Duterte presidency because of accusations that he was too pro-China at the expense of the United States, a treaty ally. In response, Duterte stated that he was improving relations with China *in order to* pursue an “independent foreign policy”.⁶ According to Prashanth Parameswaran,

While there have been various explanations offered on what precisely this slogan means in the Duterte administration, an independent foreign policy is most often expressed as one based on cultivating a diversified set of relationships solely based on Philippine national interests, designed to maximize the country’s autonomy, security, and prosperity.⁷

A similar permutation of an “independent foreign policy” was enunciated during the Aquino III administration. According to then Foreign Affairs Secretary Albert Del Rosario, that administration sought “a principled and independent” foreign policy.⁸ This meant that “we refuse to be bullied by China, and we refuse to be subservient to the Americans”.⁹ Likewise, Ferdinand Marcos Jr. has also sought to define what an independent foreign policy means. According to him, it is “always looking for ways to collaborate and cooperate with the end goal of mutually beneficial outcomes and working to develop consensus in case of differences”.¹⁰

Although presidents have an oversized role over foreign policy in the Philippines, they must balance their desires with the opinions of domestic institutions. For instance, the Department of National Defence plays a vital role in matters impacting the country's defence and territorial integrity, often leading to a complex interplay between the president and the defence apparatus. Although the Duterte administration seemingly sought to move Manila closer to China—even announcing the possible termination of the Visiting Forces Agreement (VFA) that allows US troops access to Philippine military bases—ties between the defence departments of the Philippines and the United States remained warm throughout the Duterte years. For instance, in April 2023, the Marcos Jr. administration granted US troops access to four additional military bases on top of the five listed under the EDCA. However, talks over expanding the number of bases could not have commenced when the Marcos Jr. administration entered office in mid-2022. Indeed, such discussions would have taken months, even years, to negotiate—it took two years for negotiators to agree on the original EDCA text, for instance. Therefore, it could be surmised that negotiations about the expanded EDCA started between the two countries' defence institutions during the tail end of the Duterte administration.

The Senate also plays a key role in foreign policy, chiefly to constrain the president. In 1991, for instance, it refused to pass a proposed extension to the 1947 Philippine-US Military Bases Agreement, the original document that allowed the United States to maintain military bases in the country after independence. Because the Senate refused to continue this policy, the US military was temporarily forced to leave the Philippine bases that it had previously rented since the 1987 Constitution states that “foreign military bases, troops, or facilities shall not be allowed in the Philippines except under a treaty duly concurred by the Senate”.¹¹ Large-scale combined military exercises with the United States could also not be undertaken without such a treaty. Eventually, the Senate accepted an alternative agreement (the VFA) in 1998, paving the way for resuming large-scale military exercises with the United States.

To put the matter simply, to understand the Philippines' foreign policy at any given time, one must understand the interplay of three variables in domestic politics: the president; the Philippines' personality-oriented political culture; and the dynamics between various government agencies.

Given a choice between the United States and China, Filipinos view the United States more positively. According to a survey conducted by the Pew Research Institute in 2017, 78 per cent of Filipinos held positive views of the United States, down from 92 per cent two years earlier.¹² A 2019 survey by Pew, conducted three years into the Duterte presidency, which was perceived as friendly to China, found that 54 per cent of Filipinos had unfavourable views of China, compared to 42 per cent who saw it favourably.¹³ A 2022 survey by Pulse Asia, a local polling firm in the Philippines, found that Filipinos trusted the United States more than any other country, and trusted China the least (alongside Russia).¹⁴ However, the Philippines' foreign policy establishment must make more difficult choices between an ally thousands of kilometres away (the United States) and a close neighbour (China). The United States, a treaty ally, is generally perceived as the security guarantor of the Philippines' territorial integrity, while China has become a significant trading partner since the 1990s and is the main partner for economic development.

Because this article explores how these domestic imperatives have shaped successive presidents' engagement with both superpowers in the contemporary era—defined in this article as beginning with the Ramos administration, which entered office in 1992 after the first general elections held under the 1987 Constitution—one should start by referencing the Constitution. According to Article II Section 2, “The Philippines renounces war as an instrument of national policy, adopts the generally accepted principles of international law as part of the law of the land and adheres to the policy of peace, equality, and justice.” Unless the Constitution is amended, this will remain the foundation of the Philippines' foreign policy. However, beyond this constitutional provision, the Ramos administration crafted three “pillars” of Philippine foreign policy: protection of territorial integrity and sovereignty; economic development; and protection of overseas Filipinos.¹⁵ In 2011, during the Aquino III administration, then Foreign Affairs Secretary Alberto Romulo stated, “Through the years, the [Department of Foreign Affairs] has been guided by the Three Pillars of Philippine Foreign Policy.”¹⁶ The succeeding Duterte administration maintained accordance with these pillars,¹⁷ and they remain the reference points for foreign engagement today.¹⁸

Pillar One: Territorial Integrity and Sovereignty

It is important to contextualize these three pillars, starting with territorial integrity and sovereignty. According to Alberto Romulo, a former foreign minister, foreign policy and diplomacy “will remain the country’s first line of defence in ensuring the country’s national security through forward policies of good neighbourliness, regional solidarity and community-building, international dialogue and cooperation and reliable partnership with other nations”.¹⁹ While territorial integrity and sovereignty are the primordial concerns of all states, in the Philippines, they are specifically impinged on by developments in the South China Sea—where Manila and Beijing claim possession of disputed territories—and by two internal insurgencies—Muslim secessionism in the Southern Philippines and the communist insurgency that has been fought by the Communist Party of the Philippines, and its armed wing the New People’s Army, since 1969, making it one of the longest-running insurgencies in Asia.

Strategic considerations over territorial integrity and sovereignty are primary drivers for perceived shifts in foreign policy. For example, the Aquino III administration was initially considered relatively neutral between the United States and China. In fact, Aquino III paid a state visit to China in 2011, a year after he assumed office, where he received a commitment from Beijing that it would provide US\$13 billion worth of aid and investment.²⁰ However, the following year saw a tense standoff between China and the Philippines after a Philippine Navy ship—previously a Coast Guard cutter provided by the United States—accosted Chinese fishermen near Scarborough Shoal. This incident induced closer cooperation between the Aquino III administration and the United States. While this standoff with China was not the sole reason why Manila signed the EDCA with the United States in 2014, it could be argued that the Philippine government had a growing sense of insecurity because of the developments in the South China Sea.²¹

As well as signing the EDCA in 2014, the Philippines also filed a case at the International Tribunal of the Law of the Sea about its maritime entitlements under the United Nations Convention of the Law of the Sea (UNCLOS), which ruled mainly in the Philippines’ favour. At the same time, Beijing started constructing artificial islands in the South China Sea. Consequently, the Aquino III administration, which had started with hopes of improving relations with China, moved much closer to Washington and further away from Beijing,

an orientation that would be reversed by the succeeding Duterte administration.

Duterte's so-called pivot from the United States was motivated by various factors, including the president's background. According to Bruno Hendler, Duterte "grew up in a family of politicians on the island of Mindanao, lived with the violence of the guerrilla movements and witnessed the rough activities of American military forces in the region. He has used his resentment as a political tool, constantly referring to the abuses committed by the USA during the colonial period (1898–1946)."²² The United States, particularly then President Barack Obama, was also critical of Duterte's signature policy, his "war on drugs", which Washington alleged involved the use of extrajudicial murder and resulted in vast human rights abuses. In September 2016, Duterte cursed Obama as a "son of a whore" and warned him not to raise human rights concerns again.²³ Obama subsequently cancelled a meeting with Duterte. According to David Timberman, Philippine-US bilateral relations "went into a downward spiral".²⁴ Within weeks, the US State Department moved US\$4.5 billion in aid initially earmarked for Philippine law enforcement agencies towards maritime security efforts. In November 2016, the State Department suspended the sale of 26,000 military assault rifles to the Philippines' national police force. In response, Duterte suggested suspending the annual Balikatan Philippine-US military exercises that were set to take place in 2017 and even instructed the Philippine Secretary of Foreign Affairs, Teodoro Locsin Jr., to notify Washington of Manila's intention to abrogate the VFA, with a formal notice made in February 2020. However, Duterte's administration ended up extending the VFA until December 2021, and it was still in force when Duterte left office in mid-2022.²⁵

According to Hendler, Duterte used anti-US tirades as a political tool.²⁶ He presented himself as a no-nonsense strongman who would not be made to kowtow to the Americans, which resonated well with the Philippine electorate. Indeed, Duterte's base of political power was not with the Philippine elites, who would prefer closer ties to the United States, but with the so-called masses. Except for Ramos, who came from the military, Philippine presidents have tended to be associated with political elites (or "oligarchs"), who generally have close personal ties with Western countries. However, Duterte projected himself as someone who did not come from the landed aristocracy or the economic elite and as a politician who wanted to dismantle the so-called oligarchy. To a certain extent, this gave him

some leeway (rare for a Philippine president) to criticize the United States and European countries. In 2017, for example, he threatened to expel 24 ambassadors of European Union (EU) states because of the vocal criticism from Brussels of alleged human rights violations committed during his war on drugs.²⁷ Duterte considered this to be interference in the Philippines' internal affairs and accused the EU of trying to have the Philippines expelled from the United Nations. No Philippine president since the end of the Marcos dictatorship in 1986 dared to take as strong a stance against Western countries as Duterte.

However, even though Duterte moved the Philippines further from the United States and closer to China, as explored in more detail later, he stressed that this did not mean foregoing the Philippines' claims in the South China Sea. He repeatedly said that "he would eventually raise the arbitration ruling with [Chinese President] Xi Jinping, but needed first to strengthen relations" between the Philippines and China.²⁸ Duterte also claimed that forging closer ties with China ensured the integrity of the Philippine territory. According to him, Manila could not afford a war with Beijing as the "Philippines cannot win a battle against China" and that Filipino soldiers should not be made to "fight a war they would lose".²⁹ Duterte was particularly sensitive to domestic criticism about this matter. In late 2021, a few months before the end of his presidency, he was criticized for failing to fulfil his (jocular) promise to ride a jet ski to Scarborough Shoal to assert Philippine sovereignty, as he had vowed to do during a presidential debate in 2016.³⁰ He eventually admitted that this was just a campaign stunt.³¹ However, criticism of him came amid increasing domestic pressure on him to take a more rigid stance over the South China Sea disputes.³² Attempting to appease his domestic audience, Duterte said that he would not withdraw navy and coastguard boats that were patrolling the South China Sea and insisted that the Philippines' sovereignty over the waters is not negotiable.³³

Philippine territorial integrity, sometimes equated with the issue of the South China Sea, evokes strong nationalistic emotions among Filipinos, so much so that political actors have to pay particular attention to this matter, specifically during elections. According to public surveys conducted by reputable pollsters, such as Social Weather Stations (SWS) and Pulse Asia, 70 to 80 per cent of Filipinos want the government to assert the Philippines' rights to territory in the South China Sea. Filipinos' sensitivity to the South

China Sea issue helps explain their reservations about China even as an economic partner. Polls conducted by foreign entities, such as the Pew Research Centre, find that Filipinos still favour the United States over China, although the gap was narrowing.³⁴ Notwithstanding Duterte's popularity with the electorate—he maintained very high approval ratings until his last day in office—his endorsement of Chinese economic projects “did not necessarily translate” to acceptance of China by the general public.³⁵

Since Duterte left office, relations with the United States have shifted in the opposite direction under the presidency of Ferdinand Marcos Jr. One of the earliest indications came in August 2022, when US Secretary of State Antony Blinken, while on a visit to Manila, stated that “any armed attack on Philippine forces, ships or aircraft would invoke US mutual defence commitment”.³⁶ This was interpreted as a direct assurance from the United States—the sort that Manila had been trying to illicit from Washington for years—that it would defend the Philippines in the event of an attack, as is expected of a treaty ally. Yet, there have long been concerns about the United States' commitment and the Philippines' ability to defend itself alone. While the Philippines did embark on a 15-year modernization programme for its military—starting in 1995 with the AFP Modernization Act and extended in 2012 through the Republic Act 10349—it remains a work in progress. In February 2023, during US Secretary of Defence Lloyd Austin's visit to Manila, Philippine and US defence officials announced four additional EDCA sites beyond the five existing sites.³⁷ However, a few days after the announcement, a Chinese coastguard vessel aimed a military-grade laser at the Philippines' coastguard—which reportedly resulted in some crew members experiencing temporary blindness—near Second Thomas Shoal, where a Philippine Navy ship had been deliberately run aground in 1999 as a means to assert sovereignty over the atoll.³⁸

April 2023 was another critical juncture for the renewal of bilateral ties between the Philippines and the United States. As well as the annual Exercise Balikatan combined military exercises, which involved 17,000 troops from both countries, the Philippines and the United States held their third Two-Plus-Two Ministerial Consultations, during which both countries' defence and foreign affairs secretaries agreed to modernize alliance cooperation, deepen interoperability and accelerate capability development.³⁹ These Two-Plus-Two Consultations were created under the Aquino III

administration, but none took place during the Duterte presidency. In May 2023, when Marcos Jr. visited the United States, Manila and Washington issued new Bilateral Defence Guidelines to “update the alliance without going through the tedious process of amending ... the 1951 Mutual Defense Treaty (MDT)”.⁴⁰ With these guidelines, the United States took on greater involvement in the Philippine military’s modernization since they stipulate that the two allies will “coordinate closely on the Philippines’ defence budget planning, including through the development of a Security Sector Assistance Roadmap to identify priority defence platforms and force packages over the next five years”.⁴¹ According to the guidelines, both sides will also

... prioritize the procurement of interoperable defence platforms in line with the MAA [Military Assistance Agreement] and sourced from various U.S. programs, including but not limited to Foreign Military Financing, Foreign Military Sales, and Excess Defence Articles in addition to the Philippines’ national defence procurement and funding initiatives.⁴²

Both countries are expected to work on dozens of projects in 2024, including upgrading several facilities belonging to the Armed Forces of the Philippines. Manila has proposed that they cooperate to repair the airstrip of a naval base on the country’s northernmost tip, while the Marcos Jr. administration is also considering building a fuel storage facility and a command centre at one of the four new EDCA sites.⁴³

Thus, as commonly understood, the United States is helping the Philippines develop its defence capabilities and would assist the Philippines in a conflict. This has driven Filipino political elites to pursue closer ties with the United States. In doing so, to a certain extent, ties with Washington have become a source of legitimacy for most Philippine political actors because US security guarantees are seen as preserving the country’s national integrity and sovereignty. One exception was Duterte, who was so popular among Filipinos that he had some leeway to lambast the United States. That said, there are still concerns within the Philippines about whether a close security partnership with the United States preserves national sovereignty and integrity. According to some observers, Taiwan would be the likely trigger of the US-China conflict in the region.⁴⁴ Instability across the Taiwan Straits would have negative repercussions not only for regional peace and stability but also for the economic prospects in the region. There are also concerns that

other countries will be drawn into the conflict, triggering a regional conflagration. Because of this, some politicians in Manila oppose closer Philippine-US ties because, they say, it will draw the Philippines into a conflict with China.⁴⁵ According to this view, because the Philippines and the United States are treaty allies, Manila would automatically have to come to the assistance of Washington should an armed conflict with China occur, such as over Taiwan. In fact, some commentators have asserted that the United States' renewed interest in the Philippines is more related to its strategic position over Taiwan rather than for the benefit of the Philippines *vis-à-vis* its dispute with China over the South China Sea.⁴⁶ Indeed, three of the four new bases the Marcos Jr. administration has given US troops access to are located in Luzon, the northernmost island of the Philippines, near Taiwan. While this argument may have some merits, the Philippine-US Mutual Defence Treaty of 1951, which outlines the obligations of each ally, remains subject to constitutional processes. Indeed, before the Philippines could assist the United States in the event of a regional conflict, there would need to be a declaration of war by the Philippine Congress—the body mandated to do so by the Philippine Constitution—not by the president.⁴⁷

Pillar Two: Economic Diplomacy

Economic diplomacy uses government resources to “promote the growth of a country’s economy by increasing trade, promoting investments, collaboration bilateral and multilateral trade agreements”.⁴⁸ Governing a developing country emerging from the economic difficulties of the 1980s, the Ramos administration embarked on development diplomacy. According to Gina Rivas Pattugalan, this was “aimed at enabling the country to access new markets and to draw foreign investors and tourists alike to the country”.⁴⁹ While Filipino diplomats have always played a role in promoting the Philippines’ economic interests, during the Ramos administration, the role was expanded, with presidential diplomacy being leveraged to help attain the government’s development agenda of becoming a Newly Industrializing Country (NIC), a scheme called “Philippines 2000”.⁵⁰ The programme was relatively successful, so much so that *Newsweek*, in November 1996, dubbed the Philippines Asia’s “New Tiger” economy, adding that the “sick man of Asia”, as it was previously known, was “no longer the laughingstock of the region”.⁵¹ However, this was interrupted the following year by the Asian Financial Crisis.

The intensifying strategic competition between the United States and China in the 2010s has led to them sponsoring competing regional economic initiatives. The United States' Indo-Pacific Economic Framework (IPEF) goes beyond the traditional trade agreements with which the region is familiar. With its four pillars of trade, supply chains, clean economy and fair economy, the IPEF is said to have a "futuristic" outlook.⁵² Seven ASEAN members—Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam—have signed up to the IPEF, which is considered a rival to the Regional Comprehensive Economic Partnership (RCEP).

Washington has been averse to Beijing's actions in the Indo-Pacific, seeing them as attempts to dislodge it as the regional hegemon. For instance, China's Belt and Road Initiative (BRI) is a massive infrastructure and development undertaking which "aims to build connectivity ... across six main economic corridors encompassing China with Mongolia and Russia; Eurasian countries; Central and West Asia; Pakistan; other countries of the Indian sub-continent; and Indochina".⁵³ It is often seen as China's attempt to project power. However, Washington "has struggled to offer participating governments [in the BRI] a more appealing economic vision".⁵⁴ Therefore, the IPEF could be seen as a part of Washington's efforts to counter China's growing economic influence in the region.

The Philippines signed up to the BRI during Duterte's presidency, formalized through a memorandum of understanding (MoU) in November 2018.⁵⁵ According to Aaron Jed Rabena, while not all Chinese investment projects in the Philippines are automatically labelled as BRI-related, "as long as private Chinese investments and development projects promote socioeconomic connectivity and mutual dependence and advance bilateral ties between China and the [Philippines], they arguably uphold the spirit of the BRI".⁵⁶ When Chinese President Xi visited Manila in November 2018, a milestone in Philippine-China relations, 29 cooperation agreements were signed.⁵⁷ So, too, was the Comprehensive Strategic Cooperation (CSC), an upgrade from the 2005 Strategic and Cooperative Relationship for Peace and Development (SCRPD).⁵⁸ Notwithstanding this apparent upgrade, China's relations with the Philippines do not have a "partnership" label, unlike Beijing's relations with most other Southeast Asian countries. On the one hand, it could be argued that, in Beijing's eyes, its relationship with Manila is a "lower-level bilateral relationship". On the other hand, it could also be argued that the Philippines is likewise hesitant to establish a formal "partnership" with China.⁵⁹

Despite the widespread perception that Chinese investments increased significantly during the Duterte administration, this was not the case. According to Jenny Balboa, despite “Duterte’s efforts to attract Chinese investors, China’s share of net foreign direct investment (FDI) remained small—sitting at 1.12 per cent in 2021”.⁶⁰ As Duterte’s term of office came to an end in 2022, commentators were sceptical about whether China’s pledged investments and assistance—Duterte had obtained pledges of US\$24 billion worth of assistance and investments from Beijing in 2018, for instance—would be fulfilled after he left office.⁶¹ The succeeding Marcos Jr. administration said it would “follow up on deliverables stemming from discussions between the previous [Duterte] administration and Beijing”.⁶²

However, Chinese investment in the Philippines is controversial in domestic politics. For instance, several big-ticket Chinese investments were in the pipeline during the presidency of Gloria Macapagal Arroyo, but they did not materialize because of political opposition due to perceived anomalies. According to Alvin Camba, this was because of rent-seeking activities by Filipino elites close to the administration.⁶³ As Camba added, “foreign policy need not always be the cause of FDI flows. Regarding Chinese investments in the Philippines, rent-seeking elites and a mobilised populace can have a far greater effect.”⁶⁴

The role of the oligarchs needs to be considered. In the Philippine setting, “oligarchs” are associated with the landed elites and capitalists.⁶⁵ According to Ronal Mendoza, the term refers to a “group of people or families holding control over the economy or an entire nation”.⁶⁶ These oligarchs are often perceived to be pro-American and were the target of many of Duterte’s tirades. He called them a “cancer on society” and “illustrious idiots”, and claimed that they “flew around in private planes while the Filipino people suffered”.⁶⁷ Some of these oligarchs controlled telecommunications and water concessions that Duterte said he wanted to scrap.⁶⁸ To some political commentators, this sparked fear in local and foreign investors.⁶⁹ Although Duterte claimed he wanted to dismantle the traditional oligarchy in the Philippines, some critics asserted that he was merely “cultivating his own” set of oligarchs.⁷⁰ Indeed, several prominent Chinese businesspeople were allegedly his close friends, possibly impacting his administration’s China policy.

Indeed, the success or failure of a foreign investment project often hinges on partnerships with a local oligarch. According to Camba, excluding other factors, such as allegations of corruption, the

only Chinese “successful big-ticket investment” during the Arroyo administration was when the State Grid Corporation of China (SGCC) purchased a 40 per cent stake in the National Grid Corporation of the Philippines. This was because the deal was “pushed by the most powerful Philippine economic elites”.⁷¹ Moreover, Camba added, the SGCC project investment came to fruition because “SGCC’s decision to work with ... particular Philippine economic elites were not born from the Chinese government’s dealings with Arroyo but from its own relatively autonomous decision to work with powerful Philippine private actors and invest in a technically sound business venture”.⁷² However, some proposed Chinese investment projects, such as the National Broadband and North Rail projects, which officials within the Arroyo administration championed, were cancelled, leading to domestic opposition over allegations of corruption.⁷³ Some within Arroyo’s ruling party did not support these projects because they were perceived as deeply unpopular with local people.⁷⁴ According to Camba, the “absence of big-ticket Chinese investments” during the Aquino III presidency can also be partly explained by intense “intra-elite competition” within the president’s cabinet, which was “deeply divided over their positions on Chinese investments”.⁷⁵

Pillar Three: The Protection of Overseas Filipinos

While it could be considered an integral part of a country’s foreign affairs, the protection of overseas Filipinos became much more pronounced when it became the third pillar of its foreign policy in the 1990s. At the time, an estimated 1 million Filipinos were working abroad and remitting more than US\$1 billion annually,⁷⁶ giving them the moniker of “Modern-Day Heroes” (*Bagong Bayani*). According to a study by the International Monetary Fund, remittance inflows “increased substantially” by 2005, and the Philippines was “the world’s third largest recipient of remittances in absolute terms, behind India and Mexico” at that time.⁷⁷ The study noted that “at over 9 per cent of GDP, the level of remittances is high for such a relatively large economy and sets the Philippines apart from its Asian neighbours and indeed other lower-middle-income countries”. It added that “remittances are by some margin the largest source of foreign exchange for the Philippines”, and that these remittances “tended to act as a relatively stable source of foreign exchange compared to foreign direct investment and other private capital flows”. According to a survey by the Philippine

Statistics Authority in late 2023, there are around 1.96 million overseas Filipino workers (OFWs).⁷⁸

A classic example of how the welfare of overseas Filipinos impacts foreign policy is the case of Angelo dela Cruz, who was abducted while working in Iraq in 2004. His kidnappers demanded that in exchange for his life, the Philippine government remove its troops from Iraq, where they had been fighting as part of the US-led coalition. Much to the dismay of its partners, including the United States and Australia, Manila conceded and pulled its troops out of the country. As such, when Manila decided to be part of the US-led “coalition of the willing” in fighting international terrorism and chose to send troops to Iraq, it asserted that this decision was in pursuit of its national interests. However, it subsequently claimed that national interests were being protected when it withdrew its troops. This foreign policy U-turn appeared to be because of public opinion. This author argued during a forum hosted by the University of the Philippines Diliman in 2004:

While public opposition in sending troops to Iraq may have been present (as indeed there was opposition in the Philippines’ sending of troops to Iraq at that time), such opinion was not as intense as the public opinion demanding that the troops be pulled out so that Angelo dela Cruz is saved. Thus, the government decided to pull its troops out ... because of the strong domestic public opinion demanding a pull-out.⁷⁹

During the subsequent administration of President Aquino III, Manila focused on convincing OFWs to return home and altering public perceptions to accept that finding work abroad is an option, not a necessity.⁸⁰ Ultimately, however, the repatriation of many overseas Filipinos became a necessity enforced on the Philippine government by other countries. In early 2013, for example, Saudi Arabia launched a crackdown on illegal foreign workers, which meant that Filipino nationals had until near the end of that year to prove they were officially sponsored to work in the country, or they would be expelled. Thousands of those without funds or sponsors camped outside of the Philippine Embassy in Riyadh for weeks waiting for assistance from Manila.⁸¹ In the end, more than 1,000 were repatriated by Manila. A few months later, in 2014, the Philippine government also had to repatriate more than 13,000 Filipinos from Libya over security concerns because of clashes between the Libyan armed forces and Islamic militants who helped overthrow the Libyan dictator Muammar Gaddafi in 2011.⁸² At the

same time, it also had to repatriate around 10,000 Filipino workers from across the Middle East and North Africa because of political violence resulting from the “Arab Spring”, which was the second biggest repatriation organized by the Philippine government after the evacuation of nearly 30,000 OFWs from Kuwait during the First Gulf War in 1990–91.⁸³

More than half of the OFWs are women, most of whom are employed abroad as domestic workers, positions that make them vulnerable to exploitation and abuse. According to research by the International Labor Organisation (ILO), some 75 per cent of cases of abuse received by the Overseas Workers Welfare Administration—a government agency that is part of the Department of Migrant Workers of the Philippines—involved female OFWs.⁸⁴ On occasions, Manila has had to intervene to lobby foreign governments in extreme cases of alleged exploitation. In 2010, for instance, Mary Jane Veloso, a migrant worker in Indonesia, was found by airport authorities in possession of heroin, which was allegedly given to her by her drug-trafficking recruiters. Handed the death penalty by an Indonesian court, the Aquino III administration faced intense public pressure to try to negotiate a deal with Jakarta for a stay of execution in 2015, after the Indonesian Supreme Court rejected her final appeal.⁸⁵ President Aquino III reportedly broke diplomatic protocol when he spoke to Indonesian officials and proposed that Jakarta intervene and make Veloso a state witness.⁸⁶ After her recruiters were arrested in the Philippines, Veloso received a last-minute reprieve from Indonesian President Joko Widodo, who ordered that her execution be delayed.⁸⁷ According to then Philippine Foreign Secretary Albert del Rosario, this was so that she could give testimony in the court case against her recruiters back in the Philippines.⁸⁸ In May 2023, President Marcos Jr. asked his Indonesian counterpart Widodo to re-examine the case.⁸⁹ In January 2024, prior to a visit to Manila by Indonesian President Widodo, the Philippine government again lobbied the Indonesian government to offer Veloso clemency shortly, following another appeal made in 2022.⁹⁰

When Duterte became president in 2016, he promised to shield overseas Filipino workers from abuse and encouraged OFWs to report any form of abuse to the authorities, which, he said, would be met by prompt action.⁹¹ Two years later, he threatened to stop Filipino workers from moving to the Middle East in response to reports of rape and suicides, while he temporarily banned OFWs from migrating to Kuwait while the authorities investigated the death

of seven Filipino domestic workers in the country. Speaking during a press conference in Manila, he directed a barb at Middle Eastern governments: “Can I ask you now to treat my countrymen as human beings with dignity?”⁹² It was also during the Duterte presidency that the Department of Migrant Workers of the Philippines was formed in 2022, consolidating the agencies related to OFWs that had previously sat under different state departments, thus making it easier and quicker for Filipinos to attain the documents support they need from the state to relocate overseas.⁹³ According to local media, Duterte’s strong stance on improving the lives of OFWs when campaigning in the 2016 presidential elections was one major reason for his landslide victory among overseas Filipino voters.⁹⁴ Likewise, President Marcos Jr. has promised to protect the welfare of migrant workers. However, his first year in office was marked by several controversies involving OFWs, not least the decision by the Kuwaiti government in May 2023 to suspend issuing new entry visas to Filipinos following the alleged murder of two Filipino domestic workers.⁹⁵

Given the number and economic importance of OFWs, as well as the risks they face when working abroad, their welfare has for decades played a prominent role in Manila’s bilateral relations and discussions with foreign governments. Each administration has had to be constantly prepared to conduct the complex process of repatriating large numbers of OFWs because of conflicts abroad or sudden changes of policy by the governments of the host countries.

Conclusion

Since the 1990s, Philippine foreign policy has been anchored on three fundamental pillars: territorial integrity and sovereignty, economic development and protection of overseas Filipinos. Changes in foreign policy, particularly regarding the country’s relations with the United States and China, have been shaped by various factors, including the sitting president’s personal beliefs and strategic considerations, particularly national sovereignty and territorial integrity. Amid an increasingly fluid regional environment, Manila has had to ensure it can leverage its ties and relations with these two regional players primarily to ensure a commitment to the three pillars. Notwithstanding their seeming differences in their foreign policy orientation, successive presidents have also had to ensure that the economy is not impacted by geopolitics and that overseas workers are protected.

NOTES

* The views expressed here are those of the author and do not reflect the position of the institution.

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BOOK REVIEWS

Civil Society Elites: Field Studies from Cambodia and Indonesia. Edited by Astrid Norén-Nilsson, Amalinda Savirani and Anders Uhlin. Copenhagen, Denmark: Nordic Institute of Asian Studies Press, 2023. Softcover: 256pp.

The theoretical literature on civil society has evolved as rapidly in recent years as the domestic politics of Southeast Asian states. Understandings of the role, motivations and goals of civil society actors have now moved well beyond the Tocquevillian paradigm—of civil society being “a defence against the oppressive state” (p. 6)—that dominated foreign aid policy and nation-building efforts in the post-Cold War era. Nowadays, civil society is seen in much broader terms. According to Astrid Norén-Nilsson, Amalinda Savirani and Anders Uhlin, it is

... best understood in generic terms as political space. It is a collectively organised but informal political sphere of society in which non-state actors seek to influence politics from outside political parties. It can be analytically distinguished from the state, party politics and the market economy; but in practice, boundaries between the different social spheres tend to be blurred (p. 6).

Blurred, too, by the growing political divides between Southeast Asian states, between those that have moved (albeit in fits and starts) towards the consolidation of liberal democracy and those that have headed straight down the path of authoritarianism. Indonesia and Cambodia, the subjects of this collected volume, sit at slightly different ends of this developmental distribution. Whereas Indonesia “has experienced expanded political space for civil society” since the downfall of the authoritarian Suharto regime in 1998, “although with a more recent trend of democratic regression”, Cambodia “has

experienced increasingly shrinking space for civil society activism, especially since around 2015” (p. 4).

The main focus of this edited volume is how power inequalities have developed within civil society in both Southeast Asia states because of the rise of an “elite” within that community. One reason, among many, is foreign funding. “Well-connected civil society actors with easy access to funding bodies and capacity to manage foreign grants” receive much of the available funding, particularly from abroad (p. 9). Moreover, in contrast with those who continue to view civil society as De Tocqueville did in the nineteenth century, the contributors to *Civil Society Elites* contend that civil society organizations (CSOs) are often far from separate from the state (especially in Cambodia), and many replicate the political and economic power dynamics found elsewhere in society. However, the contributors tend to avoid asserting whether the “elitisation” of civil society is a positive or negative phenomenon. In their concluding chapter, the editors argue that increased inequality within this sphere could threaten “popular representation” or be seen as “unavoidable”. However, some might also view it as a “desirable” outcome since “elite activists can influence politics in positive directions” (p. 253).

Following an Introduction, the first section of this collected volume begins with another introductory-like chapter by the editors, followed by specific chapters on the history of civil society in Cambodia and Indonesia. (Two of the chapters on Cambodia are written anonymously.) Part Two (“Elite Formation in Civil Society”) employs a similar structure—a broad theoretical chapter followed by empirical chapters on Cambodia and Indonesia, each exploring how elites have developed within particular areas of civil society. Perhaps the most interesting section of this volume is the third, which looks at how civil society elites interact with political or economic elites. Of significant interest, including to Cambodia scholars in light of the 2023 national elections, is this section’s discussion of “boundary crossing”, which refers to the interaction and circulation of elites within civil society and the public sector and politics. The chapters in this section track the career paths of several Cambodian and Indonesian civil society leaders who went on to work in the state or private sector. Supporting the theoretical framework, these cases demonstrate the causal weight of the accumulation of social and knowledge capital by civil society elites rather than often oversimplified narratives that governments or big businesses simply co-opt them.

Methodologically, the editors recognized that a structured, focused comparison of the entire populations of Indonesia or Cambodia, or even a representative sample of all their civil society actors, was not feasible. Instead, they utilize aspects of sociologist Pierre Bourdieu's theory of "field", "capital" and "habitus" and then apply these "thinking tools" (p. 27) in the contributors' respective examinations of a diverse range of civil society elites. However, the role of "habitus"—loosely defined as a learned set of ideas by which someone orients themselves in society—is relatively underdeveloped and underutilized despite the number of interviews conducted with civil society elites. Readers seeking a microfoundational approach—examining individual interests and decision points—may find this volume somewhat lacking.

The contributors could also have offered more evidence to support their claims that once civil society actors achieve elite status, the importance of foreign funding declines. This is problematic since the reader is left unclear about how these CSOs have achieved the institutional sustainability necessary to move beyond a dependency on foreign funding. Moreover, in Cambodia, in particular, elite civil society actors remain overwhelmingly dependent on foreign financing. How they have gone through "elitisation" yet still rely on foreign funding requires further research.

Aside from these relatively minor issues, *Civil Society Elites* will undoubtedly be of use to scholars of civil society who are exploring new ways of conceptual theories as well as to readers working in the fields of aid policy and governance. Indeed, it is also a must-read for the layperson seeking a much clearer understanding of the history and structures of civil society in contemporary Cambodia and Indonesia.

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***Branding Authoritarian Nations: Political Legitimation and Strategic National Myths in Military-Ruled Thailand.* By Petra Alderman. New York City, New York: Routledge, 2024. Hardcover: 252pp.**

Petra Alderman chose an ideal case study to investigate “nation branding”, a concept coined by Simon Anholt in 1998 and later developed by Peter van Ham in *Foreign Affairs* in 2001. Initially, it meant that the reputation of a country was similar to that of the brand of a company or product. It was later revised to be more closely associated with national identity and economic competitiveness. In an era of complex geopolitics, a state’s success on the world stage depends more on its “perceived attractiveness rather than military might”, Alderman writes (p. 3). Thus, she adeptly builds upon van Ham’s concept and uniquely applies it to Thailand during its most recent period of military rule (2014–19). Other observers of Thai politics have also noted elements of nation branding, such as the junta’s “Return Happiness to the People” campaign. This carefully managed public-relations effort included the production of patriotic films, soldiers ordered to pose for photos in uniform when patrolling the streets of Bangkok and a trite song bearing the name of the junta leader, Prayut Chan-ocha. This period of military rule provides rich material for analysing Thailand’s “inward-looking” legitimization strategy, which Alderman argues contained carefully crafted imagery, ideas of nationalism, and dichotomies of “us and them” to construct a “reimagined” national identity centred on a projected sense of unity, with its branding built around establishing ideas of “happiness” (pp. 4–5).

The book’s six chapters analyse separate components of nation-building efforts and how different sectors of society under state control—tourism, economics, foreign investment, education, culture, public relations and private enterprise—contributed to expanding the authoritarian government’s traditional toolbox to include not just state repression and the weaponization of institutions and the legal system. Chapter One examines nation branding by authoritarian states in general before carefully applying it to Thailand. After the Cold War, Alderman notes, democratization was not the only alternative to authoritarian regimes. Indeed, many prolonged their power by adopting softer strategies for their rule, made possible by nation branding. The introductory chapter details, for instance, the creation of strategic national myths that can be mobilized to “promote or resist social change” (p. 20). This can be seen in Thai

history, too. Phibun Songkhram, Thailand's military ruler from the late 1930s until the late 1950s, fostered military-oriented nationalism and popularized the term "Thainess" to create a sense of national unity after the fall of the absolute monarchy in 1932. Sarit Thanarat, a general who seized power in a coup in 1957, sought to create a symbiotic relationship with King Bhumibol Adulyadej to rebuild the status and prestige of the monarchy, as well as to preserve his own authoritarian rule, setting in motion events that would seer into the public's mind Bhumibol's image as the sole arbiter of major political crises.

Chapters Two, Three and Four assess the nation-branding strategy of the junta that took power in 2014. After that year's coup, the junta launched "information operations" containing elements of soft power, strategic communications and propaganda. The National Council for Peace and Order, as the junta was formally known, created the myth of a "good" people living under the guidance of a benevolent leader. It emphasized different themes each year. In 2014, for instance, the focus was on virtuousness, with the rollout of Prayut's 12 core Thai values, public events such as "Bike for Mom" and "Bike for Dad" and the reopening of Rajabhakti Park, which reinforced the importance of the Thai monarchy on the nation's social life. In 2016, after the death of King Bhumibol, the junta emphasized national unity through the co-optation of national grief for the late monarch. It encouraged Thais to wear dark clothing and carefully managed public mourning events (pp. 55–61). Externally, tourism, which suffered because of the 2014 coup, was boosted through public relations campaigns that masked realities on the ground. For example, Alderman details the junta's attempts to brand Thailand as a nation of diversity, such as being an ideal tourism location for the international LGBTQ community, despite that community in Thailand still facing "everyday discrimination" (p. 83).

One key takeaway from Chapter Three is that not all the strategies employed—particularly in foreign policy, namely a failed attempt to gain a seat on the UN Human Rights Council—needed to succeed. Instead, the junta's broader goals were more important than individual strategies of dismantling opposition political networks and turning public attention away from Thailand's sociopolitical problems, such as rising economic inequality and deep political divisions. Chapter Four examines internal branding in education, culture and the private sector. Thai education was particularly vulnerable to Prayut's core values agenda because of the reputation of schools as incubators of authoritarian values that are reinforced

by teachers and rectors who have near total authority over students. At the same time, the junta aimed to instil nationalist notions of Thainess to create a sense of loyalty and unity through cultural and private-sector public relations campaigns.

Domestically, the results of the junta's nation branding efforts were mixed, as detailed in Chapter Five. Indeed, branding efforts across different Thai constituencies often failed, particularly in north and northeast Thailand (anti-junta strongholds), where many people felt "under-represented" and where efforts to legitimize the junta failed because pre-existing social, economic and political cleavages were difficult to overcome (p. 175). For instance, while the junta branded itself as arch-royalist, many people were put off by the controversies surrounding the new monarch, King Vajiralongkorn, especially when they compared him to his father, whom most Thais saw as virtuous. The junta's failures are also evident in Chapter Six, which delves into political marketing. The junta attempted to brand itself with a "technocratic" image and present itself as an ally of the country's large Sino-Thai business community. In 2015, it developed the *pracharat* ("people's state") brand, a term picked from the Thai national anthem, as an alternative to the style of populism employed by the opposition parties linked to Thaksin Shinawatra, who served as prime minister from 2001 to 2006 (p. 65). Again, however, these branding efforts largely failed because pre-existing political divisions were difficult to surmount. Meanwhile, younger Thais were less vulnerable to the junta's messaging because of their access to alternative, non-state sources of information, thanks in part to the rise of social media and easier access to smartphones.

Alderman's doctoral thesis, now this Routledge-published book, is profound, highly citable, empirically rich and well-argued. It will hopefully start a debate over the effectiveness of an authoritarian government's expanded toolbox, especially compared to the current wave of progressive, democratic resistance among younger Thais. It also adds to the conversation about the waning ability of conservatives to monopolize Thai identity because of a diversifying notion of what is truly Thai. Hopefully, this book can spawn a resurgence of academic literature that explores how authoritarian governments attempt to construct and restrict social attitudes and behaviours.

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***Jungle Heart of the Khmer Rouge: The Memoirs of Phi Phuon, Pol Pot's Aide-de-Camp, and the Role of Ratanakiri and Its Tribal Minorities on the Cambodian Revolution.* By Henri Locard. Copenhagen: NIAS Press, 2023. Softcover: 374pp.**

Jungle Heart of the Khmer Rouge is really two books in one. The first is the story of Phi Phuon, a revolutionary from northeast Cambodia and a member of the Jarai upland ethnic minority, who joined Cambodia's communist revolution in the early 1960s and served as a bodyguard and aide to the Khmer Rouge's leaders. Phi Phuon's story is presented as a first-person narrative, occupying the first substantive section of the book (pp. 43–202). The second section—a contextual analysis by Henri Locard which includes the Introduction and the final 125 pages or so—proposes to offer some context to Phi Phuon's narrative and to explain its significance to the existing literature on Democratic Kampuchea (DK), the formal name of the state ruled by the Khmer Rouge from 1975 until 1979. It purports to present a new understanding of the Khmer Rouge regime by suggesting that the highland minorities played a far greater role in its creation than has been previously assumed.

Those interested in the Khmer Rouge era or Cambodia's highland cultures—distinct from the lowland Khmer, the largest ethnic group in Cambodia—will find Phi Phuon's narrative particularly interesting. Among other things, he recounts his enlistment in the revolutionary cause; the fall of Phnom Penh in April 1975 and the expulsion of the capital's inhabitants; his own role in overseeing security and logistics at Office B-1, the regime's Ministry of Foreign Affairs; accompanying Pol Pot, the Khmer Rouge leader, on a secret tour of China in 1976; the murder of journalist Malcolm Caldwell (Phi Phuon was responsible for Caldwell's safety at the time and blamed the murder on a quarrel over a woman between two guards under his command); the looming Vietnamese invasion/liberation of Cambodia in December 1978; and his command of military forces during those last days of the regime. Along the way, Phi Phuon provides some interesting anecdotes, places individuals at the scene of various events and describes, in sometimes humorous detail, the habits of Khmer Rouge leaders. All in all, it is a story of the regime from the perspective of a relatively minor player, albeit one who enjoyed access to important meetings and events.

However, in this portrayal of Phi Phuon as a minor player the book becomes bogged down in its own complexities. By viewing the revolution through his eyes, one might almost forget that your guide was an accomplice to genocide and someone who was in a position to be able to see the horror of what was happening. The narrative serves to explain and justify the actions of the memoirist. Although not an architect of the Khmer Rouge's crimes, Phi Phuon was a willing participant in one of the worst atrocities of modern history, one which resulted in the deaths of over 1.5 million Cambodians. Thus, readers should treat Phi Phuon's narrative with caution.

They should tread with even more care when approaching Locard's revisionist history of the DK regime. His relationship with his subject is a compromised one. During his attendance at the wedding of Pol Pot's daughter—which he describes as a “singularly elegant” affair (p. 312)—he became acquainted with Phi Phuon's brother, Rochoem Tveng. A former commune leader during the Khmer Rouge regime, Tveng introduced Locard to Phi Phuon. Locard quotes him as saying that in the commune he directed, at a certain point, “killings within the commune started” (p. 286). The phrase avoids assigning agency to the deaths, which Tveng himself is widely suspected of having ordered or sanctioned. (Locals with whom this reviewer spoke stated that Tveng's commune was the deadliest in upper Sesan District, and they accused him of incompetence, brutality and wanton disregard for the value of human life.) The failure to comprehend such details results in an uneven presentation of the Khmer Rouge project in the highlands.

Locard's thesis is that the revolution's formation in the northeast highlands, before the Khmer Rouge came to power, had a lasting influence on its leaders' policies. This is a genuinely interesting question for scholars, although Locard overstates its significance. For instance, he tells us that Democratic Kampuchea “took the indigenous way of life as a model” (p. 298) and that highlanders from Ratanakiri Province “spearheaded the KR revolution” (p. 309). It is true that the inhabitants of Cambodia's northeast provinces played a formative role in the birth of the Khmer Rouge. However, none were among the leadership's inner circle, and there is little evidence to suggest the Khmer Rouge's leaders seriously considered highlander livelihood practices or forms of social organization as models for the society they sought to build. At best, they romanticized the “primitive communism” of the highlanders, a point Locard also makes. But the Khmer Rouge were national chauvinists, and

much like every other national government that has intervened in highlanders' lives, they sought to impose a Khmer way of life on the highlanders, not the other way around.

The book is based on a series of interviews Locard conducted with highlanders in 1994 and the 2000s. Locard did not speak Khmer, the national language, and relied on Khmer to French translators (p. 229). However, a linguistic survey by Gerard Diffloth (in *The Indigenous Minorities in Cambodia and the Elections: Report for the Electoral Component of UNTAC*, 1993) found that almost no one in Ratanakiri Province spoke Khmer at the time. Locard also appears to have a poor command of the highland *milieu*. For instance, a photo of a woven basket is mislabelled as a rice mortar (p. 203), and he erroneously suggests that women had little role in decision-making in highland societies (p. 230). As a result, Locard makes several errors, some directly contradicting Phi Phuon's own narrative. For example, he asserts that "the KR leadership was not at all racist against the minority groups of the periphery" (p. 10), an assertion that is partly true even though Phi Phuon goes to great lengths to explain that the Khmer Rouge's Deputy Prime Minister Son Sen and his wife, Yun Yat, as well as military chief Ta Mok, "despised him because he was an ethnic minority" (p. 209).

A far graver error involves Locard's view of the "Khmerization" campaign launched by Norodom Sihanouk, Cambodia's political leader from the early 1950s until 1970, in the highlands during the 1960s. This campaign involved the establishment of a large rubber plantation on indigenous land and a military colonization scheme by Sihanouk's soldiers and their families that led to the resettlement of hundreds, or perhaps thousands, of highlanders. According to Locard, the plantation was embraced by the ethnic minorities; it was "a well-established undertaking that was living in harmony with the local population" (p. 31). Based on this assertion, Locard takes issue with the now-substantial historiography on the subject, which contends that rather than being welcomed, the Khmerization campaign played a crucial role in radicalizing highlanders against the Sihanouk regime. In rebuttal, Locard tells us: "the [highland] people did not resent at all the establishment of the plantation" (p. 241). This Panglossian notion is expressly contradicted by first-hand interviews conducted by scholars such as Ian Baird, Sara Colm and Mathieu Guérin. While Locard cites these accounts, he never seriously engages with them. In the numerous interviews this reviewer conducted on the subject, highlanders recounted

stories of rape and indiscriminate killings carried out by Sihanouk's soldiers. Or, as Phi Phuon himself puts it (in Locard's own book): "They came to oppress us. They came to destroy us, to subjugate us. I had to join the fight. I entered the *maquis* because of rubber plantations" (pp. 53–54).

In summary, *Jungle Heart of the Khmer Rouge* presents an interesting view, as an insider's account, of the catastrophe of Cambodia's Khmer Rouge. Although Locard's use of this material to support his thesis that highlanders were "the heart" of the revolution falls flat, the questions he raises are interesting. We may never know the extent to which the Khmer Rouge's time in the *maquis* among the mountain minorities influenced its leaders' ideas about a revolutionary society; those discussions might never have taken place and were not recorded nor analysed in depth by the leaders. But for those interested in this question, this book serves as a point of entry into a complex set of issues.

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***Electrifying Indonesia: Technology and Social Justice in National Development.* By Anto Mohsin. Madison, Wisconsin: University of Wisconsin Press, 2023. Hardcover: 247pp.**

Instead of exploring energy production through the prism of innovation, *Electrifying Indonesia* uses theories of “sociotechnical systems” and “patrimonial technopolitics” to examine how increasing society’s access to electricity is fundamentally political. Indeed, developing a country’s electricity sector is closely related to social justice, national development and nation-building.

Anto Mohsin begins with a sweep of Indonesian history, starting with the colonial period. For the Dutch colonialists, expanding Indonesia’s access to electricity was fundamentally for the benefit of Dutch-owned companies, not the indigenous Indonesians. When Japanese troops marched into the country in early 1942, much of its electricity infrastructure was destroyed. It was an uphill battle to get it up and running again after the Indonesian National Revolution (1945–49). The newly independent government’s paltry funds and internal disagreements meant it had to make tough choices over nationalizing the Dutch-owned electricity firms. However, thanks to support from the US International Cooperation Administration, the Czechoslovak government and diesel power-generating technology provided by Germany, President Sukarno’s post-colonial government was able to expand the electricity supply to rural villages across the archipelago.

Electricity became much more political under President Suharto’s New Order regime (1966–98). According to Mohsin, Suharto initiated a vast rural electricity expansion programme in an effort to win the hearts and minds of the Indonesian people. Electrification was designed to show that Indonesia was a rapidly developing country under his leadership. At the same time (as discussed in Chapter Three), it was also big business for New Order-linked firms, especially the state-run State Electricity Company (PLN), which had a monopoly on power electricity production. Particularly interesting is Mohsin’s description of the relationship between PLN and the Directorate General of Electrical Power, the industry regulator. Both became a little too close, weakening corporate governance.

In Chapter Four, Mohsin focuses on electricity expansion in Java—the most populous of Indonesia’s islands—and how it

compares with what took place elsewhere. Nationwide, access to electricity was carried out using two systems: either electricity was distributed through an interconnected grid (as was the case in Java) or through isolated networks of (mostly diesel-fuelled) small power plants in villages or towns (as was done in most other parts of the country). According to Mohsin, this illustrates “patrimonial technopolitics” (p. 91); the New Order authorities prioritized a far better-integrated electricity system for Java (as well as for Bali and Madura) because it was home to the largest number of voters. As such, electricity was a source of political legitimacy.

From Chapter Five onwards, *Electrifying Indonesia* explores the importance of understanding the social life of village communities when assessing their energy needs. For instance, the author demonstrates the inability of rural electricity cooperatives—set up in the late 1970s with support from the United States Agency for International Development (USAID)—to provide services that increased sustainable access to electricity. Mohsin provides an empirical analysis of the “failure” (pp. 139–51) of these rural schemes, noting the lack of cooperation between them and the PLN. As this book makes clear, electricity policy cannot be separated from the broader context of energy policy, such as political choices between meeting domestic demand for energy and seeking increased revenue from energy exports. Moreover, it also shows that diversification and efficiency of energy sources became the subject of policy discussions in the 1980s as the New Order regime sought to reduce its dependence on imported oil.

This book focuses primarily on events up until the end of the Suharto regime in 1998. There is little mention of how Suharto’s family and his cronies, who were closely associated with the energy sector, were affected by the New Order’s downfall or of the rapid development of the electricity sector under President Susilo Bambang Yudhoyono (2004–14).

One takeaway from *Electrifying Indonesia* is that while every era has different energy challenges, governmental and state actors are central to operationalizing the ideologies (nation-building and equity) behind energy development. That is not easy, as there are conflicting goals. There were failures in Indonesia’s case. Indeed, this book conveys how village-scale electricity production, while reflecting the strength of civil society’s social capital, became trapped in a cycle of poor governance. This book concludes with

the message that while state and local actors face suboptimal conditions, both must work together, be fully attentive to good governance and involve civil society. It is an important message to remember since the private sector plays an even greater role in electricity generation in Indonesia today.

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***The Khmer Rouge Tribunal, Power Politics, and Resistance in Transitional Justice.* By Julie Bernath. Madison, Wisconsin: University of Wisconsin Press, 2023. Hardcover: 271pp.**

History has yet to judge this unprecedented tribunal fully. Set up jointly by the United Nations (UN) and the Cambodian authorities in 2003, the Extraordinary Chambers in the Courts of Cambodia (ECCC) sought to deliver justice for the victims of the Khmer Rouge regime, which was responsible for the deaths of between 1.7 million and 2.2 million people during its four-year rule from 1975 until 1979. But if Julie Bernath’s book serves as an academic benchmark (as it should), future historians may not look too kindly at the tribunal.

Transitional justice frames how victims and societies respond to the legacy of serious human rights violations. It also questions the role of law and politics in meting out justice as well as what potential conflicts of interest might arise when a post-war society attempts to piece itself back together. It is through this prism that Bernath explores the informally named Khmer Rouge Tribunal, which began almost three decades after the crimes being prosecuted were committed.

This delay was the result of incessant bickering and politicking between the UN and the ruling elites in Phnom Penh. Both wanted control of the courts. Eventually, the Cambodian government gained the upper hand; its locally appointed judges and prosecutors outnumbered the international officials within the tribunal’s three chambers. This set the tone for what was to come. Tasked with prosecuting Khmer Rouge officials who were most responsible for crimes committed between April 1975 and January 1979, the ECCC was bedevilled by political interference. For instance, Hun Sen, Cambodia’s prime minister between 1985 and 2023, sought to protect certain ex-Khmer Rouge cadre from prosecution. In the end, despite sitting for 25 years, the court convicted only three senior Khmer Rouge leaders: Kaing Guek Eav, the commander of the S-21 death camp in Phnom Penh; Nuon Chea, “Brother Number Two” in the regime; and Khieu Samphan, the head of state. Many others—such as military chief Ta Mok and the Khmer Rouge’s foreign minister Ieng Sary, whose wife Ieng Thirith was ruled mentally unfit to stand trial—died of old age before justice could be rendered.

Hun Sen, whose government Bernath describes as “neo-patrimonial”, persistently politicized the ECCC as a vehicle to

ensconce his rule and his Cambodian People's Party (CPP), to which several Khmer Rouge commanders had defected and found sanctuary in the 1980s and 1990s. Bernath also criticizes the UN, Western powers and China, all of whom had backed the Khmer Rouge when it was ousted in 1979 by Vietnamese troops and some defectors, including Hun Sen, and after that refused to disassociate themselves from the Khmer Rouge in the 1980s even after its atrocities became well-known.

Bernath interviewed more than 400 people from across Cambodia, many from impoverished rural areas, as well as ECCC officers and staff of non-governmental organizations (NGOs) working in Cambodia's transitional justice system. She also interviewed the victims who opted out of the ECCC's civil party action—which enabled survivors to participate in the tribunal and seek reparations—and supporters of Cambodia's political opposition. Bernath dissects her interviewees' attitudes about justice and their beliefs in the ECCC's ability to deliver it through an exploration of their experience of living under the Khmer Rouge, of Vietnamese "occupation" in the 1980s and of the CPP's crackdown on political dissent in the 2010s.

Bernath's interviews in the final chapter are as powerful as they are erudite and telling. One respondent even suggested that the CPP's poor showing at the 2013 general elections, when it only narrowly beat its main rival in the popular vote, was because Hun Sen meddled in the ECCC and his protection of Khmer Rouge cadre who deserved to be prosecuted in cases 003 and 004 (p. 146), a reference to former Khmer Rouge commanders Meas Muth, Im Chaem, Ao An and Yim Tith. Poverty and wealth disparity, forced evictions, land grabbing, political alienation in the rural areas, the plundering of natural resources and the stripping of rainforests, and the use of courts to silence government critics—these are all prominent issues in Cambodia's post-war transition, all part of the story of the country's transitional justice, as this book explains.

Bernath ably articulates the criticisms of the tribunal but also stresses that it was not meaningless (p. 200). Far from it. The ECCC did secure convictions; it did put on the historical record and into international law the litany of atrocious crimes committed by the Khmer Rouge. The achievements could assist the justice systems of other post-conflict societies for generations to come.

However, two questions will continue to be debated: did the ECCC, as a hybrid tribunal, succeed in strengthening Cambodia's justice system; and can it serve as a model for future prosecutions of war crimes globally? Supporters of the hybrid model insist it was

important that prosecutions took place within the country where the crimes were committed, as opposed to happening somewhere like the International Court of Justice in The Hague, where there is less access for victims. However, detractors can point to Bernath's book when arguing that true justice cannot be achieved if a war crimes tribunal falls under the influence of self-serving ruling elites. "Even though it is an internationalized institution, the ECCC is deeply mistrusted for being embedded in the political status quo", Bernath writes (p. 199).

The *Khmer Rouge Tribunal* is a thoughtful, intelligent book. It deserves a place among the plethora of literature which testifies to the Khmer Rouge's atrocious crimes. This type of academic research was not thought possible 23 years ago when negotiations between the UN and Phnom Penh to create the tribunal seemed hopelessly deadlocked. It was only the ardent few who believed some type of justice for victims of the Khmer Rouge was possible—which it was.

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