

An EAA Interview with *Satu Limaye*

Why Southeast Asia Matters for America and the World



Satu Limaye was named Director of the East-West Center in Washington in February 2007. He is also a Senior Adviser at the CNA Corporation, a nonprofit research and analysis organization located in Alexandria, Virginia. From October 2005 to February 2007, he was a Research Staff Member of the Strategy and Resources Division at the Institute for Defense Analyses (IDA) and from July 1998 to October 2005 Director of Research and Publications at the Asia-Pacific Center for Security Studies (APCSS), a direct reporting unit of US Pacific Command. He has been an Abe Fellow at the National Endowment for Democracy and a Henry Luce Scholar and Research Fellow at the Japan Institute of International Affairs (JIIA) in Tokyo. He is a magna cum laude and Phi Beta Kappa graduate of Georgetown University and received his doctorate from Oxford University (Magdalen College), where he was a George C. Marshall Scholar. He is the creator and Director of the Asia Matters for America initiative, an interactive resource for credible, nonpartisan information, graphics, analysis, and news on US-Asia Pacific relations at the national, state, and local levels. He is Founding Editor of the Asia-Pacific Bulletin series, an Editor of the journal Global Asia, and on the international advisory council of the journal Contemporary Southeast Asia. Limaye publishes and speaks on US-Asia relations and is a reviewer for numerous publications, foundations, and fellowship programs. He has a wide-ranging knowledge of Southeast Asia and is involved in the creation of excellent digital resources about the region and its importance to the US and the world.

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Lucien: *Your career to date is certainly impressive, as you have widespread experience and accomplishments in strategic studies and defense analysis, publications (academic, educational, and in journals of opinion), institutional leadership, and university teaching. You've also done substantive work on Japan and on South Asia. What combination of factors heightened your personal interest in Southeast Asia?*

Satu: Thank you for your kind comments about my career, though I am acutely aware that my inability and/or reluctance to specialize either by topic or program is not the best model for everyone. But in an unplanned and unanticipated way, the drive to connect the Asia-Pacific region in analysis and programs has made me more open to incorporating Southeast Asia into my broader analytical and programmatic work on the Asia-Pacific. It is such a region of opportunity for both analysis and programming—particularly as its importance grows. So whether I have been conducting research on how the US might cooperate with Asian countries on climate change effects, including humanitarian assistance and disaster relief, or weighing the relative and comparative importance of Asia-Pacific countries to the US across such issues as trade, jobs, investment, immigration, foreign students, or other such relationships that drive day-to-day US-Asia relations, Southeast Asia turns out to be a key.

My growing personal and professional interest in Southeast Asia also has come out of an intuitive sense and analytical assessment that the Southeast Asia region is at the center of a profound, ongoing transformation in the Asia-Pacific. The internationalization and integration that is going on across the wide expanse of the Indo-Pacific cannot be understood without reference to what is going on in Southeast Asia and the Association of Southeast Asian Nations (ASEAN) that include the ten countries of the region. Southeast Asia tends to get lost, at least in policy terms, among the behemoths of China, Japan, and India. It is only in Asia that Southeast Asian countries such as Indonesia, Việt Nam, Thailand, and Myanmar could be considered comparatively small! But as these countries emerge further, they are becoming the object of attention not only of the US but also of China, Japan, India, Korea, and even the European Union, which has launched a robust engagement with ASEAN.

Lucien: *Many readers, even those who are interested in Northeast or South Asia, know little about Southeast Asia as a region. Since much of your work has focused on US-Asia relations, what are some major reasons that, particularly within the past decade, Southeast Asia seems more important*

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South East Asia in the Humanities and Social Science Curricula



Association of Southeast Asian Nations (ASEAN)

ASEAN Secretariat: Jakarta

Population: 620.4 million

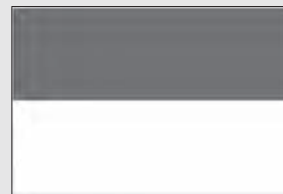
Chair rotates annually among member states.

www.asean.org



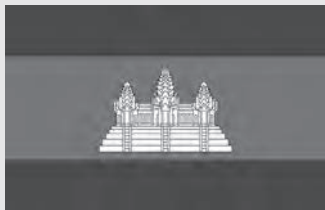
Brunei Darussalam

Capital: Bandar Seri Begawan
Population: 0.4 million
Member Since: 1984
US-Brunei treaty relations have been active since 1850.



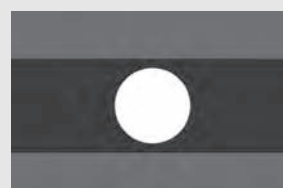
Indonesia

Capital: Jakarta
Population: 252 million
Member Since: 1967
The world's fourth largest country by population.



Cambodia

Capital: Phnom Penh
Population: 15.5 million
Member Since: 1999
The United States is Cambodia's largest trading partner.



Laos

Capital: Vientiane
Population: 6.8 million
Member Since: 1997
Laos joined the World Trade Organization in 2013.



Malaysia

Capital: Kuala Lumpur
Population: 30 million
Member Since: 1967
The United States is the largest investor in Malaysia.



Singapore

Capital: Singapore
Population: 5.5 million
Member Since: 1967
The first US Free Trade Agreement partner in Asia.



Myanmar (Burma)

Capital: Nay Pyi Taw
Population: 56 million
Member Since: 1997
Myanmar is America's newest trading partner.



Thailand

Capital: Bangkok
Population: 67 million
Member Since: 1967
America's oldest treaty partner in Asia, starting in 1833.



The Philippines

Capital: Manila
Population: 107 million
Member Since: 1967
The largest Filipino population outside the Philippines is in the US.



Việt Nam

Capital: Hanoi
Population: 93 million
Member Since: 1995
Trade relations with the US were reestablished in 1994.

than ever for US national interests in critical areas, particularly regarding economic and security issues? Southeast Asia appears to have more of a global impact than in any other time in recent world history; please also comment on the region's now-apparent larger world influence.

Satu: There are several reasons why Southeast Asia is more important than ever for the US specifically—just as it is increasingly important in the context of the evolving Asia-Pacific. First, the US, for the first time in about a generation, is engaged in an increasingly robust manner with all ten countries that comprise Southeast Asia. The opening to Myanmar/Burma in the context of that country's ongoing political and economic transition is just the latest example of the US's expanded engagement. Earlier, since the early and mid-1990s, the US normalized relations with Việt Nam. Indonesia, after the 1997–1998 financial crisis, transitioned from authoritarianism to democracy, which paved the way for broader, deeper relations with this country of nearly 250 million persons spread across thousands of miles of the Asian maritime littoral. Today, the US and Indonesia are developing a comprehensive partnership. It is not coincidental that President Barack Obama visited Myanmar and Cambodia in 2012 (the first US president to do so) and Malaysia (being the second president to do so and for the first time since the late 1960s). Second, as I noted earlier and as demonstrated in the ASEAN Matters for America/America Matters for ASEAN project, the countries of Southeast Asia are becoming a rising US partner for trade, investment, educational exchange, security relationships, and people-to-people ties. Let me just highlight a few takeaway facts:

- Almost \$100 billion of US goods and services exports go to ASEAN.
- About 7 percent of US jobs from exports are supported by exports to ASEAN.
- ASEAN is the no. 1 destination for US investment in Asia.
- Visitors from ASEAN spend about \$4 billion in the US annually.
- Thirty-six percent of Asian-Americans trace their ethnicity to an ASEAN country.
- The number of students from ASEAN countries has grown by over 30 percent in the last decade, and those students spend about \$1.4 billion in the US.
- There are over ninety sister relationships between the US and ASEAN, which build civic and people-to-people ties and support commercial ties.

Apart from the facts, there is a different kind of socialization going on about Southeast Asia. For example, many youngsters today are encountering Việt Nam not in the context of the Việt Nam War legacy, but through meeting the rising number of Vietnamese students in the United States. A third reason is that as Southeast Asian countries emerge, they will have global impacts on issues ranging from climate change to the spread of diseases; they will be important to addressing terrorism and economic development, as well as building new regional institutions to manage relations among the countries of the Asia-Pacific. Indonesia's size and economy now make it a member of the Group of 20, or G20 countries—the leading world economies. So, in fundamental ways, Southeast Asian countries are more critical partners for the US but also more critical partners for the world as it navigates the twenty-first century. We have to invest in these relationships now so that we can work together as this century unfolds.

Lucien: *Three global powers—China, the US, and India—have extensive interactions with a number of Southeast Asian countries that profoundly affect regional and global economics and geopolitics. What would you prefer leaders of these nations consider when proposing or implementing Southeast Asia-related policies?*

Satu: To some degree, China, the US, and India have similar goals in Southeast Asia. That is, they want to gain benefits from commercial and social ties, they want to have productive diplomatic and security partnerships, and they want support for their own respective agendas and priorities. But China, the US, and India also have differences with each other and with regional countries on a range of issues. This basic interplay demands that they approach Southeast Asia with an appreciation for each country's capacities, limits, and opportunities in a clear-eyed way. It also requires that they be mindful that competition between and among these “big” powers will have large impacts on the comparatively smaller and “weaker” states of the region. Harnessing Southeast Asian opportunities means also being sensitive to how far and fast regional countries can be moved in the direction that China, the US, Japan, and India might wish—especially if they are pulling in different directions! In particular, China's assertive claims in the South China Sea and its very clumsy and heavy-handed

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The Secretariat of ASEAN in South Jakarta, Indonesia.
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Source: *Wikimedia Commons* at <http://tinyurl.com/nla7386>.

INDONESIA

Geography and Population

Area: 741,050 square miles; roughly three times the size of Texas

Population: 252 million; fourth-largest in the world

Government

Freedom House rating from “Freedom in the World 2015” (ranking of political rights and civil liberties in 195 countries): Partly Free

Type: Republic

Chief of State and Head of Government: President Joko Widodo (since October 20, 2014)

Elections: Direct election every five years with a maximum two-term limit

Legislative Branch: People’s Consultative Assembly with two chambers (both five-year terms): Dewan Perwakilan Rakyat (House of Representatives, 560 seats) and Dewan Perwakilan Daerah (House of Regional Representatives, 132 seats)

Judicial Highest Courts: Mahkamah Agung (Supreme Court, fifty-one judges in eight chambers), Constitutional Court (nine judges)

Judges: Supreme Court judges are nominated by Judicial Commission, appointed by president, confirmed by parliament, and serve until mandatory retirement at age seventy; Constitutional Court judges (three nominated by president, three by supreme court, three by parliament) are all appointed by the president and serve until mandatory retirement

Economy

Indonesia has the largest economy in the region and is the only Southeast Asian member of the G20.

GDP: \$2.554 trillion

Per Capita Income: \$10,200

Unemployment Rate: 5.7 percent

Population Below Poverty Line: 11.7 percent

Inflation Rate: 6.3 percent

Agricultural Products: Rubber, palm oil, poultry, beef, coffee, medicinal herbs

Industries: Petroleum and natural gas, textiles, automotive, electric appliances, mining

Society

Religion: 87 percent Muslim, 7 percent Christian

Life Expectancy: 72 years

Literacy Rate: 92.8 percent

Major Contemporary Issues

Separatist Movements: After the earthquake and tsunami in December 2004, President Yudhoyono’s administration was able to negotiate peace in Aceh, allowing for autonomy in the province and democratic elections. Today, there continues to be resistance in the Indonesian province of West Papua with the Free Papua Movement. These separatists have been responsible for various attacks in Indonesia over the last couple of years.

Drugs: Illicit production of cannabis, methamphetamine, and ecstasy.

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Some would say that Indonesia’s approach and commitment to ASEAN are key to determining whether or not it will succeed.

approach to regional relationships have raised alarms across Southeast Asia about what kind of great power China will be as it consolidates its strengths and further develops its military. This has had the effect of making not only the US, but also India, Japan, and others, more welcome in the region. The very internationalization of Southeast Asia has come hand in hand with its greater strategic exposure, and all of us need to be mindful that we calibrate that carefully, lest Southeast Asia become less of an actor in regional international relations and more of an arena where great power quarrels are played out.

Lucien: *As future events take place, what possible regional role do you envision in ASEAN for Indonesia, which has the world’s fourth-largest population and is the third-largest democracy on the planet?*

Satu: Indonesia is certainly the “big kid on the block” in Southeast Asia. Its population is one and a half times the size of the next most populous ASEAN country—the Philippines. Its economy is almost three times the size of the second-biggest ASEAN economy—Thailand. It has long been seen

as an influential founding member of ASEAN through its diplomatic role.

In fact, some would say that Indonesia’s approach and commitment to ASEAN are key to determining whether or not it will succeed. During the years of President Suharto, Indonesia took great care to be part of ASEAN. Since the democratic transition, while Indonesia officially remains committed to ASEAN and at critical times, such as during disagreements about maritime disputes, has played a constructive diplomatic role among its member

states, there is more robust debate about Indonesia’s place in ASEAN today. Some in the country say a democratic Indonesia that is growing economically and developing wider regional and global ties should not place as much emphasis on ASEAN. They argue Indonesia, as a member of the Group of 20 and given its size and potential, should move beyond ASEAN. Some of the most passionate advocates of human rights and democracy are particularly concerned about a region where there is mixed progress in these areas. However, other voices counsel that Indonesia still needs to be anchored in ASEAN as it pursues a more activist foreign policy. Since Jojo Widodo (Jokowi) has been elected president just in the last year, there has been a strong populist and nationalist element. For example, Indonesia has taken a tough line in enforcing its maritime fishing areas from alleged

poachers, and the country has sunk several fishing vessels from neighboring Southeast Asian countries.

Lucien: *The thaw in many nations' relations with Myanmar, including the US's, in the last two years has been a high-profile story. Please summarize what you believe to be the major improvements in US-Myanmar relations and what critical obstacles remain before further progress can be attained.*

Satu: I recently returned from several days in Myanmar meeting a wide variety of citizens, politicians, officials, and others. Myanmar is an exciting story of transition and opening in a country that has been extremely inward-looking and repressive. The story is far from finished, and there are a number of first-order challenges, ranging from the military's effort to keep a grip on power to ethnic conflict and impediments to economic development. But the US is now engaged with many other countries, NGOs, and international organizations in trying to make the transition to openness and reform successful. This is the major improvement in US-Myanmar relations. Before the formal reestablishment of ties, the US virtually had no role in contributing to or helping shape the direction of the country. But as noted, the obstacles on this path are awesome—as any undertaking such as this could be expected to be. The next big “test” in a manner of speaking is the scheduled elections by the end of this year (2015). How those elections are conducted, the outcome, and how they are received in Myanmar and elsewhere will allow all to take stock of the process of transition and the US role in it. The subject is politically charged and sensitive both in the US and internationally. Many in the US argue that the Obama administration made a mistake not so much in establishing full relations with the country but rather in removing too quickly the sanctions and other tools that could be used to shape Myanmar's trajectory. Others disagree, saying that only by engagement and a calibration of both incentives and punitive measures can the US help move the country toward democracy and development. It is my view that we get very little benefit from not being engaged in the process and that there is real hunger in Myanmar among the public and politicians for the US to be a positive force for democratic change and opening.

Myanmar is an exciting story of transition and opening in a country that has been extremely inward-looking and repressive.

SINGAPORE

Geography and Population

Area: 277 square miles; slightly three and a half times the size of Washington, DC

Population: 5.5 million

Government

Freedom House rating from “Freedom in the World 2015” (ranking of political rights and civil liberties in 195 countries): Partly Free

Type: Parliamentary republic

Chief of State: President Tony Tan Keng Yam (since September 1, 2011)

Head of Government: Prime Minister Lee Hsien Loong (since August 12, 2004)

Elections: President elected by popular vote for six-year term; prime minister appointed by president, usually leader of the majority party in parliament

Legislative Branch: Parliament (eighty-seven seats, elected by popular vote, serving five-year terms)

Judicial Highest Courts: Supreme Court (chief justice and sixteen judges)

Judges: Recommended by prime minister and chief justice, appointed by president and serves for life

Economy

Singapore has one of the strongest economies in Asia, with major industries including electronics and financial services.

GDP: \$445 billion

Per Capita Income: \$81,300

Unemployment Rate: 1.9 percent

Population Below Poverty Line: No data available

Inflation Rate: 1.5 percent

Agricultural Products: Orchids, vegetables, poultry, fish

Industries: Electronics, chemicals, financial services, oil drilling equipment, petroleum refining, rubber

Society

Religion: 33.9 percent Buddhist, 14.3 percent Muslim, 11.3 percent Daoist, 11 percent Christian, 7.1 percent Catholic, 5.2 percent Hindu

Life Expectancy: approximately 84 years

Literacy Rate: 95.9 percent

Major Contemporary Issues

Money Laundering: Because of its large financial and transportation service industry, Singapore is a source of money laundering. The government has policies and laws in place to prevent this, but laundering still occurs.

Freedom of the Press: Singapore is ranked no. 2 in the world in both major Indexes of Economic Freedom, but the Singaporean government still engages in blocking or censoring the press. Freedom of speech is included in the constitution, but many additional laws have been put in place that allow the government to control output of information.

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Singapore has been a founding proponent of the Trans-Pacific Partnership, or TPP, that, if successfully negotiated, will lead to decreasing barriers on trade and investment among the leading economies across the Asia-Pacific.

Lucien: *Singapore is one of the most impressive of the world's economies and, according to Freedom House, is now ranked as a "Partly Free Society" and is steadily showing signs of moving to a more open society. What kind of influence, not only in economics but in other areas as well, do you think Singapore currently has, and might have in the future on other ASEAN nations?*

Satu: It is said of Singapore that it "punches above its weight" in ASEAN. What people mean by this is that Singapore's very robust diplomacy, its political leadership established by the late Lee Kwan Yew, its highly developed economy and educational institutions, and its close strategic partnership with the US—along with its own small but capable military—make it a very effective and influential player despite its small size. Singapore has only about 5.5 million people, but it is worth noting that it has the fourth-largest economy as measured by GDP among the ten ASEAN countries. It has some of the highest social and economic indicators in the region. There are stirrings of change in its society and politics. The dominance of the People's Action Party (PAP) shows signs of being challenged. There are murmurings amongst Singaporeans about the high number of immigrant and expatriate workers. Singapore is acutely aware that neighboring countries—such as Myanmar, Việt Nam, Indonesia, and Malaysia—are beginning to be more active and economically dynamic. So Singapore is changing, and its neighborhood is changing. Within this environment, Singapore has continued to maintain its influence through two basic approaches. The first is to remain economically vital and plugged into the international system. Hence Singapore has been a founding proponent of the Trans-Pacific Partnership, or TPP, that, if successfully negotiated, will lead to decreasing barriers on trade and investment among the leading economies across the Asia-Pacific. Simultaneously, Singapore has sought to maintain close security relations with the United States—most recently agreeing to be a place for US littoral combat ships—while continuing to play an active role in seeking ASEAN integration within itself and with a wider region, including China, Japan, Korea, and India, among others. So Singapore is well-placed to continue to be a very critical member of ASEAN, even as its relative weight within the grouping begins to decline slightly as other major ASEAN states develop and become more active.

Lucien: *Thank you, Satu, for doing this interview!* ■

VIỆT NAM

Geography and Population

Area: 128,565 square miles; slightly larger than New Mexico

Population: 93 million

Government

Freedom House rating from "Freedom in the World 2015" (ranking of political rights and civil liberties in 195 countries): Not Free

Type: Communist state with policies in place to allow for a robust private sector and modernized economy

Chief of State: President Trương Tấn Sang (since July 25, 2011)

Head of Government: Prime Minister Nguyễn Tấn Dũng (since June 27, 2006)

Elections: President elected by National Assembly from its members (five-year term); prime minister appointed by president from members of National Assembly

Legislative Branch: National Assembly (Quốc Hội, 500 seats, elected by popular vote and serve five-year terms)

Judicial Highest Courts: Supreme People's Court (chief justice and thirteen judges)

Judges: Chief justice (recommended by president, elected by National Assembly, and serve five-year terms); other judges (appointed by president and serve five-year terms)

Economy

Despite being a Communist state, Việt Nam has emphasized economic modernization in recent years and is a major textile exporter to the United States, Japan, China, and Europe.

GDP: \$509.5 billion

Per Capita Income: \$5,600

Unemployment Rate: 3.1 percent

Population Below Poverty Line: 11.3 percent

Inflation Rate: 4.6 percent

Agricultural Products: Rice, coffee, rubber, tea, pepper, soybeans, peanuts, poultry, fish

Industries: Food processing, shoes, mining, coal, oil, mobile phones, tires, glass

Society

Religion: 45.3 percent folk religions, 16.4 percent Buddhist, 8.2 percent Catholic, 29.6 none

Life Expectancy: Approximately 73 years

Literacy Rate: 93.4 percent

Major Contemporary Issues

Human Rights: Việt Nam's economy has been transitioning toward modernization. The same cannot be said about personal freedoms. Under the Communist government, freedom of expression, association, and peaceful assembly have been suppressed.

Drugs: While only a minor producer of opium poppies, the government faces domestic addiction problems to opiates, heroin, and methamphetamines.

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