

AUGUST 2021

# Alliances in Need of Upkeep

STRENGTHENING THE U.S.-PHILIPPINES AND  
U.S.-THAILAND PARTNERSHIPS



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A Report of the CSIS Southeast Asia Program

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# Introduction

The United States is engaged in a long-term strategic competition with China, as outlined in the 2018 National Defense Strategy (NDS)<sup>1</sup>. This competition is playing out with particular intensity in the Indo-Pacific, where Beijing is seeking to undermine the U.S. alliance system and displace the United States as the preeminent power. President Xi Jinping made this strategy clear in a series of speeches he delivered in 2014, 2017, and 2018, declaring that “Asian problems should be solved by Asians themselves” and urging Asian countries to “completely abandon old security concepts” while criticizing military alliances as “not conducive” to maintaining regional security.<sup>2</sup>

Given China’s clear strategic intent, the focus in the NDS on strengthening alliances is well placed but left unstated is an uncomfortable truth: U.S. alliances in the Indo-Pacific vary dramatically in terms of reliability, capability, and clarity of strategic rationale. U.S. alliances with Japan and Australia have never been stronger, as these partners develop new defense capabilities, build interoperability with the United States, and increasingly work together as a networked security architecture. The U.S.-Republic of Korea alliance is on somewhat shakier political footing, but the alliance remains resilient, deeply institutionalized, and well managed.

By contrast, the United States’ two alliances in Southeast Asia are fundamentally adrift, posing significant challenges and risks to U.S. defense strategy and interests. U.S. alliances with the

Philippines and Thailand have both been weakened substantially in recent years by the changing strategic environment, shifting internal politics, and China's growing influence and aggressive outreach. But these two Southeast Asian alliances remain important for the United States, both for the benefits of bilateral cooperation in peacetime and the role they play in U.S. defense planning above or just below the threshold of conflict. If China succeeds in peeling them away from the United States, it will profoundly weaken the U.S. strategic position in the Indo-Pacific. And yet, compared to the more advanced U.S. alliances in Northeast Asia and with Australia, relatively little effort has gone into strengthening these Southeast Asian alliances in recent years.

The strategic drift in these two alliances demands focused dialogue between U.S. experts and practitioners on one side and Philippine and Thai counterparts on the other to shore up the strategic foundations of the alliances, identify ways to strengthen the mutual benefits of cooperation, and examine the implications of the emergence of great power competition with China. Furthermore, defense policymakers and warfighters need to better understand Philippine and Thai strategic assessments and threat perceptions to inform assumptions about the role the alliances would play in the event of conflict with China.

With this goal in mind, CSIS convened a series of off-the-record virtual workshops in early 2021 with U.S., Philippine, and Thai experts and practitioners. The goal was to generate timely, credible, and actionable insights into the current and future state of the alliances. The discussions also highlighted the political constraints on each relationship and the significant differences between them. CSIS closed out its series of workshops on the alliances with a virtual U.S.-Philippines tabletop exercise. This involved a complex near-future crisis in the South China Sea in which China moved quickly to change the status quo through gray zone coercion while exploiting seams within the U.S.-Philippines alliance. The exercise highlighted how badly the deck is currently stacked against the allies in any effort to rapidly respond to a gray zone challenge by China backed by naval force. The results were largely predictable, but the process of reaching them was highly instructive.

Those discussions helped inform the contents of this report, but the conclusions and recommendations that follow are solely those of the authors.

# The U.S.-Philippines Alliance

The U.S.-Philippines alliance has been stuck in a rough patch since the earliest days of the administration of President Rodrigo Duterte. This is due in part to the Philippines' violent anti-drug campaign, and the U.S. criticism of it, as well as Duterte's deep-seated skepticism about the alliance. The resultant shocks have impeded Washington's ability to cooperate with Manila in key areas. And these trends should be expected to continue, given President Biden's emphasis on a values-based foreign policy that accentuates human rights concerns and President Duterte's continued ambivalence about the relationship with the United States.

The alliance is vital to both countries' interests but remains mired in damage-control mode. At a time when growing Chinese coercion should have driven closer U.S.-Philippines security coordination, champions of the alliance have instead spent five years struggling to keep its foundations intact amid frequent political tensions. The Armed Forces of the Philippines (AFP) and INDOPACOM have sustained cooperation through the careful separation of military-to-military ties from the controversial Philippine anti-drug campaign. In light of political challenges, collaborative efforts on nontraditional security—especially counterterrorism and disaster relief—have served as a vital lifeline. The United States was, for instance, significantly involved in intelligence gathering and support during the Marawi siege in 2017.

Protecting the alliance from political shocks has also required the involvement of other key U.S. allies and partners in the region. In addition to serving as a force multiplier for the alliance in terms of capacity-building, leveraging the comparative strengths of partners in Tokyo, Seoul, and Canberra has helped inure the U.S.-Philippines alliance during difficult leadership periods in both countries. This was demonstrated most clearly by the warm ties between then prime minister Abe Shinzo and President Duterte. But while the U.S.-Philippines alliance has so far survived its trials, it has not evolved as needed to meet the threats it faces.

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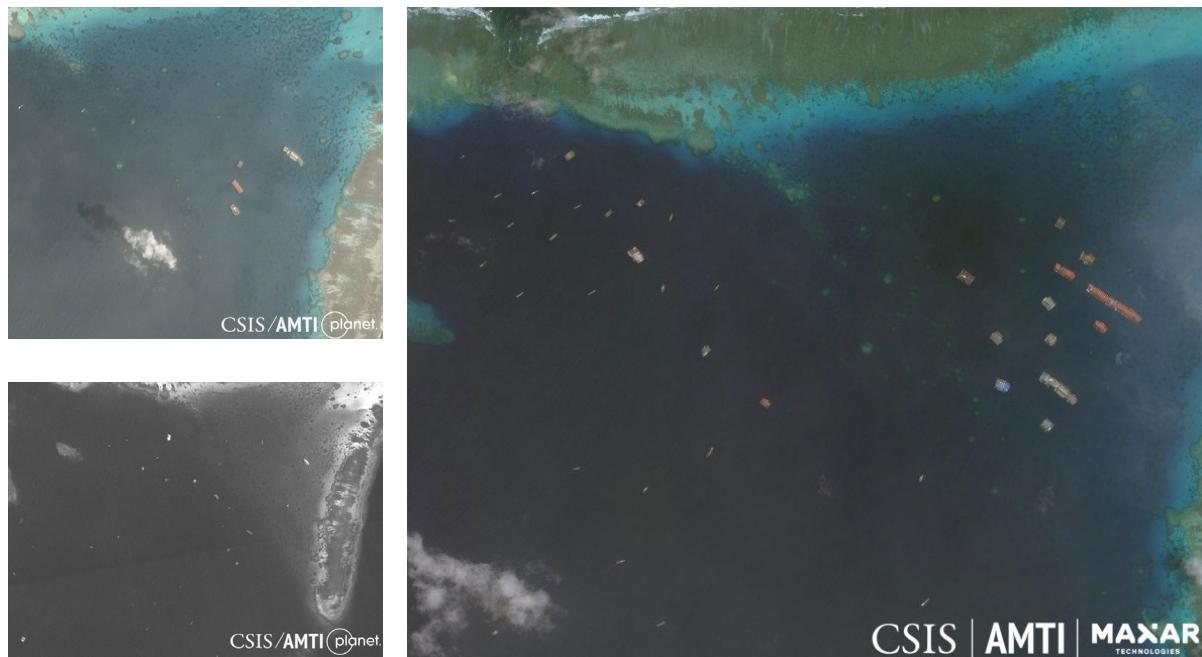
## Strategic Outlooks and Threat Perceptions

Strategic drift in the U.S.-Philippines alliance necessitates a review of strategic outlooks and threat perceptions in Manila and Washington, and the extent to which Philippine and U.S. assumptions about the alliance cohere amid strategic competition with China. In recent years, Washington—and Congress in particular—has come to an increasingly firm bipartisan consensus on the importance of alliances in maintaining a free and open Indo-Pacific to counter China’s advances in the region. Even in the executive branch, the transition to the Biden administration has led to more continuity than change in U.S. strategy in the Indo-Pacific. President Biden remains focused on maritime strategy to counter China’s near-seas doctrine that entails the domination of the first and second island chains. Thus, U.S. willpower to prevent China from projecting power in the region remains robust.

Strategic outlooks in the Philippines are shaped by the fact that, despite efforts by the previous government of the late president Benigno Aquino to make the military more externally facing, the AFP remains most concerned with internal issues. The threats posed by terrorism, communist insurgency, and natural disasters are top concerns for Philippine defense planners, while issues such as cybersecurity and countering disinformation rank relatively low in priority. Moreover, in contrast to the robust consensus on the importance of allies in Washington, voices in Manila are more conflicted. The Philippines under President Rodrigo Duterte has experienced a breakdown in consensus in the U.S.-Philippines alliance, not least because of Duterte’s own skepticism toward Washington. This dynamic has manifested in the failure to fully implement the 2014 Enhanced Defense Cooperation Agreement (EDCA) as well as recent debates on the abrogation of the Visiting Forces Agreement (VFA). Given the outsized role that the executive branch plays in Philippine foreign policy, the result of the 2022 presidential election in the Philippines will play a decisive role in determining the future course of the alliance. The Philippines also has reason

to worry about election-related influence operations by China, as Beijing will surely seek ways to promote whichever candidate in 2022 it thinks will advance its interests and weaken the U.S. alliance.

Although the Presidential Palace under Duterte has embraced ambivalence toward the alliance and the threat that China poses, perspectives in the broader foreign policy and security apparatus are more complicated. Philippine policymakers generally view China as a threat, and the NDS accorded with the Philippine defense establishment's belief that Chinese maritime expansionism and actions in the South China Sea are an external threat to both countries.<sup>3</sup> However, outside of the defense establishment, overall Philippine perspectives of China are mixed—negative in the abstract (according to public polling) but not so much as to motivate changes in political behavior. Public responses to recent Chinese militia incursions around Whitsun Reef, for instance, remain relatively lukewarm.<sup>4</sup>



*Chinese vessels at Whitsun Reef on (counterclockwise from top left) February 27, 2020; September 22, 2020; March 25, 2021*

Philippine perspectives toward the China challenge are also shaped by ongoing concerns regarding the reliability of the United States as a security partner. In particular, the Biden administration's *Interim National Security Strategic Guidance* has received a cool response in Manila, in part because the document omits reference to the Philippines in favor of Vietnam and Singapore, two non-treaty allies. And conversely, uncertainties in Washington regarding Manila's willingness to defend its own interests have led to the view that the Philippines is a tepid and unreliable ally. This in turn has limited the degree to which the United States has been willing to proactively support Philippine interests in the region at the risk of increasing tensions with China. Ultimately, the United States cannot want to protect Philippine assets and interests more than the Philippines itself does.

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***The Philippines also has reason to worry about election-related influence operations by China, as Beijing will surely seek ways to promote whichever candidate in 2022 it thinks will advance its interests and weaken the U.S. alliance.***

## **Gray Zone Challenges**

Uncertainties about the future course of the alliance are taking place in the context of an increasingly complex threat environment. China has a deep tool kit in the Philippines and has leveraged all dimensions of its statecraft in pursuit of its aims in the region. This includes foreign aid, investments in critical infrastructure, and the deployment of its maritime militia. The preponderance of these levers of influence have granted China a wide range of policy options and approaches to the Philippines, which in turn has broadened the scope of Chinese gray zone activities and enhanced the risks associated with disputes below the level of conflict. As two large democracies, the United States and the Philippines face inherent challenges in addressing gray zone challenges. The pace of decisionmaking in each is intended by design to be slow and deliberate, which impacts the agility of response in a gray zone scenario.

These impediments have become even more critical given the increasing frequency of cross-domain challenges in the alliance, including cyberattacks. There has been an increasing number of cybersecurity breaches in recent years in the Philippines, with most related to the South China Sea. Manila is ill-equipped to handle these challenges, presenting an area ripe for cooperation with the United States, particularly given China's demonstrated capacity to infiltrate critical infrastructures. There is also the need for a deeper understanding of Chinese influence operations in the Philippines, specifically in the halls of government. Despite a lack of hard metrics or anecdotal data, indicators suggest that influence operations have distorted perspectives on China-Philippines relations as well as the U.S.-Philippines alliance.

The Philippines has taken preliminary—but critical—steps toward enhancing its own defense capabilities through the adoption of emerging technologies. The Philippines has trained military officers in remote sensing and nanosatellite technology in collaboration with partners such as the United States and Japan to bolster limited maritime domain awareness. It has allocated funding for unmanned submarine systems as a means of establishing effective sea control of key choke points vital to the security of the country, including the Luzon and Mindoro Straits. And it has pursued the procurement of cheap, modern anti-ship missile systems as a means of denying the People's Liberation Army Navy access to Philippine waters.

One key shortcoming remains the Philippines' underdeveloped maritime domain awareness. The Philippines currently lacks a comprehensive vessel monitoring system and cannot easily identify its own ships as either friend or foe, much less those of foreign states. These shortcomings present opportunities for enhanced cooperation between the United States and the Philippines. The combination of high- and low-tech capabilities wielded by the United States and the Philippines could be very powerful so long as there is synergy and an integrated approach with allies and partners such

as Japan and Singapore. An important underlying thrust for the U.S.-Philippines military alliance in years ahead must be the comprehensive strengthening of the capabilities of the AFP such that they are prepared to take advantage of emerging technologies.

## Vaccine Diplomacy and Humanitarian Assistance

As perhaps the greatest threat to the welfare and wellbeing of the Philippines at the current moment, the Covid-19 pandemic has had manifold impacts on Philippine perceptions of the alliance. Although the Philippines has been a major recipient of Chinese-made vaccines, many have expressed a desire for alternatives, including the Pfizer-BioNTech and Moderna vaccines. However, some in the Philippines view the United States as being too consumed by its own affairs to provide a public good to its allies in the region. Announcements by the Quad—a grouping of the United States, Japan, Australia, and India focused on ensuring a free and open Indo-Pacific—on vaccine partnerships are welcome, but questions abound about when these vaccines will reach the Philippines. Cooperation on health-related initiatives remains underutilized amid the Covid-19 pandemic even though vaccine donations and distribution by the United States would resonate more with the Philippine public than any action on issues related to the South China Sea.

Humanitarian assistance in post-conflict areas and communities impacted by natural disasters also presents an opportunity for enhanced cooperation. Though the U.S. Agency for International Development has sent assistance related to the reconstruction of Marawi, its impacts have not yet been felt on the ground. A focus on the reconstruction of communities through education and capacity-building must be an essential part of U.S.-Philippine counterterrorism efforts. Not only does it serve to benefit the optics of the alliance, but it disincentivizes individuals from joining terrorist organizations in the first place. The establishment of the Bangsamoro Autonomous Region in Muslim Mindanao creates previously unavailable opportunities for bilateral cooperation to promote sustainable development in the southern Philippines.

## South China Sea Unpreparedness

Given current force posture, weak alliance coordination, and political uncertainties, a near-term gray zone crisis in the South China Sea would likely be met by a high degree of caution and uncertainty. This would play to China's advantage and frustrate efforts to operationalize the U.S.-Philippines alliance. Excessive internal debate and uncertainty over interests and potential red lines would likely contribute to a slow and hesitant response from the Philippines. As a result, the United States, even if willing to commit, would confront growing tension between the desire to let the Philippines lead and the need to uphold U.S. regional interests in addition to alliance commitments.

Two components are currently missing that would be needed for a successful gray zone response: faster response times and a pre-arranged playbook among the allies. The United States would need to move assets more than 1,000 nautical miles to get to the likely site of a crisis; Chinese forces would already be there and could be quickly reinforced. Opening access to EDCA sites or other Philippine facilities at that point would be too little, too late. Such deployments would need to be in place before a crisis for the allies to have much hope of turning back a Chinese attempt to use gray zone coercion to rapidly change the status quo.

The last time a true gray zone crisis erupted was in 2014 when China blocked resupply of Philippine troops aboard the grounded BRP *Sierra Madre* at Second Thomas Shoal.<sup>5</sup> When that incident occurred, there was good coordination between the allies, and U.S. support helped convince China to back down rather than violently contest the Philippine decision to run the blockade. Amid the Duterte presidency, the relationship between the United States and the Philippines has become more strained than it was under Aquino, and the level of coordination seen then may prove more difficult. Today, the situation in the South China Sea is more complicated, and China's position is one of greater advantage. The Philippines individually and the allies jointly need much better planning and coordination if they hope to effectively respond to similar gray zone challenges in the future.

The results of the 2022 presidential election in the Philippines will play a potentially decisive role in determining whether the alliance can effectively respond to such challenges from China. After six years of the Duterte presidency, much repair work will need to be done within Manila, where South China Sea policies have become highly politicized, and between the allies. Any candidate who emerges as president in 2022 is likely to be less reflexively hostile to the alliance and more skeptical of China than Duterte. But the exact policies that many of the likely frontrunners would pursue are unknown. The United States cannot count on an open door when Duterte leaves office. Washington must be realistic about this potential limitation and be prepared to assuage the concerns and promote the benefits of cooperation with whoever attains the presidency.

# The U.S.-Thailand Alliance

The U.S.-Thailand alliance, while longstanding, remains shallow in the post-Cold War era. The two countries lack fundamental strategic alignment on regional challenges, most notably the rise of China. Thailand sees China's rise as primarily an economic benefit and a minimal security threat. The United States sees value in its security partnership with Thailand, especially in the realms of emerging technology, nontraditional security challenges, and cross-domain threats. However, Washington struggles to find ways to engage Bangkok within the overall strategic framework.

There is potential for the alliance to strengthen in some areas. Even during the Trump administration, which often cast doubt on the usefulness of alliances, Washington prioritized restoring joint military trainings and arms sales with Thailand to pre-coup levels. In fact, there is more alignment between the two countries behind closed doors than public comments and analyses would suggest. Both sides are committed to protecting national sovereignty, free trade, and a rules-based regional order. But for the alliance to survive, it must adapt. Building cooperation and interpersonal relationships is therefore more critical than highlighting common strategic threats. The alliance should be defined by shared values, interests, and principles, not strategic exigency.

## **Strategic Outlooks and Threat Perceptions**

U.S. and Thai perceptions of the alliance tend to overlap in some limited areas of security and economic cooperation but diverge quite significantly on foundational matters. As the United States' "oldest alliance in Asia" (in economic and political terms, not the modern sense of mutual defense), Thailand remains an anchor of U.S. regional engagement. During the Cold War, the two countries' strategic outlooks largely aligned against communism. However, over the last three decades, the partnership has become more focused on nontraditional and transnational security threats. Today, Washington and Bangkok struggle to find areas of overlap in their strategic aims.

Washington in recent years has prioritized a Free and Open Indo-Pacific strategy. This puts the United States in direct competition with China, which aims to establish regional hegemony both in its near seas within the first and second island chains as well as in the Mekong subregion. To counter Beijing's expansionist ambitions, Washington has elevated the Quad to provide a buttress for regional stability. However, Washington has expressed that it remains invested in maintaining the Association of Southeast Asian Nations' (ASEAN) centrality, a critical tool for Southeast Asian countries such as Thailand to advance their own political, security, and economic interests.

On the strategic level, the U.S.-Thailand alliance has some concerning points of friction. Thailand's relationship with the United States has weakened, while its relationship with China has gained strength. One cause of this shifting dynamic is China's increased economic engagement, both bilaterally and multilaterally through trade mechanisms such as the Regional Comprehensive Economic Partnership. According to a recent CSIS survey, Thai thought leaders were relatively unconcerned about a perceived decline of U.S. presence in the region and largely viewed China's growing role as beneficial. Another factor is perceived U.S. ambivalence about Thailand.<sup>6</sup> President Biden's first Interim National Security Strategic Guidance failed to mention Thailand, instead highlighting the important role of partnerships with Vietnam and Singapore—both non-allies—in advancing U.S. strategic interests in the region.<sup>7</sup> Thai elites increasingly feel that Washington interferes with Thailand's politics, and they rebuke accusations that Thailand is becoming more undemocratic and less free. These perceived slights have led Thai policymakers to form increasingly negative impressions of their U.S. counterparts.

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***However, over the last three decades, the partnership has become more focused on nontraditional and transnational security threats. Today, Washington and Bangkok struggle to find areas of overlap in their strategic aims.***

The United States continues to value cooperation with Thailand, but it is hard to ignore its declining importance in the U.S. alliance system. The main reason is that Thailand has been minimally involved in the key geopolitical issues of concern for the United States over the last 20 years. As a non-claimant state to the South China Sea, Thailand has lacked the will to resist Chinese encroachment on its Southeast Asian neighbors' maritime rights. Thailand is also not as negatively affected by Chinese

infrastructure activity along the Mekong River as its neighbors Laos, Cambodia, and Vietnam, making it difficult to incentivize Thailand to cooperate with the United States in its competition with China.

Thai policymakers would prefer the United States to approach the alliance with a more comprehensive focus on economics and diplomacy, and accordingly less emphasis on security ties and strategic competition with China. They worry that the alliance is only being highlighted now because the United States wants to pull Thailand into a coalition against China. But any such efforts would likely be in vain. Thais do not perceive China to be a threat in the same way that the United States and many other Southeast Asian countries do.

The United States should not conceptualize the U.S.-Thailand alliance as comparable to those with Japan, Australia, or even the Philippines, especially as it relates to competition with China. But strong relations with Thailand are still beneficial for regional stability. Thailand's relatively good relationships with its neighbors, particularly post-coup Myanmar, give it standing in the rest of mainland Southeast Asia that could be an asset to the United States. However, Thailand's regional leadership has been hampered by its domestic political situation, especially the ongoing pro-democracy movement. If Thailand can find a peaceful and democratic solution to its perennial domestic turmoil, there could be positive knock-on effects for the U.S.-Thai relationship, including improving the effectiveness of ASEAN and freeing up more tools for Thailand to deal with regional challenges, such as the deteriorating situation in Myanmar.

## Cooperation on Emerging Technologies

Thailand is interested in procuring the most advanced technology at the lowest price possible. But constrained resources limit its ability to optimize procurement. Thailand therefore relies on both the United States and China as suppliers. It sees advances in emerging technology in and competition between the two as opportunities to acquire weaponry more affordably. Thailand also naturally sees the development of emerging technologies in the commercial sector as lowering barriers to entry. Examples include artificial intelligence, machine learning, low earth orbit capabilities, and autonomous and remotely piloted systems. Most importantly for Thailand, the commercial sector is on the leading edge of remote sensing. Thailand's focus on building and acquiring commercial remote sensing technology for maritime domain awareness has made it a regional leader in this field.

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Thailand faces two other limitations to the acquisition and development of emerging technology. First, Thai policymakers must navigate difficult politics. If Thailand were to make sizeable purchases of emerging technologies from the United States, pro-China factions in the government would likely object. Likewise, pro-U.S. members would likely protest overly large purchases of Chinese emerging technology. Second, the acquisition and development of emerging technologies may face public resistance, as the government has encountered difficulty justifying such spending to the public. This presents an opportunity for the United States to offer increased military aid to assist with procurement.

## Nontraditional Security

The U.S.-Thailand relationship on nontraditional security issues, including counterterrorism, counternarcotics, and counterproliferation, is deep and significant, building on years of cooperation, strong personal relationships, and good interoperability. Because of this, Thailand has become a hub for U.S. non-traditional security operations in the region.

Cybersecurity cooperation is one area of high growth potential. The United States would be well served by standardizing a package of cybersecurity support to regional allies, including Thailand. But while cybersecurity assistance from the United States is increasing, Washington should be wary of stoking perceptions that cooperation is asymmetrical, with Washington receiving information through technology shared with Bangkok but not vice versa. A renewed focus on formalizing technology transfer could help remedy such concerns about asymmetry.

The regional instability resulting from Myanmar's February 1 coup represents a cross-domain threat to both Thai and U.S. interests in the region, including by complicating the Biden administration's efforts to engage ASEAN. Thailand's highest priority is to see an end to the violence. To that end, Bangkok maintains backchannel discussions with the Myanmar military.<sup>8</sup> Thailand is primarily concerned about how the instability in Myanmar may affect activity on its shared border, including the refugee camps that have existed since before the current unrest. Because Thailand values peace and stability over democracy, Thai policymakers have, for now, thrown their support behind the junta. This conflicts with the U.S. priorities of seeking both democracy and peace in Myanmar. Instability in Myanmar could also lead to drug, wildlife, and human trafficking in the region linked to Chinese criminal elements, which Beijing would want to limit. This is one area where China-Thailand cooperation could be welcomed by the United States.

## Competition in the Lower Mekong

The United States and Thailand agree: the Lancang-Mekong subregion is no longer a backwater. The United States has serious concerns about Chinese development of hydropower dams along the Mekong as well as the Chinese construction of military installations in Cambodia. Thailand shares both environmental and security concerns related to Chinese activity on the Mekong, albeit to a much lesser degree. The economic benefits of cooperating with China outweigh any costs Thailand might incur, which policymakers seem to believe Bangkok can mitigate via diplomacy. U.S. policymakers should view engagement by the United States and China along the Mekong not as zero-sum, but as potentially positive for all parties involved.

Although Bangkok does not share Washington's level of concern, Thailand has attempted to limit Chinese security presence in the Lower Mekong as well as hedge development funding. North-south infrastructure development could allow China to circumvent the Strait of Malacca and go straight to the Andaman Sea.

The Lancang-Mekong corridor presents an easier path for China to accomplish this goal than its alternative plan to develop rail links from Kunming to the Indian Ocean. Thailand's control over river ports in Chiang Rai and northern Thailand give it leverage, which could be lost if China dredges that part of the Mekong. The Thai National Mekong River Committee is aware of the effects of Chinese manipulation of downstream water levels on the Mekong but may be less concerned than counterparts in Cambodia, Laos, and Vietnam, where effects have been felt more acutely. Another cause for concern in Thailand is the increase in trafficking of methamphetamines of likely Chinese origin in the region, which requires greater surveillance capabilities and offers an area of greater potential cooperation with the United States.

There are numerous overlapping and underutilized frameworks that aid the management and development of the Mekong basin.<sup>9</sup> The United States is a development partner in the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), enabling the United States to provide funding for Mekong development projects.<sup>10</sup> The United States has long invested in Thai soft infrastructure, while China has focused more on hard infrastructure. The United States could continue to build on soft infrastructure, but it also has opportunities to get into hard infrastructure, potentially by identifying a niche as, for instance, South Korea has with mid-sized dams.

The Mekong River Commission (MRC)—of which the United States is a major funder and collaborator—is the only body that manages hydrological data on the river. But clear rules on how to utilize water are still needed, and environmental data remains opaque. The United States, as an external party, could provide greater data transparency. For example, the Stimson Center, with State Department funding, is publishing crucial environmental data that the MRC is not able to publicize.<sup>11</sup>



*Chinese-built installations at Ream Naval Base in May 2021.*

The United States is also highly concerned about the new Chinese-built military installations in Ream, Cambodia.<sup>12</sup> Countries such as Vietnam share that concern and, together with Washington, should encourage Thai policymakers to help press Cambodia for greater transparency on these developments. Washington should also leverage developments in Cambodia to press Bangkok to consider its own threshold for concern over Chinese developments in the region—at what point would Thailand see Chinese influence in its neighborhood as concerning?

# Key Findings and Recommendations

## General Recommendations for U.S. Engagement in Asia

- **Finding:** Washington’s Asia strategy should not be overly anti-China, but rather pro-Asia. By conceptualizing Asia as a multipolar region in which powers such as Japan, India, the Philippines, and Thailand all matter, Washington can credibly dispel the notion that its strategy is one of containment of China. This positive agenda would enable the United States to incorporate economic investment, political engagement, and security cooperation into one unified strategy that meets both the Thai and Philippine priorities of building “more comprehensive” alliances.
  - **Recommendation 1:** Consider joining regional trade agreements, such as the **Comprehensive and Progressive Agreement for Trans-Pacific Partnership**. This would increase regional economic activity but also signal longer-term U.S. economic commitment to the region.
  - **Recommendation 2:** Revive the **U.S.-Thai Creative Partnership** to increase bilateral economic activity.
  - **Recommendation 3:** Establish a multilateral matrix of dialogues to shore up the **U.S.-Philippines alliance from bilateral shocks**. These dialogues would include regional middle-power allies such as Japan, South Korea, and Australia, which all have a role to play, not least because of the significant political capital and trust that they inspire in Manila.

- **Finding:** The lack of high-level U.S. diplomacy in the region has led some in the Philippines and Thailand to doubt the United States' commitment to the region as well as its obligations under the alliances.
  - **Recommendation 4: Appoint an ambassador to ASEAN**, a seat which remained vacant for the entirety of the Trump administration.
  - **Recommendation 5: Appoint ambassadors to Thailand and the Philippines**, positions that both remain unfilled.
- **Finding:** An increasingly complex threat environment points to the need for continued and robust dialogue between the United States and partners in the Philippines and Thailand.
  - **Recommendation 6: Seek more opportunities for high-level Track 1.5 and Track 2.0 dialogues** between Washington and counterparts in Manila and Bangkok. In the case of the Philippines, detailed Track 2.0 discussions on alliance management issues with experts and former practitioners would be highly valuable. In Thailand's case, broader discussions at the Track 1.5 level on the value of the alliance and the strategic outlooks of each side would be most productive. Such a dialogue would help build a broader coalition of support for the alliance.
  - **Recommendation 7: Seek trilateral dialogues with the United States and Japan or multilateral dialogues on specific issue areas.** The trilateral and multilateral frameworks could give both Manila and Bangkok political cover to discuss sensitive issues.

## **Recommendations for the U.S.- Philippines Alliance**

- **Finding:** The U.S. alliance with the Philippines is firmly rooted in security cooperation, including counterterrorism operations in Mindanao. However, cooperation in other areas of shared interest remains underdeveloped.
  - **Recommendation 8: Explore avenues for political or economic cooperation on shared interests beyond continued cooperation on matters of traditional security.** Ordinary Filipinos perceive a high degree of omnipresence from China, simply because its investments and other activities in the Philippines are extremely visible. The United States must be able to shape narratives on the alliance and highlight the ways in which it brings tangible benefits to both sides of the Pacific outside of security cooperation.
- **Finding:** The U.S.-Philippines alliance suffers from a lack of consistent and impactful dialogue at the Track 1.0 and Track 1.5 levels. Opportunities for Track 2.0 dialogues exist but are relatively anemic compared to their analogues in the U.S.-Japan and U.S.-South Korea alliances.
  - **Recommendation 9: Increase the depth and frequency of Track 1.0 and Track 1.5 dialogues between Manila and Washington.** These talks should extend beyond the traditional defense establishment and be led by the Department of Foreign Affairs and State Department.
- **Finding:** The Philippines' capacities in maritime domain awareness and cybersecurity are both underdeveloped and insufficient in the face of gray zone challenges.
  - **Recommendation 10: Invest in emerging technology related to more cost-effective unmanned aerial vehicles, low earth orbit sensors, and automated platforms to process remote sensing data.** The U.S. Congress should pass the U.S. Innovation and Competition

Act, formerly known as the Endless Frontier Act. The act would facilitate critical investments in quantum computing and artificial intelligence as well autonomous cyber-defense tools. Investments in these key areas would demonstrate the depth of American resolve in maintaining a competitive edge in warfighting in the Indo-Pacific. As the United States pursues these new and emerging technologies, defense planners should take care to integrate allies such as the Philippines at an early stage into discussions about the applicability of such technologies for defense.

- **Finding:** The United States does not have ground-based air assets or long-range fires positioned close enough to effectively respond to gray zone challenges in the South China Sea, deter Chinese escalation, or defend Philippine forces that come under attack.
  - **Recommendation 11: Encourage more frequent air and naval joint exercises for the remainder of the Duterte administration.** Ideally, such joint exercises could involve U.S. combat aircraft deploying with such frequency that they would be available for any short-term contingencies. Once Duterte leaves office, the United States must move quickly to convince his successor to fully implement EDCA, undertake necessary U.S.-funded construction at the agreed locations, and deploy U.S. air assets and long-range fires. These deployments could be funded by the Pacific Deterrence Initiative as, among other things, an implementation of the Marine Corps' Expeditionary Advanced Base Operations concept.
- **Finding:** A lack of agility in responding to gray zone challenges points to the need for enhanced pre-planning and coordination between the United States and the Philippines.
  - **Recommendation 12: Coordinate and pre-plan responses to gray zone challenges.** The importance of pre-planning in cooperation on gray zone challenges is paramount in the Philippines, where a general dearth in capacity and resources means that having a superior strategy in times of crisis is ever more important. The United States and the Philippines must devise in advance a strategy to operate in an escalatory but sub-conflict space in response to gray zone challenges. Such a strategy should leverage the full policy tool kit of the alliance. Non-military approaches in economics and other spheres can and should be utilized.

## Recommendations for the U.S.-Thailand Alliance

- **Finding:** As U.S. and Thai regional strategies have fallen out of alignment, trust between the two partners has waned. The United States can increase security alignment by rebuilding trust with the Royal Thai Army.
  - **Recommendation 13: Reaffirm the United States' commitment to short- and long-term security cooperation programs and initiatives.** In the short term, both sides should strengthen established mechanisms such as short-term work or educational exchanges. Increased cooperation on counternarcotics as well as technology-based initiatives on cyber, surveillance, and data analysis would be welcome. Longer-term initiatives could include extending the Special Forces Readiness Evaluation and Special Force Assistance Brigade.
- **Finding:** Thailand faces political headwinds in justifying military spending on U.S. emerging technologies, both within government and to the public. This threatens the continued development and interoperability of emerging technologies.

- **Recommendation 14: Increase direct military assistance** in the form of defense-related emerging technologies.
- **Finding:** There are numerous overlapping and underutilized frameworks that contribute to management of and development in the Mekong basin. The United States should plug into these frameworks, giving it more avenues to advance its interests along the Mekong.
  - **Recommendation 15: Partner more closely with the Thailand-championed ACMECS initiative**, which gives Washington an important means to financially support Mekong infrastructure projects in alignment with Thailand and the other ACMECS member states. This could amplify efforts the United States is undertaking through the Lower Mekong Initiative and other programs, both independently and in partnership with Japan.
  - **Recommendation 16: Provide Thailand with enhanced data transparency and intelligence capabilities to monitor water levels and other issues along the Mekong.** The U.S. intelligence community along with U.S. think tanks and NGOs could enhance efforts to publicly share environmental data that the MRC might not be able to publish due to political considerations.

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# Endnotes

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