

Center for Strategic and International Studies

TRANSCRIPT

The Asia Chessboard Podcast

**“The Great Power Gambit: U.S. and China in Southeast Asia”**

RECORDING DATE

**Tuesday January 5, 2021**

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Andrew Schwartz: Welcome to the Asia Chessboard, the podcast that examines geopolitical dynamics in Asia and takes an inside look at the making of grand strategy. I'm Andrew Schwartz at the Center for Strategic and International Studies.

Hannah Fodale: This week, Mike is joined by David Shambaugh, professor at George Washington University to discuss his new book, *Where Great Powers Meet: America in China and Southeast Asia*. The two start with a discussion about how US-China relations have gotten to their lowest point since normalization and how Southeast Asia has become an open field for competition. Is China's inevitable rise in the region a false narrative? Why is US engagement in Southeast Asia underappreciated?

Michael Green: Welcome back to the Asia Chessboard. I'm joined by a friend and colleague and one of the most important scholars of China and Asia in the United States, Professor David Shambaugh of George Washington University, and the author of a new book which is gaining a great amount of attention here and in the region, the title is *Where Great Powers Meet: America and China in Southeast Asia*, from Oxford University Press. We've had the pleasure, I've certainly had the pleasure of knowing and learning a great deal from David over the years. We exchange courses, I teach occasionally for him at George Washington, and he occasionally teaches for me on Deng Xiaoping and Chinese leaders at Georgetown.

Michael Green: I've had the great pleasure of traveling to China with David and benefiting from his incredible network and insights there. And I've read many, but not all, of his, by my count, 29 or 30 books on China and the region. And we're going to turn to Southeast Asia in a moment, David. Welcome. But I would like to start, for our audience, explaining how you became the David Shambaugh we know as the China scholar, policy expert, with experience in the NSC and teaching and prolific writer on China and the region. So how did you get into China, how did you get into this whole field?

David Shambaugh: Oh goodness. Well, reflecting back on it, it actually goes back to my youth when my parents took me to Asia, to Japan actually, and Hong Kong when I was seven or eight years old. And also my older brother was in the American military in Taiwan at the time, and so I spent a summer with him in Taipei in 1960. So I had early physical exposure to Asia, even as a young child. And I still have memories of water buffaloes. I'd never seen a water buffalo before Taiwan, but they had them across the street from where my brother and his family lived. So that was sort of subliminal. But then halfway through college, I took what is now called a gap year, I guess, and went around the world. Literally went overland all the way into Nepal, from New York to Nepal, where I had to get on an airplane at that point and fly to Bangkok.

Michael Green: Which subway train is that?

David Shambaugh: So that was a year of exploration. And I came back, I got absolutely hooked on Asia during that year, and primarily South Asia. I returned to the US and where I

was then in college at the University of New Mexico, in Albuquerque of all places, and decided I want to start taking courses on Asia. And I quickly realized, unfortunately, UNM didn't have many courses on Asia. I took all they had in one semester. And I realized, "David, if you're going to study this field, you better transfer to a college or university that has a real program in Asian studies." So I shopped around. I also wanted to come to Washington DC and so I applied to all the area's schools here in Washington. And at that time, I won't pass any judgment about today, but at that time, George Washington had the first and the best, really, East Asian studies program, what they called the Institute for Sino Soviet Studies. And Gaston Sigur, who you knew, was one of my professors.

David Shambaugh: So I transferred to GW as an incoming junior, I guess. And I really began to concentrate on Asian studies and take Chinese language. And then coming out of that year after graduation, Sigur, in fact, arranged for an internship for me at the State Department. And that led, after a bit more than a year in the I&R at the Bureau of Intelligence and Research on Northeast Asia, they moved me to Southeast Asia. And then from there, I had the very fortunate opportunity of being recruited by Michel Oksenberg to go work in the National Security Council for him and for Michael Armacost as their deputy.

Michael Green: Which is really unusual, actually, because you were pretty junior. And the NSC jobs tend to be people with 10, 20 years of experience, at least, right?

David Shambaugh: Well, they were the principals. I was their minion assistant, age 25, I think, or 26. And it was an extraordinary experience. The NSC, in those years, wasn't configured as it was when you were the senior director or as it is now. It was a very small shop, the two of them and me. Oh, and one seconded official from the CIA. So I had that experience for about a year and a half, and then I went back to graduate school and then it just snowballed from there, Asia and China in particular. I did it at SAIS, you and I have that in common, we both graduated from SAIS. And then I went to the University of Michigan where Oksenberg recruited me to be his PhD student. So that's how I got into the field and from there, I suspect like yourself, it was just a snowball. One thing led to another and here we are later in life.

Michael Green: You worked with two of the most important scholar diplomats in modern history, really. Oksenberg, of course, you were with him, but the architect of normalization with China in '79. And then Gaston Sigur may be one of the most important officials in the history of US-Japan Alliance. He brought all his scholarly connections from the Asia Foundation. I understand really kind of made the Reagan-Nakasone relationship. So you got the best of China and Japan in that time.

David Shambaugh: Sigur who absolutely made the Nakasone-Reagan relationship. He knew Nakasone personally. And I recall, just a vignette, Sigur used to run a weekly seminar open, not just to students, but other practitioners around Washington. And I remember one week I was able to participate in the seminar as a student, but one week he brought this young Japanese dashing politician and his

entourage. He had like 15 people accompanying him like all Japanese politicians do, and in walked Nakasone. He must've been 30 something years old, long before he became the prime minister. So then when he became prime minister and Sigur was in the White House working for Reagan, he literally introduced the two of them. And that forged a very good personal bond and, of course, between our two countries and the two governments at that time.

Michael Green: So you had been there at the beginning of normalization with China. And now we're at, I think you'd agree, the worst point in US-China relations since then. Before we turn to your book on Southeast Asia, which is about the US and China competing in Southeast Asia, I want to get your take on China quickly. There's the argument Kurt Campbell and others wrote that we were naive, we basically lost China. We didn't see this coming. Others have argued, "No it's a contingency. The financial crisis and other things just shook up the relationship's foundations too much." Others would argue it's Xi Jinping himself. No one saw that coming. Did we lose China? Were we naive? What's your take on how we got here?

David Shambaugh: Well, it's interesting. I was there at the inception. When I was working in the NSC, one of the main things Oksenberg had me do was prep for the normalization. I worked on a number of the logistical aspects that would be required to recognize the People's Republic diplomatically, which we did on January 1st, 1979. And I left government at that point to go back to graduate school. But I did get to meet Deng Xiaoping when he came in January of '79 on his state visit. So I was there at the inception of official diplomatic relations. And as you say, here we are many decades later. To answer your question, the main question about engagement, did Americans deceive themselves? I, frankly, concur with Kurt Campbell and Ely Ratner that the engagement was a lot of self, and well-intentioned I would say, illusion on the part of Americans. But I would, as a scholar of US-China relations, and I have gone back and I looked at this relationship historically, going back to the 18th century, the Americans have deluded themselves by China all the way back to the 18th century.

David Shambaugh: We have wanted to remake China in our image ever since 1776, I guess it was, when the first clipper ship arrived in Guangzhou, which you write about in your wonderful book. So the US has had a set of expectations and a view that it could have a transformational impact on China, whether it was missionaries or diplomats or business people, the oil for the lamps of China, the billion consumer business. But going back to '79, that time the normalization was about two things. Obviously, the Soviet Union, I would say that was a tactical or strategic, but temporarily strategic, impetus for normalization. Brzezinski certainly looked at it that way. But Oksenberg and Jimmy Carter actually saw it more broadly and they wanted to kind of marry our two societies and our two bureaucracies together and to replace the Cold War with a more positive sum cooperative relationship.

David Shambaugh: So that's what the United States has been trying to do for the last four decades, create a positive sum cooperative relationship, engage China, and to transform

it thereby and to socialize China's integration into the international order. So that's the engagement theory. Has it worked? No. I agree with Kurt Campbell and Ely Ratner, it has not worked. And the blame really should probably be put on the American side more for having a set of illusions or expectations that were not really grounded in Chinese Leninist reality. But just to finish up, you're right, there are current day factors here. Xi Jinping is a factor. China has definitely changed for the worse under his leadership now, going on a decade. But even before he came to power, the Leninist apparat in China had its own ideas about it, its own country's direction so, "Who are the Americans to come in here and try and tell us how to run our own country?"

David Shambaugh: But I basically think we're now at a point, as you say, the lowest point since normalization of relations. It's deeper than the post Tiananmen crisis. That was a low point, no doubt about it. I lived in Beijing in 1990, '89, '90, right after Tiananmen. There were roadblocks, martial law, armed soldiers on the streets. That was not a pretty period. This is a deeper, more systemic, troubled time and a change of administration coming soon is not going to affect the systemic sources of friction and competition between the US and China. So this is the new normal. Engagement, I think, is dead. There's no going back. It doesn't mean we can't cooperate, selectively, on very specific areas with the Chinese, but overall the relationship, to me, is now characterized by comprehensive competition. And it's being played out all over the world, including in Southeast Asia.

Michael Green: Good segue. But before we go to Southeast Asia, one last quick question. As one of the deans of Sinology in the United States and in the world, did the field get it wrong? Did sinologists just not get this fundamental Leninist trajectory that you just described?

David Shambaugh: There's a spectrum of sinologists and some of them knew it was a Leninist state, but they still hoped for the best. I would put myself, frankly, in that category. I never had illusions about the nature of the regime in China. I've lived there long enough. I've studied them. I've written books about the communist party. I know exactly the nature of that regime, but I thought that they were moving in a generally more reformist and open and even a "liberal" direction. So the trend line was overall positive, I thought. There were some sinologists who thought that we could transform China. That transformative view, I would argue, is more present in the public than it is amongst the sinological community. And then there are some sinologists, you know, who never even indulged the idea that China could change and they were very hawkish on China all along.

David Shambaugh: So there's a spectrum in the sinologist community, I would say. There's no single view. But many of us, I would say, myself being rather typical, who hoped for the best, understood the nature of the regime, have found ourselves increasingly disillusioned and alienated by the direction of China, even before Xi Jinping. But particularly since he came to power. I actually think it started before he came to power. It started in 2009, '10. I was actually living there as a Fulbright scholar that year and that was really the transitional year. But anyway,

I think a lot of us, not all, there are colleagues, very senior respected esteemed colleagues in our field and inside the beltway in Washington, DC, who still think that the US and China should get along. We have things in common. We've got to work together and they were highly critical of the Trump approach to China.

David Shambaugh: And I would say, Mike, overall, there has been a gravitation towards a much more critical, sober-minded, tough minded approach amongst us China specialists towards the country and towards managing our relations with the country. It's going to be really tough going forward. It doesn't matter, Democratic, Republican administration in office, this is really a complicated, tough relationship. Whether it's Cold War 2.0 or not, we can debate. But it has a number of characteristics from Cold War 1.0 including, I would argue, and I'll just finish on this, the need to manage the competition. We set up all kinds of mechanisms for the Soviets to keep the Cold War cold and not get hot. And from the Helsinki Act to military confidence building measures, crisis escalation mechanisms, so on and so forth. So I think, going forward, we've got to kind of keep in mind how to manage the competition and to keep it from becoming a hot war, because this could become a hot war too.

Michael Green: Yeah, it's a daunting prospect. And you can tell that in Beijing the idea of this systemic competition is baked in by the way they've handled our election. I've worked on several presidential campaigns, Chinese bend over backwards to avoid offending the incoming administration to try to set the right tone. They're not doing that with Biden. They think this is baked in, you can tell. So one of the areas where we are competing intensely with China, of course, is Southeast Asia. I think you'd agree when it comes to Japan, to Australia, to India, to most of Europe, there is no competition, China has influence. But in Southeast Asia, it's much more of an open field for both countries.

Michael Green: And so you spent a year there, more than a year, I guess, writing this book. And I love the opening vignettes, which are you on the USS Carl Vinson, the sort of emblem of American presence, and then the Melaka Gateway in Forest City in Malaysia, the BRI sort of signature projects there. And then you say emblematic, but misleading in some ways. So tell us the argument of the book after the time you spent there. How do you characterize, in short form, US-China strategic competition in Southeast Asia?

David Shambaugh: Well, the day I got off the plane in Singapore... I went out there on a sabbatical, which is what facilitated this book. And instead of going back to China on this sabbatical as I had previous ones, I thought, for various reasons, including the atmosphere in China under Xi Jinping that we just talked about, I wanted to do something different. And I had fortunately a very nice offer from the Roger Rotman School of International Studies in Singapore to go there. So I thought, "Why not?" So I went there and they were wonderful hosts. I have nothing but great things to say about RSIS as an institution. And I went back the next year, as you say, to the Institute for Southeast Asian Studies which is a different institution, but also fabulous hosts and a great set of colleagues. Anyway, the day I got off the plane, the Straits Times had this big article entitled something

like, "Uncle Sam is dead. It is the time to pivot to Beijing," or some such headline. Rather jarring, as an American, to read that in the Straits Times.

David Shambaugh: And that was emblematic of what I encountered for the next two and a half years of research in the region. This pervasive narrative about China dominates all the regional media, all the social media, think tanks, public discourse, it's all about China, China, China. And that the region is gravitating to China, bandwagoning, we would say an international relations theory, with China and it's time to get on the China train. This is just what we call a hegemonic narrative. It's just so pervasive and so dominant that it's striking. But I argue in the book, you asked me what are the bottom line arguments of the book, that's one bottom line argument, that that is a false narrative. It is not empirically correct. My kind of throw away conclusion... Not throw away, but my takeaway conclusion, I should say, is that I see China as an overestimated power and the United States as an underappreciated power in the region.

David Shambaugh: And the book is filled with examples of each. Well, we can go into those in each case. But the bottom line is that perception matters a great deal in international relations and perceptions are not always in sync with empirical realities. And I found that in Southeast Asia. I found the perception of China to be out of sync with the realities of China on the ground. And if you go around the region, you talk to various Southeast Asians, in most countries, not everyone, but most countries, they are deeply suspicious of China. And there's a lot of anxiety and angst and suspicions, as I say, of China and ambivalence.

David Shambaugh: So public perceptions are one thing, private perceptions are another. And then the empirics of China's footprint across the region really varies by category. And you can say the same... The perception of the United States is that we are, unfortunately, as their Straits Times headline indicated, that we are declining, we're absent, we're going away, we can't be counted on. But if you look around the region, and I found in the book, the United States has a very deep and broad footprint. I even argue, counterintuitively, the American footprint is broader and deeper than China's. So there is a counterintuitive takeaway for readers.

Michael Green: Yeah, you make the distinction, which I really like, between capacity and influence. And you have chapters on the histories of both American and then Chinese relations and engagement with Southeast Asia, going back to the beginning of recorded history in both cases. A longer history for the Chinese, of course. And then you go through the toolkits that each of us bring to this, and in the American toolkit, you talk about capacity. We have business and just a lot of capacity, maybe say a bit about that. But also the one part of our toolkit that you're most critical of is diplomacy itself. So if you could say a bit about what are some of the tools in the US toolkit people don't appreciate? And then what would you do to fix the diplomacy piece? Because that's where you seem to think we're really not playing our hand well.

David Shambaugh: Right. Good question. So this is on the American side. The American commercial footprint, if you will, is long-standing, broad and deep in the region. My favorite

statistic, I stumbled across in the course of the research, I didn't know previously, the cumulative stock of US foreign direct investment in the region, \$239 billion, is greater than Japan, South Korea, and China combined. Let that sink in on our listeners for a moment. And the reason is because the US has been investing in the region since the 1950s. So the cumulative stock, very large. But even if you look at the annual investment flows, people will be surprised that the American FDI in Southeast Asia is twice as great as China's, 25.9 billion in 2018 to 12.9 billion for China. So that's one measure, direct investment. Trade, of course, is a different measure. And there the Chinese have extraordinary trade, \$500 billion.

David Shambaugh: In fact, this year or last year, 2020, ASEAN became China's largest trading partner, overtaking the European Union. So 500 billion, that's a lot, but the Americans have 350 billion in trade and that's not small potatoes. So our trade footprint is not insignificant. Companies, we have 4,200 companies registered across Southeast Asia in a whole range of fields. But I would know one thing about them, if you look at the American Chambers of Commerce memberships in different countries, these are companies, a lot of them are Fortune 500 companies, but a lot of them are smaller facilitative companies in kind of so-called new industries, in e-commerce, in consulting work, in legal work. They're not companies that go out and build things anymore.

David Shambaugh: Bechtel has actually returned to the region after an absence. General Motors, on the other hand, has just closed down, building its trucks and cars in Thailand. Anyway, the point is, on the commercial side, the Americans are not an insignificant actor. The security side, Americans are just unparalleled. Nobody, including China, comes anywhere near what the United States does with 8 out of the 10, well, 7 out of the 10, ASEAN countries. The 3 where we do not have security assistance, which is the way to put it, it's not military security assistance, which comes in a variety of forms, anyway, Laos, Cambodia, Myanmar. We don't do much there. We do a little bit, actually, with Laos and Cambodia, but for congressional and legal reasons, we don't engage the Burmese military. But the other 7 countries, they all depend on the United States in a variety of ways. So the American security assistance program is deep, broad, appreciated by the governments, but not appreciated by the publics.

David Shambaugh: This is one of the areas where I say we're underappreciated. Southeast Asians really don't know what the US is doing with their own militaries in their own countries. So then you get to culture and soft power, tremendous respect for the US still. Students still sent to our universities, American films, different forms of popular culture, very prevalent across the region, including Islamic countries like Malaysia and Indonesia. The weak spot, you pointed out, in my view, is diplomacy. Maybe it's a function... I keep puzzling to myself, "Is this just a question of geography, David? The tyranny of distance? Are we just too far away?" It takes a long time for officials to fly from Washington DC to Southeast Asia. It's not like getting on a 12 hour flight to Tokyo or Beijing. It's this 18 hour trip, and then you've got to go to multiple countries.



David Shambaugh: So getting senior officials from Washington to the region has always been a problem. It doesn't matter if it's Republican or a Democratic administration. I say in the book that the Obama administration was unprecedented in the attention that it did pay. Southeast Asia was prioritized under Obama as in no other previous administration, in my view. But under Trump, it reverted to the mean. And Trump himself went once, Pence went twice, I think. So showing up, everybody will tell you, not just Woody Allen, is half of life, but it's critical to the Southeast Asians. The American diplomatic presence from Washington is episodic at best. And then in the region, our ambassadors and our embassies, I hate to say it, are way too insular. First of all, we haven't had ambassadors in several of these embassies during the Trump years. Four years we went without an ambassador in Singapore, outrageous. Long absences in other embassies as well. But once you have ambassadors and staff, I have to say, we've got great foreign service officers but they're spending way too much time in the building and not out in the societies.

Michael Green: I think that's a general trend for the foreign service that started, frankly, in the Obama years. Not because of Obama, but because, security concerns and reporting requirements back to Washington. And soft power was being measured by how many Twitter followers the embassy had rather than... So I've, just as a little mental exercise when I travel in the region, I ask when I meet politicians, whether it's Tokyo or Cambodia, "Who do you know in the US embassy?" And the number of diplomats who they can name, short of the ambassador, has gone down steadily. On the other hand, I have to say, in Southeast Asia I think we have some of the best and brightest in the foreign service. Dan Kritenbrink being the ambassador in Vietnam, for example. They are rock stars in some of these countries, respected, liked, consulted. So it's an uneven picture. And I think my sense is if you were able to unleash the foreign service more and get them out more, they'd be unstoppable because they've demonstrated, in certain countries and in certain posts, they really are.

David Shambaugh: No, I agree with you, by the way. And I went to 9 of our embassies in the region, top flight individuals and professionals. And I agree with you, they need to be unleashed. And if you talk to them about what are their missions in country and in the region, the one thing I took away is they're not getting instructions from Washington and they're not being unleashed. They're kind of out there, but not knowing really what to do. And this is an asset that is being squandered, I think. Or it was certainly during the Trump years when I researched this book, so maybe it's a temporary phenomenon. But we've got great people in the field. We've just got to get more active.

Michael Green: And maybe the book will help change that because part of the problem is I think smart, young, foreign service officers know you can move the dial in a country like Vietnam or Indonesia in a way that, frankly, is harder to do in China or Japan or Korea. There's just a lot more wet clay for a diplomat to work with. So I think we'll keep getting the best and brightest. You and I are doing our best to produce them, or at least help them get on their way. China's toolkit, obviously, belt and road. The military piece you mentioned, for example, in Thailand,

Thailand has the closest military relationship with China of any ASEAN country. And yet that pales in comparison to Thailand's military relationship with the US. So projecting forward, where do you... China's grown a lot quickly. Are we at risk of China replacing us as the preferred security partner in a country like Thailand, or maybe Malaysia?

David Shambaugh: I think we should worry about it, but I don't think we are. So we should be alert to it. I'm not sure we should be worried about it. But again, proximity is not unimportant and price is not unimportant. Chinese weapons, which is only one part of security assistance, are far less expensive than American weapons. So the Thais have bought a couple of submarines from the Chinese in the last couple of years. They bought 50 tanks, one type of tank. They bought 30 of another type of tank, a lot of armored personnel carriers. They've got a factory, actually, the only one outside of China in any other country, for the production of joint munitions in Thailand. And I'm told by a Chinese military officer who knows that that's basically an assembly factory for APCs exported from China. But anyway, the Thai-Chinese military relationship, getting awfully close. Part of the reason is because after the 2014 coup and the congressionally mandated sanctions that we had to put on Thailand, that affected the US military relationship with Thailand. Not completely, Cobra Gold continued, but not on the scale it did previously.

David Shambaugh: So, the Thai military, well, Thailand itself, ethnically, 40% of Thais trace their ethnicity, their ethnic heritage, to China. And the Thais view China quite positively. There's not a great deal of ambivalence in Thailand. There's some, but not like you find in other Southeast Asian countries. So the military piece of it, and there's joint exercises, there's intelligence sharing now ongoing. And I was told by one source that 40% of the Thai Officer Corps now have had some form of military training in China. Yeah, what does that really mean? Maybe it means going to a course at the Chinese NDU, which is what I think mainly it does mean, for two weeks. And that's not really military training. But nonetheless, the Thai-Chinese military relationship is something for the US to really be alert to, follow and counter. Whereas the US-Thai military relationship goes back generations.

David Shambaugh: We have trained tens, if not hundreds of thousands, of Thai officers in our facilities. We have... Well, an alliance, that's another question. "Alliance" in quotation marks, between the US and Thailand. But in other countries, Malaysia, it's similar. They have an intelligence sharing relationship. They have been importing Chinese Littoral Combat Ships and some tanks and some APCs. So there's an equipment dimension to the Chinese-Malay security relationship. Apparently Malay officers are not going up to China for training. But then if you look at countries like Myanmar, boy... In Cambodia, those are completely dominated, on the security side, by China, have been for a long time. I would argue Cambodia, more broadly, is a client state of China.

David Shambaugh: But the military there, the military in Myanmar, and increasingly in Laos, the Chinese are broadening their footprint. Other countries, though, including the

Philippines, which has had its own pivot to China under Duterte, the armed forces of the Philippines, they haven't pivoted to China, and they're not going to. Indonesian armed... The TNI, no, they're not going to pivot to China. Singapore, they're not about to pivot to China and so on. So the Chinese security footprint is not strong, but it's growing like it is in other parts of the world. And we've got to keep our eye on it and counter it.

Michael Green: You described China's intentions, I thought, and tell me if this is not a fair characterization, as securing its interests in the region, in Southeast Asia. But when I look at the island building in the South China Sea, for example, I see more than that. I think China is creating a bastion for submarines, it's threatening Japanese and Korean sea lanes. What China is doing is fundamentally revisionist, in a broader Asian context. Particularly, vis a vis US presence and alliances. Do you agree with that and do you think your counterparts in Southeast Asia see that, or are they looking at almost entirely in terms of the localized challenges they have with China?

David Shambaugh: Good question. I think all three parts to your question are correct, actually. So I argue in the book that the Chinese island building and their claims to the South China Sea, that's a kind, I argue, is an autopilot default move by the PRC because they've always claimed it and now they're trying to actualize it. So my interpretation is that's kind of a nationalistic/bureaucratic motivated set of claims. But the geo strategic dimension that you just put your finger on and the sea lanes that run right through the South China Sea after they come down through the Malacca Straits, through which something like 50, 60% of the world's energy supplies pass, and about 40% of the world's merchandise trade pass, you know this has serious strategic consequences, their island building.

David Shambaugh: And should they deploy military forces to those islands, which they haven't really done yet, it could well come, but they haven't done it yet, that is a game changer for Southeast Asian security. And it affects totally Japan, South Korea, Taiwan, and others in the region and American interests. So you are quite correct there. And then thirdly, the Southeast Asians, another counter-intuitive thing I've found in my research or in this case didn't find. I went out there expecting that Southeast Asians are going to be all exercised about the Chinese Island building and South China Sea. Well, hardly heard a word about it. I mean yes, I heard a few words and a few complaints here and there, but I had to sort of fish, in my interviews, for what do you think about the Chinese and the South China Sea? You don't read much about it in the regional media. Oddly enough, there's this kind of fait accompli view I encountered across the region that, "Well, yeah, sure. The Chinese are doing this. We don't really like it, but what can we do about it?"

David Shambaugh: Whereas here inside the beltway in Washington, DC, that's a top order issue. And I argue in the book, it seems to matter more here in Washington than it does out there in the region. And maybe I'm wrong about that, but that's the impression I got. There's just a sense... They don't like it, by the way, and there are five other claimant countries on the South China Sea and they have real

disputes with the Chinese. But there's this sort of, "What can we do about it?" reaction. So it was kind of something I didn't anticipate finding. So when you talk to Southeast Asians about China, South China Sea is not at the top of their list of concerns.

Michael Green: But at the end of the day, the geopolitical consequences are not an accident, right? When you and I were in China and you invited me to go with you, we went to the Academy of Military Sciences, we were briefed on the near sea doctrine and China's maritime strategy. And you could see there, there was clear intent to have a dominant position in the maritime domain, which was about more than just autopilot, right? There's a larger strategic challenge here, but it sounds like the Japanese and the Australians and the Americans are awake to that challenge. But in Southeast Asia, there's a kind of fatalism almost.

David Shambaugh: Yeah. Yeah, I think that's a fair summation. And I also think within China, what you and I heard at the Academy of Military Sciences that day is indicative of a divide between the Chinese military and you might say the foreign ministry and the civilian side. The civilian side, they look at the South China Sea and they see a geographic region that has been claimed since the 1920s and it's China's and it's their job to kind of go out and enforce that claim. The PLA does not view it just that way. They view it the way you just indicated. So it's both, I think. It's not either/or, it's both.

Michael Green: You start the book with a caveat that there are other important players like Japan and India and Australia and Canada and France and Britain. And then at the end of the book, you have different scenarios for the future, the US-China competition in Southeast Asia. And what I wanted to ask, because you don't touch on it in detail, is how those other actors affect that. Because in our tool kit, of course, one of our greatest assets is our alliances with other major maritime powers like Japan and Australia. And then, of course, the relationship with India. How would your future scenarios for US-China competition in Southeast Asia look? And if we were able to really harness the quad or take advantage of a set of... Asia is multi polar in many ways and you add up US, Japan, Australia, India, that's more investment, economic power and naval power than China has, even in Southeast Asia. But maybe it's too hard to do. You don't go into much detail about it, but how do you see the extra powers in the region dealing with this competition? It's not just the US-China game as you point out in the book.

David Shambaugh: Excellent question. And if the book has a weakness, I'm sure it has many weaknesses in things I should have maybe written more about, it's this dimension of these other middle powers and other actors in the region. In fact, I did contemplate a whole other chapter just on that, but I decided not to do so. But nonetheless, they are vital to the future of the region and they are the sweet spot or they will help Southeast Asia get to the sweet spot that the Southeast Asians want. The Southeast Asians really do not want to be caught in this kind of superpower pincer between the Americans and the Chinese. That is not their sweet spot. Their sweet spot is traditional hedging, multi... I call it,

they're almost polygamous in their behavior with various countries. The more countries in the region the better, as far as the Southeast Asians are concerned.

David Shambaugh: So they are trying to dilute, if you will, the American and China pressures and the competition between the US and China, the geo-strategic competition, by bringing these other countries in. That's been the element ASEAN centrality, really, for some time. But I would argue, to answer your question, that is very much an American interest too. That's what the Southeast Asians want. The more Japan, the more South Korea, the more India, the more Australia, the more EU, the better. Well, I would agree with you. That's precisely better for the United States too, because these are allies of ours and partners and friends.

David Shambaugh: So it's a multiplier effect. If those countries are involved, whether it's commercially, strategically, diplomatically, educational exchanges, soft power, it doesn't matter the domain, their involvement, these are countries that basically hold Western values, right? And they are allied partners of the United States. So that's a multiplier for the US. So I think part of our American strategy going forward should certainly work with all 10 ASEAN countries individually and collectively. But we've got to work really hard, not just with the quad, but start with the quad and then build it out. So you and I are on the same page there.

Michael Green: The most reassuring part of the book, as you look at this contest that's heating up between the US and China as you point out very clearly and in great detail in the book, the most encouraging and reassuring part is how much agency Southeast Asian countries have in their own future. Thank goodness for that. And, David, congratulations. It's a really great read. I'm sure it's going to get a lot of attention and I'm glad you were able to share some of your time with us. And I look forward to the next, I guess, number 30. I tried to count how many books you have on the inside of the jacket. I have not read them all, but there's 29 or 30 on there. So I look forward to the next one.

David Shambaugh: Well, thanks, Mike, for the opportunity to discuss my book a little bit. Hopefully, I've maybe incentivized a few of your listeners to go out and get a copy. Even though Christmas has passed, it's still a great gift for your loved ones.

Michael Green: For a Chinese Lunar New Year present.

David Shambaugh: There you go. And it's onto the next project, actually. Actually, I'm just finishing right now, and sending off to the publisher next week, my next book manuscript, which I'm going back into Chinese domestic politics, pretty much. It's a book on China's leaders from Mao to now. So you can look out for that in July of this year.

Michael Green: I will be reading it, and Georgetown students beware, I'll be assigning it. Thanks. Great having you on.

David Shambaugh: My pleasure. Good to see you, Mike.

Andrew Schwartz: Thanks for listening. For more on strategy and the Asia Program's work, visit the CSIS website [@csis.org](https://www.csis.org) and click on the Asia Program page.