

CRS Issue Statement on Southeast Asia, Australasia, and the Pacific Islands

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Congressional Research Service 7-5700 www.crs.gov IS40388 The United States has many interests in Southeast Asia, Australasia, and the Pacific Islands, in keeping with the wide variety of countries in the region. It includes U.S. allies (Australia, Thailand, and the Philippines) and key strategic friends (including Singapore), two ideologically moderate, majority-Muslim democracies (Malaysia and Indonesia, the world's most populous Muslim country), one of the world's busiest waterways (the Straits of Malacca, through which half the world's oil shipments pass), sites of deadly terrorist attacks, a former adversary in the process of transforming itself into a quasi-market economy (Vietnam), and a "rogue" state whose human rights record and foreign policy have triggered extensive U.S. sanctions (Burma, or Myanmar).

Southeast Asia has emerged as the hub for discussions of Asian economic and security architectures. Proximity to China, India, and Japan has increasingly made the region a center for strategic and economic rivalry. In the past several years China has significantly increased foreign aid, trade, and its diplomatic presence in the region. Some believe these ties may serve as a basis for China's cultivation of security relationships in Southeast Asia at the expense of U.S. interests in the future. Other observers argue that China's rise in the region does not threaten the position of the United States and may be of growing concern to some regional states.

Congress faces significant policy challenges in the region, including assessing and responding to China's growing influence, promoting democracy and human rights, fighting terrorism, addressing regional aspects of climate change, engaging in public diplomacy, and promoting trade. The ongoing political dynamics in Burma (Myanmar) will continue to be one of the more prominent Southeast Asia issues. The U.S. decision to sign the Treaty of Amity and Cooperation with the Association of Southeast Asian Nations (ASEAN; Brunei, Burma [Myanmar], Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, and Vietnam) and other recent moves to engage the region have been well received by regional states.

Congress may play a role in its oversight of the Administration's efforts to actively engage the region at a time when the regional architecture of Asia is evolving. Such U.S. engagement will likely work with U.S. allies and regional fora which could include groups such as ASEAN, the ASEAN Regional Forum (ARF), Asia Pacific Economic Cooperation (APEC), and the Trans Pacific Strategic Partnership Agreement (TPP). The East Asia Summit (EAS), formed in 2005 and consisting of ASEAN "Plus Three" (Association of Southeast Asian Nations plus China, Japan, and South Korea), with the addition of Australia, New Zealand, and India, could potentially rival APEC as the premier multilateral organization in Asia. Although some members of EAS have outlooks that are more consistent with U.S. interests than China's, the absence of the United States in the grouping has been interpreted by some as a sign of declining U.S. influence relative to China. The TPP, meanwhile, has emerged as a centerpiece of U.S. trade policy with the potential to deepen U.S. engagement with the region.

Terrorist activity has dropped significantly in the region in recent years. Jemaah Islamiyah (JI), the main Southeast Asian Islamist terrorist group, struck targets in Indonesia and has links to violent Islamist groups in the southern Philippines. Cooperative counter terrorism activities include intelligence sharing and joint police investigations in Indonesia and joint military exercises in the Philippines. The Muslim insurrection in Southern Thailand also merits ongoing attention.

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