

**Two Major Powers in Captivating
Regional Influence and Dynamics: Comparing
Foreign Policies of China and United States
in Southeast Asia**

Affabile **Rifawan***

Universitas Padjadjaran, Indonesia

Novi **Amelia****

Institut Teknologi Bandung, Indonesia

Abstract

China and United States, as the biggest economies and major powers in the world, compete for influence and leadership in the Southeast Asian region through different economic integration schemes and geopolitical approaches. This paper attempts to compare the foreign policies of China and the US toward the forms of economic integration and geopolitical approaches in the Southeast Asian region. The authors compare the motivations of major and secondary powers in that region to accept or contest the claims of the US or China. The US is in a more favourable position to demonstrate military power in the region and emphasize human development while China proposed an infrastructure-driven approach, and uses a military approach in the dispute of South China Sea.

Keywords: *leadership, influence, Southeast Asia, China, United States, foreign policy*

1. Background

With the dynamics of global politics and economy, two global powers, China and United States of America (USA) will expand its influence in global scale. After USA was successful in the Middle East, particularly in Iraq and Afghanistan, in containing terrorism and securing its interest either with indirect and direct approach (Jeffrey and Eisenstadt, 2016: 14-16), it will find new targets. The traditional containment policy still has a key role in the design of the American foreign policy. Noam Chomsky stated that the strategy of USA in the Middle East is the achievement of “Grand Area” plans (Chomsky, 1991: 14-31). However, USA still has a homework particularly how to create stable democratic states in the Middle East, while Iraq, Afghanistan, and now Syria cannot deal with democratic schemes and are still vulnerable with the existence of ISIS.

On the other hand, China has been accomplishing in improving its profile in Africa (van Dijk, 2009b: 10-11). The economic diplomacy that China established by relying on financial aid and investment has increased the dependency of African countries on China. Until 2015, 15 percent of African countries’ trade accounts are with China (Thrall, 2015: xiii). The unique principle used by the Chinese is the non-interference in domestic politics and military when building relationships with African countries. China also benefits from the security aspect as well; it hugely invests in twelve of the twenty failed states of Africa (*ibid.*: xv). In addition, African countries are keener on economic projects because those countries have suffered from domestic conflicts for a long time and need more stability to avoid future

conflicts. Although the success of China is not threatening American interests in Africa currently, however in the long run, it could be a huge challenge for USA and it can create a more dynamic interaction in that aspect.

Based on the current situation between China and USA, polarity could be characteristic of international relations again and potentially lead to a new Cold War polarity, as noted by Gaiser and Kovač (2012). After 1990, the USA could not authorize unipolarity for a long time. The unipolarity only lasted until 2006 and it crashed in 2008 with the Global Financial Crisis (Gaiser and Kovač, 2012: 49-63). Meanwhile the rise of China as a new major power in global economy only makes the political competition between China and USA fiercer. From American side, the narratives of Huntington (1997) and Fukuyama (2006) maintain the triumph of capitalism and Western civilization over other political and economic solutions shapes the mindset of global citizens who support the expansion of the USA. Those concepts and ideas back up the USA expansion and contribute to the justification of USA security policy, particularly the increase of USA influence in the region. On the other hand, China has an ambition to expand its influence in global politics and become a global player. The “Go Global” strategy that originated in 2001 is the foundation of China’s effort to be the number one in global investment (Thrall, 2015: 10). After China becomes the major power in global economy, it can increase its capability in military and politics as well.

Recently, the potential clash between China and USA is taking place in Southeast Asia, a region where future economic growth is to be expected. Most experts state that Southeast Asia is the most stable region with stable economic growth and its countries can maintain a peaceful coexistence (Archarya, 2014; Narine, 2002: 2). The strong commitment to peaceful solutions can lead back to the suffering from colonialism and

violence in the past, which creates vigorous foundation for stability and peace in the region. Thus, this region will be a new target of both major powers who are supported by their allies.

As part of building up regional influence in Southeast Asia, China and the US focus on economic and geopolitical aspects. The first aspect, which matters in economy, is international trade. As globalization and technology advanced in 90s and later, state borders became less important; the trade barriers, especially trade tariffs, were substantially reduced, since they were viewed as an obstacle standing in the way of trade. This situation drove the countries in the Southeast Asian region to create the Association of Southeast Asia Nation (ASEAN) which established a regional economic integration: ASEAN Economic Community (AEC) in 2015.

The free trade agreement of the AEC is not limited to intra-regional trade, but it intends to create global free trade agreement that can remove every international trade barrier globally. Through this initiative, China and USA penetrated the region by starting initiatives for fostering international trade in ASEAN. China proposed RECP (Regional Economic Comprehensive Partnership) and USA offered TPP (Trans-Pacific Partnership) (Ye, 2015: 206-224). Even though not all ASEAN countries participate in those schemes, the progress shows that most ASEAN countries have an interest in those initiatives while globalization forces ASEAN countries to utilize closer integration forms. Until recently, RECP has attracted several countries from ASEAN since the Silk Road has become an alternative to or competitor of the TPP. Else, from the Pacific common sense, TPP covers more widening scope and area and will be the biggest free trade agreement when it is realized. However, due to the uncertainty of Trump policy on removing every agreement that cannot contribute significantly and shortly to American interest, TPP is starting to lose its grip.

Being between two giants, ASEAN countries are served with several options: choose one side, choose both sides, or create self-mechanisms and become pioneers of an alternative free trade agreement outside TPP and RECP. In the short term, the third choice is very difficult and almost impossible. Thus, in recent position, ASEAN countries will seek certain agreements that can foster development in every country; however, they will be forced to take one or both sides.

In the military sector, USA and China are still struggling to gain more allies in Southeast Asia, and particularly they want to secure national security interests and protect supply of resources from this region. The problematic aspect is that, China is dealing in the South China Sea dispute with 4 ASEAN countries (Rowan, 2005: 414-436) and while USA is regarded as a country that cannot respect the non-interference principal that has been at the core of ASEAN countries particularly in democratization and human rights issues (Mauzy and Job, 2007: 622-641). It seems that both countries have controversies with most ASEAN countries in keeping stability and security.

Although the region has had turbulent times, ASEAN countries hold summits every year and can produce agreements on almost every issue with the emphasis put on the non-interference principle and ASEAN ways and values. In addition, the basic feature of ASEAN is that the door to communication and dialogue is always open.

Because of the region's importance and their determination to dominate world politics and secure national interests, USA and China are contesting leadership in this region through two main factors: military and economy.

2. Method and Concept

The contest between the US and China in dominating Southeast Asia has threatened this region with new conflicts. For example: South China Sea, Rohingya issue, terrorism, and drug trafficking are the issues that must be tackled to create a more stable region. The presence and the participation of USA and China in these issues hopefully are effective and do not steer in the wrong direction and worsen the situation. The country that can solve those issues is more likely to win the leadership contest in influencing Southeast Asia.

The purpose of this research is to compare the actions of China and USA in dominating Southeast Asia. We use the concept of contested leadership in region. The research of contested leadership is done by Daniel Flemes and Thorsten Wojczewski (2010), who categorized the contest by some aspects, namely:

1. Material and ideational resources;
2. Foreign policy interests;
3. Strategies of regional powers;
4. Strategies of secondary powers;
5. Regional Impact on external powers.

By borrowing this concept, we compared foreign policies and examined its impact on military and economic sectors. Additionally, we examined the followership of host countries to the actions of superpowers while comparing the leadership between China and USA. The paper attempts to raise the following main questions:

1. What are similarities and differences between American and Chinese foreign policies toward Southeast Asia?
2. What is the impact of foreign policies on regional leadership in Southeast Asia?

This method relies on the so-called descriptive analytical method; data are from different sources: journals, books, verified news article from online media websites. We used this method to describe a whole picture in comparing foreign policies between USA and China. This article is divided into two parts: the first part describes the differences and similarities of American and Chinese foreign policies toward Southeast Asia including policy actions. The second part discusses how regional member countries (host countries) react to USA's and China's foreign policy and their leadership in the region.

3. A Comparison of the Two Foreign Policies

Both countries are shaping their foreign policies in a different way, since every foreign policy depends on national interests. For China's foreign policy, China has put its interest in reaching superpower status and expanding its leverage. China, as the new emerging power in global economy, prefers to expand its influence mainly by utilizing an economic approach.

The Deng Xiaoping regime could be characterized by openness in international trade that also has become China's basic principle in foreign policy as well (Economy, 2010: 142-152). Jiang Zemin and Hu Jintao were also successful in making economic growth significantly and boosting their military (Zheng and Tok, 2007). Along with the growth cycle, Xi Jinping is to face slow economic growth in his era, but at the same time he has to maintain China's superpower status both in military and economy. China's trade and investment policy with the slogan "Going global" is strongly linked to the Chinese foreign policy that expands its sphere of influence in the world politics. It must be added, China established communist system in which the party has a more important role in shaping foreign policy. High-rank officials in the

Communist Party are decisive in the foreign policy. For instance, Linda Jakobson and Ryan Manuel researched that Wang Huning as the Head of CPC Research Office has higher ranking than Wang Yi as Foreign Minister (Jakobson and Manuel, 2016: 103).

Until this time, China prefers not taking a side in every global conflict, but it follows and supports its allies and avoids direct intervention in conflicts. With the concept of peaceful rise, China, in accordance with the Asian spirit and the historical background of suffering from colonialism, has high respect for sovereignty and prefers tackling problem directly with its partner(s) (Buzan, 2010). There is a strong background why China favours and pursues a non-interference foreign policy. In 1954, China established a treaty with India, which adheres to the five principles of peaceful coexistence (United Nations, 1958: 57-81). These 5 principles are the foundations of China's behaviour in its foreign policy: (1) mutual respect for each other's territorial integrity and sovereignty; (2) mutual non-aggression; (3) mutual non-interference in each other's internal affairs; (4) equality and cooperation for mutual benefits; and (5) peaceful co-existence.

Those principles are applied normatively and effectively as long as China's partner's interests match those of China. Thus, with those principles, China tends to focus more on the economic and social development in agreements and partnerships. However, China also raises its military power by developing its technology and increased its spending on the defence budget (Waldron, 2005: 715-733).

When it comes to economic aspects, China clearly needs to grow faster, and it need more raw material supplies to support the development of its manufacturing industry (Goldstein, Pinaud, and Reisen, 2006). Thus, China has expanded its leverage in searching and finding new trade partners or new locations of production of raw materials that China's industry needs.

This political and economic expansion is in line with the “Go Global” slogan, because China is not only looking for new material resources, but it is also expanding its trade and investment on a global scale. China’s industrial capabilities need to be upgraded and Chinese enterprises must have global experience in running their business internationally. Politically, in a soft way, it is also the perfect way to spread Chinese culture and values.

At the core of the American foreign policy, the same content in a different style can be found. This style very much depends on the leader of the foreign policy. Republicans, f. ex. are more aggressive and try to involve more parties to accept the unilateral world system that USA formed. There are five principles of Republicans to be distinguished in foreign policy (Zoellick, 2000: 63-78), namely:

1. Respect for power;
2. Building and sustaining coalitions and alliances;
3. Judging international agreements and institutions as means to achieve ends, not as forms of political therapy;
4. Embracing the revolutionary changes in the information and communications, technology, commerce, and finance sectors that will shape the environment for global politics and security;
5. Recognizing that there is still evil in the world.

These principles are basically applied by the Republican leaders and nowadays the new American president can follow these principles in shaping the American foreign policy. On the other hand, Democrats are firmer and softer, but they can keep the focus and do more damage to the enemy of the US or effectively assist American allies.

From many general goals of the foreign policy there are only two that have special acts in United States, namely, export control act and foreign assistance act. In the foreign assistance act, USA as advanced

developed country obliges itself to assist development in less developed and developing country normatively. It also creates a positive vibe of USA diplomacy and it attempts to spread American and Western values to the world. The importance of it is underlined by the American academic, Joseph Nye, who coined the term of soft power. He states it can be obtained by special treatment of foreign assistance. In the Obama administration, Hillary Clinton popularized the phrase of smart power that combined soft and hard power in achieving national interest. For instance, the implementation of foreign assistance act took place in North Korea to prevent conflict escalation in Korea – from 1995 to 2005, USA spent over \$1 billion assistance to North Korea (Manyin, 2005).

The arms export control act is a crucial element of the regulation for foreign policy making. The interests of the American arms industry are crucial in keeping stability in the Middle East and any other region. It will determine the placement and deployment of US military to keep the world in order. Arms movements including export administration also must be in accordance with USA interest because arms will determine which region is stable and which is not. For example, USA had an arms embargo on Indonesia from 2000-2006 because it did not protect human rights and democracy values as they are being interpreted for the East Timor Case (Lanti, 2006: 93-110).

Controlling nuclear weapons is also stressed in the US foreign policy. To keep the world in order, the number of nuclear warheads has to be decreased to avoid nuclear war. The limitation on these weapons is the way how USA controls other countries in global security to not involve in destructive conflict.

The American foreign policy has a special character as for dealing as political and military superpower. From Truman, Johnson to the Bush-administration, America has always had a distinctive and special

doctrine on its foreign policy (Merril, 2006: 27-37). America's environment or surrounding areas are geographically important as means of political influence. America does everything to strengthen its national security, particularly when it comes to its own territory. According to this logic, every country must respect those foreign policy doctrines. America attempts to contain countries that pursue policies perceived as an obstacle for America's foreign policy. For instance, a policy of containment coined by George F. Kennan in 1967 had succeeded in containing the Soviet Union and led to the collapse of the Soviet Union in 1991.

Recently, foreign policy in the Trump era is bolder; it does not hesitate when it comes to direct actions particularly in dealing with transnational terrorism (*CNN*, 4 December 2015). Thus, the world is more dynamic, volatile and uncertain than before him. So, based on that situation, it is most likely that Trump will be decisive in every policy decision that can boost his popularity and secure American interests. The Trump administration must play smart in its foreign policy with China and Russia, because those countries are the main actors who will be decisive in the Middle East and Asia.

After the Global Financial Crisis (2008-2009), US must improve and fix the broken economic system. The improvement in global economy includes the creation of new industry hubs (f. ex. Silicon Valley) and these reforms mean the revitalization of financial and manufacturing industry that were hit most by the crisis. Despite the need for action, the Trump administration withdrew from Trans-Pacific Partnership (TPP) to protect American workers from cheap overseas labour, and the deal will probably enter into force after Trump, or his policy alters course. Nowadays, in enhancing America's economic development in international trade, Trump prefers to enter into bilateral trade agreement rather than multilateral such as TPP (Coles, 2017: 24).

4. A Comparison of Capabilities of China and US

China and USA have the advantage of being permanent member of Security Council in United Nations. It is the crucial position that helps them control the situation in international politics. Permanent members of UN Security Council have the right to veto the resolution that can endanger their interests or those of their allies. That way China and USA have more bargaining power and they can empower their military industry by supplying the infrastructure and troops for their allies particularly in the security sector.

While comparing foreign policies or actions concluded in Southeast Asia, the comparison of American and Chinese capabilities in Southeast Asia is of relevance; these two countries are two most important factors to influence regional dynamics, policies, military issues and the economy.

In military aspect, both USA and China have been deploying its army in massive scale in the Southeast Asian region and use the strategy of deterrence in the host countries. It is important that when discussing security issues, the analysis has to include costs or benefits as well, and thus it is worth investigating and comparing the Chinese and American military sector briefly.

China has a keen interest in becoming top notch in world military power. The largest army in the world (total active military manpower available) and China's expansionism require more guarantees of safety and in order to defend its territory it must be prepared for every kind of manoeuvre to achieve its national interests. In 2017, China increased its military budget up to 7%, which is second largest raise in national budget, after USA (10 percent) in 2017 (*BBC News*, 4 March 2017).

In achieving those interests, China has been increasing its capabilities and the quality of its army. China could also deploy more

squads abroad particularly in securing China's interest in South China Sea (*ABC News*, 28 March 2017). The presence of China's military intends to deter every party that crosses China's interest. In the South China Sea's dispute, China's main interest is to create new artificial islands that become integral parts of China's territory. The protection of the newly created land is to be served by the military best.

Table 1 A Comparison of Military Capabilities

Sector	China	USA
Manpower available for military service	Males age 16-49: 385,821,101	Males age 16-49: 73,270,043
	Females age 16-49: 363,789,674 (2010 est.)	Females age 16-49: 71,941,969 (2010 est.)
Manpower fit for military service	Males age 16-49: 318,265,016	Males age 16-49: 60,620,143
	Females age 16-49: 300,323,611 (2010 est.)	Females age 16-49: 59,401,941 (2010 est.)
Manpower reaching militarily significant age annually	Male: 10,406,544	Male: 2,161,727
	Female: 9,131,990 (2010 est.)	Female: 2,055,685 (2010 est.)
Military expenditures as percent of GDP	1.99% of GDP (2012)	4.35% of GDP (2012)

Source: <http://www.indexmundi.com/factbook/compare/china.united-states/military>

After the World War II, USA has become the major global military power. The phrase “the winner takes all” vividly characterizes the role of USA in international politics. In order to maintain world peace and stability, USA, USSR and the United Kingdom founded United Nations in 1945. Then currently, USA, Russia, China, France and the United Kingdom are the permanent members of UN Security Council, where they have an indispensable role in determining world peace or conflict.

Nuclear, the ultimate weapon, is the most important weapon of the USA military. It was used by USA to defeat Japan. In the Cold War, the nuclear arms race was the mainstream element of military competition. That race created a stalemate between USA and Soviet Union and the bipolar world. As the second biggest nuclear weapon owner, USA can use its allies to contain the movement of its rivals. That situation gives a real bargaining power for USA in achieving its national interests. Until now, there are seventeen countries that own nuclear weapons. In addition, USA has been developing its advanced and sophisticated technology of navy, air force, and army.

In Southeast Asia, USA has military bases in the Philippines, and Japan. In addition, as the close ally of United Kingdom, USA also gets strong support in Singapore for its military. Furthermore, USA has also deployed its navy in Northern Territory, Australia. Geopolitically, this condition is a strategic advantage of USA, since it has allies and leverage in the region. Surrounding the target is a very effective way to contain the target in broadening its sphere of influence.

China and USA are the biggest economies in the world. Both China and USA have huge markets and production. Both countries can be either a partner or a competitor in international trade. As partners, innovations in manufacturing that were born in this world nowadays are the fruits of a US-China partnership. The US specializes on innovation and product creation while China arranges the low-cost production and

marketing strategy. For example, the Apple products are manufactured in China, but the patents, ideas, and design come from the USA through a Taiwanese company. Despite this circumstance, Trump demands Apple and other American firms to shift the location from China to US (*Fortune*, 17 November 2016). Overall, a comparison of USA's and China's economic power is presented in Table 2.

Needless to say, the USA-China relationship is far from being flawless. Recently, the Trump administration stated that tariff on Chinese import is to be increased by 45 percent. The basis of the decision is that USA has trade deficit toward China (Reuters, 24 November 2016). Trump also implied that China would have a better deal when the North Korea problem is solved (*The New York Times*, 11 April 2017). The rapid change of the foreign policy could change the relations between US and China and indirectly the pattern of other regional interactions.

In China, the goals of future economic development are labelled as the Two 100s, and both are linked to historic events: the 2021 goal of a moderately well-off society is tied to the 100 years anniversary of the formation of the Chinese Communist Party; the 2049 goal of a fully developed nation is linked to the 100 years anniversary of the People's Republic of China (Kuhn, 2013). To reach these goals, China has become the second largest economy in the world and the world's largest manufacturing base. The domestic market is also playing a crucial role in Chinese economic development since it is the world's fastest growing consumer market.

Southeast Asia is the hub for China's economic development, which is why it is the major concern of China. Therefore, China must keep it stable, and control it. Particularly, China has economic development interests in South China Sea as well. These interests in Southeast Asia and South China Sea are suitable with the Chinese "Going Global" slogan. The main reason why South China Sea will decide China's

Table 2 A US-China Comparison of Economic Power Measured by the Size of GDP, GDP Composition, and Import, Export Partners

About	China	USA
GDP	US\$9.33 trillion (2013 est.)	US\$16.72 trillion (2013 est.)
GDP Composition	Household consumption: 36.3% Government consumption: 13.7% Investment in fixed capital: 46% Investment in inventories: 1.2% Exports of goods and services: 25.1% Imports of goods and services: -22.2% (2013 est.)	Household consumption: 68.6% Government consumption: 18.6% Investment in fixed capital: 15.3% Investment in inventories: 0.4% Exports of goods and services: 13.4% Imports of goods and services: -16.3% (2013 est.)
Import and Export Partners	Import partners: South Korea 9.4%, Japan 8.3%, Taiwan 8%, United States 7.8%, Australia 5%, Germany 4.8% (2013 est.) Export partners: Hong Kong 17.4%, US 16.7%, Japan 6.8%, South Korea 4.1% (2013 est.)	Import partners: China 19%, Canada 14.1%, Mexico 12%, Japan 6.4%, Germany 4.7% (2012) Export partners: Canada 18.9%, Mexico 14%, China 7.2%, Japan 4.5% (2012)

Source: <http://www.indexmundi.com/factbook/compare/china.united-states/military>

economic development in the future is its location, which is strategically important when transporting goods from China to Asia and Africa. Additionally, this location potentially has huge reserves of natural resources and they generate more income to China's economy besides the service sector, which can serve as the hub for connecting China and Southeast Asia (Buszynski, 2012: 139-156).

As the largest industry sector, the Chinese manufacturing wants bigger markets to sell its products and it also needs raw materials to supply the growing production management. That is the reason why China initiated several free trade agreements with ASEAN countries, East Asian countries, Australia and New Zealand. With ASEAN, China has established free trade in 2010. Southeast Asia as the new prospective and emerging region has a key role in China's economic planning. So, China initiated the One Belt One Road project in ASEAN to increase connectivity and boost trade between China and ASEAN countries (Rana and Chia, 2014). Connectivity is a key goal on the agenda to raise China's influence. The connectivity will not be limited the connectivity among ASEAN countries, but it can also increase Chinese trade to ASEAN countries. Thus, China's profile could be more positive, in line with the "Going Global" slogan.

Although the US economy was severely hit by the financial crisis in 2008, the US economy is still the largest in the world in terms of GDP. No surprise, innovations and purchasing power are key elements in US economic development. (See Silicon Valley's created added value!) Besides that, newly found shale gas could be the main supply for US energy consumption and these findings disrupted conventional oil supplies because of its low costs and large volume, even though it also creates vulnerabilities (Brown, 2013). The largest financial industry and the key currency in the world provide the US economy a global impact,

which is how we can explain that after the 2008 financial crisis, the US recovered from the financial shock that swiftly.

In Southeast Asia, Americans are mostly interested in securing their investments and concessions that were established to buttress the US economy. Singapore, Malaysia, and Thailand are the destination countries that US has heavily invested in recent decades, while in Indonesia, there is the largest gold mining site in the world, in Tembagapura, Papua, where the concession is owned by a US company. For international trade, US created Trans-Pacific Partnership (TPP) that could have reduced trade barriers between the US and Southeast Asian countries; however Trump's withdrawal from the TPP seems to mark a policy change. US also needs the guarantee of safety and price when its cargo sails in the South China Sea and through the Strait of Malacca in order to support its goods supply to the Middle East, South Asia, and Europe. So, the US' intentions are clear in the South China Sea which is not to be monopolized by one state and is to be kept as a free shipping zone.

5. Host Country Policies toward the US and China

Leadership is an important aspect in the development and stability of regional integration. It cannot be neglected that global powers exert a profound influence in shaping interactions in the region. The regional leader can be an internal member or outsider that impacts the development in the region significantly.

The Southeast Asian region as the new emerging region has stable conditions and positive economic growth. Whether considering political or economic aspects, this region will be a new centre of global development. With the establishment of ASEAN in 1967, regional integration and stability has reached a new level. The founder countries

of the ASEAN – Thailand, Indonesia, Singapore, Malaysia, and Philippines – are prominent in regional development and have become influential players in regional politics. In addition, new members can be featured positively in terms of economic growth and political stability.

The host countries give responses to the actions initiated by US and China in the region. As global powers, both countries actively seek support of the Southeast Asian countries to join their policies. Seeking political alliances, the two countries have different approaches in dealing with political and economic issues. This political competition between China and the US will create more disturbances in regional stability. However, sovereign Southeast Asian countries can choose which one of the countries to follow when it comes to fulfilling their interests.

The crucial issues in this region nowadays are (1) the South China Sea dispute which involves seven countries and regional economic integration and (2) connectivity determining the future regional economy. The emphasis in the South China Sea dispute is on the stability of the region and international shipping zone, which is crucial for regional development. Meanwhile, the regional economic integration including free trade agreement will determine the future development of this region. Hopefully, it can reduce the development gap between Cambodia, Myanmar, Laos (CML) countries and other Southeast Asian states and enhance connectivity and boost the economies.

In South China Sea, the rivalry of China and the US is still moderate and does not involve high risks. However, the dispute with the Philippines has escalated to international law dispute and settled at United Nations Convention on the Law of the Sea (UNCLOS). Although China's military also prohibits fishermen from disputed territories to conduct their activities in China's reclamation project, China's claim is not legitimate and not acknowledged by international law.

That action has consequences particularly on how the Southeast Asian countries respond in dealing with China. The South China Sea plays a pivotal role in regional stability and economic growth. When the sea is stable, most parts of the region are also kept in peace. Therefore, the Southeast Asian countries use the regional body ASEAN to establish the code of conduct in South China Sea with China and Taiwan to prevent bigger conflicts. With that action, the Southeast Asian countries can at least contain China from destructive steps in South China Sea.

Regarding the vulnerability and high uncertainty in that sea, USA tries to interfere by giving support for its allies and deploys its military in the area. That potentially raises tensions and involves more parties in this dispute. However, the eagerness of USA in participating in this issue has two motives. First, USA wants to show its existence in the region. Secondly, American support demonstrates that the host countries' interests would be supported by USA. The existence is very important because it proves that USA is capable and willing to contain China in the South China Sea region. Second, in gaining support and followership in the region, USA has to be the antithesis of China's movement so as to keep a balance of power in the region.

From that case, it could be seen that the reactions of the Southeast Asian countries differ. These differences could cause the segregation in ASEAN for taking a side whether to support China or not. The country that has common interest with China is Cambodia. In every official meeting about South China Sea, Cambodia emphasized the non-interference principle and rejected discussion about the response to China's action in the South China Sea. In the ASEAN system, resolution must be formed in consensus. Until now, ASEAN could only reach an agreement on the form of code of conduct in the South China Sea with China in resolving the issue. In this case, China and the US hegemonic actions in the South China Sea divided the South East Asian countries

and none of the superpowers obtained full followership from the host countries.

In the economic sector, the China-ASEAN Free Trade Agreement was signed in 2002 and came into effect in 2010, but it only covered a trade agreement between China and ASEAN countries. The Regional Comprehensive Economic Partnership (RCEP) is still being negotiated. The RCEP is more realistic than the TPP from which the Americans withdrew in 2017. This is a clear advantage for China in reaching fully economic integration in Southeast Asia.

China has strong leadership in regional dynamics in Southeast Asia. The program that they offered is a realistic one for the Southeast Asian countries, mainly One Belt One Road and RCEP. However, in the South China Sea dispute, China will face a lot of objections and challenges from ASEAN countries regarding the importance of the sea for regional stability and development. On the other hand, the US has a key role as the biggest power both in military, politics, and economy in the region, but it cannot foster its leadership in the region because USA has to deal with internal problems first and does not have direct right to access the South China Sea dispute. In the economic sphere, the US also does not have any alternatives for competing with RCEP after withdrawing from TPP. Therefore, in recent time, China has more advantage in captivating the influence in the region as long as it keeps this region stable and prosperous.

Notes

- * Affabile Rifawan, Master of Science (Economics, Universitas Padjadjaran), is a lecturer and researcher at the Department of International Relations, Universitas Padjadjaran, Indonesia, with research focus of global leadership, security studies and political economy; and with teaching scope

of International Development; International Relations in America; and Quantitative Methods. <Email: a.rifawan@unpad.ac.id>

** Novi Amelia, Master of Science in Management (Institut Teknologi Bandung), is a junior lecturer at the School of Business and Management, Institut Teknologi Bandung, with research focus and teaching scope of business strategies and marketing. <Email: novi.amelia@sbm-itb.ac.id>

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