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BRIEF**Trump 2.0 and Southeast Asia:
From Disengagement to Non-Confidence?**

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At the end of 2024, the U.S. presidential election concluded with a victory for Donald Trump. It is true that the Biden administration's policies and engagement with Southeast Asia did not receive wholehearted support from the region. Nonetheless, the Biden administration at least provided some lip service to Southeast Asia, unlike the first Trump administration. If Trump's second term intensifies the policy direction of his first, even this minimal lip service will likely disappear. With a sharp shift in policy direction from Biden to Trump, some countries might experience fundamental changes in their bilateral relations with the United States.

Economically, the re-emergence of the Trump administration raises enough concern across Southeast Asia. While economic pressure on China might offer Southeast Asian countries a brief window of opportunity, this opening may not last long. Trump's "America First" economic policies are expected to lead to increased protectionism, likely weakening the economic order in the Indo-Pacific, including Southeast Asia.

Conversely, the influence of revisionist states like China might strengthen in Southeast Asia. China and Russia, among others, could seize the opportunity to expand their reach in the region, filling the gap left by the United States. Disappointment with the United States among Southeast Asian nations might also bolster their hedging strategies aimed at maximizing autonomy. The Trump administration's neglect of Southeast Asia could have repercussions beyond a mere lack of policy; his re-election might lead Southeast Asian countries to abandon any prior confidence or expectations they had regarding the United States. In the future, Southeast Asia's expectations for U.S. engagement and a positive role in the region are likely to plummet.

Trump 1.0's Apathy towards Southeast Asia

The return of Trump, not only in Southeast Asia but across the entire Indo-Pacific region, signifies a "reflash" of the dramatic shift in U.S. foreign policy first seen in 2017. Trump's policy stance, as revealed during the election process, clearly aims in this direction. The difference this time is that the second Trump administration, with the experience gained from the first term, is likely to pursue its foreign policy objectives even more confidently and assertively from the outset. Trump's first-term foreign policy, especially in Asia, primarily revolved around an all-out campaign to counter China, compounded by an "America First" approach.

To achieve these two objectives, policies that did not directly contribute—such as maintaining U.S. global leadership or meeting the global community's expectations of the United States—were disregarded. The Trump administration exerted direct pressure on China and mobilized partner countries to maximize the impact of this pressure. Expenditures aimed at upholding abstract values like U.S. hegemony and leadership were quickly reduced, prioritizing economic gains for the United States. In line with America First, the focus shifted toward protectionism, emphasizing reshoring.

Under these policies, Southeast Asia and ASEAN, as a bloc of developing countries pursuing a hedging strategy between the United States and China, were left entirely out of focus.

As shown by surveys conducted by the Institute of Southeast Asian Studies (ISEAS), Southeast Asian nations' trust in the U.S. declined throughout the Trump administration due to this neglect of U.S. Southeast Asia policy. The U.S. economic influence in Southeast Asia during Trump's first term registered at 7.9% in 2018 and 2019 and slightly dropped to 7.4% in 2020. Similarly, political influence recorded figures of 30.5%, 26.7%, and 30.4% in those years. Under the Biden administration, these figures improved, with economic influence surpassing 10%. There was also a slight rebound in political influence. In terms of preference between the United States and China, by the end of 2019, the United States held a slight lead at 53% compared to China's 46%. Toward the end of 2020, with Biden's administration on the horizon, this preference for the United States rose to 61%.¹

Trump 2.0: Apathy will continue

In short, the Trump administration's second term is expected to exhibit indifference toward Southeast Asia. While the Biden administration has been criticized for engaging with Southeast Asia through mere lip service without concrete actions or policies that instill confidence, such minimal engagement may disappear entirely under Trump. This shift is anticipated to occur with even greater speed and scope than in his first term. Many forecasts suggest that Trump's second term will reinforce his first term's domestic and foreign policies. Additionally, Trump's administration is likely to advance its agenda assertively from the start, filling high-ranking positions with loyalists. Should both the Senate and House remain under Republican control, this would further accelerate the administration's policy implementation.

While the Trump administration may still engage in the South China Sea militarily and diplomatically, this would only occur if it served specific U.S. interests—a strong stance against China. If countries like the Philippines hope for continued U.S. commitments in the South China Sea, they will likely face substantial financial demands. For other Southeast Asian nations and ASEAN as a whole, expecting the United States to play a balancing role in the region's security and strategic architecture might be unrealistic. Southeast Asian countries, if they expect such a role from the United States, will likely be pressured to shoulder corresponding costs.

On the multilateral front, U.S. interest in ASEAN-led regional frameworks is expected to decline further, with Trump unlikely to participate in the East Asia Summit unless a major shift occurs. The U.S.'s disengagement from ASEAN-led multilateralism has three significant implications: First, support for ASEAN centrality, previously demonstrated by the United States, will be hard to expect. Second, the U.S.'s inconsistent participation in regional cooperation will reduce regional countries' interest in ASEAN-led multilateral efforts, diminishing its strategic weight. Third, this U.S. absence will relatively boost China's influence and leadership in regional cooperation, potentially allowing China to gain a strategic advantage over the U.S. in the region overall.

Bilateral Relations: turbulence expected

Among individual countries, the Philippines stands to lose the most. It is unlikely that the cooperative relationship established between President Biden and President Ferdinand Marcos Jr. on the South China Sea and security issues will continue under the Trump administration. For the Philippines to maintain its current security cooperation with the United States, either China would need to escalate its assertiveness to the point of suddenly altering the status quo in the South China Sea, or the Philippines would have to pay the price for U.S. support. In contrast, Indonesia's new President Prabowo's populist tendencies may mirror Trump's own, resembling the rapport Trump shared with former Philippines President Rodrigo Duterte. However, such personal affinity does not appear to

significantly benefit bilateral relations or cooperation between the two nations. For instance, there is no evidence of any closer strategic cooperation between the Philippines under Duterte and the United States under Trump, nor any major concessions or benefits gained by the Philippines from the United States.

On the other hand, Indonesia and Singapore are likely to be deeply concerned about the potential imbalance of power between the United States and China in Southeast Asia and the South China Sea under the returning Trump administration. Both countries are sensitive to maintaining a balance of power among major powers in Southeast Asia, believing this balance acts as a strategic and economic safeguard for smaller Southeast Asian nations. Reduced U.S. engagement in Southeast Asia could lead to a serious disruption in the balance of power between the United States and China.

Malaysia adheres to a hedging foreign policy, especially since Prime Minister Anwar Ibrahim took office in 2022, reinforcing strategic diversification. Malaysia recently strengthened ties with China and Russia, joining BRICS in 2024. In 2025, Malaysia will serve as ASEAN chair in the first year of Trump's second term. While the chair's authority is limited, Malaysia's foreign policy stance combined with Trump's strategy of disengagement from Southeast Asia could further distance ASEAN from the United States.

Some countries, on the other hand, may welcome Trump's indifference toward Southeast Asia. Countries already leaning significantly toward China may expect reduced U.S. involvement and subsequently pressure. The Myanmar military regime, in particular, could be the biggest beneficiary of the U.S. disengagement. Since the 2021 coup that overthrew Aung San Suu Kyi's civilian government, Myanmar's military has been under sanctions from the United States and the international community. Although Trump's presidency is unlikely to lift these sanctions, Myanmar's priority on the U.S. foreign policy agenda would likely decrease significantly, resulting in diminished attention.

Southeast Asia expects more economic pressure

Southeast Asian countries will also have to bear the costs of disruptions to the international economic order stemming from the Trump administration's economic competition with China. As long as Trump is in power, it is difficult to expect U.S. leadership in stabilizing the regional economic order. It seems almost certain that the Indo-Pacific Economic Framework (IPEF) will become further weakened or scrapped entirely. Since the IPEF is not treaty-based, it can be easily reversed by the administration's decisions. It is even more difficult for Southeast Asian countries, which rely heavily on trade, to expect the United States to rejoin the Trans-Pacific Partnership (TPP), a move they had hoped for. With U.S. protectionism on the rise, not only China but also individual developing countries, including those in Southeast Asia, are likely to face increasing difficulties in accessing the U.S. market. The U.S.'s retreat from Southeast Asia and the Indo-Pacific region will have a significant impact on the regional economic order, especially the trade system. As U.S. leadership in free trade and market economies diminishes, it becomes increasingly likely that China will step in to fill the void.

The U.S. pursuit of decoupling from China may be welcome news for countries like Malaysia, Thailand, and Vietnam, which have manufacturing sectors capable of replacing China. However, the trade surpluses generated by such access to the U.S. market may, in turn, open these countries to trade pressure from the Trump administration. If U.S. tariffs on China lead to increased exports from Southeast Asia to the United States, resulting in trade surpluses for some Southeast Asian countries, the Trump administration is likely to use abrupt tariff hikes as a means of exerting economic pressure on these nations.

Trade pressure that focused on China and neighboring countries during Trump's first term is now likely to expand to Southeast Asia and the Indo-Pacific region. U.S. protectionism could also affect

private enterprises, potentially discouraging investments by American companies in Southeast Asia, which have historically played a role in sustaining U.S.-Southeast Asia economic relations.

The economic repercussions will not be limited to bilateral economic relations between the United States and Southeast Asian countries. Long-term and less visible impacts may emerge as U.S. domestic economic policies indirectly affect Southeast Asian economies. Retaliatory tariffs on China could lead to higher prices for imported goods in the U.S. market. Stricter crackdowns on illegal immigration could push low-wage labor out of the U.S. labor market, resulting in overall wage increases. Both changes could contribute to U.S. inflation—a scenario that the global economy became familiar with in 2022–23.

To combat inflation, the U.S. Federal Reserve may again be tempted to raise interest rates to protect the U.S. economy. Interest rate hikes in the U.S. would be bad news for developing countries. Capital outflows from Southeast Asia, increased burdens of debt servicing, and a potential redirection of foreign investment toward the United States could negatively impact Southeast Asia's economic growth and stability.

It is not U.S. policy but confidence in the United States that matters

The Lowy Institute in Australia published a column titled “*America Makes Trump Great, Again*” immediately after the U.S. presidential election.² The title, a parody of Trump's campaign slogan “*Make America Great Again*” (*MAGA*), is both satire and a pointed expression of disappointment—particularly toward the United States for re-electing Trump.

The fundamental concern about the second Trump administration is not the specifics of its Southeast Asia policies over the next four years. After all, Trump's presidency would eventually end with no further opportunities beyond his term. The real issue lies in the trust and confidence in the United States as a nation and its institutions—trust that underpins not just bilateral relations but global stability, including that of Southeast Asia.

The critical point is not the direct harm or disadvantages that could result from Trump administration policies but rather the potential irreparable damage to global confidence in the United States. If regional countries begin to perceive a Southeast Asia without U.S. positive engagement or an Indo-Pacific region lacking a major power to balance China as a given reality, they may start adjusting to this new paradigm. If this perception takes root, any future U.S. attempts to regain its leadership would require enormous resources, effort, and time—possibly making the recovery of that leadership impossible.

The United States was once seen as a leader in providing global and regional public goods. While its foreign policy and international hegemon behavior have occasionally faced criticism, many still regarded the United States as a *benign hegemonic power*. By supplying global public goods, it earned its leadership role. However, the zenith of American power following the Cold War seemed to rapidly decline after the 2008 global financial crisis—a turning point that set the stage for Trump's rise.

With Trump's re-emergence, the United States appears to have prioritized its national interests over global leadership, transforming into one of many “ordinary” nations competing on equal footing with others for its own benefit. At least from the perspective of Southeast Asia, this is how the Trump administration's America is perceived.

An opportunity for ASEAN and Korea to deepen cooperation?

In Southeast Asia, the waning confidence in the United States that emerged during the first term of President Trump and persisted through the Biden administration is anticipated to decline even more precipitously under a second Trump administration. If U.S. engagement in Southeast Asia diminishes, China's influence is likely to strengthen accordingly. This unfolding scenario may compel middle

powers and regional actors, such as ASEAN, to acknowledge the pressing need to forge coalitions capable of preventing the erosion of regional order, particularly the rules-based order. Even if U.S. involvement diminishes, the imperative for regional countries and powers to unite in countering revisionist challenges and fortifying the existing order has never been more pressing.

For ASEAN, this entails reinforcing collaboration and solidarity with regional middle powers such as South Korea. South Korea, in turn, must establish a bulwark to bolster the region's rules-based order through partnerships with other regional actors, including ASEAN.

In 2024, South Korea formalized a Comprehensive Strategic Partnership (CSP) with ASEAN. The partnership aims to develop a Plan of Action for its implementation by 2025. This action plan must address the evolving geopolitical landscape following the U.S. presidential election and reflect the necessity for enhanced cooperation. South Korea and ASEAN must align their interests to strengthen the region's rules-based order, promote free trade, and reinforce the regional economic system. Collaborative strategies should be identified to achieve these shared objectives.

Through these efforts, ASEAN can reassert its role in multilateral cooperation under ASEAN-led frameworks, thereby reinforcing ASEAN centrality and continuing cooperation centered on the *ASEAN Outlook on the Indo-Pacific* (AOIP). In return, South Korea should leverage ASEAN as an opportunity to enhance its strategic influence against major powers. Furthermore, South Korea must seek to diversify its foreign policy to reflect its status as both a global middle power and a regional player with influence beyond that of a typical middle power. To position itself as a significant strategic actor in the region, South Korea must move beyond its traditionally U.S.- and China-centric foreign policy. Instead, it should pursue a more diversified diplomatic approach, using this as a chance to solidify its strategic standing in the Indo-Pacific.

¹ Seah, S. et al., 2024. *The State of Southeast Asia: 2024 Survey Report*. Singapore: ISEAS-Yusof Ishak Institute.

² Daniel Flitton. 2024. "America makes Trump great, again" *The Interpreter*. 6 November. (<https://www.lowyinstitute.org/the-interpreter/america-makes-trump-great-again>)



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