Donald Trump overlooked the ASEAN countries in his pre-election campaign. His disregard of the actively developing region with a population of 625 million people and a total GDP worth 2.4 trillion dollars (the world’s seventh largest economy), which is playing an important role in the Asia-Pacific Region, is in stark contrast to Barack Obama’s policy of strengthening the USA’s position and influence here. The possible economic and geopolitical consequences of the election of the new US President for the region may only be assessed indirectly – judging by his pre-election statements. Considering them from the perspective of national security interests, the ASEAN countries acknowledge the risks of the new priorities of this superpower while hoping for the best.

The economic risks come from Trump’s statements on strengthening trade protectionism and the US refusal to participate in the Trans-Pacific Partnership (TPP), which may negatively affect the economic development of the ASEAN countries that are dependent (to various extents) on trade with the USA (249 billion dollars) and the foreign investment inflow. The possible economic loss is already being calculated in the event of the introduction of protection measures by the new US administration, which will reduce revenues from exports. According to the estimates by Deutsche Bank, Singapore may stand to lose 30% of its export revenues. Economic losses may be faced by Malaysia whose trade turnover with the USA came to 24 billion dollars in 2015, Indonesia whose exports to the USA are estimated at 16.6 billion dollars, and Vietnam whose major export market (30.5 billion dollars) is the USA. It can’t be excluded that there will be reduced inflow of direct foreign investments into Southeast Asian countries, where the USA has invested 200 billion dollars. According to the report compiled by Credit Suisse, many businessmen and women may suspend the implementation of their investment projects until the US policy is clarified. For Singapore whose restricted domestic market is dependent on the inflow of foreign investments, primarily from the USA (in 2015 the USA investment exceeded Australia, China, and Japan’s combined tally of 11.5 billion dollars), the changes in the US foreign economic policy may have serious consequences. D. Trump, who opposed free trade, globalisation, and immigration in his election campaign, called Singapore one of the Asian countries that “were stealing jobs from the USA”.

Another such country is Vietnam, which, alongside with Singapore, Malaysia, and Brunei, is very dissatisfied with D. Trump’s plans not to join the Trans-Pacific Partnership, which they saw as a new opportunity to strengthen their positions on the global markets and a condition for the attraction of new investments. Therefore, this decision taken by the USA may severely hinder these countries’ economic interests forcing them to search for alternatives. However, these alternatives are not abundant. Firstly, they could expand trade relations with the European Union, Japan, India, and China. Second option would be strengthening intraregional economic interaction. The establishment of the Integrated Economic Partnership made up of 10 ASEAN countries, China, Japan, South Korea, India, Australia, and New Zealand, may contribute to this. This Trade Treaty initiated in 2012 is supported by China.

The strategic risks are related to D. Trump’s intention to cut US military and political presence in the region. Thus, the purely economic agreement Trans-Pacific Partnership acquires a political meaning for the Southeast Asian countries. Singapore’s Prime Minister considers the TPP “an unmistakable indicator of the region’s confidence in the USA.” For the US allies in Southeast Asia, the failure of the TPP agreement symbolizes the USA’s retreat from the
region with corresponding consequences for their national and regional security with inevitable changes in the balance of power in favour of China.

Consequently, the Southeast Asian countries are losing their negotiation positions on the South China Sea issue. This may lead to two possible outcomes in the development of the geopolitical situation in the region – either closer interaction among the Southeast Asian states in the framework of ASEAN with development of a common position in the territorial disputes in the South China Sea, or the search for a compromise with China, which the President of the Philippines is already demonstrating. There is a third option that cannot be excluded – the Southeast Asian countries, deprived of the military and political assistance of the USA and fearing China’s dominance in the region, may choose the tactics of strengthening ties with regional players such as Japan and Australia in order to redress the balance.

Will the Southeast Asian countries be willing to introduce changes in their bilateral relations with the USA should D. Trump implement his pre-election promises? It seems that they will not. And that despite some countries in the region expressing their criticism of the new President. Malaysia’s leaders have announced that they “will extend cooperation with the new administration in order to ensure the continuation of bilateral relations and to protect Malaysia’s interests in the future.” However, Malaysia’s increasing tendencies towards Islamization in its domestic policy may force Prime Minister Najib Razak to act more carefully in the complex situation of entering into confrontation with the opposition as D. Trump’s anti-Islamic statements cause concern among the Muslim population of the country.

Indonesia’s leadership will have to weigh up economic benefits and political losses as it is trying to cool down anti-Trump feelings in the country that is under the threat of Islamization.

As for Thailand, the cooling in its relations with the USA that emerged after the military coup in 2014 has not affected their trade and economic links. Although Thailand has not joined TPP, it has expressed willingness to do so, which reflects its intention to use this treaty both for trade and economic and political purposes. In spite of the clear rapprochement with China, Thailand is trying to maintain balance in its foreign policy and it will try to normalize relations with the USA as D. Trump is expected to pay less attention to protecting human rights, which had become a stumbling block in US-Thai relations under Barack Obama. According to Thai experts, they should not harbour great illusions on rapprochement with the USA despite the fact that Thailand has historically been its strategic partner. Taking into consideration Trump’s statements on US isolationism in foreign policy, it can be expected that there will be less criticism against the military regime in Thailand.

The Philippines’ reaction to Donald Trump’s victory perhaps was the most enthusiastic as it is another strategic partner of the USA alongside with Thailand. The reason for this is evident – the disregard Rodrigo Duterte has towards the US criticism against his policy on combating drugs. As a consequence, Duterte’s personal enmity to Barack Obama transformed into anti-Americanism. This became apparent not only in his speeches, but in his intention to tighten the visa regime for Americans, and, most importantly, to reduce the US presence on the Philippines and limit bilateral military contacts.

In fact, this anti-Americanism has not affected bilateral trade and economic relations. The Philippines are too tied to the US market and US outsourcing companies. This fact increases the vulnerability of the Philippines’ economy to D. Trump’s possible actions to limit the offshore transactions of American companies, which, in his opinion, means the USA loses jobs. The economy of the Philippines may suffer great losses if there are changes to the US immigration policy. Currently, more than 4 million Filipinos live there (some of them – illegally). They account for one third of all money transfers to the Philippines. Thus, Duterte’s reckoning on Trump as a guarantee that their bilateral relations will improve may fail to come true. There are also political risks. In an interview with Reuters, D. Trump noted that “the Philippines occupy a very important strategic position and R. Duterte’s to withdraw foreign troops from the country’s territory demonstrates a lack of respect for the USA.”

As of now, only general conclusions can be drawn in respect of the development trends of relations between the USA and the Southeast Asian countries. It will be clear later when D. Trump gives his statements specific content in US domestic and foreign policy. In any case, it is highly unlikely that there will be great changes in the nearest future.

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