



# Counterpoint Southeast Asia

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*Image Credit: Unsplash/Thomas Tucker*

## What should Southeast Asian states do in a Taiwan conflict?

By Drew Thompson

United States (US) Speaker of the House of Representatives Nancy Pelosi's visit to Taiwan in early August 2022 and China's military displays immediately afterwards brought **global attention** to cross-Strait tensions. Ballistic missiles launches, successive waves of aircraft sorties flown around Taiwan and across the Taiwan Strait centreline, and the declaration of six military exclusion zones encircling Taiwan, all underscored the volatility of the situation.

For many in Southeast Asia, the **invasion of Ukraine** in February demonstrated that a military invasion could potentially be used to settle political disputes, and China's

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*cont'd p2*

August military exercises revealed for many the reality that a conflict over Taiwan would not be geographically constrained to the island and the strait that separates it from the mainland.

China's military exercises further demonstrated that a conflict over Taiwan would inevitably encompass neighbouring states both to the north and south of Taiwan. In addition to ballistic missiles launched from China, flying over Taiwan before landing in Japan's exclusive economic zone (EEZ), one of the military exclusion zones declared by China was in the Bashi Channel separating Taiwan from the Philippines, only 10 nautical miles from the latter's territorial waters.

There is little remaining doubt that a cross-Strait conflict would not only affect the economic and political interests of Southeast Asian states, but would also pose significant security challenges as well. The question then, what should Southeast Asian states do in a future Taiwan conflict? The Centre on Asia and Globalisation (CAG) invited three Southeast Asian analysts to debate and examine this question.

**Chong Ja Ian**, an Associate Professor at the National University of Singapore, explains that Singaporean views about Taiwan's security are mixed. He notes that while they are generally focused on Singapore's narrow economic interests, there seems to be little appreciation for the risks and potential implications from a cross-Strait conflict. While Singapore's preference might be to

“not take sides,” it may be impossible to avoid entanglement in the face of increased pressure from both the US and China in the event of a conflict.

The risks to Singapore extend beyond the binary question of whether to continue to enable US forces to utilise military infrastructure on the island, or to accommodate China by curtailing US military operations and access. He further observes that China's close cultural ties to Singapore's majority ethnic-Chinese population could tempt China to mobilise ethno-nationalism which would undermine racial harmony and social stability in the island state.

**Ratih Kabinawa**, a PhD student at the University of Western Australia, meanwhile observes that Indonesia's interests in Taiwan and at home would be severely impacted in the event of a cross-Strait conflict. She argues that the personal safety of almost 250,000 Indonesian citizens currently residing in Taiwan would be the primary concern of the government. Jakarta might even have to look to or work with the Association of Southeast Asian Nations (ASEAN) to support evacuation efforts.

In addition, Ms. Kabinawa argues that Indonesia's military needs to develop the capability to control its own territorial waters and airspace, enabling it to deny access to a belligerent. Notably, even though Indonesia and China do not have formal competing claims in the South China Sea (SCS), Indonesia is concerned about China's

encroachment into its EEZ in the North Natuna Sea. Lastly, she assesses that Indonesia's preference for neutrality could limit its ability to protect its interests, including impacting the ability to evacuate its citizens and ensure the Straits of Malacca remains an open waterway.

**Ivy Kwek**, Fellow for China at the International Crisis Group, asserts that Malaysia's core interest in the event of a cross-Strait conflict is maintaining open sea lanes in the SCS and ensuring the free-flow of commerce. This underscores the tremendous regional economic impact that a cross-Strait conflict would entail. She also observes the political ramifications for SCS claimant states should China use force against Taiwan; it would indicate Beijing's willingness to aggressively assert its claims against SCS claimants.

Ms. Kwek proposes that Malaysia both works with ASEAN and takes proactive steps to prevent a conflict from breaking out over Taiwan. ASEAN could also attempt to reclaim its centrality by acting as a go-between for the US and China. She makes concrete recommendations that Malaysia begins planning for a Taiwan contingency, engage in multilateral military exercises, and begin talks with Taiwan to plan for contingencies including non-combatant evacuations.

The authors shared their perspective during a

public webinar on 30 September 2022 (video link [here](#)). The discussion highlights Southeast Asian dilemmas when faced with the prospect of a cross-Strait conflict that they neither want, nor can avoid. Southeast Asian analysts have a clear sense of the considerable impact of a conflict, and clear interests in preventing a cross-Strait conflict. But Southeast Asian states have little appreciation for the tools they might employ for preventive diplomacy, leaving them focused on managing the fallout from a conflict they feel powerless to prevent.

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# Beware second order effects

By Chong Ja Ian

*Singapore should pay more attention and think about its options and preparations for a Taiwan contingency better, or risk finding its vulnerabilities more exposed.*

Taiwan is both near and distant to many Singaporeans. It is a **popular holiday destination** and source of **popular culture**. Many ethnic Chinese Singaporeans are familiar with Mandarin as well as Hokkien and Hakka, languages commonly used in Taiwan. But Singaporeans are uneasy about Taiwan's vibrant and competitive democratic politics, often caricaturing its politics in terms of physical fights in the Legislative Yuan from the 1990s while characterising its active civil society as chaotic and dangerous.

There is also confusion over Taiwan's status. Singaporeans see Taiwan variously as a continuation of the Republic of China established in 1912, part of the People's Republic of China (PRC), and a separate entity. The Singapore government formally **recognises the PRC** and maintains its own **"one China" policy** that is distinct from the United States (US) and other countries. Singapore's "one China" policy sees **Taiwan as part of China and opposes unilateral changes**



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**to the status quo**, but appears somewhat ambiguous about the definition of China. Within that context, Singapore maintains substantive **private and unofficial ties** with Taiwan.

These mixed views highlight an inattention that stems from the privilege of having not to worry about what happens to Taiwan and its people. Cross-Strait instability is undesirable, but relevant only insofar as it may disrupt commercial activity for Singapore. Repeated but unrealised PRC threats about using force against Taiwan seem largely academic and readily brushed off, or else speculated upon like some sort of spectator sport.

At worst, a powerful PRC will rapidly defeat Taiwan, after which everything will quickly return to normal, and Singapore will remain unscathed. Such beliefs, however, betray a limited appreciation for the risks and potential implications that may result from a



cross-Strait conflict. Like it or not, Singapore may find it difficult, if not impossible, to escape indirect involvement should a major military contingency over Taiwan unfold.

Indeed, cross-Strait tensions have visibly grown with **reports of PRC impatience**, **stepped-up PLA activity**, mounting Taiwanese **resolve**, as well as greater **US** and **international support** for Taiwan. The Taiwanese public is increasingly confident and unapologetic about their **distinct democratic identity**, which they see as **separating** them from the PRC's authoritarianism.

Such developments likely sparked apprehensions in Beijing about their ability to control Taiwan in the future. This has resulted in **more strident demands** on Taiwan to accept PRC terms for accommodation accompanied by increased **coercion**, **disinformation**, **cyberattacks**, and attempts at **political interference**. Beijing has also started to become less acceptant of **agreeing to disagree** with the **US over Taiwan's status**, partly by **blurring the differences between** its own **"one China" principle**, the US **"one China" policy**, and the **"one China" policies of other states**.

A Taiwan conflict however, may well reshape the Asian order from which Singapore has **benefitted** for decades. The **rules-based international order** undergirded by Washington's alliance network, military prominence, commitment to institutions, and relative restraint helped regional states,

including the PRC, find peace and prosperity. But American unwillingness or inability to support Taiwan in the face of Beijing-initiated violence could cause the system to unravel in Asia. Whether Beijing is capable of or interested in maintaining a comparable framework is unknown.

Regardless, an unsuccessful or overly costly PRC attempt to take Taiwan militarily could spell the end of Chinese Communist Party rule, or at least that of its sitting leadership, and usher in a period of domestic instability. This would deprive Singapore and the world of a key economic partner.

Spill overs from any Taiwan conflict are also likely to be strongly felt in Singapore. The US may seek military transit access from points west and south, logistic support, supplies, and other assistance, as it did **during the Vietnam War**. Since Singapore formalised its role as a **logistic hub** for the US military through a **1990 Memorandum of Understanding** and a **2005 Strategic Framework Agreement**, a refusal could invite economic and political isolation from Washington.

Beijing may engage in concerted economic coercion, cyber, disinformation, and political influence campaigns to strategically delay Singapore's decision on whether to assist Washington or disrupt efforts to do so. Beijing could expand influence operations and disinformation to create social confusion and political paralysis. It could as well employ sabotage or kinetic action on US assets in Singapore and the facilities serving them.

Close neighbours like [Indonesia](#) and [Malaysia](#), facing contestation over [access to their airspace and waters](#), might be made to pressure Singapore. The consequences of these developments could prove far-reaching.

Taken together, contestations in Singapore and its neighbourhood involving the [mobilisation of ethno-nationalism](#) could [tear](#) existing [social fissures](#) and [destabilise](#) these [communities](#) and leave them [reeling](#) even after the conflict ends. Not properly handling relations could cause Singapore to lose the trust of its [largest trading partner](#) (China) as well as its [largest single investor](#) and a critical regional security provider (the United States). Critically weakened, both Washington and Beijing could end up leaving the region open to greater uncertainty as others try to fill the vacuum.

Studied attempts to “[not take sides](#)” may work in calmer times but seems like inadequate protection against the strategic fallout from a high stakes US-PRC confrontation over Taiwan. The effects of a major Taiwan Strait crisis are unlikely to pass Singapore by. Given the difficulty of mitigation, Singaporeans should think ahead about their strategic options and preparations to undertake, or risk finding its vulnerabilities more exposed.

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# Redefine neutrality and threat perception

By Ratih Kabinawa

*Indonesia should consider redefining its neutral position and threat perception when confronted with a possible Taiwan conflict in the future.*

In a future conflict scenario in the Taiwan Strait involving China and the United States (US), Indonesia should consider several military options in addition to diplomatic ones. These options include evacuating its citizens from Taiwan, developing its own anti-access warfare capabilities, and redefining its 'neutral' position and threat perception. Let me elaborate on these options.

First, the Widodo administration has prioritised the protection of Indonesians living in Taiwan. In 2018, the Indonesian Ministry of Foreign Affairs (MOFA) created a unit to protect Indonesian citizens in Taiwan under the Indonesian Economic and Trade Office (IETO) in Taipei. This unit, led by a diplomat, may have been the MOFA's first official dedicated team to manage Indonesia's relations with Taiwan.

Members of the national legislature have also expressed concerns for Indonesians in Taiwan should cross-Strait tensions escalate and have **supported** evacuation options. As of August



2022, there were **240,509 Indonesian migrant workers** and **8,682 Indonesian students** residing in Taiwan. There is also a substantial population of Indonesian citizens married to Taiwanese citizens as well as several thousand undocumented migrant workers.

These people-to-people ties are part of Taiwan's New Southbound strategy to engage members of the Association of Southeast Asian Nations (ASEAN). The strategy has worked, generating fruitful engagement with ASEAN citizens, creating a complex interdependence among them, and using people's connections to leverage Taiwan's status. The Indonesian government should be able to navigate these dynamic relations, especially in promoting the protection of its citizens.

As we have learned from the Ukraine war, evacuation operations should ideally

commence before the onset of conflict. But the MOFA in a recent August 2022 [statement](#) did not mention the protection and contingency plans for Indonesians should China use military force to unite Taiwan.

A full-scale military invasion scenario would make evacuation options more challenging. If the evacuation team, for example, is not allowed to pass through the military blockade over Taiwanese waters, Indonesia would need transit countries for an indirect evacuation. This requires prudent negotiations and diplomatic costs, not to mention that these countries might pursue their own agenda and interests.

Given the number of Indonesians and other Southeast Asians living in Taiwan, an evacuation would be a massive humanitarian mission requiring resilient logistics and cooperation. It might also require the ASEAN Coordinating Centre for Humanitarian Assistance (AHA Centre) to expand its mandate and capacity. It would negotiate with China to secure a safe passage for ASEAN citizens or even establish a joint humanitarian task force.

The second policy option Indonesia should consider is developing its own anti-access warfare capabilities. This would enable Indonesia to deter or prevent the spill over of the conflict into its strategic waterways and airspace, either by [military or diplomatic means](#). This capability is particularly pertinent to deter the spill over into the North Natuna Sea where China often deploys its coast guard vessels. An anti-access warfare

capability would entail boosting Indonesia's naval and air force presence in the vicinity of the Natunas.

Under Xi Jinping, China has become more aggressive in the maritime domain and has carried incursions into and around Indonesia's exclusive economic zone. The basis for such behaviour—much like China's claims over Taiwan—revolves around historical pretexts, such as the nine-dash line map. Beijing mentioned in its latest white paper that unification with Taiwan is a [“historic mission of the Communist Party of China \(CPC\)”](#).

It is plausible then that once Taiwan is successfully seized, the next step could be to fully grab the South China Sea. Normalising Beijing's use of force against Taiwan would also mean normalising the use of military approaches by China in solving territorial disputes where Beijing also claims sovereignty.

Indonesia's plans to relocate its capital city to East Kalimantan also contribute to the [strategic importance](#) of the North Natuna Sea because of its proximity to some of the busiest shipping lanes in the region. Any spill over from an armed conflict in Taiwan to the North Natuna Sea would present a direct threat to Indonesia's new capital city. Thus, developing anti-access warfare capabilities should be at the heart of Indonesia's defence policy.

In a Taiwan conflict, Beijing might also deploy its own anti-access/area-denial



(A2/AD) capabilities to deny the US from joining the conflict. The US could then seek to block Beijing's oil supply routes in the Straits of Malacca, where **80% of China's oil supply** passes.

This scenario creates strong pressures for the Straits' littoral states—Singapore, Malaysia, and Indonesia. They could be asked to confront or cooperate directly with the US. The presence of US military assets would challenge Indonesia's neutral position. Who should Indonesia consider as an 'enemy' between the US and China?

Indonesia should therefore consider redefining its neutral position and threat perception when confronted with this question. Having a clearer threat perception could also shore up its defence policy and diplomatic strategy. If being 'neutral' prevents Jakarta from evacuating its citizens, fails to deter a spill over into its waters, and prevents the US from blocking the Malacca Straits, would it be in the best interests of the country?

All these scenarios and questions should be within the calculation of diplomats as well as defence and military officials in Jakarta. But one must not abandon the fundamental principle of Indonesia's independent and active foreign policy while trying to redefine its neutral position and threat perception in a future Taiwan conflict.

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# Prevent a conflict from breaking out

By Ivy Kwek

*As traditional hedging and balancing practices may not be sustainable in a Taiwan conflict, Malaysia should consider proactively preventing conflict from breaking out.*

Tensions over the Taiwan Strait have risen following the high-profile visit by the United States (US) Speaker of the House Nancy Pelosi in August this year. While neither of the three key actors—the US, China, and Taiwan—wants war, divergences in their goals and approaches risk pushing relations over the edge. Any contingencies in Taiwan, whether a full-fledged invasion or a blockade, will significantly affect Malaysia's core interests as a maritime nation and a claimant state in the South China Sea.

Firstly, the geographical proximity of the Taiwan Strait and the South China Sea must not be understated. As China steps up military activities surrounding the Strait, the heat will also spill over into the South China Sea. Chinese vessels reportedly **conducted** a beach landing exercise in an undisclosed location in the South China Sea in June 2022, and have been active in the Bashi Channel, part of which is situated within the Philippines' exclusive economic zone.



Image Credit: Unsplash/Winston Chen

In the lead up to Pelosi's visit, the USS Ronald Reagan passed through South China Sea and remained in the vicinity. Increased American and Chinese military presence elevate the risk of unintended incidents and unforeseen accidents at sea. There has also been talks about whether Singapore and the Philippines will be expected to grant transit access to US forces during a crisis, and whether China would consider that 'hostile', essentially dragging Southeast Asia into a conflict.

In any case, it is essential for Malaysia that the sea lanes of communications are kept open, and the flow of goods continue. About **one-third** of global maritime trade passes through the South China Sea and the Malacca Straits. More than 30% of global crude oil trade **transited** through the South China Sea from Africa and the Middle East via the Straits, with a significant amount refined in Malaysia and Singapore.

A military attack on Taiwan will also severely impact exports to and imports from Northeast Asia. China is Malaysia's **biggest trading partner** and its second largest export market. A Taiwan contingency will **affect** the Malaysian semiconductor industry, which tests and assembles many Taiwan-origin chips and is increasingly becoming an **important node** in the global supply chain. There will also be further economic reverberations. China's economy might suffer, which will in turn affect Southeast Asian economies. If the US imposed sanctions on China, the bottom lines of many Malaysian businesses trading with China will be affected too.

A Taiwan contingency would also have broader strategic ramifications. While Chinese defence minister Wei Fenghe **adopted** a more conciliatory tone over the South China Sea at the recent Shangri-la Dialogue in June 2022, Chinese hostilities towards Taiwan would indicate China's capability and resolve should it aggressively assert its South China Sea claims. China's 'grey zone tactics' against Taiwan also resemble some of its harassments towards Southeast Asian claimant states.

A Taiwan conflict might further pressure Southeast Asian states to choose sides. With the Taiwan issue increasingly taking centre stage in US-China relations, Malaysia's traditional hedging and balancing practices may not be sustainable if the conflict threatens its national security. It is therefore in Malaysia's interest—and Southeast Asia's in general—to take proactive steps to prevent a conflict from breaking out over Taiwan.

The recent **statement** issued by the Association of Southeast Asian Nations (ASEAN) following Pelosi's visit was a welcome development. While the statement was careful not to mention Taiwan by name, it was significant because it was the first time the group put out a statement on the Taiwan Strait issue. Encouragingly, it also states that ASEAN "stands ready to play a constructive role in facilitating peaceful dialogue between all parties including through utilizing ASEAN-led mechanisms to deescalate tension, to safeguard peace, security and development in our region".

ASEAN-led mechanisms might indeed provide a platform for exchanges on neutral ground, especially in the absence of effective dialogues between US and China. Critics might point out ASEAN's lacklustre crisis management record, particularly on the ongoing situation in Myanmar, as reasons to be skeptical for an ASEAN-facilitated dialogue over Taiwan. But ASEAN policymakers could still make the case to signal the concerns of Southeast Asian states and highlight the group's multilateral convening power record over regional flashpoints.

Malaysia will understandably want to adhere to its "One China Policy" to preserve its good relations with China. But this should not deter Putrajaya from taking actions to help prevent a crisis. Malaysia should leverage its good relations with China, the US, and Taiwan to encourage and establish dialogues and crisis management mechanisms and take de-escalatory measures, while also creating

conditions to deter Beijing from pursuing forceful reunification. It is also essential that Malaysia work with other ASEAN member states to pool resources and reclaim the group's centrality by presenting ASEAN as a viable go-between for all the parties.

Meanwhile, Malaysia should also plan for contingencies. Crisis simulations should consider a Taiwan contingency scenario in which Malaysian security actors will have to respond to regional spillovers, including riskier manoeuvres and unplanned encounters in the South China Sea, while also managing other threats in the Sulu and Celebes Sea. Malaysia should also consider expanding military exercises to include other regional powers, as Indonesia did recently with the **Garuda Shield** Exercise. Finally, Malaysia should start talks with Taiwan to plan for the contingencies, including the evacuation of the sizable number of Malaysians in Taiwan.

A future conflict in Taiwan is not unavoidable. Despite its relatively limited power, Southeast Asia does wield some influence in shaping whether it occurs. Malaysia, along with the other ASEAN member states, must do all they can to prevent a conflict from breaking out over Taiwan and carefully consider its options should it come to that.

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## OTHER CAG PUBLICATIONS

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- *Hatta and Indonesia's Independent and Active Foreign Policy: Retrospect and Prospect* by Evan A. Laksmana and Lina A. Alexandra (Jakarta: CSIS Indonesia, 2022)
- *Failure to launch? Indonesia against China's Grey Zone Tactics* by Evan Laksmana (IDSS Paper No.37)
- *Remodelling Indonesia's Maritime Law Enforcement Architecture: Theoretical and Policy Considerations* by Evan Laksmana (Contemporary Southeast Asia 44(1), 2022)
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