



Disaster strikes, money talks: How foreign aid affects the China-U.S. relations in the Southeast Asia region

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Abstract

Countries in the Southeast Asia region have been very successful in maintaining a hedging security strategy with countries like the United States and China. However, when a natural disaster strikes the territories, foreign aid given by these aforementioned countries has led some countries to change their strategies and adopting a more balancing or bandwagoning strategy. With the changing of strategy, my findings will implicate how government bodies and historical relationships affect adoption of international security strategies and demonstrate a greater need to study this region for the future of China and United States foreign relations.

Introduction

International security is approaching a critical moment right now that could affect the whole structural integrity. The United States and China relationship has been gradually worsening over the last decade, with countries and territories like Hong Kong and the Republic of China (Taiwan) already facing the consequences.¹

Another region is potentially being dragged into this tug-o-war match between the United States and China: the Southeast Asia. The region serves as one of the largest sea trade passageways between East Asia) and the Middle East-Mediterranean world; in addition, its economic development has skyrocketed the region to place in the top 5 economic powerhouses in the world.² As such, the United States and China are among the largest investors in the region, and whether foreign aid from either would tip the relations to favor one over the other will be discussed further.

Literature Review

Literature into this region has been limited to the financial investments made by these two powerhouses as well as the major territorial dispute in the South China Sea.³ However, few studies focus on how these natural disaster-prone countries would be affected by this straining relation through tools such as foreign aid. As such, dependency theory will be applied to the context of foreign aid in order to argue the existence of historical ties shifting allegiance towards one country over the other.⁴

Generally, the literature seems to support the idea that several Southeast Asian countries—primarily those who have more economic development—have demonstrated a hedging strategy towards both the United States and China.⁵ What I hope to achieve in this study is counter this notion through describing a specific moment of changes in security strategy: natural disasters.

Methodology

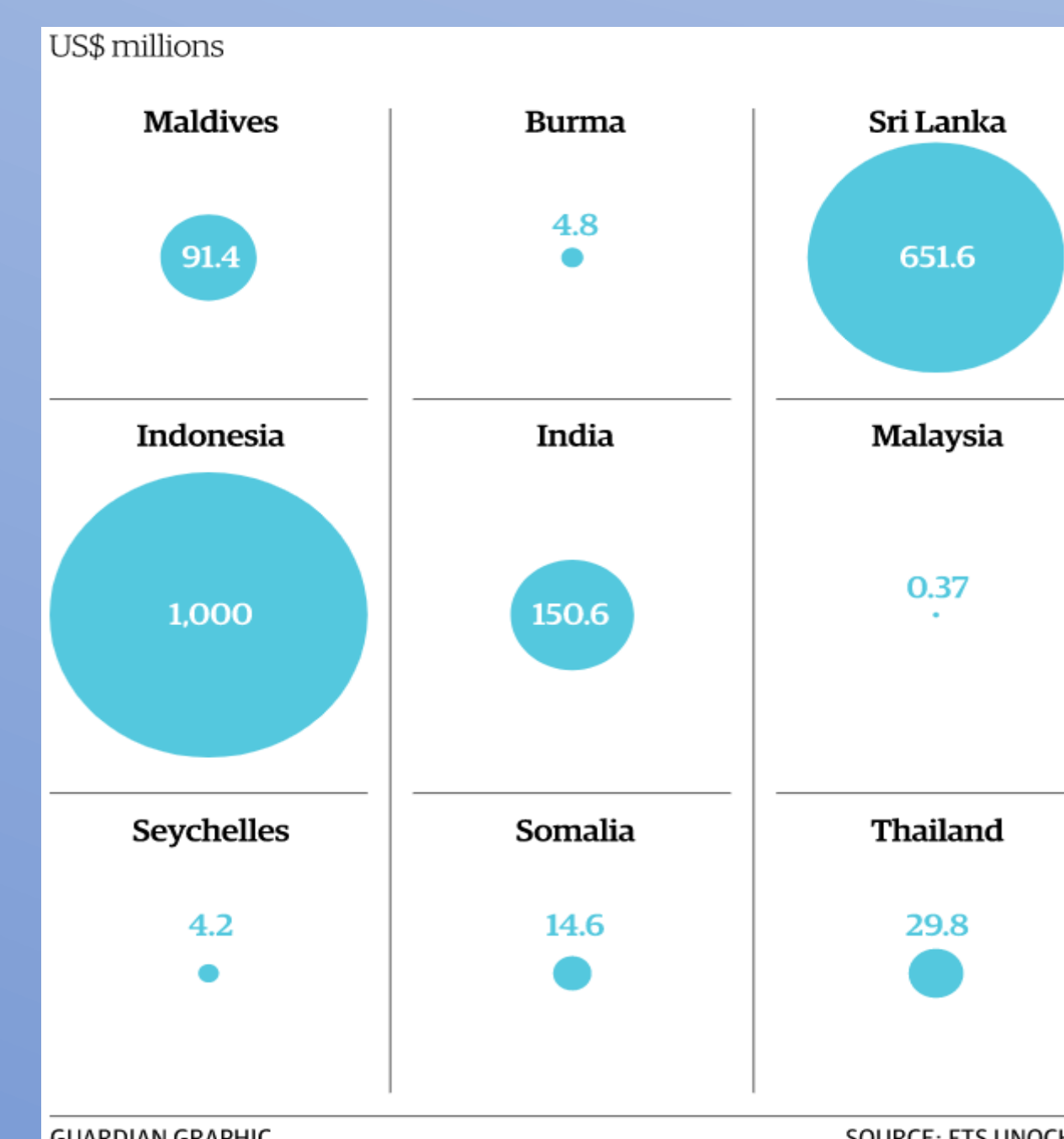
Research Question: In the event of a natural disaster, how would foreign aid affect Southeast Asian nations' foreign security strategies towards the United States and China?

This study will employ a **case study method** to best explain the mechanisms involved in researching the relationship between foreign aid, international security strategies, and natural disaster context. The focus will be on two different Southeast Asian nations: **Indonesia and Vietnam**.

Basic Information about countries:

Countries	Population (2020 approx.) ⁶	Government type ⁷	GDP (2019 USD) ⁸	Major natural disasters ⁹
Indonesia 	273,523,615	Presidential Republic	1.119 trillion	2004 Indian Ocean Earthquake and Typhoon
Vietnam 	97,338,579	Communist State	261.921 billion	2017 Typhoon Damrey

Historically, these two nations relationships with China and the United States have demonstrated changes from balancing to soft bandwagoning to now a hedging strategy. However, during nations' most vulnerable times, how foreign aid from their allies can alter their strategic relationships differ quite a bit.



¹⁰ Graphic from *The Guardian* showcasing Indonesia as the major recipient of foreign aid from the 2004 tsunami and earthquake

Foreign aid to Vietnam was albeit slower compared to Indonesia's natural disaster.

The Chinese government offered government assistance to Vietnam, but limited data has been shown what kind of assistance has been given. Vietnam has maintained a strong trade relationship with China ever since China became the first country to publicly acknowledge the legitimacy of Vietnam. Despite issues of trust, China has been maintaining a strong influence in the nation.

The United States, on the other hand, offered minimally less amount compared to the situation with Indonesia, around \$250,000 and some relief support.¹² Historical ties between the two countries were decent up until the Vietnam War; from then, it became a more strained relationship with distrust building between Vietnamese people and the United States government.

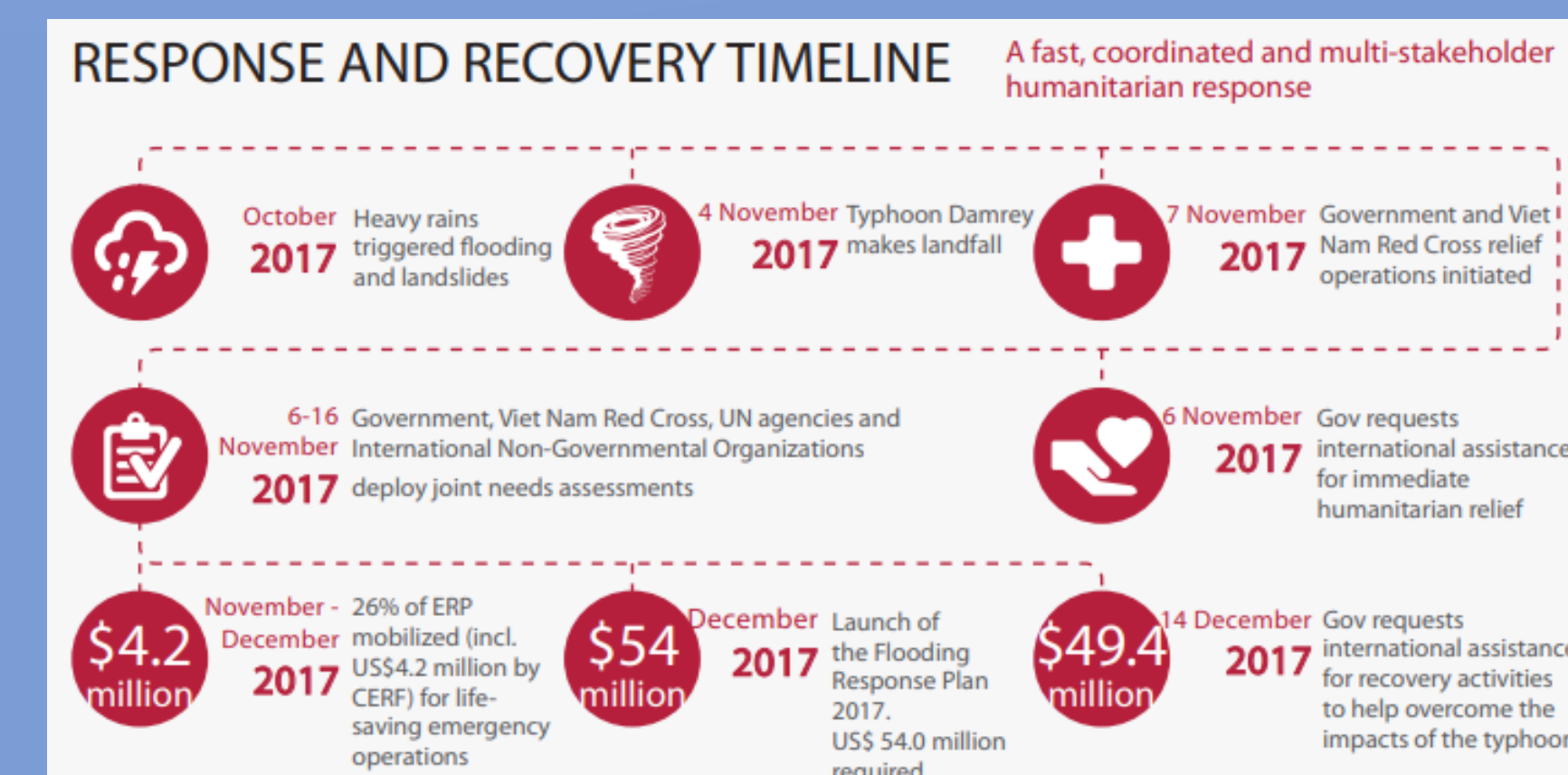
Foreign aid responses to Indonesia were immediate.

The Chinese government donated close to \$63 million USD to both South and Southeast Asia, while donations from the Chinese public amassed to closely match that amount to \$60 million USD.¹¹

The United States, on the other hand, was one of the top ten donors to the region with a combined private and public sector donations totaling over \$900 million USD. Beyond just monetary donations, the United States provided military support from airlifters carrying supplies to nations affected as well as Navy and Marine ships providing helicopters and ships to speed up relief efforts.¹⁰⁻¹¹

Comparing the level of foreign aid given between the United States and China, the United States provided more kinds of foreign aid that expediated the process of disaster cleanup, rebuilding, and overall relief efforts.

This major disaster demonstrated the United States and China's commitment as major powerhouses and allies to Indonesia as this fostered greater trust; however, the Indonesian people's distrust in China still existed at a greater level compared to the United States. This major disaster worked to advance greater trade agreements between Indonesia in the form of ASEAN and the United States, developing a greater balancing strategy while maintaining a hedging relationship with China.



¹² Graphic from the UN-Government Response and Recovery Timeline showcasing the general trend of how foreign aid from the 2017 Typhoon Damrey was gradually building up but not as fast as Indonesia's natural disaster

Discussion

- Because of the extent of intensity and damages from the Indonesian natural disaster resulted in greater foreign aid given to the nation, especially by the United States, this has led to greater trust building in the United States and Indonesia relations and become a more balanced strategy, whereas with China, Indonesia still maintains a general distrust and hedging strategy.
- Vietnam, on the other hand, has been linked to a more communist state that mirrors China's historically long Communist reign, which makes the history between the two states even more intertwined. The United States and Vietnam, on the other hand, maintain a stronger relationship, but due to China's sphere of influence, Vietnam will engage more in bandwagoning strategy while maintaining a hedging strategy with the United States.

Limitations & Further Studies

- Recent development in the Philippines plays an important role as a wildcard nation that could potentially become more allied with China, even with a historically strong relationship with the United States.
- The similarities in size of state between Indonesia (the largest economy and population in the region) and Vietnam (the middle state) may not apply to or explain the smaller, less developed states. Further studies are needed in potential countries like Singapore and Myanmar, who showcase different economic situations and government types.
- Man-made disasters and current COVID-19 pandemic induce a need for greater foreign cooperation and aid, but further research for the future is needed on whether this affects strategy long-term.

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