

Working with Brunei to Get the Rebalance Right

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When President Obama delivered his address to the Australian Parliament in 2011 affirming his strategic decision that the United States will play a larger role in shaping the Asia Pacific region and its future—what came to be called the rebalance—few observers outside Brunei Darussalam might have anticipated that Brunei would emerge as an essential partner for the United States in the effort to get the rebalance right. But that is what happened. The United States worked closely with Brunei, especially in the context of Brunei’s role as the 2013 Chair of the Association of Southeast Asian Nations (ASEAN), to develop innovative projects to promote comprehensive American regional engagement. Two important examples of initiatives to broaden US regional engagement were the Brunei-US English Language Enrichment Project for ASEAN and the US-Asia Pacific Comprehensive Energy Partnership. As these projects were being implemented, Brunei’s effective Chairmanship of ASEAN helped lower the temperature in the region on the South China Sea and promote broad regional military-to-military cooperation, particularly through a Brunei-hosted Humanitarian Assistance/Disaster Relief and Military Medicine exercise that brought together 18 nations, including the United States and China. The rebalance also includes a commercial side, and US companies have enjoyed increased success in Brunei. Looking ahead, the opportunities for trade should multiply once the Trans-Pacific Partnership (TPP) negotiations, in which Brunei and the United States are among the twelve parties, come to a successful conclusion.

Unique Strengths

In some ways Brunei may not be the most obvious partner for the United States to work with in implementing the rebalance. The Sultanate is not large in terms of area (about the size of Delaware) or population (similar to Miami). Brunei’s national ideology is Malay Islamic Monarchy and the country has plans to introduce a Sharia Penal Code in phases beginning in April 2014, while maintaining its existing criminal law system. Within ASEAN, Brunei is sometimes overshadowed by other countries like emerging Indonesia, dynamic Vietnam, or strategic Singapore. But Brunei has its unique strengths. The Sultan and his key advisors have been in power longer, and are more experienced in the ways of ASEAN, than their counterparts from virtually any other ASEAN government. The Bruneians are committed to helping make ASEAN more effective and cohesive. And because energy-rich Brunei is among the wealthiest countries in the world in terms of per capita GDP, the Bruneians have significant resources they can invest in advancing their policy priorities.

The Brunei-US English Language Enrichment Project for ASEAN

The Bruneians brought all these strengths to bear in working with the United States to create the Brunei-US English Language Enrichment Project for ASEAN, conceived of

as a five-year, \$25 million dollar project to strengthen ASEAN by increasing the ability of people in Southeast Asia to use English, ASEAN's working language, to communicate with each other. The President and the Sultan discussed the project when the Sultan visited Washington, DC in March 2013. Six months earlier, when then Secretary Clinton visited Brunei for consultations with the Sultan and with Foreign Minister Prince Mohamed, the two governments took the opportunity to launch the project at a ceremony at Universiti Brunei Darussalam (UBD). The project, funded by Brunei, is jointly administered by the East-West Center and UBD. Components of the program include bringing government officials and teachers from the ASEAN countries to UBD and the East-West Center for English language training and also sending selected American and Bruneian English language fellows to Burma, Cambodia, Indonesia, Laos, Vietnam, and Thailand to teach at local universities and teacher training institutes to help raise English language levels within ASEAN countries.

US-Asia Pacific Comprehensive Energy Partnership

Another significant project is the US-Asia Pacific Comprehensive Energy Partnership, which President Obama, the Sultan, and President Yudhoyono of Indonesia launched at the East Asia Summit in Phnom Penh in November 2012. The Partnership is intended to support efforts to address energy poverty and energy access in the region by focusing on four priorities: renewables and cleaner energy, power markets and inter-connectivity, the emerging role of natural gas, and sustainable development including rural electrification and energy efficiency. The project is backed by up to \$6 billion in US financing. When the Sultan visited Washington, DC and met with the President, the US Department of Energy and the Brunei Energy Department in the Prime Minister's Office were able to announce a new renewable energy and alternative power generation workstream. Brunei followed up by hosting a September 2013 regional workshop on grid-connected solar energy projects.

The South China Sea

While the United States and Brunei worked together to launch these partnerships, the two countries also agreed on the need for ASEAN to become more cohesive in addressing tough issues like the South China Sea. Brunei's wealth depends on its energy resources, which are concentrated offshore in an Exclusive Economic Zone (EEZ) in the South China Sea. China's "nine-dash-line" lies in close proximity to Brunei's EEZ, so the Bruneians have a strong incentive to help calm South China Sea tensions. As the 2013 ASEAN Chair, Brunei took on the mission of lowering the temperature over South China Sea issues. In 2012, ASEAN had been unable to maintain a consistently unified position on the South China Sea, but Brunei managed to change that in 2013. Although each claimant state continues to take responsibility for its own territorial issues, Brunei recognized that it made sense for ASEAN as a whole to work with China on a South China Sea Code of Conduct. Thanks in large part to Bruneian diplomacy, by the time of the East Asia Summit in Brunei in October 2013, which was attended by Secretary Kerry, ASEAN and China had managed to reach agreement to begin formal consultations in 2014 on a South China Sea Code of Conduct.

The Military Dimension: Humanitarian Assistance/Disaster Relief

President Obama noted in Australia in 2011 that “we’ll seek more opportunities for cooperation with Beijing, including greater communication between our militaries to promote understanding and avoid miscalculation.” Few could have anticipated then that a major step forward in this regard would come in Brunei in June 2013, when the United States, China, and 16 other militaries, including the militaries from all ten ASEAN countries, worked together in the Brunei-hosted Humanitarian Assistance/Disaster Relief and Military Medicine exercise, held under the auspices of the ASEAN Defense Ministers Meeting Plus framework. While there had previously been US-China military cooperation in a number of areas, the exercise in Brunei linked this cooperation to a broader context of regional military cooperation.

Jobs and Opportunity for the American People

The President observed in his 2011 speech that “the Asia Pacific is critical to achieving my highest priority, and that’s creating jobs and opportunity for the American people.” Brunei has been an outstanding partner in the economic and commercial aspect of the rebalance. Sikorsky has begun delivering 12 Black Hawk S-70i helicopters to Brunei. Boeing has delivered two of an estimated five Dreamliner 787s to Royal Brunei Airlines, which was the first airline in Southeast Asia to take delivery of a Dreamliner. Exports like these are supporting thousands of American jobs. Finally, Brunei has been an active participant in setting regional trade and investment standards, as a member of the Asia Pacific Economic Cooperation forum, as a current TPP member, and as one of four members of the TPP precursor, the Trans-Pacific Strategic Economic Partnership Agreement (or P4).

Next Steps in Working with Brunei to Get the Rebalance Right

In terms of next steps, the United States will need to sustain an approach that is truly comprehensive in order to achieve long-term success in working with Brunei to get the rebalance right. On trade, US goods exports to Brunei in 2013 were \$559 million, up 254 percent from 2012. The next step will be following through with Brunei and other TPP partners to help bring the TPP negotiations to a successful conclusion, thereby expanding trade opportunities. In the military realm, the United States and Brunei should continue bilateral exercises and should expand cooperation on multilateral exercises of a regional character. With regard to the South China Sea, the next step is for ASEAN and China to use the process that Brunei helped launch as the 2013 ASEAN Chair in order to reach agreement on and implement a South China Sea Code of Conduct. On energy and education, the challenge for the United States and Brunei will be to continue to find creative ways to make full use of the frameworks established under the US-Asia Pacific Comprehensive Energy Partnership and the Brunei-US English Language Enrichment Project for ASEAN.