ROUNDTABLE

Interests, Initiatives, and Influence: Geopolitics in the Mekong Subregion

Sarah Teo
Brian Eyler
Zhang Li
Xue Gong
Kei Koga
Sungil Kwak
Swaran Singh
Narat Charoensri
Charadine Pich
Le Dinh Tinh
Introduction
Sarah Teo

The Mekong River’s importance is difficult to overstate. Originating from the Tibetan Plateau, the 4,350-kilometer river flows through China’s Yunnan Province and onward through Myanmar, Laos, Thailand, Cambodia, and Vietnam before draining into the South China Sea. At least 60 million people depend on the river for their lives and livelihoods. As the world’s largest inland fishery as well as a vital source for rice production and hydroelectricity to the riparian countries, the Mekong subregion has been progressively regarded as an area of strategic importance. This view has emerged alongside several trends. First, dam-building activities on the Mekong, intertwined with the worsening impact of climate change, pose an existential threat to the river’s ecosystem. Downstream communities that rely on the Mekong for survival have been particularly vulnerable to the river’s fluctuating water levels. Second, the effects of Sino-U.S. rivalry have seeped into the subregion, with Beijing and Washington stepping up their engagement with the riparian countries. The Mekong subregion is a crucial area for China’s Belt and Road Initiative and a key element of the United States’ “free and open Indo-Pacific” strategy.

Since the early 1990s, Cambodia, Laos, Myanmar, Thailand, and Vietnam have been variously involved in more than ten cooperative arrangements—including several with partners such as China, Japan, and the United States—targeted at managing challenges related to the Mekong River. Overlapping in membership and scope, these arrangements have generally been concerned with the management of shared water resources, sustainable development, infrastructure building, and regional economic integration. Over the past few years, cooperation has intensified with newer initiatives led by the major powers. These include the Lancang-Mekong Cooperation (LMC) forum involving China, which officially launched in 2016, and the Mekong-U.S. Partnership (MUSP) involving the United States, which was established in 2020 and builds on the Lower Mekong Initiative (LMI). Other regional countries, such as India, Japan, and South Korea, have similarly enhanced their engagement with the Southeast Asian riparian countries. Some of these external partners have moreover

Sarah Teo is Assistant Professor and Coordinator of the Regional Security Architecture Programme in the Institute of Defence and Strategic Studies at the S. Rajaratnam School of International Studies (RSIS) at Nanyang Technological University (Singapore). She can be reached at <islsteo@ntu.edu.sg>.
collaborated in providing assistance and support to the subregion, such as the Japan-U.S.-Mekong Power Partnership (JUMPP) inaugurated in 2019. Meanwhile, Thailand has sought to revive the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS)—involving only the five Southeast Asian Mekong countries—which has made slow progress since its launch in 2003. In light of these initiatives, it is clear that cooperative activities in the Mekong are increasing to address the challenges faced by the subregional countries. At the same time, such cooperation also carries a competitive aspect amid ongoing geopolitical undercurrents.

Despite all five riparian countries being members of the Association of Southeast Asian Nations (ASEAN) since the late 1990s and the establishment of the ASEAN Mekong Basin Development Cooperation platform in 1996, ASEAN has mostly remained a “bystander” to Mekong-related activities. Although Vietnam attempted to include Mekong issues on ASEAN’s agenda during its term as chair in 2020, its efforts were reportedly met with reservations from its fellow member states. For all its claims of regional centrality and apprehension over potential regional instability caused by major-power rivalry, ASEAN has not appeared as active or high-profile as some of the external partners in Mekong initiatives. This hands-off approach has led some observers to deem the Mekong subregion a test for ASEAN centrality to which the association should respond decisively and urgently.

Given the Mekong’s increasing importance to regional geopolitics and vice versa, the Regional Security Architecture Programme at the S. Rajaratnam School of International Studies (RSIS) convened a workshop in November 2021 for analysts and scholars from around the region to examine the contestation over interests, initiatives, and influence in the subregion. This roundtable features the essays presented at the workshop.

The first three essays, by Brian Eyler, Zhang Li, and Xue Gong, delve into the intricacies of U.S. and Chinese approaches toward the Mekong and explore the dynamics of major-power competition that have emerged toward

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2 Ibid.


4 The author would like to thank all the workshop panelists and participants for contributing their views and insights, with appreciation also to See Seng Tan and Bhubhindar Singh for serving as discussants.
Eyler outlines how China and the United States have engaged with the Mekong subregion since the 1990s, with a focus on the last decade. He notes the anxiety that China’s dam-related activities have caused among the downstream countries, as well as the polarized atmosphere during the Trump administration that led the riparian countries to feel pressure to choose between the two major powers. Meanwhile, Zhang highlights the differences between the types of water multilateralism that China and the United States conduct with the Mekong countries. He conceptualizes China’s approach as a form of “regionalization,” which keeps cooperation exclusively among Mekong-based countries and organizations, and the U.S. approach as a form of “internationalization,” which seeks to involve actors from outside the subregion.

Even as they acknowledge the different approaches taken by China and the United States toward the Mekong subregion, Eyler and Zhang highlight the potential for Sino-U.S. cooperation or, at the very least, healthy competition. Eyler proposes that both major powers could engage in “productive and positive competitions” on green infrastructure and global climate leadership—both of which are pertinent to the challenges faced by the Mekong countries. Zhang suggests that China and the United States pursue “constructive co-opetition”—cooperation by competitors—which involves leveraging their respective strengths to address water resource issues in the subregion. Taking a different approach from the first two essays, Gong focuses on China’s discursive strategy as a complement to its rising economic influence and as a way to legitimize Beijing’s leadership in the Mekong subregion. She notes that China’s attempts to bolster its reputation in the subregion have been premised on framing the LMC as a South-South development platform and constraining alternative policy options available to the Southeast Asian Mekong countries.

The next three essays, by Kei Koga, Sungil Kwak, and Swaran Singh, focus on the engagement of Japan, South Korea, and India, respectively, with the Mekong subregion. All three authors emphasize the constructive and distinct roles that Tokyo, Seoul, and New Delhi could play regarding the subregion to combat the destabilizing effects of major-power rivalry and strengthen socioeconomic development there. Noting that Japan’s policy toward the Mekong has shifted from a socioeconomic focus to a more strategic one since the late 2000s, Koga nevertheless argues that Japan does not necessarily aim to counterbalance China’s growing influence in the subregion. He identifies infrastructure building in the Mekong as a possible area of Sino-Japanese cooperation, on the condition that Beijing
demonstrates a commitment to the principles of quality infrastructure. In this regard, Koga posits that China and Japan could collaborate for the benefit of the subregional countries via a working-level bilateral dialogue, the ASEAN +3 group, and the East Asia Summit.

In the case of South Korea, Kwak observes that despite its growing engagement with the Mekong subregion, the Southeast Asian countries have yet to recognize Seoul as a reliable partner. To remedy this, he suggests that South Korea premise its Mekong engagement strategy on addressing the gaps in existing subregional mechanisms as well as on its unique strengths and experiences. One example would be for South Korea to share its expertise in e-government systems or rural development, which would also differentiate Seoul’s contributions from the other actors in the subregion.

In the case of India, Singh points out the shared historical and cultural ties that India shares with the Mekong subregion and argues that both parties have been more open to cooperating with each other amid Sino-U.S. tensions. Although India’s engagement with the Mekong subregion still lags that of China and the United States, Singh notes that New Delhi’s growing economic and defense cooperation with the riparian countries reflects its “incrementally expanding role” in the subregion.

The final three essays, by Narut Charoensri, Charadine Pich, and Le Dinh Tinh, focus on the approaches of ASEAN and some of its riparian member states toward the Mekong. In the context of Thailand’s traditional leadership role in mainland Southeast Asia and Mekong issues, Charoensri assesses the implications of the country’s bilateral relations with China, Japan, South Korea, and the United States for the development of subregional connectivity. He finds that the advantages afforded by its geographic location, economic and political attributes, and membership in (sub)regional initiatives put Thailand in a good position to facilitate a multistakeholder approach toward strengthening connectivity in the Mekong.

Pich and Le similarly emphasize the importance of an inclusive and multistakeholder approach to the subregion but note ASEAN’s traditional neglect of Mekong issues. They also stress the need to avoid politicizing Mekong issues. Pich cites concerns that Mekong dynamics could eventually develop in a similar way to the South China Sea tensions. While acknowledging that competition may help curtail the unilateral tendencies of the major and regional powers, Pich cautions that such competition should not derail inclusive engagement in the subregion. She also recommends the exploration of synergies among the existing Mekong
platforms as a basis to strengthen functional cooperation. Likewise, Le advocates for a functionalist approach toward the Mekong, including an emphasis on common interests and expertise in driving cooperation. This approach would imply more pragmatic and flexible forms of collaboration and would help temper competitive dynamics. Le adds that the Mekong subregion should be a priority in ASEAN’s development and security agenda, and the association should assume a central role in addressing the subregion’s challenges.

As the Mekong subregion increasingly comes under the spotlight, it is timely to look at how subregional relations and dynamics have developed in recent times, what challenges the riparian countries face, and how these challenges could be addressed going forward. The essays in this roundtable examine these critical trends and offer useful suggestions for policymaking toward the subregion.
The United States and China in the Mekong: A Zero-Sum Game or a New Race to the Top?

Brian Eyler

In the 1990s, as mainland Southeast Asia began to stabilize after a century of conflict, China’s economy boomed, leading elites in Southeast Asia’s Mekong riparian countries to ponder the effect of a rising China in the region’s backyard. To shift away from Chairman Mao Zedong’s support of revolutionary movements in mainland Southeast Asia and to capitalize on Millennia of commercial and cultural ties with Southeast Asia, Beijing pledged a policy of “good neighborliness” to demonstrate its benign intentions toward the subregion, signed bilateral trade and investment deals with the Mekong countries, and joined various regional economic efforts such as the Greater Mekong Subregion Economic Cooperation Program. It was during this period that China developed infrastructure blueprints connecting itself to the subregion with roads and railways. Beijing also designed and executed a vision for building a series of nineteen large hydropower dams on the Mekong mainstream in its territory (where it is called the Lancang River). Since China was not a member of the Mekong River Commission (MRC)—an intergovernmental body established in 1995 by Thailand, Vietnam, Laos, and Cambodia to oversee the sustainable development of the river—it shared little to no information about the development status of these dams and provided no public assessments of environmental or social impacts. Overall, most actors in the subregion viewed China’s regional rise through the first decade of the 2000s as constructive and positive, excepting the lack of transparency surrounding upstream dam development.

The October 2011 murders of thirteen Chinese river traders along the Thai-Lao border marked a sea change in China’s relations with the Mekong states that coincided with the advent of the Xi Jinping era. China established joint river patrols with the five lower Mekong governments along the 180-kilometer stretch between Laos and Myanmar. In addition, its Belt and

Brian Eyler is the Southeast Asia Program Director at the Stimson Center (United States). He is widely recognized as a leading voice on environmental, energy, and water security issues in the Mekong subregion. Brian is co-lead on the Mekong Dam Monitor and also serves as chair of the Stimson Center’s War Legacies Working Group, which forms partnerships throughout the United States and Southeast Asia to address issues related to unexploded ordnance, Agent Orange, and mine clearance in the theater of the Vietnam War. He is the author of Last Days of the Mighty Mekong (2019). He can be reached at <beyler@stimson.org>.
Road Initiative turned a stream of investment in regional infrastructure into a flood, financing countless infrastructure projects and sending tens of thousands of Chinese laborers and migrants across borders into Laos, Myanmar, and Cambodia. To this day, the inundation of China-funded projects continues to be met with much anxiety in the downstream communities as the benefits of Beijing’s investment largesse are difficult to pinpoint while the environmental and social effects are felt by many.

**China-Mekong Cooperation and Its Limits**

The impacts of the eleven dams that China has completed on its mainstream of the river have raised concerns in the downriver states. After the giant Nuozhadu Dam began operating in 2012, wet season river levels were noticeably lower year on year, while dry season river levels were noticeably higher, muting the effect of the annual Mekong flood pulse that is responsible for producing the world’s largest freshwater fish catch and driving agricultural yields for tens of millions of people downstream.¹ In 2016, to partially address downstream concerns over China’s control of the upstream, Beijing launched the Lancang-Mekong Cooperation (LMC) mechanism, a multilateral development framework with an annual leaders’ summit and a special fund to support the needs of downstream countries across a range of sectors, including water security. The LMC’s multilateral framework fitted well with Beijing’s embrace of multilateralism, and the initiative’s focus dovetailed with needs articulated by the downriver stakeholders.

Many Mekong watchers questioned Beijing’s intentions and posited whether the LMC would supplant the MRC in the long term, but the LMC and the MRC are not an apples-to-apples comparison. The intergovernmental MRC has a codified, egalitarian leadership structure among its four member countries who jointly oversee the MRC Secretariat, which carries out various international protocols and publishes research and data on downstream river conditions. In contrast, the LMC has a broader range of engagement across numerous sectors and is clearly led by Beijing. A closer comparison to the MRC might be the LMC-funded Lancang-Mekong Water Resources Cooperation Center (LMWRCC) in Beijing, established alongside the LMC, which has begun to liaise more frequently with the MRC and has published a limited amount of data on river conditions.

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in China. However, the LMWRCC lacks a credible presence in mainland Southeast Asia and is staffed entirely by Chinese personnel (whereas the MRC is staffed entirely by member-country employees). Its work is notably Sinocentric and revealing of the ways Beijing thinks about water policy. Namely, LMWRCC research denies the negative impacts of dams and persistently speaks to the positive benefits that upstream river regulation can deliver, including flood control and drought relief. This position clashes directly with the established positions of the MRC and researchers working on Mekong River issues, who consistently identify the negative impacts China's dams deliver to the downstream countries via reductions to the Mekong’s wet season flood pulse.

An environmental crisis is now unfolding in the Lower Mekong since 2019, worsened by the operations of upstream dams. The MRC has increased calls for greater data transparency from China. With fisheries and agricultural production depleting at an alarming rate in the downstream portions of the Mekong, better data can point to the causal drivers of environmental change and help develop mitigation and adaptation approaches for a less vulnerable future. China's opacity on data regarding upstream dam operations has created a large accountability gap as the ecological crisis deepens. The LMWRCC’s online Lancang-Mekong Water Resources Cooperation Information Sharing Platform launched in September 2020 is one step forward. The platform pledges to serve as an early-warning system and provide timely information on conditions along China’s portion of the Mekong. It currently releases hourly data on two river gauges in the downstream reaches of the Mekong in Yunnan Province below China’s furthest downstream dams. However, this information provides very little insight on the operations of the dams in China and is limited in its usefulness. Additionally, no description of “early warning” has been provided and, to date, no early warnings outside of regular dam maintenance updates have been issued over the platform. In contrast, the Mekong Dam Monitor—an online platform supported by the Mekong-U.S. Partnership and managed by the Stimson Center and the U.S.-based climate consultancy Eyes on Earth—issued 22 48-hour early-warning instances in 2021 where China’s upstream dams delivered moderate to severe impacts.

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to points downstream in Thailand and Laos that should have warranted warnings from China.⁴

Thus, despite an increase in cooperation between the LMC and downstream actors, China’s upstream dam operations and limited data provision have done little to reduce anxiety levels in the other riparian states. Greater transparency by China is required as the wider environmental crisis plays out in the subregion.

**U.S.-Mekong Relations**

The United States has engaged in the Mekong subregion for more than two hundred years. The twentieth-century legacy of failed U.S. military and political interventions in the Mekong left many in Washington with a feeling of moral obligation to help the subregion heal from a century of conflict. While commitment to Thailand as a security ally has remained strong, it was the establishment of diplomatic relations with Vietnam in 1995 that served as the turning point in rehabilitating the United States’ role in the subregion. The focal areas of U.S. engagement in the Mekong area over the last three decades have been trade and investment promotion; support for capacity building in the water, energy, and infrastructure sectors; and aid to help Vietnam, Laos, and Cambodia recover from the legacies of war.

Currently, the U.S. government and Americans broadly enjoy a relatively favorable reputation in the subregion and are favored with a degree of soft power that China does not possess.⁵ The United States is generally seen as a benign offshore balancer that plays a constructive role in enforcing regional multilateralism and ASEAN centrality. The Mekong countries have become quite adept at utilizing the United States’ position to hedge and balance against China’s rise in the region. Likewise, development partners from Canberra to Tokyo employ anxiety over China’s rise as a rationale to keep Washington fully and strategically engaged in the subregion. By and large, the Mekong countries are keen to hedge and balance their foreign policies toward both the United States and China based on a belief that such a strategy will result in positive, non-zero-sum benefits for both the individual countries and the region at large. Reflecting on the history of the twentieth century, the Mekong countries are also wary of the negative

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⁴ “Mekong Dam Monitor at One Year: What Have We Learned,” Mekong Dam Monitor, February 2022.

benefits of being forced to choose sides when great-power competition is playing out in the region.

The Obama administration launched its Lower Mekong Initiative (LMI) in 2009 as part of a “rebalance” to Asia. The LMI focused on a broad set of sectoral issues from water governance to energy to health and education, engaging member countries (Cambodia, Laos, Myanmar, Thailand, and Vietnam) and key development partners such as Japan, Australia, South Korea, New Zealand, and the European Union. Like the LMC, which is often interpreted as China’s response to the LMI, the LMI engaged on a set of issues much broader than water governance. While the LMI initially was met with much fanfare as a U.S. return to the subregion, it lost steam through dwindling resource allocations from Congress toward the end of the Obama administration. China’s establishment of the LMC coincided with Donald Trump’s unexpected presidential win in 2016. In its relations with China, the Trump administration adopted a polarized and competitive agenda through its “free and open Indo-Pacific” strategy, injecting new life into the U.S. approach to the subregion. The Trump administration was known for making heavy-handed statements about China’s malignant influence in the subregion, with repeated discourse on the negative effects of upstream dams. Although the invigorated approach to the subregion was appreciated by the lower riparian states, the administration’s overtly anti-China stance left many in the Mekong feeling vulnerable and questioning whether the United States was forcing the countries to choose sides.

Under this polarized atmosphere, in 2020 the United States rebooted and rebranded the LMI as the Mekong-U.S. Partnership (MUSP) and dedicated more resources toward traditional sectoral issues, with a widened aperture for programming that promoted transparency and science-based decision-making on critical issues such as the impact of upstream dams on the Mekong River downstream. The MUSP also made it easier for member countries to make expressions of interest directly to U.S. government agencies for support on emerging issues of need. A first leaders summit scheduled for March 2020, however, was canceled due to the pandemic. The advent of the MUSP also came at a time of increased U.S. scrutiny toward China’s upstream dam impacts. In April 2020, Eyes on Earth released a study that showed, for the first time, when and to what degree

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China’s upstream dams were influencing the Mekong River’s hydrological regime. For instance, during a 2019 wet season drought, China’s dams restricted more water than ever before, exacerbating the drought conditions downstream.\(^8\) The study, funded by the U.S. Department of State, led to the establishment of the aforementioned Mekong Dam Monitor in late 2020, which uses satellite data to provide nearly real-time reporting on the effects of dams throughout the Mekong subregion, with a focus on those of China. While these developments were widely welcomed throughout the subregion, they unfolded amid the backdrop of politicized discourse from the Trump administration that raised the tenor of great-power competition in the subregion. The increasingly polarized environment created doubt over U.S. intentions and put the actions and alignment of nongovernment actors who were acting independently to promote positive change in the subregion under excessive scrutiny.\(^9\)

The Biden administration has not entirely abandoned China-critical discourse, but it has done much to provide assurances to states in the subregion and promote a positive and constructive role for the United States and development partners there through the continued support of existing initiatives and a recalibration to focus on climate issues, human and other illegal trafficking, and pandemic recovery.\(^10\) The MUSP’s flagship projects embody the spirit of productive engagement in the Mekong by emphasizing partnerships with the subregion’s governments and engaging a wide range of nongovernment stakeholders to lead activities in an independent and objective fashion. Transboundary river governance and evidence-based decision-making are at the top of the MUSP agenda, and the United States remains committed to providing core support to the MRC.

*Constructive Races to the Top*

Under these circumstances, Mekong countries have an opportunity to engage both the United States and China in productive, non-zero-sum activities that could promote various “races to the top” across several areas of major importance. Such productive and positive competitions

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8 Alan Basist and Claude Williams, “Monitoring the Quantity of Water Flowing through the Upper Mekong Basin Under Natural (Unimpeded) Conditions,” Eyes on Earth, April 10, 2020 ~ https://www.eyesonearth.org/reports.


could avoid the destabilizing effects of geopolitics and environmental crisis in the subregion. Actions on data transparency can provide insight to the starting blocks. Lower Mekong stakeholders have acknowledged the great value in the transparency efforts that the Mekong Dam Monitor and the MUSP’s Mekong Water Data Initiative bring to the subregion. As a result, decision-makers have greater evidence of the causal drivers of environmental change and a better toolbox to address local planning needs. These efforts also strengthen the downstream countries’ collective hand in negotiations with China. This advantage, in turn, has caused China to become more transparent and cooperate more closely with downstream stakeholders on issues related to the future health of the river. Actors are now engaged in a constructive call-and-response cadence that improves China’s behavior and reduces accountability gaps. Moreover, these U.S.-led efforts were produced with relatively low resource allocations and leverage low-cost activities for sustained and substantive impacts in the subregion. Given Beijing’s apparent interest in green infrastructure and global climate leadership, in a similar virtuous cycle, China and the United States may (even jointly) opt to step up in the infrastructure or climate spaces in the Mekong subregion with expressed interest from local stakeholders.

The unfolding environmental crisis in the Mekong River is a part of the deepening climate crisis enveloping the entire subregion, all playing out against the backdrop of pandemic response and recovery. Certainly, within this dynamic environment of governance challenges and opportunities, the United States and China can find ways to constructively and positively engage the subregion in ways that avoid forcing Mekong countries to take sides.
Regionalization or Internationalization?
Different Types of Water Multilateralism by China and the United States in the Mekong Subregion

Zhang Li

The five countries around the Mekong River (Cambodia, Laos, Myanmar, Thailand, and Vietnam) have attracted the attention of both China and the United States for their strategic importance. As important neighbors to China—the origination point of the river—Chinese president Xi Jinping put forth the values of “friendship, sincerity, benefit, and inclusiveness” in neighborhood diplomacy and pledged to pay more attention to the development of relations with the Mekong countries at China’s 2013 Conference on Diplomatic Work with Neighbouring Countries.\(^1\) However, since World War II the United States has also regarded the Mekong subregion as an important strategic location. In 2011, then U.S. president Barack Obama announced his “rebalance to Asia” policy that included closer cooperation with the Mekong countries. The subsequent Trump and Biden administrations have also devoted more attention to the Mekong subregion.

With climate change, increased water demand, and the impact of the Covid-19 pandemic, water resources management along the Mekong River is regarded as the key issue affecting the subregion’s future development. As one river connecting six countries, the Mekong’s important geopolitical and geoeconomic impacts have made China and the United States emphasize water resources cooperation through multilateralism. However, each of the two powers has adopted a different type of water multilateralism. China’s approach centers on “regionalization” and promotes the sustainable development of water resources through cooperation with riparian countries and organizations based in the subregion. Meanwhile, the United States’

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Zhang Li is an Assistant Professor in the Institute of Belt and Road & Global Governance at Fudan University (China). He can be reached at <zhl@fudan.edu.cn>.

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strategy is centered on “internationalization” and emphasizes alliances with countries outside the subregion.

**China’s Water Multilateralism in the Mekong: Regionalization**

Since the 1990s, China has supported the “regionalization” of the Mekong River (known as the Lancang River in China), whereby countries and subregional organizations in the basin play an active and leading role in transboundary water cooperation. In 1996, China became a dialogue partner of the Mekong River Commission (MRC), an intergovernmental organization involving Cambodia, Thailand, Laos, and Vietnam, to manage the Mekong’s water resources. China and the MRC signed the Agreement on the Provision of Hydrological Information on the Lancang/Mekong River in 2002. Starting in 2010, China began to share hydrological data collected at the Yunjinghong and Man’an hydrological stations located upstream in China during the dry season with the MRC.

In 2016, China established the Lancang-Mekong Cooperation (LMC) mechanism to strengthen water resources cooperation among the riparian countries. The six member countries regard water resources as one of the five key priority areas of the LMC, and the mechanism marks the “full regionalization” of water resources cooperation. In 2017 the six countries jointly established the Lancang-Mekong Water Resources Cooperation Center as an important platform for strengthening technical exchanges, capacity building, disaster management from floods and droughts, information exchange, and joint research. The first Lancang-Mekong Water Resources Cooperation Forum was held in 2018, attracting nearly 150 representatives from government departments, research institutions, and other organizations from the Mekong subregion. In the same year, the six countries also issued important documents on water resources cooperation, including the “Five-Year Action Plan on Lancang-Mekong Water Resources Cooperation (2018–2022)” and the Kunming Initiative. The six countries have thus jointly developed multilateral water policy dialogues, technology exchanges, and experience-sharing initiatives. In 2019, the Ministerial Meeting of Lancang-Mekong Water Resources Cooperation commenced in China, in which member countries conducted in-depth exchanges on water governance experiences and put forward suggestions on deepening

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Lancang-Mekong water resources cooperation. A year later, China launched the Lancang-Mekong Water Resources Cooperation Information Sharing Platform, which is an online resource that provides decision-making and technological support for the comprehensive management, development, and usage of water resources in the Lancang-Mekong River basin. Notably, China and the Mekong countries have always emphasized a “shared water, shared future” approach and promoted cooperation at the three LMC Leaders’ Meetings from 2016 to 2020. For example, the theme of the first LMC Leaders’ Meeting was “shared water, shared future” in 2016, and the themes of the next two meetings of this group also related to this approach.

China has also sought to promote mutual cooperation through different mechanisms in the Mekong River basin, as illustrated in two key examples. First, China has continuously strengthened water cooperation between the LMC and the MRC. After the LMC’s launch, the MRC expressed its interest in the mechanism. In 2018, Pham Tuan Phan, former chief executive officer of the MRC, was invited as a keynote speaker to the first Lancang-Mekong Water Resources Cooperation Forum held in China. The Lancang-Mekong Water Resources Cooperation Center and the MRC Secretariat later signed the Memorandum of Understanding between the Lancang-Mekong Water Resources Cooperation Center and the Mekong River Commission Secretariat in 2019, agreeing to cooperate in areas including experience sharing, data and information exchange, monitoring, joint assessment and study, and knowledge management.

In the Joint Statement on Enhancing Sustainable Development Cooperation of the Lancang-Mekong Countries issued in 2021, the six member countries supported a joint study on the changing pattern of hydrological conditions of the river basin and adaptation strategies by the Lancang-Mekong Water Resources Cooperation Center and MRC Secretariat.

Second, China has begun to promote water cooperation between the LMC and the Greater Mekong Subregion (GMS) Economic Cooperation Program, which is an initiative involving all six Mekong countries that began in 1992 to improve regional economic integration. In 2021, at the 7th GMS

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Summit, Chinese premier Li Keqiang put forward six suggestions, with the first being a “deepening cooperation on water resources for the benefit of coastal nations.” China suggested that the six countries should fully respect the legitimate rights and interests of countries in the development and use of water resources and consider each other’s interests and concerns. Thus, it attaches great importance to the collective role different mechanisms in the Mekong subregion can play in water resources cooperation.

**U.S. Water Multilateralism in the Mekong: Internationalization**

While the United States also cooperates with Mekong countries on water resources, it emphasizes the role of countries outside the subregion and international organizations in its “internationalization” of the region’s issues. In 2009 the Obama administration implemented its “rebalance to Asia” strategy and established the Lower Mekong Initiative (LMI) with the objective of enhancing regional water cooperation. This mechanism also included the Friends of the Lower Mekong (FLM) initiative, whose members consist of Australia, Japan, South Korea, New Zealand, the European Union, the Asian Development Bank, and the World Bank. Subsequently, the Trump administration upgraded the LMI and FLM to the Mekong-U.S. Partnership (MUSP) and Friends of the Mekong (FOM), respectively. In 2021 the Biden administration added the MRC Secretariat as a member of the FOM and the United Kingdom, India, and the Secretariat of the Association of Southeast Asian Nations (ASEAN) as observers (see Table 1).

The United States has further strengthened cooperation with the Mekong countries on issues such as water resources management, climate change and the environment, and food security through incorporating more countries and international organizations outside the Mekong subregion in its efforts.

The United States regards external countries and international organizations as an important part of the process of discussing and formulating the development of the Mekong River basin. In 2020 the

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United States, Mekong countries, Sweden, South Korea, and others jointly held the Indo-Pacific Conference on Strengthening Governance of Transboundary Rivers. Participants discussed challenges to transboundary river governance and problem-solving approaches through mechanisms other than the MRC, including whether the various Mekong-related international organizations should be consolidated.\(^\text{10}\) Later, in March 2021, more than two hundred representatives from governments, NGOs, academia, and enterprises from the United States, the United Kingdom, Australia, Japan, and other countries discussed the management of water and energy resources of the Mekong River at the first Mekong-U.S. Partnership Track 1.5 Policy Dialogue, hosted by the United States.\(^\text{11}\)

The United States, South Korea, Japan, and other countries outside the subregion have also convened joint projects that involve the Mekong countries. The United States, together with South Korea and the MRC, launched a cooperative project on water resources data utilization and

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capacity building in the Mekong subregion that involves the Korea Water Resources Corporation, the U.S. Army Corps of Engineers, and the National Aeronautics and Space Administration (NASA). The joint project aims to provide training on modeling, water data utilization, and knowledge transfer to Cambodia, Laos, Thailand, and Vietnam. At the same time, the United States co-launched the Japan-U.S.-Mekong Power Partnership to promote the modernization of the region’s power grid, focusing on supporting Vietnam’s competitive wholesale power market in implementing and designing a competitive electricity retail market, among other issues.\(^{12}\)

*The Choice and Influence of Sino-U.S. Water “Co-opetition” in the Mekong Subregion*

In the process of water resources cooperation with the Mekong region, China has emphasized that the riparian countries should be at the center. In contrast, the United States prefers to cooperate with external powers. Nevertheless, be it China’s regionalization or the United States’ internationalization, both powers should first consider the water demands of the riparian countries as a prerequisite, as they are the direct stakeholders in the Mekong River.

From the perspective of the Mekong countries and the other Southeast Asian states, healthy competition and even China-U.S. cooperation in the Mekong subregion is preferred—a “co-opetition” of sorts. Co-opetition is a neologism coined to describe cooperative competition that is a healthy competition, not a vicious one; it can help countries improve themselves and even reduce competition. This approach will ensure the constructive development of the river’s water resources and will meet the Mekong countries’ dual needs of survival and development. It is also more conducive for the overall development of ASEAN. Therefore, in both the LMC and the MUSP, China and the United States must focus on the sustainable development of the Mekong River as the goal rather than mutual containment and confrontation between each other. This is also their responsibility and mission as great powers.

Issues around water resources should no longer be merely regarded in terms of their natural, technical, or economic aspects, but should instead be treated as a comprehensive matter. The Mekong subregion is one of the

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four hotspots of potential global water conflict.\textsuperscript{13} China, the United States, and the Mekong countries cannot solve these issues on their own; they must work together. At the same time, China and the United States should avoid the pan-securitization and pan-politicization of water resources issues to ensure a good environment for cooperation and water dispute resolution in the Mekong subregion. Successful subregion cooperation could even provide a model for water conflict resolution in other regions of the world.

The various cooperation mechanisms in the subregion such as the LMC, MUSP, MRC, and GMS each have their own advantages in supporting the development of water resources. At the same time, each cooperation mechanism also has its own shortcomings in terms of capital investment, technical support, personnel training, ecological protection, and capabilities. Therefore, China and the United States should promote mutual learning, information exchanges, and cooperation between the mechanisms to enhance each one’s effectiveness.

Other natural factors, including extreme weather and seawater intrusion caused by climate change, are increasingly affecting the Mekong subregion. The continuous spread of Covid-19 has also increased water consumption in various countries. These challenges are transnational and long-term—they cannot be completely solved by one or a few countries in a short period of time. China and the United States should therefore give full play to their respective advantages in funding, technology, and personnel training and work with the Mekong countries to reduce the negative impact of climate change and the Covid-19 pandemic on water resources. In addition, water resources development, climate, and public health cooperation are easy opportunities for China and the United States to conduct in-depth cooperation and consequently deepen bilateral interaction and mutual trust.

Overall, China’s regionalization and the United States’ internationalization are two different methods to solve riverine issues and promote sustainable development of water resources. Both approaches, however, will continue to face difficulties over the long term. China and the United States need to consider their respective water and cooperation policies in greater detail to ensure constructive co-opetition in the Mekong subregion.

\textsuperscript{13} The other three hotspots are the Amu Darya River basin, the Tigris River basin, and the Nile River basin.
Words Can Speak Louder Than Actions: 
Examining China’s Discourse Approach in Mekong Governance

Xue Gong

China’s economic ambitions have propelled heated debates surrounding the country’s growing presence in the Mekong area.1 Although China’s influence permeates the subregion, Beijing now has more reasons to worry about the efficacy of its economic strategy there. First, China’s neighborhood environment has deteriorated after Washington’s “rebalance to Asia” at the start of the Obama administration.2 Beijing perceives the U.S.-led Lower Mekong Initiative (LMI), formed in 2009, as the United States’ attempt to sow discord between China and the Mekong partners and limit its influence and water resource cooperation.3 Washington’s “free and open Indo-Pacific” strategy led to the upgrading of the LMI into the Mekong-U.S. Partnership (MUSP) in 2020, making this subregion more salient in the strategic competition between the United States and China.

Second, Beijing is increasingly concerned about its image and reputation among societal actors in the Mekong countries, which have scrutinized China-funded infrastructure projects in the subregion.4 Tensions have arisen between Chinese investments and local communities over the use of water resources. According to Beijing, the conflicts over water resources between China and the Mekong countries are largely proliferated by international NGOs, which are backed by the United States and other Western countries to defame China’s subregional role.5 With water resource conflicts being the biggest regional flashpoint after the territorial and maritime disputes in the

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Xue Gong is an Assistant Professor in the China Programme at the S. Rajaratnam School of International Studies (RSIS) at Nanyang Technological University (Singapore). She can be reached at <isgongxue@ntu.edu.sg>.


5 Peng, “Jingti Mei da Meigunghe ‘shengtaipai’.”
South China Sea, Beijing is worried that transboundary water disputes may be internationalized.

The protection of its overseas business interests, prevention of further escalation of water disputes, and construction of its image in the subregion have become critical aspects of China’s Mekong policy. This essay argues that, although providing economic incentives as part of its foreign policy, Beijing is more concerned about strengthening its discourse power to cement China’s influence in the region. With the establishment of the Lancang-Mekong Cooperation (LMC) mechanism, Beijing has been relatively successful in using discourse power to coax the region to accept its leadership.

Economic Incentives Come with a Story

Alongside economic incentives, Beijing is now investing more than ever in using verbal signaling to shape the regional order by constructing meaning, identity, and interests. Through discourse, Beijing aims to build a positive image of itself by framing its achievements, experiences, and ideas as ways to enhance regional cooperation.

After Xi Jinping assumed the helm of government in 2012, discourse power became a critical part of China’s foreign policy. Chinese leadership considers it “embarrassing” and “unreasonable” that global governance is still dominated by Western hegemonic discourse. According to Xi, “We are still using Western concepts to describe China’s practice. Experiences show that Western theories cannot explain China’s practice.” Instead, China “must develop [its] own theories, construct [its] own discourse, and speak a language that helps the international society understand China.”

There is, therefore, “more work to be done” to strengthen China’s discourse power in three areas: constructing a Chinese narrative, providing Chinese

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10 “Bawo guoji huayuquan youxiao chuanbo Zhongguo shengyin.”
11 Ibid.
All three are mutually enhancing approaches to ensure the success of China’s foreign policy.

The emphasis on developing a positive narrative about China to increase its affinity and influence with other states plays into its effort to strengthen its position in regional governance. Therefore, Beijing has based its engagement with the Mekong subregion on the idea of developmentalism and the discouragement of alternative policy prescriptions.

Framing the idea of developmentalism. First, China presented the LMC as a public good by tweaking narratives regarding its financing for developing countries to align with the welcomed goal of poverty alleviation. For instance, China issued the Five-Year Plan of Action on Lancang-Mekong Cooperation on Sustainable Poverty Reduction (2018–22) to allow recipient governments to govern how projects are carried out. To complement the narrative of poverty reduction, China provides special funds to local small- and medium-sized projects in Mekong countries to support local procurement.

Second, Beijing spared no effort in framing the LMC as South-South cooperation to depoliticize its economic involvement. Upholding South-South cooperation implies that China, as a member of the global South, has a strong sense of obligation to assist other developing countries to achieve their development goals. Contrary to the West’s inward-looking economic policies, China has promoted the LMC as a public good that is “not only conducive to narrowing the development gap within the Association of Southeast Asian Nations (ASEAN) but also enriches South-South cooperation to foster a more open, inclusive and balanced globalization that benefits all.”

Beijing has also promoted its goal for “the correct perceptions on righteousness (yi) and interests (li), putting righteousness first,” identifying morality as a core reason for its presence in the subregion. By emphasizing the ethics of development cooperation, China seeks to claim the moral high ground in assisting the LMC countries’ economic growth. The articulation
of a development-oriented and South-South-based LMC also appears to be a tactic to make Mekong countries agree on depoliticizing water disputes and ease criticism of China’s hydropower activities.

Third, by emphasizing the right to develop, Beijing has tactfully linked security and development issues to legitimize the political and security cooperation, which the Thai and Vietnamese governments had resisted. According to Premier Li Keqiang, China’s and the Mekong subregion’s security and development interests are closely interconnected, and “the best way to avoid future strife and sustain regime stability is to achieve economic development.” As an example of practically linking security and development, China established the Lancang-Mekong Integrated Law Enforcement and Security Cooperation Centre in Kunming in 2017 to work cooperatively on law enforcement and nontraditional security issues with the Mekong states.

Constraining alternative policy prescriptions. Beijing has emphasized the Mekong subregion’s geographic limits to attempt to constrain alternative policy options to Mekong countries. By doing so, China can exert its own influence by setting norms, promoting new concepts, and redefining subregional cooperation. One approach, for example, has been its use of the geographic label “Lancang-Mekong” to limit membership in the LMC. To differentiate the LMC from alternative subregional institutions, Chinese leadership has emphasized its shared history and culture to construct an identity shared with the Mekong countries. For instance, Premier Li pointed out that “China and the five Mekong countries are connected by mountains and rivers. China is a natural partner and close friendly neighbor.”

Another approach is Beijing’s affirmation of the LMC as the actualization of the important regional norms—consensus and noninterference based on South-South cooperation. By emphasizing such cooperation, Beijing hopes that regional states can see China’s LMC operating under a different normative framework than North-South cooperation. Touting equality, local autonomy, noninterference, and reciprocity, China is attempting to cultivate a convergence of preferences through highlighting ASEAN norms and values. Beijing hailed that the

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16 Gong, “Non-traditional Security.”

17 “Speech by Li Keqiang at the Second Lancang-Mekong Cooperation Leaders’ Meeting.”
“LMC will not replace other mechanisms”¹⁸ and should be seen “as a useful complement to China-ASEAN cooperation, promoting economic and social development of its members, narrowing development gaps, and upgrading overall cooperation.”¹⁹

Furthermore, China has highlighted “efficiency” and “speed” as key words in promoting the LMC, contrasting its organization with the inefficiency of existing subregional mechanisms.²⁰ Beijing understands that Mekong countries prefer projects with quick outcomes and has thus emphasized the benefits of its task-oriented approach. In the words of Beijing’s leadership, the “LMC is not an empty talk shop but a pragmatic actor,”²¹ and “compared with other mechanisms, LMC better serves regional countries’ practical needs.”²²

Assessing Effectiveness

In using discourse to persuade the Mekong subregional states to accept China’s policy prescription in the case of the LMC, Chinese leadership, scholars, and media have used a repertoire of economic, political, and security cooperation to present the LMC in several ways: as (1) an inescapable reality, (2) a representation of norms desired in regional governance, (3) a set of instrumental policies focused on economic development, and (4) a symbol of equal South-South cooperation.

Without the mobilization and articulation of the LMC as a development initiative, the Mekong countries, particularly Thailand and Vietnam, would have likely lost interest in joining. Through emphasizing ideas such as the provision of public goods and local ownership, China has appeared successful in retaining support from Mekong countries, at least via the setting up of the LMC, and shifting rhetoric from the securitization of water disputes to the development of water resources. Accompanying this narrative, China also aims to institutionalize nontraditional security cooperation and promote Chinese technology and standards.

Despite this success in setting up a China-led institution, Beijing’s influence through discourse power has been constrained by a trust deficit in

¹⁸ “Speech by Li Keqiang at the Second Lancang-Mekong Cooperation Leaders’ Meeting.”
¹⁹ “Address by H.E. Li Keqiang.”
²¹ “Speech by Li Keqiang at the Second Lancang-Mekong Cooperation Leaders’ Meeting.”
the subregion. Downstream countries such as Thailand and Vietnam worry that China might use its upstream position to undermine their autonomy, and that China’s control of the South China Sea and Lancang/Mekong River will sandwich the region with its influence.23 Also, China’s discourse efforts have not stopped regional countries from carrying out counter-institutional balancing actions, such as joining Japan and U.S.-led institutions and undertaking their own subregional activities. For example, Thailand revived the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy, a subregional Mekong-oriented organization that does not include China.

Moreover, regional civil society actors greatly value certain Western concepts of global development and governance, despite China’s dismissive attitude toward them. For instance, local actors have criticized many Chinese projects for violating the principle of “free, prior, and informed, consent” that requires public engagement and consultation with the community.24 Although Chinese actors have softened their reservations on engaging with local NGOs and have pledged to improve overseas investment behavior, domestic norms continue to limit them from engaging closely with different foreign actors.

Owing to the opaqueness in its top-down and self-censored discursive approach, China’s focus on positive storytelling can also become counterproductive in the Mekong’s local communities. China has increasingly and deliberately used mass communication platforms to convey its economic cooperation ideas. For instance, the Chinese company Wanbao used media such as Facebook to explain its vision of a mining project to develop the local economy in an effort to build a positive image in Myanmar; however, protests over the project still continue.25

Implications for U.S.-China Discursive Competition in the Mekong

China has become a global power, yet its discourse power is not commensurate with its economic power. Although the United States is in decline, U.S. soft power still dominates, sometimes doing more harm than

good to Chinese interests. For instance, Washington has been successful in circulating the “debt trap” narrative, which has raised global concerns over Chinese overseas financing. Although some research indicates that such a narrative is overblown, a few Southeast Asian countries, such as Myanmar, are wary of massive debts to China and have thus scaled down Chinese loans.26

The revived MUSP indicates that this subregion is a key part of Washington’s overall strategic rivalry with China. To major powers, the subregion is not just about economic interests but also about rule-setting. The Biden administration has strategized to counter Beijing’s influence with the “Build Back Better” initiative. Although China may not see a direct confrontation with the United States in the Mekong subregion, it has already faced pressure from nonstate actors supported by the United States. For instance, a report by the U.S.-based group Eyes on Earth raised concerns about progress on China’s commitments made under the LMC.27 This negative coverage has cast a shadow on the good story China is telling about itself in the region.

As Beijing joins the discursive battle with Washington for influence and soft power, its discourse power should not be underestimated. China’s capacity to frame narratives has been demonstrated in the Covid-19 pandemic. Its fast control of the pandemic, for example, provided an opportunity for Beijing to shape new rhetoric surrounding its role in global governance and diplomacy. In contrast to Washington’s initial passiveness in sharing vaccines, China was the first country to donate and sell vaccines to states in Southeast Asia.

Words convey concepts, ideas, and values that are the foundation on which the regional architecture is built, and they command how the world order is run. With the intensifying rivalry between the United States and China, the Mekong subregion will witness more ideational, material, and discursive competition for influence.

The Emerging Power Play in the Mekong Subregion: A Japanese Perspective

Kei Koga

As one of the most active development donors in Southeast Asia, Japan has committed to socioeconomic development in the Mekong subregion since the end of the Cold War. However, as the Sino-U.S. rivalry intensifies, socioeconomic development in Asia, including the Mekong subregion, has become a theater for strategic competition. In 2013, China initiated the Belt and Road Initiative (BRI), raising its economic and political influence in the region through massive development assistance. For its part, Japan launched the Partnership for Quality Infrastructure (PQI) in 2015 to boost its assistance to Asia, and Tokyo strengthened its development cooperation with like-minded partners, particularly the United States, by establishing joint frameworks such as the OPIC-JBIC-Australia agreement on development finance in 2018 and the Blue Dot Network in 2019.

Is the Mekong subregion destined to be subsumed into a power play of China versus Japan and the United States? This essay argues that Japan does not always aim to counterbalance China’s growing influence in the Mekong subregion and could even play a role to ease geopolitical tensions in the region. Although the intensified U.S.-China strategic competition narrows Japan’s diplomatic space to engage China, the Mekong subregion is still a potential area for Japan-China cooperation, mitigating the negative impact of great-power rivalry. Under the condition that China meets “quality infrastructure” standards, Japan and China could explore cooperation on development policy through a working-level bilateral dialogue, the ASEAN +3 (the Association of Southeast Asian Nations members plus China, Japan, and South Korea), and the East Asia Summit.

The Development of Japan-Mekong Relations

Japan’s development commitment to the Mekong subregion began near the end of the Cold War, when Vietnam and Laos moved to become market economies.

Kei Koga is an Assistant Professor in the Public Policy and Global Affairs Programme in the School of Social Sciences at Nanyang Technological University (Singapore). He can be reached at <kkei@ntu.edu.sg>.

1 The OPIC-JBIC-Australia agreement is between the U.S. Overseas Private Investment Corporation, the Japan Bank for International Cooperation, and Australia’s Department of Foreign Affairs and Trade. The Blue Dot Network is a multilateral initiative launched by the United States, Japan, and Australia.
economies in the late 1980s and the Paris Peace Accords for Cambodia were signed in 1991. To facilitate the subregion’s socioeconomic development, Japan created the Forum for Comprehensive Development of Indochina in 1993 to promote connectivity, such as the Greater Mekong Subregion’s East-West Economic Corridor that aimed to improve transportation and economic integration between the states. Japan’s Ministry of International Trade and Industry (MITI) and the ASEAN Economic Mechanism (AEM) also established the AEM-MITI Working Group of Economic Cooperation for Indochina and Myanmar in 1994 to facilitate market economy and infrastructure development. After ASEAN incorporated all five Mekong subregional states as members, Japan aimed to help address the “ASEAN divide”—the large economic and development gap between the original ASEAN members and the new members, Cambodia, Laos, Myanmar, and Vietnam (CLMV). Accordingly, when Cambodia, Laos, and Vietnam (CLV) proposed the concept of a “development triangle,” they successfully solicited Japan for political and financial support. The countries then created the Japan-CLV framework, through which they held summits and foreign ministers’ meetings annually from 2006 to 2008 to discuss subregional development schemes.

From 2007 onward Japan’s socioeconomic focus began to shift when it launched the Japan-Mekong Region Partnership Program. The program has three pillars: (1) economic integration, (2) trade and investment expansion, and (3) “universal values” and common goals, particularly the Millennium Development Goals. Japan then expanded its official development assistance (ODA) to the region and conducted negotiations for bilateral investment agreements with Cambodia and Laos, respectively. This Japan-Mekong framework was rapidly institutionalized through regular foreign ministers’ meetings from 2008 and summits from 2009. The framework also gradually incorporated discussions over regional strategic

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issues, such as the management of China’s rapidly growing influence in the Mekong subregion.5

In 2010, Japan’s intention to shape the subregional order based on existing international rules and norms grew clearer. It used the Japan-Mekong cooperation framework as a steppingstone for this agenda, corresponding with the U.S. “rebalancing” strategy and the Lower Mekong Initiative (LMI). To be sure, Japan still emphasized socioeconomic development as a top priority. The Tokyo Strategy 2012, which was issued during the 4th Mekong-Japan Summit and encapsulated three-year cooperative guidelines, aimed to build connectivity through infrastructure development, improve the investment environment in CLMV, and ensure human security.6 The subsequent New Tokyo Strategy 2015 was issued at the 7th Mekong-Japan Summit and provided four focal points of development: the establishment of hard connectivity (such as roads, railways, and energy supply), soft connectivity (such as human development), a green Mekong, and cooperation with partners.7 Japan also highlighted public-private cooperation to attract more investment on regional infrastructure.

However, Japan also began to incorporate strategic agendas more actively in the Japan-Mekong cooperative framework, motivated in large part by China’s increasing maritime assertiveness in the East and South China Seas, which has raised regional security concerns. The Japan-Mekong summits and foreign ministers’ meetings repeatedly emphasized the importance of international law in the maritime domain, including the United Nations Convention on the Law of the Sea (UNCLOS), even though it was not directly related to the Mekong development issues. Furthermore, Japan launched a series of new regional strategic visions, such as the PQI in 2015, the Japan-Mekong Connectivity Initiative in 2016, and its “free and open Indo-Pacific” strategy in 2016.8 The principles of these new visions were included in Japan-Mekong joint statements and resulted in the latest joint declaration, the Tokyo Strategy 2018, which emphasized “a free and

open order based on the rule of law to ensure peace, stability and prosperity” in the Indo-Pacific region, including the Mekong subregion.9

The main trigger for Japan’s strategic shift was the challenge China poses toward the existing international order that Japan has long benefited from strategically and economically.10 As China increased economic and political influence in the Mekong subregion through BRI, its development assistance did not necessarily comply with international standards. China has also attempted to consolidate its influence by creating a new Mekong subregional framework, the Lancang-Mekong Cooperation group, in 2016.

The Emergence of Sino-U.S. Rivalry in the Mekong

Amid the recent intensification of the Sino-U.S. strategic rivalry, Japan has aligned closely with the United States and will continue to do so given its staunch support for U.S. presence in the Indo-Pacific region to maintain the strategic balance. Admittedly, the Mekong subregion was not previously a core area of joint cooperation between Japan and the United States. Before 2018, their cooperation was limited despite their participation in the Friends of the Lower Mekong Ministerial Meetings from 2011 to 2015 and their pledge to coordinate Japan-Mekong cooperation with the LMI.11 However, with shared interests in the Indo-Pacific, Japan and the United States began to prioritize the Mekong subregion. They thus have begun to develop more concrete joint development projects to empower the subregional states, such as the Japan-U.S.-Mekong Power Partnership (JUMPP) in 2019. This project aims to create dependable energy infrastructure with “free, open, stable, rules-based electricity markets” that are critical for meeting the subregion’s increasing energy demands and sustainable development needs.12

That said, the enhancement of Japan-U.S. cooperation does not necessarily mean that Japan will universally counter China in the Mekong subregion. This is because Japan’s approach toward developing the regional

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order is relatively more flexible than issues around protecting its sovereignty, such as in the Senkaku Islands. For example, in 2017, then prime minister Shinzo Abe stated that Japan was ready to cooperate with China for infrastructure development under the conditions of openness, transparency, economic viability, and financial soundness. These conditions have become critical for Japan’s endorsement of infrastructure development projects and its vision for a rules-based order. Although Japan recognized that China had not always met these conditions, in 2018 Tokyo began to explore potential cooperation with Beijing in overseas infrastructure development based on the assumption that China would eventually comply with these international standards. In fact, at the G-20 Osaka Summit in 2019, China agreed to adopt the “G-20 Principles for Quality Infrastructure Investment” that stipulated those standards, thus providing positive prospects for bilateral development cooperation. Although the momentum of such cooperation has been stalled by the Covid-19 pandemic, Japan has not yet completely relinquished the possibility to cooperate with China as long as quality developmental principles are ensured.

The Future of Japan’s Role in the Mekong Subregion

The key question is whether Japan can continue to explore potential cooperation with China in a third country, including in the Mekong subregion. The simple answer: not indefinitely. It has become more and more difficult for Tokyo to hold high expectations for Beijing in light of China’s continuously assertive behavior, such as its “wolf warrior diplomacy” and expanded presence in the East and South China Seas.

This negative trend was exacerbated after the Covid-19 pandemic led to the cancellation of a bilateral summit during Abe’s second term, starting a period of decreased engagement between the two countries. Although Abe’s successor, Yoshihide Suga, took office in September 2020 with an express intent to engage China, by the time he stepped down in October 2021, he had not had substantial interactions with Beijing. More recently, Japan’s

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15 MOFA, “Prime Minister Abe Visits China,” October 26, 2018 ~ https://www.mofa.go.jp/a_o/c_m1/cn/page3e_000958.html.

new prime minister, Fumio Kishida, has both emphasized the critical importance of bilateral relations with China and reiterated Japan’s firm position vis-à-vis China that universal values such as human rights should be ensured and advanced with like-minded states.\textsuperscript{17}

Indeed, Japan’s traditional soft approach toward universal values—preferring diplomatic negotiations over coercive means such as economic sanctions—may shift in the near future. This change is illustrated by Japan’s reaction to the February 2021 coup in Myanmar when it imposed diplomatic sanctions on Myanmar and decided not only to stop providing new ODA projects but also to postpone the 2021 Japan-Mekong Summit.\textsuperscript{18} Prime Minister Kishida also created a new post for a special adviser on human rights, appointing former defense minister Gen Nakatani. Accordingly, Japan’s approach toward those fundamental values could become firmer.

What can Japan then do to defuse the increasingly tense geopolitical situation in the Mekong subregion? First, it can revitalize the Japan-China Policy Dialogue on the Mekong Region, through which both parties can share information about current development projects. The bilateral dialogue, which began in 2008, was susceptible to the tense political climate between the two states and has not been held since 2019. If this dialogue is annualized again at the working level, it could become a useful diplomatic tool to build a potential cooperative program in the Mekong subregion. Furthermore, now that China has agreed to the principles of quality infrastructure, the dialogue can be based on those shared aims. Although the decisions will ultimately be made from the top, the dialogue would help provide information on potential areas of cooperation when the time is ripe.

Second, Japan can support the multilateralization of Mekong development cooperation through ASEAN-led institutions. ASEAN has begun to prioritize Mekong issues on its own agenda, while other regional powers, including South Korea and India, also have development arrangements with the Mekong subregional states. Building on these existing frameworks, the ASEAN +3 and the East Asia Summit can be institutional catalysts for information sharing, development policy coordination, and a potential division of labor among those arrangements. While the ASEAN +3 can facilitate Japan–China–South Korea coordination,

\textsuperscript{17} “Policy Speech by Prime Minister Kishida Fumio to the 205th Session of the Diet,” Prime Minister of Japan and His Cabinet, October 8, 2021 ~ https://japan.kantei.go.jp/100_kishida/statement/202110/_00005.html.

the East Asia Summit can bring in other important regional powers, such as Australia, India, and the United States.

Crafting the Mekong’s development policy through multilateral means such as Japan-China bilateral platforms, the ASEAN +3, and the East Asia Summit could avoid the excessive geopoliticalization of Mekong development cooperation. The Mekong states could also pursue risk-diversification and hedging strategies while dampening the regional great powers’ diplomatic incentives to pursue a wedge strategy via power politics in the area.19 Furthermore, such an initiative could contribute to the realization of the ideals and objectives of the “ASEAN Outlook on the Indo-Pacific,” which aims to pursue “dialogue and cooperation instead of rivalry.”20 This is particularly so if ASEAN enhances cooperation with emerging minilateral frameworks, such as the Quad (Australia, India, Japan, and the United States), which has begun to focus on infrastructure development.

These proposals are only the first step and cannot guarantee the mitigation of emerging power play in the Mekong subregion. To avoid casting the Mekong subregion as the next battleground for regional great powers, however, these initiatives are well worth considering. ✨

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The Future Direction of Republic of Korea and Mekong Cooperation in a Climate of U.S.-China Competition

Sungil Kwak

U.S.-China competition over the Mekong River subregion is accelerating. China began full-scale cooperation with the Mekong states (Thailand, Cambodia, Laos, Vietnam, and Myanmar) through the Lancang-Mekong Cooperation (LMC) forum in 2016, and the United States launched the new Mekong-U.S. Partnership in 2020, an extension of its 2009 Lower Mekong Initiative (LMI). Japan, Australia, and India likewise are promoting Mekong subregional cooperation in their respective medium- to long-term regional initiatives and strategies. Although the Republic of Korea (ROK) lags other major partners in regional development, it has been cooperating with the Mekong subregion since 2011.

Based on the ROK’s strengths, this essay suggests ways in which the ROK can and should promote cooperation with Mekong subregion states and partners. The focus is on how to enhance the effectiveness of cooperative projects by sharing the ROK’s own development experiences and know-how with the Mekong states and the region’s other partners. The essay begins with a summary of the current status and characteristics of ROK-Mekong cooperation within the framework of the ROK’s New Southern Policy (NSP). It then explores the new roles of the ROK in the subregion as the United States’ Indo-Pacific strategy and China’s Belt and Road Initiative compete with each other.

The Current Status of ROK-Mekong Cooperation

Although the overall development and growth of the Mekong subregion has lagged that of the leading Association of Southeast Asian Nations (ASEAN) countries—Indonesia, Malaysia, the Philippines, Singapore, and Thailand—the Mekong subregion (excluding Thailand) recorded a compound annual growth rate of around 7% before the Covid-19 pandemic and is quickly becoming one of the most dynamic areas in the world. The ROK is not alone in focusing attention on the subregion. Indeed, the United States, China, Japan, and India, among others, have made various efforts to strengthen relations with the Mekong basin countries.

Sungil Kwak is a Research Fellow at the Korea Institute for International Economic Policy (Republic of Korea). He can be reached at <sikwak@kiep.go.kr>.
Cooperation between the ROK and the Mekong subregion began in 2011 with the first Mekong-ROK Foreign Ministers’ Meeting. At that time, the ROK presented the Han River Declaration with three main goals for the subregion: (1) to undertake sustainable development in the Mekong basin, (2) to narrow the development gaps within the ASEAN region, and (3) to foster cooperation within East Asia and promote the regional community. Since then, Seoul has advanced two Mekong-ROK plans of action (2014–17 and 2017–20) to develop mutual cooperation with the subregion. Six priority sectors—information and communication technology (ICT), human resource development, green growth, water resource management, rural development, and infrastructure—were selected as targets for cooperation.

Meanwhile, the ROK and the Mekong basin countries established the Mekong-ROK Cooperation Fund with $7.42 million—provided by the ROK between 2013 and 2019 and administered by the Mekong Institute—for thirteen sectors, including water resource management and human resource development. These two sectors are particular areas in which the ROK has a comparative advantage. After its announcement of the NSP in 2017, the ROK bolstered its funding of the Mekong-ROK Cooperation Fund to $2 million. It then further increased its support to $3 million in 2020 and $4 million in 2021.

Cooperation between the ROK and the Mekong countries has expanded from governments to the private sector with the establishment of the annual ROK-Mekong Business Forum in 2013. This event offers an opportunity for firms from the ROK and the Mekong basin to have one-on-one consultations and has contributed to promoting exchanges between small- and medium-sized enterprises. As a result of such efforts, the scale of trade between the ROK and the Mekong countries has increased 2.4 times to $84.5 billion, and interpersonal exchanges have tripled to 7 million people since 2011 when cooperation began.

The first ROK-Mekong Summit in November 2019 produced the “Han River–Mekong River Declaration for Building Partnerships of People, Prosperity, and Peace,” which reiterated joint support for the objectives of the original 2011 Han River Declaration and Seoul’s prioritization of

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ROK-Mekong cooperation as one of the core driving forces of the NSP. The declaration includes three major cooperation pillars—people-to-people exchanges, sustainable development, and prosperity through experience sharing—which are based on the NSP’s three pillars (people, prosperity, and peace). On these pillars rest seven priority cooperation sectors: (1) culture and tourism, (2) human resource development, (3) agricultural and rural development, (4) infrastructure, (5) ICT, (6) the environment, and (7) nontraditional security. Once again, the various cooperative projects being carried out between the ROK and the Mekong states aim for mutually beneficial cooperation. Compared to the 2011 Han River Declaration, it is noteworthy that the priority sectors were diversified and concretized and that the “sharing of experiences” was explicitly included.

The international political and economic environment in the subregion has rapidly changed due to the Covid-19 pandemic and competition between the United States and China, among other factors. For example, as China and Japan expand their investments in Southeast Asia, rivalry between firms to gain a greater market share within the region is sharpening. In addition, the climate for trade and investment is deteriorating due to increases in production costs, such as labor, throughout Southeast Asia. Korean firms that enter the region must make greater use of local parts and transfer more technologies, as ASEAN member states increasingly raise trade imbalances with the ROK. Furthermore, competition among member states has intensified as they seek to attract more foreign direct investment, which may conflict with the closely held principle of ASEAN centrality. It is important to consider how these changes will affect the ROK’s promotion of the Han River–Mekong River Declaration and subregional involvement.

While the Covid-19 pandemic is not the direct cause of these structural changes, it has hastened the pace of change. The pandemic worsened challenges regarding global demand, which had already been shrinking before the pandemic. Furthermore, as societies become more accustomed to virtual meetings, interactions, and transactions, the move toward the digital economic era has accelerated. The role of government has been emphasized for overcoming the crisis; capital, labor, and commodity movements have been constrained; and supply chains have been restructured.

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Such changes were unimaginable in 2019 when the Han River–Mekong River Declaration was announced. For the ROK and the Mekong subregion to build shared relationships between people, prosperity, and peace in an environment of such sudden change, the formation of trust is of the utmost importance. In the new State of Southeast Asia: 2022 Survey Report, the ROK only received 0.8% support from ASEAN respondents, who were asked to select the states in which they had the strongest confidence to provide leadership in defending international law and maintaining the rules-based order. This was the second-lowest level of support among all the countries covered in the survey and only slightly higher than the lowest, India (0.1%). When asked to select the most reliable and preferred strategic partner for ASEAN in response to the uncertainty of U.S.-China strategic competition, the ROK was chosen by 6.8% of the respondents, the European Union by 40.2%, Japan by 29.2%, Australia by 10.3%, the United Kingdom by 8.4%, and India by 5.1%. Thus, despite the ROK’s promotion of the NSP from 2017 onward, the initiative has been insufficient to build strong trust with the ASEAN member states.

What accounts for this low level of confidence in the ROK? Due to its concentration of economic activity in Vietnam, preference for bilateral rather than multilateral cooperation, and lack of a long-term and long-standing strategy, it appears that the Mekong nations have not yet recognized the ROK as a reliable partner. Therefore, even amid a suddenly changing international environment, Seoul consistently must promote the three major future cooperation pillars of the Han River–Mekong River Declaration with the Mekong basin states. If these states could predict the ROK’s actions and responses in the future, they could cooperate with confidence and come to rely on the ROK. In addition, the objectives of the declaration must be continuously pursued regardless of changes in government. To this end, the ROK needs to establish a stable platform to replace the presidential “special” committee on the NSP, which could be taken to imply a temporary status.

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4 Sharon Seah et al., The State of Southeast Asia: 2022 Survey Report (Singapore: ISEAS–Yusof Ishak Institute, 2022), 27 — https://www.iseas.edu.sg/wp-content/uploads/2022/02/The-State-of-SEA-2022_FA_Digital_FINAL.pdf. For comparison, the United States was selected by 36.6% of the respondents; ASEAN, 16.8%; the European Union, 16.6%; China, 13.6%; Japan, 7.7%; and Australia, 1.9%.

5 Ibid., 33.

6 Kwak et al., “Juyogukui daeMekong hyeopryeok hyeonhwang mit Han-Mekong hyeopryeok baljeon banghyang.”
Toward Better Cooperation between the Mekong Subregion and the ROK amid U.S.-China Competition

The ROK’s future cooperation with the Mekong subregion, expressed in the Han River–Mekong River Declaration, is not aimed at pursuing mercantilist interests or competition with other partners such as the United States, China, or Japan. The ROK has pledged to contribute to the formation of an inclusive Mekong community, to seek ways to prosper together in light of the ROK’s own growth experience, and to work together to create an environment for sustainable development. To realize these goals, Seoul must strengthen cooperation with subregional state-led cooperatives such as the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), involving the Southeast Asian mainland countries of Thailand, Laos, Vietnam, Cambodia, and Myanmar; the Cambodia-Laos-Vietnam Development Triangle Area (CLV-DTA); and other major partner-led cooperatives.

First, Seoul needs to pay attention to the cooperative demands of the ACMECS and CLV-DTA, among other initiatives in the subregion. These local groups best understand their own interests and the needs of the subregion. By focusing on their suggested cooperative projects, the ROK can avoid being viewed as pursuing either only mercantile profits or its own strategic interests. The ACMECS, in particular, has been known to have financing difficulties, despite being an important cooperative in the Mekong basin. The ROK contribution to the activities of the ACMECS thus could be valuable. Seoul has continued to increase the size of the Mekong-ROK Cooperation Fund as well as the ROK’s official development assistance (ODA) budget. The average annual growth rate of the latter for the past ten years was 11.9%, one of the highest among the member countries of the OECD’s Development Assistance Committee.7

Vietnam has been one of the largest recipients of the ROK’s ODA in the Mekong subregion in the past, with more than 69% of the ROK’s total ODA for the subregion allocated to the country in 2012 and 2013.8

Since then, Vietnam’s share has declined, falling to 26.5% in 2019.\(^9\) Considering that reducing ODA to Vietnam is a global trend as a result of Vietnam’s economic growth, this course will likely continue. Also, as the ROK has generally allocated ODA on a regional basis, it can be expected that ODA to other Mekong countries could increase as much as it has decreased to Vietnam. The question is how the funds will be reallocated.

Hanoi has expressed strong interest in triangular cooperation with Seoul, with high-ranking Vietnamese officials emphasizing that Vietnam’s experience and the ROK’s know-how in the development sector are synergistic.\(^10\) Vietnam’s current ambassador to the ROK also stated that Vietnam, which will serve as the ROK-ASEAN Dialogue Coordinator until 2024, will take the lead in actively contributing to resolving regional issues with the ROK.\(^11\) Thus, the ROK should be able to expand Mekong cooperation through the CLV-DTA, where Vietnam is also the informal leader. Successful cooperation between the ROK and Vietnam will have positive implications for the broader Mekong subregion.

Moreover, Vietnam values the ROK’s development experience, and the two states share historical, cultural, and social similarities. Starting from a humble position after the Korean War, the ROK has since experienced impressive economic growth and has not been afraid to participate in the global free-trade economic order. Korean firms increased their competitiveness, leading the ROK to become the seventh-largest exporter in the world in 2010 and to achieve a trade volume of $1 trillion in 2011 for the first time.\(^12\) Vietnam is the most active among Mekong states in opening up its market and already shares the closest economic relationship with the ROK. In 2020, Vietnam became the ROK’s third-largest trading partner, and the ROK became Vietnam’s fifth-largest trading partner.\(^13\) Vietnam has actively opened up its market through participation in mega free-trade agreements (FTAs) such as the Comprehensive and Progressive Agreement

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\(^9\) Kwak et al., “Hanguk-Beteunam gyoungjesahoe hyuepryeok 30nyeon: Jisokganeunghyuepryeok bang'an yeongu.”

\(^10\) The author often heard this interest in triangular cooperation expressed when conducting field research in Vietnam.

\(^11\) Nguyen Vu Tung, “Hanguk daepyo oekyojeongcheki doen ‘Sinnambangjeongchek’” [The “New Southern Policy” Has Become the ROK’s Representative Foreign Policy], Mae il kyoung je shin mun, October 25, 2021 ~ https://www.mk.co.kr/opinion/contributors/view/2021/10/1006776.


\(^13\) Kwak et al., “Hanguk-Beteunam gyoungjesahoe hyuepryeok 30nyeon: Jisokganeunghyuepryeok bang'an yeongu.”
for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP); the establishment of bilateral FTAs with the European Union, ROK, and Japan, among others; and efforts to improve its business environment.

Second, in cooperation with other major partners, such as ASEAN, the United States, China, Japan, and Australia, emphasis must be placed on establishing complementary relationships based on the ROK’s strengths. Most Mekong projects carried out by major partners can be classified as either people-to-people exchanges or sustainable development projects. Both themes are included in the three major cooperation pillars of the Han River–Mekong River Declaration. Japan, for example, has emphasized strengthening people-to-people exchanges, such as by establishing the Year of Mekong-Japan Exchange through the Japan-Mekong Regional Partnership Program. China has set up the People’s Heart Communication initiative, which emphasizes cooperation in the fields of culture, tourism, and education among the three major pillars of the LMC. The United States is also operating an industry-academia collaboration program to provide job training for youth in the Mekong subregion through the USAID-LMI Connecting the Mekong through Education and Training (COMET) program. Although the ROK has also engaged in people-to-people exchanges and sustainable development, compared to other major partners’ activities, its activities in these areas are much less significant in scale. Therefore, to differentiate its activities from those of the region’s traditional partners, the ROK should focus more on “prosperity through experience sharing,” among the three pillars of the Han River–Mekong River Declaration. How the ROK can share its experiences will determine its role in Mekong cooperation.

If Seoul wants to establish complementary relations with the relevant programs of the region’s other major partners, it should promote a differentiated agenda emphasizing the ROK’s unique strengths. For example, those with experience in the ROK’s Saemaul Undong (New Community) movement could share lessons from the ROK’s rural development experience with the countries and stakeholders within the Mekong subregion. If Mekong partners understand and can learn from the ROK’s development experience, they may be able to promote future development projects more effectively. Moreover, other external partners such as Japan, the United States, and China seem to focus mainly on facility-oriented support rather than operations experience. In contrast, the ROK could, for example, explain how to operate an e-government system to the Mekong
states based on its own operational experience. The ROK’s national health insurance system might also provide a useful model for countries in the subregion in an area where the other major partners have no operational experience. If these experiences can be combined with the support of the other major external partners, ROK-Mekong cooperation can be upgraded.

Through the sharing of such experiences with the Mekong states and the subregion’s major partners, the ROK will be able to cultivate valuable cooperation in the subregion by functioning as a bridge between the United States and China. This is because the sharing of experiences bears no direct relation to any particular vision for the rules-based order and is instead focused on the cultivation of effectiveness.
Mekong-Ganga Cooperation: Interests, Initiatives, and Influence

Swaran Singh

The coinage of the term “Indochina” (comprising Cambodia, Laos, and Vietnam) symbolizes the “civilizational” interface of ancient India and China, variously interpreted in terms of their contestations, coexistence, and confluence. The Mekong River that joins the Indochina nations also connects them to China, Myanmar, and Thailand. China refers to the upstream part of the river as the “Lancang,” limiting the Mekong subregion to the lower riparian states of Cambodia, Laos, Myanmar, Thailand, and Vietnam.

In the post–World War II global order, this region saw the United States and its friends enter the picture, with “security” and “geopolitics” becoming new buzzwords. In the contemporary period, contestations between a rising China and a powerful United States increasingly determine geopolitical trajectories in the Mekong subregion, with India recently emerging as a third important interlocutor. Amid these U.S.-China contestations, India's growing partnership with the United States and tensions with China make its engagement with the Mekong subregion pregnant with system-shaping potential. This situation is reinforced by various local actors who seem increasingly willing to engage New Delhi as an alternative to being squeezed between U.S.-China tensions.

The Drivers of India’s Interests

To begin, four sets of factors have broadly guided India’s interests and initiatives in the Mekong subregion. First was the enunciation of India’s Look East policy from the early 1990s. The collapse of the former Soviet Union—a close and reliable friend to India—forced New Delhi to redesign its foreign policy. Added to this was India’s long-drawn-out frustration in resolving issues with its northern and western neighbors. However, shifting foreign policy attention to the east was triggered in particular by India’s...
tryst with economic opening up and reforms that made engagement with Southeast Asia’s tiger economies particularly attractive.¹

Second was the westward expansion of the Association of Southeast Asian Nations (ASEAN). From the mid-1990s, ASEAN’s inclusion of Cambodia, Laos, Myanmar, and Vietnam gave the organization land boundaries with India’s northeastern region.² Being less-developed economies, these new members opened opportunities for India to extend aid, assistance, and technology transfers. This new connection between India and neighboring ASEAN countries also reinforced consciousness of their historical, cultural, ethnic, linguistic and other intersocietal linkages, which provided a boost to trade, tourism, and other geopolitical alignments as well.

Third, this closer connection with the Mekong subregion impelled a major shift in India’s conception of its own northeastern region. Instead of colonial imaginations that saw India’s northeast as a barrier in imperial Britain’s pacification campaigns, New Delhi began to visualize the region as a bridge to engagement with the Mekong subregion.³ India’s northeast is home to dozens of ethnic minorities, many of whom have strong cultural, historical, ethnic, and linguistic connections with the people of the Mekong subregion. By comparison, these minorities in India’s northeast subregion remain rather perilously connected to India through the narrow, 60-kilometer-long, 22-kilometer-wide Siliguri corridor. New Delhi now views this connection with the Mekong subregion with great potential to unleash development initiatives and enhance integration of India’s northeast subregion with mainland India.

Finally, China’s unprecedented rise and assertive posturing along its periphery, as well as its competition for influence with the United States, have become the most overbearing set of factors in the psyche of both India and the Mekong subregion. With the Lancang/Mekong River originating in its western region, China has long believed that the five lower riparian nations were once its tributaries and protectorates.⁴ Although the

³ Atul Sarma, “Integrating Northeast with South East Asia: Great Expectations and Ground Realities,” in Mainstreaming the Northeast in India’s Look and Act East Policy, ed. Atul Sarma and Saswati Choudhury (Singapore: Springer Nature Singapore, 2018), 7–8, 37.
⁴ Shengmin Cui, China’s Role and Interests in the Greater Mekong Subregion (Berlin: Logos Verlag Berlin, 2018), 15.
United States was deeply involved in the Mekong Committee (the precursor of the Mekong River Commission) in the 1950s, a rising China’s assertive engagement with this subregion since 1996 is what has revived U.S. interest in the subregion, resulting in the launch of the Lower Mekong Initiative (LMI) under the Obama administration.  

China responded by proposing the Lancang-Mekong Cooperation Framework (LMC) at the China-ASEAN Summit in November 2014.  

This flurry of activity from major powers has rejuvenated Indian interest, leading New Delhi to revitalize the subregion’s oldest forum, the Mekong-Ganga Cooperation (MGC) initiative, which it originally set up in November 2000.

**India’s Initiatives and Channels**

India’s interactions with the Mekong subregion go back to ancient times, and its current phase of engagement also precedes more recent trends such as the subregion’s integration into ASEAN, interventions by China, and the Asian Development Bank’s efforts to transform the subregion “from battlefield to marketplace.”  

After exploratory exchanges, the MGC was formally announced at its inaugural ministerial meeting in Vientiane, Laos, on November 10, 2000. The MGC’s working channels consist of annual ministerial meetings, senior officials’ meetings, and five working groups focused on the following: tourism (led by Thailand), education (led by India), culture (led by Cambodia), communications and transport (led by Laos), and the plan of action (led by Vietnam).  

In practice, however, these meetings have had their share of disjunctions and have at times experienced long gaps between them. Over the last 21 years, only eleven ministerial meetings and twelve senior officials’ meetings have been held. In more recent years, however, the MGC has regained momentum to hold ministerial meetings in 2016 and 2018, and at the 10th Ministerial Meeting of 2019 it adopted the Plan of Action 2019–2022. This action

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The plan outlines project-based partnerships in the seven sectors of culture, tourism, education, public health and traditional medicine, agriculture, transport and communication, and micro, small, and medium enterprises. It also introduces three new areas of cooperation—namely, water resources management, science and technology, and skill development and capacity building. Nevertheless, gaps remain in the implementation of partnerships in these sectors. In 2020, as a result of the pandemic, only the 12th Senior Officials’ Meeting was held, and no ministerial meeting was convened.

The most recent online ministerial meeting in 2021 saw the launch of the official MGC website. At the meeting, Indian external affairs minister S. Jaishankar underscored the need to expand connectivity in digital, economic, physical, and social linkages and explore a “collective and collaborative” response to the pandemic. Notably, at the MGC’s 6th Ministerial Meeting in 2012, India had announced a $1 million annual India-CLMV Quick Impact Projects Revolving Fund that included building cooperation in “health research relevant to the region and sharing of expertise on pandemic management.” Multiple reports have likewise highlighted how the Mekong subregion remains especially vulnerable to climate change–related casualties. The Plan of Action 2019–2022 includes collaborative projects on climate change adaptation, flood and drought management, disaster mitigation, and water resource management. At the 11th Ministerial Meeting, India also offered to organize trainings and workshops for local professionals at its National Institute of Rural Development and Panchayati Raj.

**U.S.-China Contestation**

India’s influence over regional or subregional trends remains far less decisive than that of the United States or China. U.S.-China contestations,
however, have made India increasingly welcome in the Mekong subregion. India and the subregion alike have become conscious of the value in exploring alternative alignments instead of being forced to choose between the United States or China. Both India and Vietnam, for example, have been the direct targets of Beijing’s aggressive water resource policies and postures. India’s experience with China’s dam-building activities on the Yarlung Tsangpo (known as the Brahmaputra River in India) enables New Delhi to appreciate the position of the Southeast Asian states in various reports about China’s hydropolitics in dam building on the Mekong or contestations over maritime resources in the South China Sea, such as Vietnam’s offshore oil explorations. China shares rivers with most of its neighbors, and Chinese experts have categorized sixteen rivers as critical for China’s exponentially rising water consumption levels across household, commercial, and industrial sectors. This rapidly growing upstream consumption greatly affects water resources and fisheries for the downstream states.

Conversely, experts have also observed the exclusion of China from India’s MGC as a “symbolic gesture of defiance that did not go unnoticed by the Chinese.” The East Asian financial crisis of the late 1990s had triggered a clear drift of ASEAN, including the Mekong subregion, from its time-tested partnerships with Washington and the Asian Development Bank toward Beijing. More recently, the rapid mega-infrastructure building spree under President Xi Jinping’s Belt and Road Initiative has not just cast China’s imprint on many of the subregion’s economic trends but also distorted its development priorities. Since China’s construction of the Manwan Dam in Yunnan in 1995—the first hydroelectric dam on the Lancang River—the country has built dozens more of such dams within its borders as well as in Laos and Cambodia. These projects have had a “dramatic effect on the Mekong River...resulting in unseasonal flooding and droughts, low water levels...[with] drastic consequences for biodiversity and fisheries.” Over 60 million people in Southeast Asia depend on the Mekong for income from agriculture, fishing, and aquaculture.

All of these activities have shifted the focus from the development to the defense of the Mekong’s resources. Between 2011 and 2021, China,

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17 Ibid.
Laos, Myanmar, and Thailand undertook over 111 joint Mekong River law-enforcement patrols “to ensure the security and stability of the river basin.” In a different fashion, the United States has also begun to securitize climate-related disasters. The U.S. National Intelligence Estimate on climate change issued in October 2021 stresses how Chinese dam building on the Mekong “threatens the smooth flow of water for agriculture and fishing on which other countries rely heavily, particularly Cambodia and Vietnam.” In the 1960s the United States tried replicating its Tennessee Valley Authority model in the Mekong subregion “to eradicate poverty and deter communist influence.” Today the United States faces a Communist China that is the world’s second-largest economic powerhouse and that is trying to keep the United States at bay in this region. This U.S. concern of losing out to China has been writ large since President Barack Obama’s “rebalance to Asia,” which led to the launch of the LMI in 2009. By 2016, China had also launched its LMC to counter the LMI, and the competition has continued.

**India’s Advantage**

By 2019, over a thousand U.S. companies were active in the Mekong subregion, and U.S. bilateral trade reached almost $117 billion. This figure, however, stands small in comparison to the rapid rise in China’s trade with the Mekong subregion from $10 billion in 2000 to $322 billion in 2020. Although India’s trade with the subregion remains at a relatively negligible level of $32 billion, its growing defense and strategic cooperation brings it a clear advantage. What multiplies India’s limited influence is the Mekong subregion’s realization of how, unlike its engagement with India, engagement with the United States and China has become increasingly hostage to their strategic competition. This awareness has expanded India’s

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space to maneuver in influencing regional trends by providing an alternative partnership that stresses mutual respect for norms and institutions.

India’s incrementally expanding role in the Mekong subregion is reflected in three main ways. First and foremost, India carries the unique advantage of some shared historical, ethnic, linguistic, cultural, and religious linkages that undergird its commercial and strategic partnership projects in the Mekong subregion. Second, India’s recent re-engagement with the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)—which includes Myanmar and Thailand—provides another fresh boost to its interactions with the Mekong subregion. The national security advisers of the BIMSTEC states have been holding annual meetings to address terrorism by drawing up measures for cooperating on law enforcement and intelligence and for boosting their security apparatuses through real-time information sharing, among other activities.²³ New Delhi remains committed to building this grouping as a platform for larger regional connectivity.²⁴ India also regularly holds several naval and military exercises that involve the Mekong subregional nations.²⁵ And finally, the United States’, China’s, and even India’s engagements with the Mekong subregion are only a subset of their respective policies toward ASEAN. The emerging defense and strategic cooperation of Vietnam, Myanmar, Singapore, and Thailand (in that order) with India will remain guided by their need to redress the implications of a weary United States and an intrusive and assertive China.


Thailand and Regional Connectivity Development in the Mekong

Narut Charoensri

Thailand is confronting a transforming economic and political configuration in Southeast Asia. The economic, political, and security rivalry between the United States, China, and Japan in the region has triggered different approaches and styles of engagement among the major powers. Given the country’s location at the center of mainland Southeast Asia, Thailand’s geopolitical and geoeconomic relations with the major powers are important in shaping the regionalization process, which includes the development of physical connectivity (i.e., roads, railways, and bridges) and institutional connectivity (i.e., regulations, rules, and laws) and the institutionalization of regional organizations. The country is physically and institutionally situated at the locus of various regional initiatives that are supported by major powers, such as the Association of Southeast Asian Nations (ASEAN), the Greater Mekong Subregion (GMS) Economic Cooperation Program, the Mekong-U.S. Partnership (MUSP), the Lancang-Mekong Cooperation (LMC), and the Ayeyawady–Chao Phraya–Mekong Economic Cooperation Strategy (ACMECS). Through these and other means, the United States, China, Japan, and South Korea all have actively contributed to regional connectivity development through economic assistance and political support. At the same time, Thailand considers itself a leader in Southeast Asia as a result of its contributions to important regional initiatives such as ASEAN and the GMS Economic Cooperation Program.

All these mechanisms give Thailand opportunities to play a vital role in the regionalization process. Yet Thailand is also caught in the economic and political rivalry between the major powers, and accordingly confronts the dilemma of choosing sides. How can Thailand balance between the various powers while continuing to benefit from their contributions, particularly in regional connectivity development?

Thai government agencies such as the National Security Council and the National Economic and Social Development Council view the

NARUT CHAROENSRI is an Assistant Professor in International Relations and the Assistant Dean of Research Promotion and Academic Development at Chiang Mai University’s School of International Affairs in the Faculty of Political Science and Public Administration (Thailand). He can be reached at <narut.c@cmu.ac.th>.
international system as a multipolar world. This perception shapes how Thailand reacts to complex challenges in different ways. The emergence of other actors, forms of economic and political systems, and values is challenging the U.S.-dominated international system. In earlier work, this author has described the overlapping orders in the international system as a “three-layered order” comprising the international, regional, and subregional orders that have been constructed and developed mainly by the United States, China, and Japan. As the multipolar world takes shape, Thailand must choose wisely as it weighs its national interests against its support of regional interests in connectivity development. Certainly, the Thai government sees opportunities to balance economic and political relations with the United States, China, and Japan while emphasizing the importance of regional cooperation. For example, it accepted economic assistance for environmental and human development allocated through the LMC and the MUSP. This was possible because the United States, China, and Japan want to find channels to widen and deepen relations. Accordingly, the opportunities for collaboration they have initiated pave ways for Thailand to take the best options for its interests.

This essay contends that Thailand’s central location in the Mekong subregion permits it to benefit from economic and political engagement with the United States, China, Japan, and South Korea. The diplomatic, economic, political, and security relations between Thailand and these extraregional powers are now also shaping the development of regional connectivity.

**Thailand’s Extraregional Relations and Regional Development Priorities**

Since the coup in 2014 by Prayut Chan-o-cha, Thailand has pursued different approaches in its relations with the United States, China, and Japan. Thailand has prioritized close relations with the United States as one of its most important strategic partners, despite political issues between the

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1 Office of the National Security Council (Thailand), *Nayobai lae phaen radap chat waduai khwannankhong haengchat* (BE 2562–2565) [The National Security Policy and Plan (2019–2022)] (Bangkok, 2019), 3; and Office of the National Economic and Social Development Council (Thailand), *Phaenphatthana setthakit lae sangkhom haengchat chabap thi sip song* (BE 2560–2564) [The Twelfth National Economic and Social Development Plan (2017–2021)] (Bangkok, 2017), 49.


two states. On the other hand, the Thai military government’s fondness of Beijing’s noninterference policy has encouraged Thailand to grow closer to China. Meanwhile, given the importance of shared economic interests, the coup did not affect Thailand-Japan relations much.

Many regional initiatives aim to solidify connectivity in Southeast Asia, and the Prayut administration has promoted several significant connectivity projects. One of the most important is the development of the Eastern Economic Corridor (EEC), a reincarnation of Thailand’s Cold War-era Eastern Seaboard Development Program. The government endeavors to make the EEC an investment area that attracts international investors and supports the development of advanced technology in sectors such as automobiles, intelligent electronics, digital activities, and automation and robotics. The government is also promoting the area for advanced agriculture and biotechnology, aviation and logistics, high-value and medical tourism, comprehensive healthcare, biofuel and biochemical production, defense, and education and human resource development. To accomplish its goals for the EEC, the government has launched many infrastructure development projects, including ones to link Thailand with its neighbors. In the subregion, three main economic corridors are already in progress as part of the GMS Economic Cooperation Program: the East-West Economic Corridor, the North-South Economic Corridor, and the Southern Economic Corridor. The Asian Development Bank (ADB), which is mainly supported by Japan and the United States, finances the GMS Economic Cooperation Program and these three economic corridors.

Subregional External Actors and Thailand

As a part of the broader region, the Mekong subregion has also witnessed economic and political development that is supported, promoted, and overseen by many actors. This section focuses on four key extraregional actors in the Mekong subregion: the United States, China, Japan, and South Korea. While Washington, Beijing, and Tokyo have utilized their economic and political relations with Thailand to support regional connectivity development, Seoul has taken a different approach that is less oriented to economics. Instead, South Korea relies more on its strengths in culture and knowledge to help construct regional connectivity systems in the Mekong subregion.

The United States. The long-standing relationship between Thailand and the United States began in the early 1830s but took hold more deeply
after World War II for economic, political, and security reasons. Thailand became a U.S. major non-NATO ally in 2003. China’s active engagement in the Mekong subregion through financial assistance and the strengthening of bilateral relations has prompted Washington to re-engage more closely with Southeast Asia. As an important strategic partner, the United States has actively assisted Thailand in many ways. The MUSP is now one of the most vital initiatives supporting economic and environmental development, along with regional connectivity, in the Mekong subregion.

Compared to other external powers, however, the United States seems to have a less active role. Although it renamed the Lower Mekong Initiative as the MUSP to promote broader cooperation, its contributions to the subregion have garnered less attention among the Southeast Asian riparian countries. The U.S. contribution does not play a vital role in economic development, unlike the official development assistance from China and Japan that is allocated through bilateral and multilateral channels. The MUSP mainly focuses on agriculture, connectivity, education, energy, environment, fishing, and health. Compared to the collaborations that China and Japan are supporting, MUSP projects are less economically oriented. This might be good for the grouping’s image, but it does not attract much attention from the private sector.

China. China is a very close partner of Thailand, facilitated by historical and close cultural connections. Today, China’s Belt and Road Initiative (BRI) is reshaping the geoeconomics and geopolitics of Asia. Formerly known as “One Belt, One Road,” BRI involves integrating the Mekong subregion into a global network through infrastructure projects. The Prayut government recognizes the importance of developing and maintaining stable relations with China. Chinese mega-projects give a small country such as Thailand opportunities to benefit from being part of an international production network. China's Belt and Road Initiative (BRI) also connects countries both within and to the Mekong subregion through the construction of roads and high-speed railway systems. However, alongside their gains, these projects come with challenges to Thailand as well. For instance, the newly launched China-Laos high-speed railway undermines the principal position of Thailand in the subregion, driving Thailand toward deeper economic and political engagement with China rather than spurring Thai regional leadership.

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Apart from economic affairs, managing the Mekong River is and will remain a constant issue between China and the other member countries of the GMS Economic Cooperation Program. The construction of dams on the Mekong River has affected not only the livelihoods of local people along the Mekong River but also the region’s political and economic configuration. While several studies have sought institutional fixes that might help resolve tensions with China over the Mekong River, there has not been a pragmatic solution for the subregion.

**Japan.** Thailand sees Japan as a good partner. Although relations between Thailand and Japan fluctuated throughout the Cold War, at present relations are smooth and friendly. Japan is a major player that has allocated a considerable amount of economic assistance to help construct regional connectivity in the subregion. Japan is unquestionably the main contributor to ASEAN connectivity projects. The construction of the GMS Economic Cooperation Program’s East-West and Southern Economic Corridors has been actively supported by Japan through the ADB. Japan also allocates assistance through its Japan-Mekong Cooperation program and through its bilateral relations, such as supporting construction in the public service (i.e., roads, dams, bridges, hospitals, and schools) in Thailand.

The significant number of Japanese investors in the subregion, particularly in Thailand, will shape regional connectivity frameworks in the future. Japan has attempted to use Thailand as its main production base while establishing linkages with Thailand’s neighboring countries to reduce production costs. By implementing this vision and strategy, Japan will continue to promote regional connectivity at different levels and through different platforms.

Additionally, Japan has promoted its free and open Indo-Pacific vision, which will integrate its foreign policy vis-à-vis Southeast Asia, South Asia, and East Africa under a single mega-strategy. This wider connectedness will emphasize the importance of the Mekong subregion as an area that links Southeast Asia with South Asia.

**South Korea.** Relations between Thailand and South Korea have been shaped not only by soft power and cultural influences, such as K-Pop, but also by economic interests and cooperation. A primary illustration of
the historically amicable relations between the two countries is the Thai government’s decision to send troops in support of South Korea during the Korean War, which in turn later swayed South Korea to implement a visa exemption for Thai tourists.

Unlike the United States, China, and Japan, South Korea does not play a major role in developing regional connectivity. Instead, beyond music and pop culture, South Korea utilizes “academic diplomacy” as a form of soft power: it uses its strengths in education to bolster relations, such as through the work of the Mekong Institute at Khon Kaen University, one of the biggest universities in Thailand. However, the issue of Thai phee noi (little ghosts)—undocumented Thai migrants illegally working in South Korea—threatens to weaken bilateral relations.6

Conclusion

The geopolitical and geoeconomic rivalry between the major powers will shape economic and political development in the Mekong subregion tremendously. For the economic aspect, the U.S.-China rivalry will affect both bilateral and multilateral cooperation. The Mekong subregion is a battlefield where the major powers will come and engage to ensure that their influence and the strong diplomatic, political, security, and economic relations between each other and the riparian countries are maintained.

Thailand will face the same questions that it has encountered in the past: Should it lean on the United States or China? What should it do to balance between the major powers? I would argue that with the multipolar order, Thailand does not need to choose. The theoretical questions of balance of power, choosing sides, and hedging should be set aside. It is true that choosing sides might help a country declare its position in the international system. However, given Thailand’s involvement in many regional initiatives—including ASEAN, which stresses the importance of ASEAN centrality—it has the opportunity not to choose sides. Instead, Thailand can exercise its strengths in geographic location and economic and political advantages as it works through ASEAN and other regional initiatives.

Regional connectivity is an area of cooperation that Thailand should promote more given its strategic geographic location. Many academic and research bodies and international organizations in Thailand explore regional connectivity issues. Their expertise could enhance the Thai government’s

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knowledge about international production networks, railway development, transportation, or even new security issues that focus on challenges triggered by regional connectivity. By utilizing its strengths, Thailand can facilitate the integration of assistance, support, and engagement from the major powers, international organizations, and NGOs to work on common issues in the Mekong subregion.
In the current environment of regional security architecture dynamics, complex geopolitical dilemmas, and the congestion of subregional cooperation mechanisms, the Mekong is no longer just a river but also a core ground for competition in a broader context for power play among the major powers. Some observers have even highlighted that the issue of Mekong geopolitics could follow the trajectory of the South China Sea disputes in the near future if it is not taken seriously. For the riparian states of the Association of Southeast Asian Nations (ASEAN), successfully managing geopolitical contestation over the river and its resources is of critical importance.

**ASEAN and the Mekong: A Diverging Path?**

The Mekong River (known as the Lancang in China) begins in the Tibetan Plateau and passes through China, Myanmar, Laos, Thailand, Cambodia, and Vietnam before joining the South China Sea. The Mekong basin is one of the most biodiverse areas in the world, sustaining around sixty-six million people. This figure amounts to 10% of ASEAN’s total population and includes “most of the population of Laos and Cambodia, one-third of Thailand’s sixty-five million, and one-fifth of Vietnam’s ninety million people.” ¹ At stake in the river’s management are issues such as water sharing, dams and hydroelectricity production, fisheries, irrigation, environmental conservation, and climate change mitigation.

The ASEAN countries are mostly divided into two camps over issues pertaining to the river: mainland Southeast Asia and maritime Southeast Asia. States in the former put the Mekong River among their top priorities because of the river’s importance to the livelihoods of their people as well as their vulnerability to changes in the water flow from upstream by virtue of residing in the Lower Mekong region. States in the latter group, on the other hand, do not have a share of the river and consider issues regarding

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the Mekong not primarily as security concerns but more in terms of their technical and environmental aspects. The troubles over the Mekong River have been largely viewed through an environmental and socioeconomic lens and seen as affecting only the mainland countries of ASEAN rather than ASEAN as a whole. Hence, the river’s linkages with the region’s broader security and geopolitical considerations have been given less attention. In contrast, although not all ASEAN member states are claimants in the South China Sea disputes, this particular issue is largely considered a wider security dilemma in the broader region of Southeast Asia and beyond and a major threat to regional peace, security, and stability.

Although it might not be entirely fair to compare Mekong geopolitics to those of the South China Sea, there is no better approach to understand the Mekong security dilemma than to look at it through that benchmark. The disputes have been widely regarded as an alarming security threat for all of Southeast Asia that could jeopardize regional peace and security if not cautiously monitored. This risk is due to the diverse military presence and, to a certain extent, the arms race surrounding the area. While the Mekong security dilemma has not yet warranted this same level of heightened concern, many regional analysts are cautious of unprecedented trends in the Mekong given the increasing involvement of external actors and development partners alike.

The Mekong issue has not yet attained a regional status or posed “alarming” threats that encourage discussions at the regional level among all the ASEAN member states or priority placement on any existing ASEAN agenda. In fact, Vietnam tried to slot the Mekong agenda into the wider discourse within ASEAN platforms during its 2020 chairmanship but found “very limited success.” In part, this omission was due to the Covid-19 outbreak, which disrupted traditional ASEAN practices and shifted regional attention to focus more on public health and economic recovery. Nonetheless, Vietnam’s attempt to highlight the Mekong on the ASEAN agenda was met with reservations from both maritime and mainland members. The maritime ASEAN states see Mekong issues as only affecting the mainland states and thus believe they should be dealt with through existing frameworks at the subregional level. On the other hand, there are


concerns that some mainland states have a “fear of displeasing Beijing” if the Mekong issue is added to ASEAN’s agenda. Though this seems to be a bit of an exaggeration, for most mainland ASEAN members the economic benefits from Mekong subregional cooperation outweigh the environmental and social impacts. The mainland states also want to keep Mekong subregional cooperation focused on development rather than politicizing it. Although this summary is a simplification of positions, it is this divergence of interests that explains the absence of a unified ASEAN position on the Mekong issue and why the issue is unlikely to be placed high on the regional agenda of any of the ASEAN platforms, at least in the foreseeable future.

_Mekong Issues and the External Actors: Cooperation or Competition?_

Given the current congestion of more than ten Mekong subregional cooperation initiatives in place, the increasing importance of the Mekong subregion as well as its implications should be examined. External actors are involved in the Mekong subregion through a range of platforms, including the Mekong-U.S. Partnership (MUSP) and its previous incarnation, the Lower Mekong Initiative (LMI); the newly established Japan-U.S. Mekong Power Partnership (JUMPP); the collective Friends of the Lower Mekong (FLM); the intergovernmental Mekong River Commission (MRC); the Greater Mekong Subregion (GMS) Economic Cooperation, which is supported by the Asian Development Bank; and other mechanisms that enable the Southeast Asian Mekong countries to cooperate respectively with the Republic of Korea, Japan, and India. The latest platform is the Lancang-Mekong Cooperation (LMC) framework, a Chinese initiative. Since the LMC was rolled out in 2016, this platform has captured significant attention for promising tangible benefits to the five Mekong riparian countries through project deliverables and implementation under the LMC Special Fund.

The intense involvement of the major powers has added to the politicization of the Mekong and has in part contributed to ASEAN’s reluctance to establish a collective or unified approach toward the subregion. Major-power competition in the Mekong subregion is becoming more overt, and most ASEAN members want to disassociate from another dispute over a body of water, given the already-pronounced South China Sea conflict.

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Regional observers Hoang Thi Ha and Farah Nadine Seth, for example, have made the following argument:

There is a competitive dynamic at play as some maritime ASEAN states would not want to see external attention and resources flow into the Mekong basin at the expense of their own subregional frameworks such as the BIMP-EAGA [Brunei-Indonesia-Malaysia-Philippines-East ASEAN Growth Area]. Keeping the Mekong issues within the confines of sub-regional frameworks therefore conveniently justifies ASEAN’s detachment from Mekong geopolitics.5

The unceasing tensions between the United States and China, and their impact on Southeast Asia in general and the Mekong subregion in particular, take shape in the competing elevation of their respective subregional cooperation mechanisms. The United States recently inaugurated its MUSP Ministerial Meeting, an upgrade from its decade-long LMI, with the goal of “strengthening the autonomy, economic independence, and sustainable development of the Mekong partner countries and promoting a transparent, rules-based approach to transboundary challenges.” The MUSP’s essence, in part, denotes the “partnership” narrative—rather than merely that of an “initiative,” as in the LMI—which perhaps also indicates the expansion of the MUSP to embrace U.S. allies’ existing Mekong mechanisms, similar to that of the FLM. The upgrade arguably signifies the Mekong’s increasing importance to the wider U.S. “free and open Indo-Pacific” (FOIP) strategy. As Frederick Kliem has noted, the MUSP “is another, albeit belated, FOIP instrument to compete with China specifically in the Mekong region, slowly turning the Mekong into yet another space for U.S.-China competition.”7 The LMC, on the other hand, is focused on rapid infrastructure development and hard connectivity, especially in creating synergies with China’s Belt and Road Initiative.

The Mekong countries desperately need assistance to develop these areas to achieve their economic ambitions. Notwithstanding the goodwill and progress these mechanisms have put in place to the benefit of the Mekong countries, the geopolitical dilemma comes into play one way or another. As Kliem rightly put it, ”such institutional plurality is not sustainable and

is short-sighted. Not only will increasing institutional competition grow the potential for conflict in the Mekong sub-region, but [it] will also decrease regional interdependence and joint ownership by creating competing self-sustained spaces. This erodes the main constituents of Southeast Asian regionalism and regional stability.” In essence, although the proliferation of Mekong mechanisms spearheaded by external powers has brought some development benefits, it has also increased the geopolitical power play in the region and degraded ASEAN centrality, as the organization is unable to direct these initiatives in keeping with its own core principles.

Policy Implications and the Ways Forward

With the current dynamics of the regional security architecture dilemma, issues over the Mekong River risk being heavily politicized as part of the major-power competition in the extended region of the Indo-Pacific. Taking into account the congestion of Mekong subregional mechanisms, first and foremost, there is a need to explore various means toward synergizing these existing platforms into joint initiatives or other means of functional cooperation. For example, the Ayeyawady–Chao Phraya–Mekong Economic Cooperation Strategy (ACMECS) is a homegrown initiative that could be tapped to coordinate pragmatic cooperation and technical projects that promote collaboration among the external partners with the Mekong riparian states. It is also important to ensure that initiatives such as the FLM are sufficiently inclusive. The “us vs. them” narrative must be challenged to avoid major and regional powers using the Mekong basin as yet another ground for competition.

Second, a multistakeholder approach to Mekong issues must be enhanced. At the moment, organizations such as the MRC have put tremendous efforts into initiating dialogue at the Track 1.5 level between and among relevant parties concerned. The LMC has established the Global Center for Mekong Studies (GCMS), which is an official Track 2 network to give impetus to new concepts and inject fresh ideas into Track 1 policymaking. For the past five years, a lot of synergy has been put toward coordinating and establishing common ground between Track 1 and Track 2 with regard to the LMC. The Track 2 level is perhaps the appropriate place to likewise kick-start synergy among the Mekong mechanisms, together with the GCMS network. Public-private partnerships are an intrinsic component

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to embracing a multistakeholder approach that would uphold a more candid development perspective and shift the focus away from geopolitics.

Third, there is a need to refrain from further politicizing the Mekong issues via the so-called minilateral lens. All of the Mekong states are in favor of development and engagement prospects, but not at the expense of geopolitical risk that could lead to unprecedented repercussions if not managed properly. Although competition is vital to curb the unilateral tendencies of the major and regional powers—even in the case of cooperative mechanisms—the parties concerned should be fully prepared to manage the implications arising from such competition and ensure that it does not disrupt inclusive engagement.
Until recently the Association of Southeast Asian Nations (ASEAN) had largely marginalized Mekong River issues. The argument against including Mekong concerns in the association’s agenda originates from a geographic factor: Southeast Asia consists of both maritime and mainland areas, and for a long time countries in the former grouping did not perceive the Mekong River as an important variable affecting their security and development or that of the entire region. But things have changed. In 2020 the Mekong made its way onto the official ASEAN agenda for the first time. This essay explains why the Mekong has assumed this new sense of importance to ASEAN and how it can be approached from a functionalist perspective for the betterment of the strategic and practical interests of the region as a whole and the Mekong subregion itself.

Why the Mekong Increasingly Matters

The Mekong is one of the biggest and most essential rivers in the world. The livelihoods of millions of people depend on the resources the river provides on a daily basis. Although the subregion is low in its level of development, foreign investors have considered it an attractive destination. The ASEAN economies have become more united through the organization’s economic integration schemes such as the Initiative of ASEAN Integration, the Regional Comprehensive Economic Partnership (RCEP), and the Master Plan on ASEAN Connectivity 2025 (MPAC 2025), of which the Mekong subregion is an integral part. Furthermore, severe nontraditional security challenges such as water security and climate change have turned the subregion into a hotspot and a top policy priority for the riparian states and their partners. What is new is the increasing great-power rivalry, namely between the United States and China, that has engulfed the subregion. This section further examines these dynamics.

First, the Mekong basin supports the livelihoods of around sixty-six million people, equivalent to 10% of ASEAN’s population, including “most of the population of Laos and Cambodia, one-third of Thailand’s

LE DINH TINH is Director General of the Institute for Foreign Policy and Strategic Studies at the Diplomatic Academy of Vietnam (Vietnam). He can be reached at <tinhdl@dav.edu.vn>.
sixty-five million, and one-fifth of Vietnam’s ninety million people.”
Not until recently have maritime countries such as Singapore and the
Philippines, for example, realized that their economies depend a great deal
on the Mekong. Singapore has sizable investments in the Mekong subregion, while the Philippines imports most of its rice from the subregion.

Second, despite starting from a low level of development, the subregion consists of some of the fastest-growing economies in the Asia-Pacific. Vietnam’s GDP growth rates averaged 6.8% during 2016–20. Cambodia registered a rate of more than 7% during 2018–19, only slowing in 2020 because of the Covid-19 pandemic. During that same 2016–20 period, the Laotian economy expanded by more than 5.5%. The Mekong subregion is also connected to China—the second-biggest economy in the world—and this brings a lot of potential. For this reason, it is attractive to foreign investors.

Third, as a group, ASEAN comprises the fifth-largest economy in the world, with the promise of becoming both a single production base and market. However, there are different speeds and levels of economic development within ASEAN, which has pushed regional leaders to adopt the thinking that for the region to prosper sustainably and make the most of economies of scale, narrowing the gap between the regional economies is necessary. For example, MPAC 2025 takes into account subregional arrangements. In other words, for the plan to work, the Mekong subregion must play an integral part. The same logic could be applied to trade agreements within ASEAN (such as the ASEAN Free Trade Area) and between ASEAN and its partners (such as RCEP and bilateral free trade agreements).

Fourth, almost all the emerging nontraditional security challenges currently facing the world find expression in the Mekong subregion, among

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3 The Philippines ranks second among ASEAN member states in importing rice from mainland Southeast Asian countries, including Vietnam, Thailand, and Myanmar, accounting for 91% of its rice imports. As cited in Hoang and Seth, “The Mekong River Ecosystem in Crisis.”
4 Countries such as Laos, Vietnam, Myanmar, and Cambodia received a total flow of FDI at $22 billion in 2020, with their share of FDI inflows within ASEAN rising from 12.2% in 2019 to 16.2% in 2020. Major sources of investment come from within ASEAN as well as from China, Japan, and South Korea. ASEAN, “ASEAN Investment Report 2020–2021,” 23.
them being pandemics, climate change, and water security. Several recent studies have even made the extreme prediction that the Mekong could dry up by the middle of the 21st century.\(^5\) In Vietnam the Mekong River is called Cuu Long, or “Nine Dragons,” representing the nine branches of the river running through the delta to the East Sea. Two branches are already dead and without water.

Fifth, with the rise to prominence of the Indo-Pacific as the key theater of the strategic competition between the United States and China, Southeast Asia—including the Mekong subregion—is a crucial part of that stage. The Lancang-Mekong Cooperation platform led by China and the Mekong-U.S. Partnership are testimony to the fact that major powers have shown interest in the subregion.\(^6\) China is in fact the river’s origin point, and therefore its enthusiasm for the subregion is explicable. For the United States, the Indo-Pacific strategy has emphasized the thinking that without a robust U.S. presence, it would be impossible for the country to retain its desirable role in the region.

A Functionalist Approach

Politics aside, the need for cooperation on an issue such as the Mekong River should be addressed via a functionalist approach. A key feature of functionalism is the emphasis on the benefits of cooperation on a common ground basis.\(^7\) First and foremost, ASEAN must acknowledge that a lasting solution to the challenges facing the Mekong requires a multistakeholder and multiprocess perspective. ASEAN is one such stakeholder and should play the role of enabling subregional cooperation. The Covid-19 pandemic highlights the fact that regional cooperation in the areas of trade, investment, supply chains, production chains, and connectivity would better materialize if subregional arrangements are effective and useful as building blocks and supports.

A functionalist approach also brings in the wider participation of other stakeholders beyond the subregional countries and ASEAN itself. Of all the stakeholders, great powers such as China and the United States play important regional roles for two principal reasons. First, in an ideal

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\(^7\) Ben Rosamond, Theories of European Integration (London: Macmillan, 2000).
scenario, both the United States and China would have a common interest in the security and stability of the subregion and therefore cautiously navigate the principle of a balance of power instead of upending regional order, which would be detrimental to all sides. Second, these two countries and other big donors and investors to the region, such as Japan and the European Union, could provide additional resources, technology, and best practices for the purpose of sustainable development in the Mekong. Functionalism recognizes the important roles of specialized knowledge and expertise in the process of cooperation.

As a response to the recurrent critique about the overlapping of Mekong cooperative mechanisms (of which there are at least twelve), functionalists would reason that the existence of different regimes for cooperation could be beneficial as long as they either share a common agenda or complement each other. For instance, the Mekong River Commission (MRC) is responsible for promoting the sustainable use and management of water resources in the Mekong. Cooperative programs sponsored by the United States and Japan could help the MRC fulfill that responsibility. China’s financial support to the lower Mekong countries can also be helpful and should not restrain them from joining other financial schemes that are conducive to the sustainable development of the subregion.

Another important point that fits into the functionalist paradigm is the often underrated contribution by middle powers. Japan, South Korea, India, and Australia have actively fostered both vertical and horizontal cooperation to respond to challenges and issues of common concern in the Mekong, such as water security, climate change, sustainable development, infrastructure connectivity, trade promotion, investment, and capacity building. They also have clearly attached importance to establishing a

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10 To and Le, “Vietnam and Mekong Cooperative Mechanisms.”
Nash equilibrium, avoiding extreme forms of power reconfiguration shaped by the great powers.¹¹

Although the securitization of the Mekong sparks some controversy, it is undeniable that any lasting solutions to the issues the Mekong presents must be approached in a holistic way. In other words, the Mekong highlights fundamental aspects of development such as economic growth and equality; at the same time, managing the river and its resources entails cooperation on key nontraditional security problems such as water security and food security. The nexus between development and security must be addressed for the sake of drawing common benefits from the river and the sustainability of the whole region. Functionalism stipulates that if security is ensured on the ground of commonality, it will endure. For that reason, ASEAN should take further steps in making the Mekong a priority in its development and security agenda. One such step might be the insertion of the Mekong into the agenda of the East Asia Summit. In addition to being a broad and holistic venue, the summit is the only strategic forum that convenes almost all the regional countries with both the external major actors (the United States, China, and Japan) and the relevant middle powers (Australia and South Korea). Another step is promoting the awareness of the subregion, using ASEAN-led vehicles and public diplomacy measures.

Conclusion

Countries have more common interests today than ever before. The emergence of transnational issues and problems beyond the capacity of any single country to handle alone should provide incentives for more global, regional, and subregional cooperation, not less. Unfortunately, due to geopolitical recalibrations by many countries, the international community—including the Mekong subregion—has not arrived at desirable outcomes in this respect.

While the Mekong has increasingly become a hub of economic development, it also faces formidable human-made and natural challenges. The interdependence between and among the Southeast Asian countries is clearly demonstrated in the case of this subregion, which is why ASEAN has finally made the Mekong an item on its official agenda. It is late but better

than never. ASEAN simply cannot develop sustainably without a green and
growing Mekong subregion.

That thinking is supported by functionalism, which emphasizes the
need to promote strategic and practical cooperation on the basis of common
interests. Instead of getting bogged down in geopolitical or ideological
rivalry, a functional paradigm allows for more flexibility and pragmatism
in the search for expected solutions in both development and security.
The Mekong River issues are complicated in nature, and thus they need a
multistakeholder and multilayered process in which ASEAN should play a
central role.