

RSOG Seminar

China and ASEAN Integration

with

Dr. Kuik Cheng-Chwee

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Speakers : Dr. Kuik Cheng-Chwee

About The Seminar

As the chairman of ASEAN in 2015, Malaysia will lead ASEAN's 10-member countries in community-building, economic integration as well as regional architecture. China, as one of the key dialogue partners of ASEAN in ASEAN+3, has also played a particularly important role in the integration and institutionalization of the Southeast Asian grouping. It is therefore important to explore the shifting dynamics and sources of China's role in ASEAN integration throughout the post-Cold War era. This session highlights that while power asymmetry and geographical proximity have been the two major factors behind the dynamics, there are other variables at work in driving and limiting China's role in the process. These forces include big power politics, intra-ASEAN differences, and the extent of convergence of interests between the two sides in facing certain emerging issues at a given juncture.

Summary

Up until the early 1980s, China was often pictured as a vast, compact place in isolation. Nowadays, the presence of China is felt everywhere. Alibaba, Baidu, Lenovo and Sinopec are some of the world well-known brands that came from China. On popular culture, China is no longer about ping-pong. Li Na and Yao Ming are China's success stories in tennis and basketball respectively.

South of China lies a growing region called ASEAN. With a combined population and Gross Domestic Product (GDP) of approximately 617 million, and USD2.3 trillion respectively, ASEAN is certainly a force to be reckoned with.

There's an old saying that goes, "you can choose your friends but not your neighbours". The geographical proximity between ASEAN and China is understandable. Myanmar, Vietnam and Laos are bordering China at their north. The three countries are connected to their south up until Singapore through Thailand and Malaysia. The Philippines is just few hours away from China by air.

Despite such proximity, the ASEAN countries, in particular the founding members, were closer to the western powers during the Cold War Era. Political ideology and colonial legacy somewhat shaped such inclination in choosing friends. Even if there was some degree relationship with China then, it was bilateral and trade related. The relationship between ASEAN and China reached new heights in the 1990s with a series of mutual-engagements such as the ASEAN Regional Forum, ASEAN-China SOM Political Consultation and ASEAN Plus Three. The sanctions that came following the internal legitimacy crisis in 1989 could have influenced China to be closer to ASEAN.

The period from 2000 to 2012 saw China's growing regional activism within the framework of ASEAN-based multilateral forums. Examples of Beijing's activism during this period included the ASEAN-China FTA proposal, the ARF Security Policy Conference, the signings of the Declaration of Conduct in 2002 and the ASEAN Treaty of Amity and Cooperation in 2003, as well as its involvement as a founding member in the East Asia Summit (since 2005) and the ASEAN Defense Ministers' Meeting Plus (since 2010).

Recent emerging trends include the growing United States-China competition. The growing pressure of the United States' rebalancing has pushed China to step up the diplomatic reassurance and economic inducement (while continuing its maritime assertiveness). China are also observed to employ a two-pronged approach by (i) cultivating a new type of major power relations (a slogan) and (ii) actively pursuing periphery diplomacy with one belt, one road initiative as its core - The Silk Road Economic Belt and The 21st Century Maritime Silk Road. In addition, China is consolidating the Shanghai Cooperation Organisation, developing the Asian Infrastructure Investment Bank, hosting the Xiangshan Forum and the Conference on Interaction and Confidence-Building Measures in Asia.

China's recent diplomatic and economic efforts which was largely a response to United States' rebalancing alongside of a range of domestic reasons is aiming at transforming Asia's geo-economic landscape as a way to reshape security order in the long run. Such move could be made possible by leveraging on its relative advantage in terms of geography and a growing ability to provide regional public economic goods via widening regional connectivity.

The million dollar question from foregoing discussions is on how China is going to impact ASEAN integration? In the near terms, the China-initiated arrangements are likely to complement and strengthen the ASEAN-led institutions (strengthening ASEAN's own integration as well as stimulating other powers to compete to integrate. As for the longer terms, such move might challenge ASEAN on two aspects (i) undermining ASEAN centrality (ii) weakening the ASEAN cohesion.

As a conclusion, in order to ensure ASEAN centrality and cohesion, the ASEAN states should (i) explore ways to channel and incorporate some of the Chinese regional proposal into ASEAN-based framework (ii) take full advantage of China's greater commitment and capital for individual countries' national development, regional connectivity, and as a basis to encourage other players to play a more active role in the ASEAN-based multi-level and multi-sector cooperative platforms, and (iii) continue to diversify their own economic and strategic linkages with the outside world; continue to "hedge".

Issues Raised

- ASEAN countries seemed to have benefited immensely from China's investment in this region. How long such trend will continue and how it is going to benefit China in the long run? There are compelling reasons for China to continue doing so. The investment in transportation infrastructure helps to ensure connectivity and access to resources. It also helps to enhance the internationalization of Renminbi.
- The Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) are the two trade related negotiations in ongoing discussion in this region. Whilst TPP and RCEP may overlap each other in certain areas, member countries should not put themselves in the either or situation.
- As far as ASEAN integration is concerned, the building block, if any, is not driven by either TPP or RCEP. It is the dynamic and development in this region is the one that likely to drive the integration. Some may gain momentum and some may lose grounds as time pass by.
- Education is often seen as a potential way to expedite integration. Though the students in this region are more familiar with the Western education, some of the initiatives taken by China may alter the landscape in the longer term. China

is serious in attracting top external talent through student exchange programme and offering places to external students at its elite schools.

- The basis of the formation of ASEAN and the European Union is different. As such, the level of integration between the two is not comparable. The so called Plus grouping such as ASEAN Plus Three is a clever arrangement as it provides flexibility and time to grow.
- Not all ASEAN member states are into nuclear energy programme. As such, it is quite difficult to discuss such issue in relation to China at this juncture.
- The opening up of Indonesian school in Sabah recently is seen as a people-centered approach in expediting integration in this region. More of such approaches are expected considering little awareness of ASEAN at the grassroots level.
- Apparently, the crackdown on corruption in China to some extent affects the number of high-end tourism in this region. The ongoing internal dynamic in China may see such pursuit to continue in the near future.
- Malaysia's multiple hats internationally (OIC, Commonwealth, APEC etc.) are not expected to influence integration. It is not an either or situation and can be done concurrently. It is indeed a concentric circle that is mutually reinforcing.

About the Speaker

Dr. Kuik Cheng-Chwee is Associate Professor in the Strategic Studies and International Relations Program at Universiti Kebangsaan Malaysia (UKM). He is concurrently an Associate Member of the Institute of China Studies at the University of Malaya. His publications have appeared in *Asian Security* (2013), *Chinese Journal of International Politics* (2013), *Asian Politics and Policy* (2012), *Contemporary Southeast Asia* (2008 & 2005), and various edited books. His article "The Essence of Hedging" was awarded "The

2009 Michael Leifer Memorial Prize" for the best article published in one of the three Institute of Southeast Asian Studies (ISEAS) journals.

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