CHINA'S BELT AND ROAD INITIATIVE AND CHINA-SOUTHEAST ASIA RELATIONS

> Dr. Ngeow Chow Bing Institute of China Studies, Univ. of Malaya

China's One Belt One Road Initiative

- To address three uncertainties
- Geopolitical Uncertainty –redefinition of China not just as an East Asian power but also an Eurasian power
- Geoeconomic Uncertainty –resistance to US's insistence to "write the rules of trade"
- Domestic Political Economic Uncertainty Economic transformation and "New Normal", anti-corruption campaign
- Success or failure of OBOR critically important for China to claim the Great Power status
- Xi's primary role

Economic-Security Nexus

- Can economic integration translate into closer political cooperation and integration?
- Belt and Road: Underlying assumptions –closer economic cooperative structure will result in "community of common destiny"
- Liberalism vs. Realism
- Realist critique: can Belt and Road alleviate security tensions in SEA or worsen it?

Xi's Leadership and China-ASEAN Relationship

- Identity shift: the development of the great power discourse
- Themes or ideas of the new foreign policy: Asian Security Concept, China Dream, maritime interests and power, more nationalistic and assertive, October 2013 Peripheral Diplomacy, New Type of Great Power Relations, One Belt One Road
- Several possible trends: Bilateral focus with Multilateralism as the supplement (a return to the preference of bilateralism?), differential diplomacy, strategic pivot, "soft softer, hard harder"
- What is clear is that taoguang yanghui is much less followed today
- Foreign policy coordination –centralized and more coordinated?
- Concerning ASEAN –Treaty of Good Neighborliness, Friendship and Cooperation, Incorporation of ASEAN into Sino-centric initiatives, hardened maritime disputes
- Overall assessment: A stronger and more assertive China in the region in the next decade

How did SEA states respond?

- Individual countries with different ways
- Accommodation or bandwagoning, willing to accommodate Chinese position and power and hope to get the best out of a new Sino-centric order in the future (Cambodia, Laos)
- Full engagement with the outside powers to check China (Vietnam, the Philippines)
- Middle of the road (hedging), willing to accept and respect China's growing power and wish to benefit from growing bilateral ties, but not willing to exclude other powers playing some kind of role in the region (Singapore, Malaysia, Myanmar, Indonesia, Thailand)

- Ultimate question: the SCS, how to move in this impasse? How to resolve this death knot?
 SCS Impasse as a serious obstacle to OBOR
- Short-term management and long-term solution
- Short-term: DOC and COC, acceptance of ASEAN's role
- Long-term solution: Bilateral vs. Multilateral vs. International court adjudication

Costs and Benefits of the different approaches for China	Bilateral	Multilateral	International Court
Costs	Relatively low cost	Facing a common ASEAN position	International law not necessarily favorable to Chinese positions, domestic repercussions , the least favored approach
Benefits	Rich experience in dealing with bilateral negotiations over territorial disputes	Perceived as willing to accommodate the interests of the weaker powers and playing the role of responsible stake holders A once-and-for-all solution earning	Playing by the rule

Costs and Benefits of the different approaches for ASEAN	Bilateral	Multilateral	International Court
Costs	Facing China alone, stand being accused for betraying other countries, lose credibility, domino effects	Continued Impasse with growing Chinese nationalism and assertiveness	Very little
Benefits	Getting the best deal out of the negotiation before it is too late	Sticking to a common position that is stronger than individual countries	Rich experiences in the region for resolving territorial conflicts

- Guiding principles: the common values of fellow developing countries
- Mutual empathy: For China, it must try to understand the perspectives from the Southeast Asian countries, that the U-shaped map encroaches upon vital interests of the many countries here
- For ASEAN: do recognize the credit where it is due, China has been relatively restrained as a big power (compared to Russian behavior in Ukraine) and that China has legitimate concerns over its security from potential adversaries in the region
- Is a Grand Deal between China and ASEAN possible?