

China – ASEAN Relations in the 21st Century: Opportunities and Challenges

*Dr. Humprey Arnaldo Russel**

Abstract

Over the last few decades, there has been considerable progress in the development of relations between China and the Association of Southeast Asian Nations (ASEAN). There are many factors that have contributed to the closer relationship between ASEAN and China; one of which is the change in China's foreign policy. However, China and ASEAN must also be prepared for challenges that may impact their relationship. For instance, the possible impact of the South China Sea dispute (SCS), transnational criminal activities, social and economic inequalities and climate change are issues of concern. Several analysts anticipate that a confrontation over the unresolved SCS issue could start in the near future. Especially, considering that in recent years, there has been frequent tensions not only involving China and some ASEAN countries, but also with the United States. On July 13 of this year, China and ASEAN came to an agreement on new principles to speed up negotiations for a legally enforceable code of conduct (COC) on the SCS, despite the discontent around the on-going issue in the region. Therefore, this study examines the problems and opportunities that China and the ASEAN nations may face in the 21st century. One thing that needs to be underlined is that there is a strong desire from China and ASEAN to continue to cooperate to achieve mutual prosperity and maintain stability and peace in the region, as written by both parties in the agreements they have signed.

Keywords: *China-ASEAN Relations, Cold War Era, China's Foreign Policy, Economy Integration, South China Sea.*

* Senior Researcher at the Chinese Research Center, School of Strategic and Global Studies, Universitas Indonesia. Former visiting scholar at the China Institute of International Studies and the Center for Southeast Asian Studies, Northern Illinois University. He can be reached at humpreyrussel@hotmail.com.

Introduction

Over the past 30 years, China-ASEAN relations have improved significantly in many areas of cooperation. This is evidenced by the signing of various cooperation frameworks by the two sides. Against this backdrop, there are two perceptions that emerge from the development of China-ASEAN relations. On the one hand, some analysts have expressed concerns about potential conflicts involving several ASEAN countries and China. This refers to the unresolved issue in the South China Sea (SCS), which involves China and several ASEAN member countries, including Taiwan. On the other hand, some analysts believe that the current relationship between China and ASEAN is moving in the right direction.

Despite the unresolved issues in the SCS, both sides have a strong desire to find a peaceful solution that is acceptable to all parties involved. Under Xi Jinping Administration, China and ASEAN relations have entered a new era. There was a robust interaction between China and ASEAN at the beginning of the twentieth century. The peace and stability of the region, as well as its economic growth, have been secured by the increased cooperation between ASEAN and China. The partnership, however, will be confronted with any challenges as global political landscape has been changing. Some analysts are also worried about growing tensions between China and US in the recent years that ‘might end up’ in conflicts. One key element that could be a trigger is the SCS issue. Other than that what opportunities can China and ASEAN explore? What are the challenges that could become obstacles in the China-ASEAN relationship?

Therefore, the purpose of this paper is to discuss the opportunities and challenges that will have a direct or indirect impact on China-ASEAN relations in the 21st Century. The paper proceeds in the following four parts. The first section briefly explains an overview of China – ASEAN relations, highlighting the key elements of China’s successful re-approach to ASEAN after the turbulent periods during the Cold War era. This also includes new foreign policy initiatives that have been developed by Chinese leaders since Mao’s era. The second part discusses the opportunities that China and ASEAN can work together in order

to narrow their differences and to strengthen their relations. The third part presents an analysis of a number of challenges faced by China and ASEAN in the 21st century. The article ends with some recommendations for China and ASEAN to help them avoid misunderstandings that could interfere with their shared objective of preserving stability and peace in the region.

China-ASEAN Relations

For centuries, Southeast Asia has always been an important part of China's foreign policy for neighbouring countries. Regionally, China has had a long-standing relationship with the Southeast Asian region since ancient times. In the early 2nd century B.C. when the Qin Dynasty ruled China, the ancestors of the Chinese people engaged in trade with Vietnam and Myanmar via land routes, according to Chinese historical literature.¹ During the Han Dynasty, 206 BC to 25 BC, China's ancestors engaged in trade with Southeast Asian countries via the 'Sea Silk Road' by interacting with the natives of the territories they passed. Under Emperor Wu (140 BC - 87 BC) of the Han Dynasty, Chinese ships left Nanhai (now Xuwen in Guangdong Province) with loads of gold and silk.

They sailed through what are now Thailand, Vietnam, Indonesia, Malaysia, Myanmar and India to barter for their local goods, and returned from Sri Lanka.² Looking back in history, relations between China and Southeast Asian countries have existed for several centuries, according to various literatures written by Chinese or ASEAN historians. Southeast Asia has established profound historical and cultural connections with both India and China, owing to its geographical proximity and extensive economic interactions spanning over a period of at least 2,500 years. The strategic geographical location of the

¹ Lu Jianren, "Evolution of the Relations between China and ASEAN," in Zhang Yunling (eds), *"Making New Partnerships: A Rising China and Its Neighbors,"* (Beijing: Social Sciences Academy Press, 2008): 115.

² Ibid.

Southeast Asian empire further facilitated its advantageous position as an intermediary hub for trade and cultural exchange.³

In modern days, particularly under the tenures of Deng Xiaoping, China has actively pursued closer ties with Southeast Asia, recognizing its significance as a proximate neighbour that holds strategic importance for its national security.⁴ His aims were economic as well as diplomatic: some of the biggest foreign investors in China between 1980 and 2000 came from the region, especially from Singapore and Thailand.⁵ Since the era of Deng Xiaoping, China has placed great importance on the gradual enhancement and consolidation of its diplomatic ties with ASEAN, primarily through economic channels. Under Deng's leadership, China had to re-engage with the Southeast Asian region to normalize relations after an up-and-down period. China realizes that some ASEAN countries are still traumatized by Beijing's support for some communist groups in their countries from the 1950s until the late 1960s.⁶

During the reform era, China placed significant emphasis on Southeast Asian Nations (ASEAN member states) as its 'periphery countries.' In order to sustain its on-going economic progress, China necessitates a tranquil environment. China's diplomatic interactions with Southeast Asia might be seen as an indicator of China's approach to cultivating relationships with other regions. A key component of China's good neighbour diplomacy is maintaining strong ties with ASEAN, making such ties of particular importance in China's foreign relations. If China maintains harmonious relations with ASEAN states, it may assert its status as a peaceful power and garner trust within its regional vicinity.⁷ Joseph

³ Ashok K. Dutt., "An Introductory Framework: Southeast Asia," in Ashok K. Dutt., (ed), "*Southeast Asia: A Ten Nation Region*," (Kluwer Academic Publishers, Dordrecht, 1996), 1.

⁴ Zhu Zhiquan, *China's New Diplomacy: Rationale, Strategies and Significance* (Farnham: Ashgate Publishing Company, 2013), 172.

⁵ "China's Economic Rise: History, Trends, Challenges, Implications for the United States," Congressional Research Report, June 25, 2019, <https://sgp.fas.org/crs/row/RL33534.pdf>.

⁶ Aileen S. P. Baviera, "China's Relations with Southeast Asia: Political Security and Economic Interests," PASCN Discussion Paper No. 99-17, <https://hilo.hawaii.edu/faculty/tamvu/documents/Baviera.pdf>.

⁷ Ibid.

Cheng argues that Southeast Asia has become a crucial issue for China's foreign policy. Cheng emphasizes that after the Cold War, ASEAN also became a significant factor in China's foreign policy.⁸

China's foreign policy has evolved significantly over the last three decades, most notably following the Cold War's end. In the period following the Cold War, the adoption of Chinese active diplomacy and the growing economic prominence of China in intra-Asian trade have played a pivotal role in fostering notable advancements in China's ties with Southeast Asian countries.⁹ China is adapting to global political trends that are less polarized than they were during the Cold War. Vice Premier and Foreign Minister Qian Qichen, nicknamed the 'godfather of contemporary Chinese diplomacy,' masterminded these efforts.¹⁰ From China's point of view, Southeast Asia regions are considered China's "periphery countries" (周边国家).

Given that China's economic growth depends on a peaceful environment, the Southeast Asia region serves as a barometer for how China will develop its relations with other regions. Qian stated that China desires to establish close political, economic, technological, and security cooperation with ASEAN nations, as well as mechanisms for coordination and dialogue.¹¹ China advocated setting up a new fair international political and economic order and would respect and support ASEAN to form the Zone of Peace, Freedom and Neutrality.¹² China showed support to ASEAN's efforts to strengthen regional economic cooperation,

⁸ Joseph Y.S. Cheng, "China's ASEAN Policy in the 1990s: Pushing for Regional Multipolarity," *Contemporary Southeast Asia* 21, no. 2 (1999): 176–204.

⁹ Robert S. Suter., *Chinese Foreign Relations: Power and Policy since the Cold War* (Plymouth: Rowman & Littlefield Publishers Inc 2012), 205.

¹⁰ Zhiquan Zhu., *China's New Diplomacy: Rationale, Strategies and Significance* (Ashgate: Surrey, 2013), 1.

¹¹ Lu Jianren., "Evolution of The Relations Between China and ASEAN" In Zhang Yunlin., *China – ASEAN Making New Partnerships: A Rising China and Its Neighbors* (Beijing: Social Sciences Academy Press, 2008), 127.

¹² Ibid.

protect national resources and economic rights and the effort to establish a new international economic order.¹³

Under President Xi Jinping's Administrations, China has provided more cooperation mechanism in order to strengthen its relations with many regions across the globe including Southeast Asia region. President Xi Jinping's strategic vision has followed what have been done by previous Chinese leader. Since the start of the reform and opening-up programme in the late 1970s, China's highest officials have outlined several significant foreign policy ideas following a turbulent ten years. These include paramount leader Deng Xiaoping's "Peace and Development," Jiang Zemin's "New Security Concept" and Hu Jintao's "Call for a Harmonious World."¹⁴

China proposed under President Xi to create a global society with a shared destiny for all people. The establishment of a "community with a shared future for mankind" has been actively promoted by the CPC Central Committee, led by General Secretary XI Jinping, since the organisation of the 18th National Congress of the Communist Party of China in November 2012. This vision emphasizes the principle of win-win cooperation and challenges the notion that a nation will inevitably pursue hegemony once it has become strong.¹⁵

During his state visit to Indonesia in October 2013, Xi Jinping emphasised the concept of "a community with a shared future for mankind" in the context of ASEAN. A close China-ASEAN community with a shared future for humanity was what Xi Jinping suggested establishing during his speech to the Indonesian Parliament.¹⁶ Moreover, in early October 2013, during his visit of ASEAN nations, Xi Jinping made a point of expressing his desire for far deeper China-ASEAN economic and security ties that are founded on proportionality

¹³ Jurgen Haacke, "Seeking Influence: China's Diplomacy toward ASEAN after the Asian Crisis," *Asian Perspective* Vol.26, no. 4, (2002): 13-52.

¹⁴ Zhao Xiaochun., "In Pursuit of Community of Shared Future," *China Quarterly of International Strategic Studies* 4. No.1 (2018): 25-26.

¹⁵ Ruan Zongze. "Forging a Community of Shared Destiny for Mankind: The Global Dream of China ", *China International Studies* 12, No.1 (2016): 20-21.

¹⁶ Nong Rong, "Working Together for a Closer China-ASEAN Community with a Shared Future," Chinese People's Institute of Foreign Affairs, <https://www.cpifa.org/en/cms/book/391>.

(win-win) and mutually advantageous.¹⁷ In his speech, Xi echoed Hu Jintao's rhetoric, saying that Chinese diplomats should let the awareness of community with a shared future for mankind take root in neighbouring countries.¹⁸ While relations between China and ASEAN have improved significantly, ASEAN member states continue to have a mixed reaction to China's rise, viewing it as both a threat and an opportunity.¹⁹ As a result, ASEAN Countries have pursued a dual strategy of engagement and hedging in order to safeguard their interest against a rising China.²⁰ Regarding China's achievements in fortifying its relations with ASEAN, a Chinese expert based in the US notes that China has, for the most part, been successful in persuading Southeast Asian countries that China's rise represents an opportunity rather than a threat, particularly in the economic sphere.

The US dissatisfaction with locale 'talk shops' and the 'ASEAN way' has given China a tactical edge to strengthen its position in Southeast Asia, which Beijing has obviously fully seized.²¹ Furthermore, President Xi Jinping persuaded his ASEAN colleagues during his speech at the ASEAN-China Summit in 2021 by emphasising China's pledge to never pursue hegemony, to never use its power to 'bully' weaker nations, and to collaborate with ASEAN to end interference.²² This has shown how China's foreign policy approach has contributed to its growing influence in the region, including its position as market for regional natural resources, the economic benefits through its investment and friendly gestures expressed through diplomatic interactions.

¹⁷ “习近平在周边外交工作座谈会上发表重要讲话强调,” October 25, 2013. **Use English references or translation.**

¹⁸ Jacob Mardell, “The Community with a Shared Future for Mankind in Xi Jinping's New Era,” *The Diplomat*, October 2017, <https://thediplomat.com/2017/10/the-community-of-common-destiny-in-xi-jinpings-new-era/>.

¹⁹ Amitav Archarya., “*Seeking Security in The Dragon's Shadow: China and Southeast Asia in the Emerging ASEAN Order*,” Working Paper No. 44, (Institute of Defense and Strategic Studies, Singapore, March, 2003).

²⁰ Martin Stuart-Fox, “Southeast Asia and China: The Role of History and Culture in Shaping Future Relations.” *Contemporary Southeast Asia* 26, no. 1 (2004): 116–39, <http://www.jstor.org/stable/25798674>.

²¹ C. Fred Bergsten, Bates Gill, Nicholas R. Lardy., and Derek Mitchell., *China: The Balance Sheet* (New York: Public Affairs, 2006): 133-134.

²² “China's President Xi tells Southeast Asian leaders Beijing Would Not 'bully' Smaller Countries,” *CNBC*, <https://www.cnbc.com/2021/11/22/xi-jinping-at-asean-summit-china-wont-bully-smaller-countries.html>.

Opportunities

China and ASEAN collaborated and have been active participants in numerous regional organisations in the last several years, including the East Asia Summit, the ASEAN Defence Ministers Meeting Plus (ADMM-Plus), the ASEAN Regional Forum, ASEAN plus Three, ASEAN plus One, and the new economic partnerships known as the Regional Comprehensive Economic Partnerships.²³ As China continues to support ASEAN's role in regional and multilateral cooperation, there are many opportunities that China and ASEAN can work together in boosting regional economic growth and maintaining peace and stability. China's adaptive foreign policy towards ASEAN can be seen by its deep cooperation with ASEAN countries through increased diplomatic, economic, and military exchanges, as well as greater Chinese participation in regional and multilateral mechanisms.

On the context of China – ASEAN relations, economic cooperation is one of the main factors that contribute in enhancing China and ASEAN ties. While the US alliance system is threat based, threat-driven and security centric, China's partnership diplomacy emphasized relationship building and economic cooperation. Compared with other ASEAN dialogue partners, China was the first major power to sign a Free Trade Agreement (FTA) with ASEAN. Consequently, during the years 2000-2005, China's trade with ASEAN increased at an average annual rate of more than 30%.²⁴ Moreover, China has been ASEAN's top trading partner since 2009. China also places a high value on ASEAN in its neighbourhood diplomacy, and it has been adjusting its approach to the long-term development of ASEAN-

²³ Regional Comprehensive Economic Partnerships consists of 10 ASEAN members Countries, China, Japan, Korea, Australia, New Zealand. The Agreement is initiated by ASEAN and fully support by China. RCEP is the largest world free trade and it's a massive move for a regional free trade, multilateralism and economic integration in Asia Pacific regions. The agreement was signed in 15 November 2020.

²⁴ Sheng Lijun., "China's Peaceful Rise and Its Political Security Implications for Southeast Asia" in *Harmony and Development ASEAN-China Relations*, ed. Lai Hongyi and Lim Ting Seng (Singapore: World Scientific Publishing, 2007), 36.

China relations so that it conforms to China's vision of the regional order.²⁵ During 26th ASEAN – China Summit in Jakarta on September 2023, Chinese Premier Li Qiang stressed that China will collaborate with ASEAN nations to drive modernization throughout Asia and create a peaceful, secure, wealthy, exquisite, and friendly neighbourhood.²⁶ This study highlights the opportunities that China and ASEAN can work on to achieve their common goals of creating prosperous communities and maintaining peace and stability in the region.

Economic Cooperation

According to Chinese Mofcom, during the first terms of President Xi Jinping, China's economic relations with ASEAN have improved significantly. China has been ASEAN's largest trading partner since 2009. As discussed earlier, Chinese leaders continuously promoted regional and global economic cooperation since 1990s. Since then, China actively participated in many regional and international organizations to promote economy cooperation and integration.

The Belt and Road Initiative (BRI), an idea proposed by President Xi Jinping to promote regional integration and cooperation, has received a positive response from several countries, including ASEAN member countries. ASEAN and China have agreed to incorporate the BRI as a key element in their partnership. As per the ASEAN-China Strategic Partnership Vision 2030, ASEAN and China have mutually agreed to enhance their strategic partnership via collaborative efforts on ASEAN integration and community-building. In line with shared priorities in China's BRI and the Master Plan on ASEAN Connectivity (MPAC) 2025, this

²⁵ Hoang Thi Ha, "Understanding China's Proposal for an ASEAN-China Community of Common Destiny and ASEAN's Ambivalent Response," *Contemporary Southeast Asia* 41, no. 2 (2019): 223–54, <https://www.jstor.org/stable/26798853>.

²⁶ "Speech by H.E. Li Qiang at the 26th China-ASEAN Summit," http://mo.ocmfa.gov.cn/eng/zxxw/szyw/202309/t20230907_11139831.htm.

involves mobilising resources and enhancing capacity. The objective of these endeavours is to combine the different connection tactics within the area to attain reciprocal advantages.²⁷

Thus, collaboration with China is a necessity for the economic growth of ASEAN and vice versa. The BRI is an essential component of the Chinese leadership's dedication to facilitating globalization, which can contribute to worldwide economic growth. In fact, economic growth is a potent factor in reducing poverty and improving the quality of life in developing countries. On World Economic Forum in Davos in 2017, President Xi stated the importance of economic globalization.²⁸ Given ASEAN's geographic location with reference to China and its designation as one of the six economic corridors, it is not surprising that its member states have individually and collectively paid much attention to interaction with Beijing regarding the BRI.

ASEAN countries view BRI as an opportunity to enhance regional economic growth. Meanwhile, for China to achieve its BRI goals, ASEAN countries are strategically important due to their positions and close ties with China. Both China and ASEAN will derive benefits from this arrangement. Collaboration with ASEAN would provide Chinese businesses with access to fresh markets and partners. ASEAN would, in return, obtain better access to China's vast market, capital, and technology. Economically, the increasing globalization in the Asia-Pacific led to the creation of transnational production networks based on the logic of just-in time production and interlinking the economies.²⁹

As, China continues to maintain its peaceful rise, President Xi Jinping has publicly said that BRI is not a plan to form a military or geopolitical alliance, but rather an initiative to promote economic cooperation among participating countries. This is not a mechanism for

²⁷ "ASEAN – China Strategic Partnerships Vision 2030," ASEAN, <https://asean.org/wp-content/uploads/2018/11/ASEAN-China-Strategic-Partnership-Vision-2030.pdf>.

²⁸ "President Xi Jinping Keynote at the World Economic Forum," CGTN, January 17, 2017 <https://america.cgtn.com/2017/01/17/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>.

²⁹ Thomas Fingar, "China's Changing Priorities in Southeast Asia: Security and Development in Historical Context" in *The Deer and the Dragon: Southeast Asia and China in the 21st Century*, ed. Donald K. Emerson (Singapore: ISEAS Yusof Ishak Institute, 2020), 51-53.

secretly organizing a ‘Chinese club’ of like-minded individuals; rather, it is a transparent and open procedure. If a country is willing to join the BRI, China will welcome them with open arms.³⁰ It is undeniable that ASEAN member states need Chinese investment in order to boost their economies, both domestically and regionally in the context of the ASEAN. Some ASEAN countries face various challenges, such as inadequate infrastructure, weak product competitiveness, and a shortage of skilled manpower. This is an opportunity for China to demonstrate its commitment to regional economic development. Accordingly, Sheng Lijun argues that one reason China wants to improve ties with ASEAN and join ACFTA is that international forces don't use economics and China's economy to amplify the ‘China threat’ in Southeast Asia.³¹

Furthermore, there are opportunities for China to bolster its regional presence. For instance, China and ASEAN under the framework of China – ASEAN Free Trade Area has given significant impact to economic growth in the region. As post pandemic crisis still affects ASEAN member's economy and financial conditions, by increasing trade with ASEAN countries, China could lessen the West's sway in the region. Moreover, as ASEAN recognizes and encourages China to play an active role in the region, China can also help ASEAN (as its strategic partner) represent the views and concerns of ASEAN in global institutions like the United Nations (UN), in which China has a seat as a permanent member of the UNSC.

Political and Security Cooperation

Since the early 1990s, when China established normalized relations with some ASEAN countries, it has expressed a strong desire to participate in maintaining peace and stability in the South-east Asian region through the security dialogue mechanism. South-east Asia has

³⁰ “Xi Jinping meets with California Governor Newson,” https://www.gov.cn/xinwen/201808/27/content_5316913.htm%20Accessed%20February%2025.

³¹ Lijun Sheng., “China – ASEAN Free Trade Area: Origins, Development, and Strategic Motivations” in *ISEAS International Politics and Security Issues Working Paper no. 1*, 2003.

consistently held significant importance in Chinese foreign policy and national defense due to its strategic location in the central region of the Indo-Pacific. While political and security collaboration between ASEAN and China has made progress, it is not at par with the progress made in economic collaboration. In their joint security diplomacy efforts, ASEAN and China are adopting non-traditional security concepts. The term ‘non-traditional security’ as used by China and ASEAN refers to collaborations aimed at addressing non-military threats, including human trafficking, piracy, drug trade, terrorism, ethnic/religious movements, transnational criminal organizations, cyber piracy, illegal immigration, cyber-attacks, and subversion.

Looking at the history of ASEAN-China cooperation on non-traditional security issues, two key events that prompted cooperation in this area: first, the Asian financial crisis in 1997, which had a significant impact on many ASEAN member states; and second, the SARS pandemic in 2003, which affected much of Asia. These two occasions made it easier for ASEAN and China to expand their cooperation in the field of non-traditional security threats. Both sides then realized that the impact of economic and socio-political events could be a threat to the security of the state and the well-being of its people.³²

For example, the 1997 Asian financial crisis affected many countries in the region, including Indonesia, and played a key role in the fall of Suharto after 32 years in power. This event had profound consequences for both the economy and politics of the region, affecting stability. Since then, the non-traditional security cooperation became an issue on which both sides are willing to cooperate. In 2002, both parties signed a Memorandum of Understanding on Non-Traditional Security Issues as a first and basic document to further cooperation on this aspect.³³

³² Mely Cabalero-Anthony, Ralf Emmers, and Amitav Acharya., *Non Traditional Security Issues in Asia: Dilemmas in Securitization* (Hampshire: Routledge, 2006), 23-45.

³³ “MOU between ASEAN and China,” ASEAN, <https://asean.org/wp-content/uploads/2012/05/MoU-ASEAN-China-on-NTS-2017-2023.pdf>.

During the tenure of President Xi Jinping, China and ASEAN have been working together on a number of non-traditional security issues. Both sides have agreed to expand their political and security cooperation under the umbrellas of the ASEAN Regional Forum and the ASEAN Defence Ministers' Meeting Plus as part of the ASEAN-China Strategic Partnership for Peace and Prosperity.³⁴ China's concerns about non-traditional security cooperation in the region have been addressed in its white paper on security cooperation in the Asia-Pacific region. The 2017 publication stated that in order to build a regional security framework, Beijing needs to 'focus on non-traditional security cooperation, starting with easier tasks before tackling more difficult ones in order to build trust and a strong foundation for the framework.'³⁵

There are many opportunities for China and ASEAN to strengthen their diplomatic relations and build people-to-people trust, as China's foreign policy towards ASEAN in political and security cooperation focuses mainly on non-traditional security threats. Transnational crime at sea has increased in recent years. Southeast Asia has emerged as a prominent transit region for transnational criminal activities on a global scale according to the United Nations Office on Drugs and Crime (UNODC).³⁶ China can enhance cooperation with ASEAN countries in this area. Fighting transnational crime, especially maritime smuggling, is one of ASEAN's top priorities. This is stated in the ASEAN Community of Political and Security Affairs 2025.³⁷ But also because maritime security cooperation is one

³⁴ "Joint Statements of the ASEAN – China Special Summit,"

https://www.fmprc.gov.cn/mfa_eng/gjhdq_665435/2675_665437/2792_663578/2794_663582/202111/t20211122_10451478.html.

³⁵ "China's Policies on Asia-Pacific Security," *China Daily*,

<https://govt.chinadaily.com.cn/s/201701/11/WS5c10bf96498eefb3fe46eb59/chinas-policies-on-asia-pacific-security-cooperation.html>.

³⁶ UNOD, "Transnational Organized Crime in Southeast Asia; Evolution, Growth and Impact," United Nations Office on Drugs and Crime,

https://www.unodc.org/roseap/uploads/archive/documents/Publications/2019/SEA_TOCTA_2019_web.pdf.

³⁷ "ASEAN Political-Security Community Blueprint 2025," ASEAN, <https://www.asean.org/wp-content/uploads/2012/05/ASEAN-APSC-Blueprint-2025.pdf>.

of the important parts of China-ASEAN Cooperation.³⁸ Accordingly, in his speech to Indonesian Parliament, President Xi also stressed that China is keen to cooperate with ASEAN under the 21st Century Maritime Silk Road.³⁹ The establishment of robust maritime security cooperation between China and ASEAN is imperative for the purpose of safeguarding regional security and maintaining domestic stability for both entities. It is essential that all parties, including China and ASEAN, work together to combat transnational criminals who are increasingly using maritime routes for criminal activities.

Apart from that, China and ASEAN have been working together to combat terrorist groups since the attacks of 11 September 2001 and the emergence of the Islamic State of Iraq and Syria (ISIS). China's participation in the Treaty of Amity and Cooperation in 2003 provided a framework for China and ASEAN to address various security issues. During the siege of Marawi in 2017, for example, the Chinese government provided the Philippines with £5.6 million worth of counter-terrorism aid to help its military fight ISIS militants in urban areas.⁴⁰ China also provided assistance to Thailand in the aftermath of the terrorist attack on the Erawan Shrine in Bangkok, which resulted in the death of 20 people and injury to 125 others. Since then, China and Thailand have conducted joint military counter-terrorism exercises. These have involved ground forces and naval units.

Environment and Regional Sustainable Development Cooperation

In recent years, environmental challenges and sustainable development have emerged as major global concerns. For China and ASEAN, environmental issues are not a new topic. Since 1970s, China and ASEAN member states have been concerned on environmental

³⁸ Cai Penghong., "China -ASEAN maritime Cooperation: Process, Motivation, and Prospect," https://www.ciiis.org.cn/english/COMMENTARIES/202007/t20200715_2736.html.

³⁹ "Speech by Chinese President Xi Jinping to Indonesia Parliament," ASEAN-China Center, http://www.asean-china-center.org/english/2013-10/03/c_133062675.htm.

⁴⁰ Rommel C Banlaoi "Counterterrorism Cooperation between China, ASEAN, and Southeast Asian Countries: Current Status, Challenges, and Future Direction," *China Review* 21, no. 4 (2021): 141–70. <https://www.jstor.org/stable/48635895>.

issues on a domestic or regional level. In the September 1974 issue of Red Flag, China refuted negative perspectives on the energy crisis and the potential environmental consequences of economic growth, particularly industrial development. The statement asserted that China had the ability to effectively address emerging pollution problems while promoting comprehensive economic development.⁴¹

Meanwhile, since 1978, ASEAN has established the ASEAN Expert Group on the Environment in 1978 and upgraded it to the ASEAN Senior Officials on Environment (ASOEN) in 1989.⁴² To ensure that all member nations actively encourage the implementation of sustainable development, the topic of environmental sustainability was included in the 2009 ASEAN Socio-Cultural Blueprint.⁴³ China and ASEAN member states concern about environmental issue was a response after the environment became an area of concern following the Stockholm Conference on the Human Environment in 1972.⁴⁴

Both sides, as members of the international community, have therefore made efforts to work together in order to protect the environment and accomplish their sustainable development goals. Therefore, since Hu Jintao's period China and ASEAN have been working together to enhance mutual cooperation mechanism in environment and regional sustainable development. This has been written on Joint Declaration of the Heads of State/Government of the Association of Southeast Asian Nations and the People's Republic of China on Strategic Partnership for Peace and Prosperity in 2003.⁴⁵ This effort can be seen

⁴¹ Siqi Zheng and Matthew E. Kahn, "Understanding China's Urban Pollution Dynamics," *Journal of Economic Literature*, Vol. 51, no. 3 (September 2013): 731-772.

⁴² Mark Elder and Ikuho Miyazawa, "A Survey of Factors Influencing ASEAN's Decision Making Process for Environment Cooperation," (Havana: Institute for Global Environment Studies Policy Report, 2015), https://www.iges.or.jp/en/publication_documents/pub/policyreport/en/4559/ASEAN_Structure_%26_Decision_Making_for_Environmental_Cooperation_IGES_Policy_Report_March2015_Final_rev4.pdf.

⁴³ Since the ASEAN Charter entered force on 15 December 2008, the Environmental sustainability became part of the organization's Socio-Cultural Pillar. The others two pillars are Political Security and Economy.

⁴⁴ UN, "UN Conference on the Human Environment," United Nations, <https://www.un.org/en/conferences/environment/stockholm1972>.

⁴⁵ "Joint Declarations of the Heads of State between ASEAN and China," ASEAN, <https://asean.org/joint-declaration-of-the-heads-of-state-government-of-the-association-of-southeast-asian-nations-and-the-peoples-republic-of-china-on-strategic-partnership-for-peace-and-prosperity-2/>.

as a response to concern over potential environmental effects of rising international trade and investments.⁴⁶

Under Xi Jinping's leadership, China and ASEAN have moved forward by adopting "China-ASEAN Environmental Cooperation Action Plan (2014 – 2015)," and "China-ASEAN Strategy on Environment Cooperation (2016-2020)."⁴⁷ Aside from that, one of the main objectives of the ASEAN-China Strategic Partnership Vision 2030, that unveiled during the 21st ASEAN-China Summit in November 2018, is to advance environmental preservation and collaborative sustainable development.⁴⁸ Both side then developed the new Framework of ASEAN-China Environmental Cooperation Strategy and Action Plan (2021-2025) based on the positive results of the previous two Cooperation Strategies and Action plans.⁴⁹

The urgency of addressing climate change and other environmental concerns that threaten future generations has gained an impetus calling for regional and international cooperation on this field. Both China and ASEAN also have concern on this area because China and seven ASEAN members are among the countries most vulnerable to climate in Asia.⁵⁰ (See figure 1. According to IMF estimates, climate change might result in a more than 11% decline in Southeast Asia's GDP overall).⁵¹

⁴⁶ Daniel C. Esty, "Bridging the Trade-Environment Divide," *The Journal of Economic Perspectives* 15, no. 3 (2001): 113–30. <https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.15.3.113>.

⁴⁷ "China – ASEAN Environment Outlook 1; Towards the Green Energy," (Beijing: China ASEAN Environmental Cooperation Center, 2017), viii.

⁴⁸ "Framework of ASEAN-China Environmental Cooperation Strategy and Action Plan 2021-2025," (Beijing: China-ASEAN Environmental Center), 4.

⁴⁹ Ibid.

⁵⁰ "Asia: Climate Risk Are a Top Vulnerability for Asia," Credendo, January 17, 2023, <https://credendo.com/en/knowledge-hub/asia-climate-risks-are-top-vulnerability-?text=Asia%20is%20one%20of%20the%20most%20vulnerable%20regions%20in%20terms,economic%20C%20social%20and%20environmental%20costs>.

⁵¹ Ding, D. K., Beh, S.E., "Climate Change and Sustainability in ASEAN Countries," *Sustainability* 14, no.2:999. <https://www.mdpi.com/2071-1050/14/2/999>.

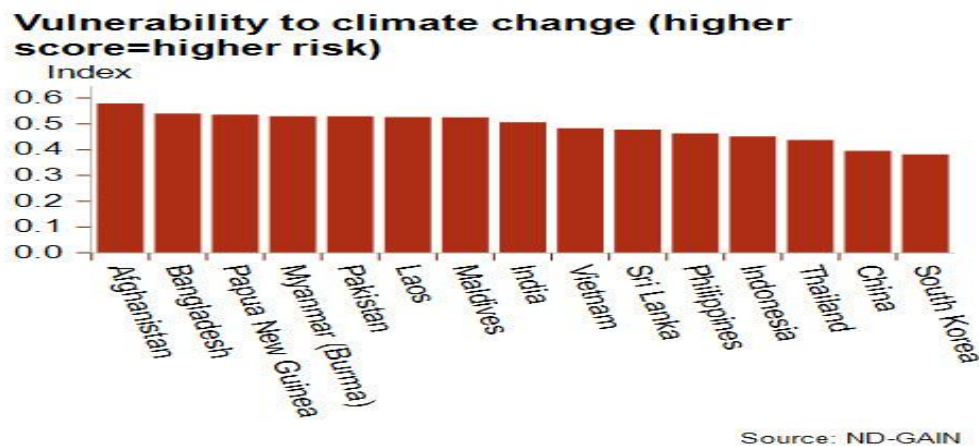


Figure 1

Source: *Climate Risks of Asia*⁵²

In this regard, China and ASEAN can work together to address environmental issues and to achieve the goals of sustainable development in the region. Rapid economic development resulting from deep China-ASEAN integration will increase energy demand in the coming decades. ASEAN can learn from China as a global leader of renewable energy how to produce and use renewable energy in order to protect environment from degradation. If China and ASEAN can work together to anticipate environmental issues, including climate change, future generations will be able to enjoy a better quality of life.⁵³

Challenges

Despite many developments in China – ASEAN relations for the past 30 years, there are still challenges that China and ASEAN shall work together to deal with. As discussed earlier, in order to keep up China’s peaceful development, Chinese leaders have applied

⁵² Credendo, “Asia, Climate Risks are a Top Vulnerability for Asia,” *CREDENDO*, January &, 2023, <https://credendo.com/en/knowledge-hub/asia-climate-risks-are-top-vulnerability-asia>.

⁵³ Christian Zinglersen, “A New Era of Shared Clean Energy Leadership Begins in China,” IEA, June 4, 2019. <https://www.iea.org/commentaries/a-new-era-of-shared-clean-energy-leadership-begins-in-china>.

friendly approach to its neighboring countries include ASEAN member states. In addition, China and Southeast Asia are long-standing friends with close ties, shared cultural traditions and a long history of people-to-people cooperation. There are, however, two critical variables that could undermine the unity of China and ASEAN. First is the political dimension and economic inequalities in some ASEAN countries. The global politics after the fall of the Soviet Union, which also has an impact on the foreign policy objectives of the United States in the Asia-Pacific region, including the Southeast Asian region.

After the fall of the Soviet Union, there have been shifts in the global political landscape that have brought Asia as the epicentre of the attention of the United States and its allies. As Chinese influence in the region continues to grow, the United States see China as a threat that is challenging US dominance in the Pacific, particularly in the South Asian region. As some realist scholars argue, the US and its allies will try to prevent China from becoming more dominant in these regions. Therefore, in order to analyse it this section will be divided into two subsections. The first subsection will focus on internal factors by which, ASEAN members' domestic issues that may affect their relations not only with China but also among members. The second sub-section will be a discussion of external factors that may have led China to adjusting its foreign policy towards ASEAN.

Internal Factors

Domestic factors in ASEAN member states can pose significant challenges. These challenges can be caused by many factors, including economy, society, politics and culture. For example, internal conflicts in Myanmar have resulted in a growing number of refugees from the Rakhine area fleeing to several countries, including Malaysia and Indonesia. As ASEAN adheres to the principle of non-interference, the crisis in Myanmar's Rakhine states appears to be allowed to continue. Although ASEAN leaders have called on the ruling military junta to find a peaceful solution to the conflict in Rakhine State, the conflict has not yet come to an end. The dynamic political changes taking place in ASEAN will also affect

how ASEAN works with China. Political instability is something that is often the case in ASEAN countries. For instance, when Mahathir was elected as Malaysian Prime Minister in 2018 he suspended prominent BRI Projects, included the bandar Malaysia transit hub and two pipeline projects.⁵⁴ Although the agreement in the two BRI projects has been negotiated and agreed with former Malaysian Prime Minister Najib Razak. Mahathir's reason for the delay is due to the mistake of former Prime Minister Najib Razak's lack of transparency not because of any mistake from China.⁵⁵ Mahathir even gave a strong message to the U.S by saying that his country will take sides with China instead of the U.S if his country was forced to take sides in the trade war.⁵⁶ Another factor that tends to have an impact is the economic disparity among ASEAN member states. This will make it difficult to compete in the product market - domestic products versus Chinese products. Many BRI countries suffer from longstanding and deep-seated conflicts and instability, but these are beyond China's knowledge and ability to resolve.⁵⁷

External Factors

If we look back, the strengthening of ASEAN as a regional institution that has served as an engine for the promotion of regional cooperation involving all the major powers since 1990 has been due to the strong support not only from the United States, but also from China. However, the stability of China and ASEAN in recent decades seems to have been tested by

⁵⁴ Hong Liu and Guanie Lim, "The Political Economy of a Rising China in Southeast Asia: Malaysia's Response to the Belt and Road Initiative," *Journal of Contemporary China*, 28:116, (2018): 216-231. <https://doi.org/10.1080/10670564.2018.1511393>.

⁵⁵ "CNBC Transcript: Dr. Mahathir Bin Mohamad, Malaysian Prime Minister," CNBC, <https://www.cnbc.com/2018/11/13/cnbc-transcript-dr-mahathir-bin-mohamad-prime-minister-of-malaysiabelow-is-the-transcript-of-a-first-on-cnbc-interview-with-prime-minister-of-malaysia-mahathir-mohamad-the-interview-was-first-broadcast.html>.

⁵⁶ "Malaysia's Mahathir Reportedly Says He'd Prefer to Side with China rather than Unpredictable US," CNBC, March 11, 2019. <https://www.cnbc.com/2019/03/11/malaysias-mahathir-says-he-will-side-with-china-over-us-scmp.html>.

⁵⁷ Peter Ferdinand, "Westward Ho-The China Dream and One Belt, One Road: Chinese Foreign Policy under Xi Jinping," *International Affairs* 92, No.4. (July, 2016): 941-957. <https://doi.org/10.1111/1468-2346.12660>.

the increasing competition between China and the United States due to China's growing economic and political influence in the global political order. That is because the U.S is reluctant to see China become a regional power that might reduce US influence in Southeast Asia. Although Chinese leaders since Deng Xiaoping have said that China doesn't want to be a hegemon, it doesn't mean that the US wants to take a political step to curb Chinese influence. As for hegemony, when President Xi Jinping delivered his speech on the United Nations at the Conference on the 50th Anniversary of the Restoration of the Rightful Seat of the People's Republic of China at the United Nations, he made it clear that China opposes all forms of hegemony.⁵⁸

The current political configuration is unavoidable because the United States, as the reigning superpower, will not allow any other country to encroach on its strategic interests in Southeast Asia. Meanwhile, China also feels that Southeast Asia is the most important part of its foreign policy, especially in order to ensure the continuation of its peaceful development. In the long run, this situation will have a detrimental effect on the stability of security in the region. In response to this situation, the leaders of ASEAN have stated that they will remain neutral as independent nations or as a member of ASEAN and will not take a position in support of either the United States or China. For instance, Indonesia Defence Minister, Prabowo Subianto during press briefing after bilateral meeting with the U.S Secretary of Defense Lyod Austin has spoken out that Indonesia considers China to be a friendly nation to itself.⁵⁹

⁵⁸ "Speech by H.E Xi Jinping President of the People's Republic of China at the Conference Marking the 50th Anniversary of the Restoration of the Lawful Seat of the People's Republic of China in the United Nations," Ministry of Foreign Affairs of the People's Republic of China, October 25, 2021, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202110/t20211025_9982254.html.

⁵⁹ Resty Woro Yuniar, "Indonesia 'good friends' with US and China, Can Play Role in Reducing Tensions," *South China Morning Post*, November 21, 2022. <https://www.scmp.com/week-asia/politics/article/3200442/indonesia-good-friends-us-and-china-can-play-role-reducing-tensions-defence-minister>.

In addition, Prime Minister Pham Minh Chinh told that his country would not enter an alliance to confront Beijing, before he met US Vice-President Kamala Harris.⁶⁰ Furthermore, in his annual policy speech, Singapore Prime Minister Lee Hsien Long underlines that his country will not take sides in the U.S – China tensions.⁶¹ At this point, there is growing mutual trust between ASEAN and China, as seen by the ASEAN leaders' statements to respect China as its strategic partner and not to take the United States in the current rivalry, even though the U.S might have applied a strategic step to push ASEAN to do so. However, this position is not a sign of any lack of trust between ASEAN and the U.S; this is to show ASEAN's dedication of preserving regional peace and stability.

Conclusion

The future trajectory of the China-ASEAN relationship over the next decades remains uncertain due to the multitude of influential elements that will shape its course. However, it is noteworthy that both China and ASEAN exhibit a robust inclination towards safeguarding regional stability. Furthermore, from an economic standpoint, China and ASEAN exhibit a robust dedication to sustaining their collaborative efforts in order to effectively achieve shared prosperity. Some aspects must be considered by both parties in order to avoid any misunderstanding. Firstly, China should establish collaboration with ASEAN universities and think tanks in order to build mutual understanding in many issues. By interactions and collaborations, there will be a better understanding about China's foreign policy goals and interests in the region. Secondly, China and ASEAN must work together to ensure that every opportunity and challenge in their interactions, whether at the government level, business, or people-to-people contact, does not become an impediment to improving relations between

⁶⁰ Mimi Lau, "Vietnam says It Will Not Side US against China, As US Kamala Harris Visits," *South China Morning Post*, August 25, 2021. <https://www.scmp.com/news/china/diplomacy/article/3146273/vietnam-says-it-will-not-side-against-china-us-kamala-harris>.

⁶¹ Dewey Sim, "Singapore Will Continue not to Take Sides Between US and China; Says PM Lee Hsien Loong," *South China Morning Post*, August 11, 2019. <https://www.scmp.com/news/asia/southeast-asia/article/3023326/singapore-will-continue-not-take-sides-between-us-and>.

the two parties. Thirdly, China and ASEAN should also strengthen security dialogue in order to help both sides understand each other's views on issues of common interest in the region and the world.

Disclosure statement

No potential conflict of interest was reported by the author.