



# IDSS COMMENTARIES (32/2002)

*IDSS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of IDSS.*

---

## MAJOR MILESTONES IN ASEAN-CHINA RELATIONS

**Mely Caballero-Anthony \***

25 November 2002

ASEAN-China relations have come a long way in the past decade and seen remarkable advance in economic, political and security cooperation this year. Relations between China and ASEAN were initiated only in July 1991 when it began to attend the ASEAN Post-Ministerial Conference as a consultative partner. This was significant since up to 1990 some ASEAN members did not even have formal diplomatic ties with China. At the 24<sup>th</sup> Asean Ministerial Meeting in Kuala Lumpur Former Chinese Foreign Minister Qian Qichen expressed China's interest in strengthening cooperation with ASEAN. This was received warmly by ASEAN and since then a series of milestones followed, among them:

- The establishment of the ASEAN-China Joint Committee on Economic and Trade Cooperation and ASEAN-China Joint Committee on Science and Technology in July 1994;
- China becoming a member of the ASEAN Regional Forum (ARF) upon its launching in July 1994 and ASEAN and China agreeing to have consultations on political and security issues of common concern;
- China becoming a full dialogue partner of ASEAN in July 1996 and attending the PMC for the first time;
- China participating in the ASEAN+3 Summit upon its inauguration in July 1997 paving the way for the holding of ASEAN-China Summits.

The ASEAN-China Summit has become an annual event since the first informal summit held in Kuala Lumpur in 1997. This provided the framework for both sides to discuss economic as well as political and security issues of common concern. The recent ASEAN-China Summit held after the 8<sup>th</sup> ASEAN Summit in Phnom Penh in November was particularly productive. The summit saw the signing of several landmark agreements. The most important was the Framework Agreement on ASEAN-China Economic Cooperation which would lead to the creation of an ASEAN-China Free Trade Area in 10 years. China is the first dialogue partner to sign such a pact with ASEAN. In addition to the FTA ASEAN and China signed a MOU on agricultural cooperation.

In the political and security field ASEAN and China signed two important Declarations: one on the Conduct of Parties in the South China Sea, the other on Cooperation in Non-traditional Security Issues. Moreover China expressed interest in acceding to the

ASEAN Treaty of Amity and Cooperation in Southeast Asia, and to work for signing up to the Southeast Asia Nuclear Weapon-Free Zone (SEANFWZ).

These new initiatives that have emerged in the last two years reflect the increased commitment to deepen cooperation and have closer consultation between China and ASEAN. These are major advances in what was once a trouble-ridden relationship between the region and China. These developments therefore merit closer analysis to see the extent of *rapprochement* between the two political and economic entities.

To be sure ASEAN has been eager to actively engage China in addressing political and security issues in the region. This is in spite of past mistrust and animosity between the two parties, largely because of China's support for the communist parties in ASEAN countries. On its part China has been receptive to the initiatives by ASEAN. Hence developments on political and economic issues need to be carefully watched, particularly those relating to potential areas of friction or conflict.

A good example is the territorial disputes in the South China Sea. These disputes remain the single largest issue in ASEAN-China relations, despite the fact that ASEAN as a corporate entity is not a party to the disputes, only some of its members. Against China's previous adamant stance to address the issues only bilaterally with claimant states ASEAN was finally able to bring China to discuss problem in the South China Sea on a multilateral level. Hence the signing of the Declaration on the Conduct of Parties in the South China Sea was no mean feat. It signalled a mutual desire to move forward after three years of futile discussion on a Code of Conduct.

Some observers have dismissed the Declaration as falling short of expectations and not addressing the question of sovereign jurisdiction. Also that the ASEAN parties had been divided by China's bilateral talks with claimant parties and insistence on the exclusion of territorial jurisdiction in the document. Such criticisms do not take account of the fundamental issues.

First, it was never the intention of ASEAN or China to include the question of sovereignty or territorial jurisdiction in negotiations for a regional code of conduct. It would be unrealistic to expect states to budge on issues of sovereignty, let alone negotiate them with multiple parties. Had this been the objective it would not only be China but other claimant states as well that have refused even to agree to talk.

Second, territorial disputes are not handled multilaterally; these are always resolved bilaterally, particularly if international legal arbitration is required.

Third, it is not within the means of ASEAN to resolve territorial disputes; it does not even have the mandate to do so.

Finally a code of conduct is all about promoting trust and confidence; it is a confidence-building measure, a norm-setting exercise that modestly aims to encourage self-restraint in activities that could spark disputes. This would rely greatly on the good faith of parties and cannot therefore be binding.

Weighed against these considerations the fact that a Declaration finally came out, signalling the parties' intention to work toward a regional code of conduct, is a breakthrough

for all concerned. Even the Philippines that initiated the idea of a regional code of conduct in 1998 was relieved that an agreement was finally reached.

In doing so ASEAN and China have agreed to put sovereignty issues aside in order to tackle the intractable multiple claims in the South China Sea. This has also been the basis for promoting the idea of joint development zones (JDZ) as a practical approach to manage territorial disputes, advance profitable economic uses of maritime resources and promote peace and security, discussions on which started in the early 1990s upon China's initiative.

Against current security challenges confronting the region one must also take note of the collaborative efforts between China and ASEAN in addressing new security issues. In this regard cooperation in fighting illegal production and trafficking of drugs has intensified under the ASEAN-China Cooperative Operations in Response to Dangerous Drugs (ACCORD). Since its establishment in 2002 there have been ministerial conferences on drug control cooperation between China, Laos, Myanmar, and Thailand and bilateral cooperation between ASEAN member countries and China.

The ASEAN-China Joint Declaration on Cooperation in the field of non-traditional security issues builds on this mechanism. The new agreement would serve to coordinate efforts in addressing, besides illegal drugs, the growing problems of people and arms smuggling, sea piracy, money-laundering, international economic crimes, cyber crime and terrorism.

While difficult issues confront China and ASEAN, one needs to take a broader view of the unfolding events. In taking stock of the progress and prospects of ASEAN-China relations one could see the glass as being half full rather than half-empty. One could then identify opportunities for advancing mutual interests while being mindful of the challenges that exist.

---

\* Dr. Mely Caballero-Anthony is an Assistant Professor at the Institute of Defence and Strategic Studies, Nanyang Technological University. She specialises in regional security issues in the Asia Pacific.