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China's 'Friendly Backyard' Vision: Can It Win Over SE Asia?

By Henrick Tsjeng

SYNOPSIS

China's vision for regional cooperation with Southeast Asia is to create a "friendly backyard" which can best serve its geopolitical interests. However, ASEAN's response has been divided, and with the reality of the China-United States rivalry in the region, China's vision will not be realised in the short to medium term.



Will China have the ASEAN states pinned down in division?: Photo by Unsplash

COMMENTARY

AS CHINA and ASEAN celebrate their 30th anniversary of dialogue relations this year, China ramped up its engagement with the Southeast Asian regional grouping. On 7 June 2021, the Special ASEAN-China Foreign Ministers' Meeting in Celebration of the 30th Anniversary of the Dialogue Relations was [held](#) in Chongqing.

The economic dimension of ASEAN-China relations was made clear during the 18th China-ASEAN Expo and China-ASEAN Business and Investment Summit, which [commenced](#) on 10 September. Significantly, the summit was themed “sharing opportunities created by the new land-sea corridor, building the China-ASEAN community with a shared future”.

China's Vision: A Friendly Backyard

China has been using slogans to express its foreign policy directions. The most notable one is “community with a shared future”, with Chinese President Xi Jinping mentioning it during his [speech](#) at the centenary of the foundation of the Communist Party of China (CPC). Given the use of the phrase in the theme of the China-ASEAN Business and Investment Summit, it is clear that the phrase is targeted particularly at Southeast Asia.

Clearly, China's vision of its cooperation with ASEAN has a strong economic dimension. China has vigorously promoted infrastructure investment into Southeast Asia through the Belt and Road Initiative (BRI). [Chinese investment in Southeast Asia](#) remained steady between 10 to 30% of total BRI investment from 2014 to 2019. With the onset of the COVID-19 pandemic, this percentage jumped to 36% in 2020 – even though total global BRI investment dropped sharply.

In more recent years, China has also ramped up security cooperation with ASEAN, including the first China-ASEAN military exercise in 2018, as well as some form of bilateral military or law enforcement [exercises](#) with each individual ASEAN member state. Deploying both economic relations and increasing defence and security ties to deepen relations with Southeast Asian countries, China envisions turning the region into a “friendly backyard” more aligned towards its economic and geopolitical interests.

Yet another key target of China's vision is regional US military and economic influence. Chinese actions in Southeast Asia are aimed at reducing United States influence in the region, so that Southeast Asian states, or even ASEAN itself, will never be used by the US or other hostile external powers to counter China's regional influence.

Most importantly, the number of multilateral partnerships which, from the point of view of Beijing, are targeted against a rising China is steadily growing. Frameworks like the Indo-Pacific concept and the Quadrilateral Security Dialogue (Quad) have only heightened China's fears of encirclement by hostile external powers. The most recent is the newly minted Australia-United Kingdom-United States (AUKUS) defence pact, which China has [denounced](#).

ASEAN's Divided Response

ASEAN countries do not have a coherent, let alone unified, stance about how to address mounting Chinese influence in a comprehensive and strategic manner. They generally welcome Chinese economic ties which have proven beneficial for their economic development. In particular, Laos and Cambodia, both recipients of large amounts of Chinese investment and financial aid, have progressively [moved closer to Beijing](#) as its influence on their economies has increased.

However, not every ASEAN member state is fully on board with burgeoning Chinese influence in their respective countries. Other ASEAN countries, notably Vietnam, the Philippines, and Malaysia, have territorial spats with China over the South China Sea, with [incidents](#) in disputed areas causing tensions to flare up. These have undermined China's efforts to reassure Southeast Asian nations, particularly South China Sea claimants, of China's peaceful intentions.

ASEAN countries are also divided on how to deal with the wider China-US rivalry. This is best encapsulated by the [divergent responses](#) of ASEAN countries towards AUKUS. Nonetheless, a divided ASEAN may not necessarily best serve Chinese interests.

Certain ASEAN countries still [prefer](#) that the US maintains its military presence in Southeast Asia, or seek to [balance](#) their relations between Washington and Beijing. This means, from Beijing's perspective, that a part of Southeast Asia could potentially still be used by the US to counter China's regional influence.

China's vision of a "friendly backyard" free of US influence would simply be impossible in the short to medium term. A divided ASEAN, however, could help China by ensuring that ASEAN will never be able to form a cohesive bloc that acts against Beijing's interests in the region.

China's strategy: Keep ASEAN Divided

Rather than turning the whole of ASEAN into its "friendly backyard", China has been ensuring that ASEAN remains divided, and sowing more divisions whenever it can. Beijing has done this by focusing on improving its relations with countries that are relatively more dependent on Chinese economic clout, while behaving assertively whenever any state conducts actions deemed to be detrimental to Chinese interests.

The combination of both approaches is most evident in Malaysia, where Chinese economic largesse has resulted in Putrajaya being [relatively more muted](#) on the South China Sea issue except more recently, precisely due to [assertive Chinese actions](#) in Malaysia's claimed [Exclusive Economic Zone](#) off the coast of Sarawak and Sabah.

China's strategy has been under way for years. In 2012, ASEAN's [failure](#) to issue a joint declaration in the ASEAN Foreign Ministers' Meeting was reportedly the result of Chinese pressure on Cambodia, the ASEAN Chair that year, to [scuttle](#) any joint declaration that mentions the South China Sea.

Phnom Penh's approach towards ASEAN as next year's ASEAN Chair remains to be seen, including whether the reputational costs incurred for its actions in 2012 would

temper its approach. Meanwhile, Chinese economic influence over [Laos](#) has also been mounting, but Laos appears to [balance](#) its China economic ties with partnerships from other countries like Vietnam.

More Undercurrents to Come?

To this day, ASEAN remains divided over how to deal with increasing Chinese influence and power in the region. ASEAN can only expect greater pressure from China to align more closely with Beijing's interests, while more efforts are made to sow division to prevent it from becoming a cohesive bloc that acts against its interests. This means that ASEAN will find it increasingly challenging to come to a consensus on how to engage China.

Even where economic engagement is concerned, ASEAN countries will face the reality that Chinese economic influence likely comes with political strings attached. This brings risks to ASEAN unity, and by extension, ASEAN centrality. ASEAN must therefore carefully navigate these geopolitical undercurrents in the coming years.

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