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China's Vision for Southeast Asia: The Struggle to Create a "Friendly Backyard"

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Will China have the individual ASEAN members pinned down exactly where it wants them?
Photo by Capturing the human heart on Unsplash.

SYNOPSIS

China's vision for regional cooperation with Southeast Asia is to create a "friendly backyard" which can best serve its geopolitical interests. However, the response of the Association of Southeast Asian Nations (ASEAN) 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. This will have implications for the unity of ASEAN, as China has resorted to simply maintaining divisions in ASEAN to prevent it from turning into a cohesive bloc which could act against Beijing's interests.

COMMENTARY

As China and ASEAN celebrate their 30th anniversary of dialogue relations this year, China has ramped up its engagement with ASEAN. 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. One of them is “[a new type of international relations](#) with win-win cooperation at the core”, last used by Chinese President Xi Jinping during the [general debate](#) of the 76th session of the United Nations General Assembly in September 2021. Additionally, President Xi has also been using varieties of the phrase “community with a shared future”, mentioning it during his [speech](#) at the centenary of the foundation of the Communist Party of China. Given the use of the latter 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. It ties in with Beijing's establishment and promotion of the Belt and Road Initiative (BRI), as well as its founding of the Asian Infrastructure Investment Bank (AIIB). In this regard, China has vigorously promoted infrastructure investment into Southeast Asia. [BRI investment in Southeast Asia](#) remained steady between 10 to 30 per cent of total BRI investment from 2014 to 2019. With the onset of the Covid-19 pandemic, this figure jumped to 36 per cent in 2020 – even though total global BRI investment dropped sharply. China has also extensively [delivered vaccines](#) to Southeast Asian countries.

In more recent years, China has ramped up security cooperation with ASEAN, including the first China-ASEAN military exercise in 2018, as well as some forms of bilateral military or law enforcement [exercises](#) with each individual ASEAN member state. China's intention to secure goodwill with Southeast Asian states is clear. 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.

A Backyard Free of US Influence

Yet another key target of China's vision is regional US military, economic and socio-cultural influence. The United States' view of China's vision as antithetical to the international order, and its suspicions that Beijing seeks to supplant its dominant role, have fuelled US actions to counter any increase in Chinese influence. As such, Chinese actions in Southeast Asia are also aimed at reducing US influence in the region, so that Southeast Asian states, or even ASEAN itself, will never be used by the United States 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 (the 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

A key issue, however, is how ASEAN responds. ASEAN countries do not have a coherent, let alone unified, stance about how to address mounting Chinese influence in a comprehensive and strategic manner.

ASEAN countries 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. Additionally, China's own reclamation of maritime features into military bases within its claimed waters in the "nine-dash line", as well as its refusal to accept the rulings of the Permanent Court of Arbitration that declared its claims in the South China Sea invalid, 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-United States rivalry. This is best encapsulated by the [divergent responses](#) of ASEAN countries towards AUKUS. While Malaysia and Indonesia have raised concerns about the dangers of an arms race, Singapore, Vietnam and the Philippines have been generally more accommodating of the agreement.

China's Strategy: Keep ASEAN Divided

A divided ASEAN may not necessarily best serve Chinese interests, even if it is to ASEAN's detriment. Certain ASEAN countries still [prefer](#) that the United States maintain 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 United States 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 would never be able to form a cohesive bloc that acts against Beijing's interests in the region.

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 and even coercively whenever any state performs 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 — the first such incident in ASEAN's history — was reportedly the result of Chinese pressure on Cambodia, the ASEAN Chair that year, to [scuttle](#) any joint declaration that mentioned 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.

Conclusion

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 Chinese interests. This means that ASEAN will find it increasingly challenging to come to a consensus on how to engage China in a comprehensive manner. Even where economic engagement is concerned, ASEAN countries will face the reality that Chinese economic influence likely comes with political strings attached, such as the expectation to remain silent on the South China Sea disputes. 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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