



# 3 CHINA AND ASEAN IN THE 21<sup>ST</sup> CENTURY

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## I. INTRODUCTION

The 21<sup>th</sup> century is undoubtedly to be an important historical period for the relationship between China and ASEAN countries. During the past 20<sup>th</sup> century, the two sides has been occupied by their respective internal state building and directed their focus mainly on the interaction with global dominant powers beyond this region. The 21<sup>th</sup> century will bring their focus on the region back. Beginning in the first decade of the century, the two sides have started their cooperation and built various cooperation mechanisms. With China's increasing power and its challenge to the U.S hegemony after the 2008 financial crisis, the power competition between China and U.S is intensifying, which has added some strategic importance to the relationships between China and ASEAN countries. To some extent, the Southeast Asia has become a hot spot for the Sino-U.S strategic competition. The interaction between China and ASEAN countries will then get complicated, intensified and influential in the 21<sup>th</sup> century. The regional order has entered into an era of adjustment.

This article will review China's engagement with ASEAN countries in different periods, including the 1990s, 2000s and 2010s. More focus will be put on the 2010s, RCEP and OBOR included. China has played different roles in different periods. It will conclude by the implications on the evolution of regional orders due to China's rising power and changing roles.

## II. CHINA'S PARTICIPATION IN ASEAN-CENTERED INSTITUTIONS IN THE 1990S

After the end of cold war, China began to show hospitality towards the ASEAN and aims to actively participate in the regional institutions initiated by ASEAN. At the early 1990s, Western and other developed countries have imposed comprehensive economic sanctions on China, and partly as a result of this, China has to adjust its economic focus and take its neighboring countries, especially with ASEAN, as a breakthrough point for China to break economic sanctions. Against this backdrop, the bilateral diplomacy has reached a new climax.

In May 1991, the then Chinese Foreign Minister Qian Qichen wrote a letter to Malaysia leader to express willingness to conduct cooperation and dialogue with ASEAN. In July 1991 Qian attended the opening session of the 24th ASEAN Ministerial Meeting in Kuala Lumpur as a guest of the Malaysian Government, in which he expressed China's keen interest to cooperate with ASEAN for mutual benefit again. In July 1992, Qian Qichen attended the 25<sup>th</sup> ASEAN Foreign Ministers Meeting, in which China was upgraded from an "important guest" to a "consultative partner" of ASEAN. In July 1994, The ASEAN states had worked as honest brokers to bring China into the ARF process and China became a founding member of ARF which was seen primarily as a means of engaging China in a multilateral security dialogue.<sup>1</sup> In July 1996, at Qian's request, China officially became ASEAN's full dialogue partner.

The 1997 financial crisis in Asia has offered an opportunity for China to signal its friendliness and responsibility towards ASEAN countries. The Chinese Government provided Thailand and other Asian countries with over 4 billion US dollars in aid, within the framework of IMF or through bilateral channels. What's more important is China's decision not to devalue its Renminbi, which has wined applause from ASEAN countries. In December 1997, ASEAN initiated the first "ASEAN plus Three" (ASEAN 10+ China, Japan and Republic of Korea, APT) and also "ASEAN plus One meeting" (dialogue between ASEAN and China, Japan and ROK separately). During the first informal summit between ASEAN and China in 1997, the two issued a joint statement by announcing the establishment of a "partnership of good neighborliness and mutual trust oriented toward the 21<sup>st</sup> Century". Their relationship has entered a fast track of cooperation since then.

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<sup>1</sup> Parama Sen, "China and The Asean Regional Forum (ARF)," *Jadavpur Journal of International Relations*, Vol. 5, Issue 1 (June 2000), p. 122.

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### III. CHINA'S PROACTIVE INITIATIVES IN ASEAN-CENTERED INSTITUTIONS IN THE 2000s

The bilateral relations have developed fast in the 2000s, with China's more and more proactive initiatives. Since 2001, the US has been occupied with War on Terror for almost ten years, which has created some strategic space for China and ASEAN to develop further their bilateral relations. It is to be noted that unlike the earlier stages in which Beijing merely responded to ideas put forward by ASEAN, Beijing has now entered a new phase in which it begins to proactively initiate bold regional proposals within ASEAN framework.<sup>2</sup>

In 2000, the Chinese leader proposed to ASEAN to study the feasibility of a China-ASEAN Free Trade Area (FTA). In 2001, the two sides agreed to form an FTA within 10 years. In November 2002, the leaders of both parties signed the Framework Agreement of Comprehensive Economic Cooperation between ASEAN and China. Especially, in November 2002, after three years' consultation, China and ASEAN signed the Declaration on the Conduct of Parties in the South China Sea, which laid a foundation for stabilizing conditions in the South China Sea. In 2003, among all ASEAN's dialogue partners, China took the lead in acceding to the Treaty of Amity and Cooperation in Southeast Asia. More significantly, upon Beijing's initiative, China and ASEAN decided to upgrade ASEAN-China relationship to strategic partnership for peace and prosperity in 2003. Since the establishment of strategic partnership, ASEAN-China cooperation has advanced in all dimensions, at all levels and in multiple areas.

China has also carried a lot of initiatives in other ASEAN related institutions. It has persistently stressed the need to make the APT the main channel to boost the overall East Asian cooperation. It also proposed the APT countries to expand their collaboration from purely economic cooperation to political and security dialogue. China has strongly backed the East Asia Summit proposal in 2004 and after a lot of twists and turns, the Chinese Premier and diplomats suggested that anyone with interests in the Pacific, Russia, perhaps, or even the US, could eventually take part in the EAS.<sup>3</sup> China has been supportive of the goal of establishing an East Asian Community, and took the initiative to push for the creation of the Network of East Asia Think-Tanks (NEAT).<sup>4</sup> China also proposed to look at the feasibility of

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**2** Kuik Cheng-Chwee, "Multilateralism in China's ASEAN Policy: Its Evolution, Characteristics, and Aspiration," *Contemporary Southeast Asia*, Vol. 27, No. 1 (April 2005), p. 109.

**3** Mohan Malik, "The East Asia Summit," *Australian Journal of International Affairs*, Vol. 60, No.2 (June 2006), p. 211; and Jae Cheol Kim, "Politics of Regionalism in East Asia: The Case of the East Asia Summit," *Asian Perspective*, Vol. 34, No. 3 (2010), pp. 113-136.

**4** Kuik Cheng-Chwee, "Multilateralism in China's ASEAN Policy: Its Evolution, Characteristics, and Aspiration," p. 116.

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an East Asian free trade area. It made a parallel attempt in ARF. Remarkably, among the non-ASEAN participant countries, it has so far organized the largest number of meetings at the track-one level under the auspices of ARF. In November 2003, China hosted an ARF-ISG on CBMs in Beijing and carried out many other activities, including the Seminar on Defense Conversion Co-operation. In 2004, China made great efforts to persuade other participants to agree on the establishment of the ARF Security Policy Conference, a framework for meetings among defence officials.<sup>5</sup> In 2005, China hosted an ARF conference on non traditional security, and China proposed “The ARF General Guidelines for Disaster Relief Cooperation” at the 14<sup>th</sup> ARF Ministerial Meeting in 2007. In the following years, it hosted a series of conferences on anti-terrorism, transnational crimes, disaster management and so on.

The 2008 global financial crisis provide another momentum for bilateral relations to enhance cooperation. In August 2009, China and ASEAN jointly signed the investment agreement on China ASEAN Free Trade Area which marks the successful completion of the major negotiations on the China ASEAN Free Trade Area Agreement. At the 12<sup>th</sup> China-ASEAN Summit in Oct 2009, Chinese then Premier, Wen Jiabao, put forward a number of proposals and measures to enhance cooperation in various sectors, including infrastructure construction, agriculture, environment protection, new and renewable energies. Wen announced that the Chinese government would set up a 10-billion-U.S. dollar “China-ASEAN Fund on Investment Cooperation” to support infrastructure development in the region to accelerate the construction of infrastructure facilities. Wen proposed China would host a China-ASEAN Free Trade Area forum next year, establish economic cooperation zones in the ASEAN nations and remove technical trade barriers and so on.<sup>6</sup> At the same time, China showed interest in sub-regional economic initiatives, such as the Brunei Indonesia Malaysia Philippines-East ASEAN Growth Area (BIMP-EAGA), Great Mekong Subregion Cooperation and Great Mekong Subregion Cooperation and the Pan-Beibu Gulf Economic Cooperation.<sup>7</sup>

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5 Hiro Katsumata, *ASEAN's Cooperative Security Enterprise: Norms and Interests in the ASEAN Regional Forum* (London: Palgrave Macmillan, 2010), p 107.

6 “Chinese premier’s attendance at ASEAN-related meetings of great significance: FM,” *Embassy of the PRC in the U.S.*, October 27, 2009, <http://www.china-embassy.org/eng/zmgx/t622728.htm>.

7 “Li Keqiang zai zhongguo dongmeng shangwu yu touzi fenghui kaimushi shangde jianghua” [Li Keqiang speaks at the opening ceremony of the ASEAN Business and Investment Summit in China], gov.cn, October 22, 2009, [http://www.gov.cn/ldhd/2009-10/22/content\\_1445860.htm](http://www.gov.cn/ldhd/2009-10/22/content_1445860.htm).

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### IV. CHINA'S NEW INSTITUTIONAL INITIATIVES IN THE 2010s

Entering 2010s, China has pushed some cooperation within ASEAN framework and at the same time tried to launch some China-led institutions beyond ASEAN framework. It is against the backdrop that China has been taking a new position in the international system and the emergence of China's new leadership Xi Jinping. China has witnessed the fantastic economic development in the last four decades and overtaken Japan as world's second largest economic power in 2010. After Xi's ascendance in late 2012, the 'low profile' foreign policy, designed a quarter of a century ago by Deng Xiaoping, has been left behind and Xi tries to undertake a more active foreign policy aimed at increasing Chinese influence on global governance and within its region. The Third Plenary Session of the 18th Central Committee of the Communist Party of China in 2013 proposed "accelerating the establishment of FTAs" and "foster new advantages in participating in and leading international economic cooperation and competition at a faster pace."<sup>8</sup> It seems that China tries to play a role of leadership as well as a role of participant in regional economic cooperation since then.

#### CHINA'S NEW INSTITUTIONAL INITIATIVES WITHIN ASEAN FRAMEWORK: ASEAN-CHINA FTA UPGRADING

In January 2010, ASEAN-China FTA was fully completed. Followed that, the two sides launched another round of negotiations for upgrading the FTA in 2014. In November 2015, the two sides signed the Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation and Certain Agreements thereunder between ASEAN and China, marking the successful conclusion of the FTA-upgrading negotiations. In October 2019, the ASEAN-China FTA Upgrading Protocol took full effect.

#### CHINA'S NEW INSTITUTIONAL INITIATIVES WITHIN ASEAN FRAMEWORK: THE ASEAN DEFENCE MINISTERS MEETING PLUS (ADMM PLUS)

In the military field, ASEAN and China have been cooperating under ADMM Plus since it was established in 2010. Entering the 2010s, the widespread perception that the ARF had become irrelevant led a number of regional leaders to call for a new regional security architecture. ADMM+ was created on the basis of papers endorsed by the ASEAN defence ministers when they met as the ADMM between 2007 and 2010. As some scholars pointed, one of the main differences between ARM and ADMM+ is that ARF plays second fiddle to the ADMM+ in the effort to implement practical cooperation since the former lacks the operational capabilities and dispositions apposite

<sup>8</sup> "Communiqué of the Third Plenary Session of the 18<sup>th</sup> Central Committee of the CPC," *China.org.cn*, January 16, 2014, [http://www.china.org.cn/chinese/2014-01/16/content\\_31213800\\_2.htm](http://www.china.org.cn/chinese/2014-01/16/content_31213800_2.htm).

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to the latter.<sup>9</sup> The ADMM-Plus has become an effective platform for practical cooperation among the participating countries' defence establishments. During the past years, joint activities undertaken by all 18 members have grown in frequency and complexity.

Within the ADMM+ framework, China has promoted the development of the ASEAN-China Defense Ministers' Informal Meeting. In recent years, the ADMM has conducted informal meetings with individual Plus countries, including the United States, China and Japan. While most of the meetings have occurred on the sidelines of ADMM events held in ASEAN countries, ADMM ministers attended an informal meeting hosted by US Defense Secretary Chuck Hagel in Honolulu in April 2014.<sup>10</sup> Hence, at the 17th ASEAN-China Summit In November 2014, Premier Li Keqiang made an invitation to ASEAN defense ministers to attend the Informal ASEAN-China Defense Ministers' Meeting in China next year. Li proposed that the two sides may discuss the establishment of a China-ASEAN defense hotline and hold joint exercises. In 2015, China-ASEAN Defense Ministers' Informal Meeting kicked off in Beijing. China's military staff proposed to strengthen the pragmatic cooperation in such fields as humanitarian aid, military medicine, peacekeeping, anti-terrorism, anti-piracy and border defense and expressed its willingness to hold the Joint Training on Code for Unalerted Encounters at Sea (CUES) and the Maritime Search and Rescue and Disaster Relief Joint Exercise together with ASEAN countries in 2016.<sup>11</sup> At the 25th Anniversary of China-ASEAN Dialogue Relations in 2016, Premier Li Keqiang further proposed that both sides should achieve the institutionalization of the China-ASEAN Defense Ministers' Informal Meeting at an early date and boost bilateral defense and military exchanges. Both sides should push the ministerial dialogue mechanism on law enforcement and security cooperation for more practical development.<sup>12</sup> In 2019, China hosts largest land-based ADMM-Plus joint counter-terrorism drill in 2019 and the two sides conducted the first exchange program for young and middle-aged officers and military think tanks. Premier Li Keqiang called on again that a direct

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<sup>9</sup> See Seng Tan, "Is ASEAN Finally Getting Multilateralism Right? From ARF to ADMM+," *Asian Studies Review*, Vol. 44, Issue 1 (2020), pp. 28-43.

<sup>10</sup> Sarah Teo and Henrick Z. Tsjeng, "A Diplomatic Decade: The ASEAN Defence Ministers' Meeting," *Global Asia*, [https://www.globalasia.org/v11n01/feature/a-diplomatic-decade-the-asean-defence-ministers-meeting\\_sarah-teohenrick-z-tsjeng](https://www.globalasia.org/v11n01/feature/a-diplomatic-decade-the-asean-defence-ministers-meeting_sarah-teohenrick-z-tsjeng).

<sup>11</sup> "China-ASEAN Defense Ministers' Informal Meeting kicks off in Beijing," *Mission of the People's Republic of China to ASEAN*, October 21, 2015, <http://asean.chinamission.org.cn/eng/zdjl/t1307777.htm>.

<sup>12</sup> "Li Keqiang Attends 19th China-ASEAN Summit, Emphasizing to Build up Confidence, and Forge Ahead to Push China-ASEAN Relations for More Comprehensive and In-depth Development," *Consulate-General of The People's Republic of China in Surabaya*, September 14, 2016, [http://surabaya.chineseconsulate.org/eng/gdxw\\_2/t1397396.htm](http://surabaya.chineseconsulate.org/eng/gdxw_2/t1397396.htm).

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hot line between our defense departments be set up at an early date to strengthen policy communication and mutual trust. At the 10th China-ASEAN Defense Ministers' Informal Meeting in 2019, China's military leader called on the two sides to extend defense exchanges at all levels and enhance cooperation in areas such as expertise training, disaster relief and counter-terrorism.<sup>13</sup> In 2020, at the 23th ASEAN-China Summit In November 2020, Li highlighted that the two sides should strive to build up cooperation on defense and non-traditional security issues.<sup>14</sup> To some extent, we can see that the blank space of the military cooperation between China and ASEAN countries is being improved incrementally.

It is worth noting that China has initiated the Xiangshan Forum, a platform of exchange based in Beijing. In 2014, the Xiangshan Forum was upgraded to a track-1.5 platform of international security and defense dialogue.<sup>15</sup> In October 2018, the Xiangshan Forum was renamed the Beijing Xiangshan Forum. In 2019, More than 1300 people, including 76 official delegations, 23 defence ministers and six chiefs of staff attended the forum and exchanged new ideas and approaches for addressing regional security threats and challenges. During a congratulation letter to the forum, President Xi called for the creation of security mechanisms suitable to the region's development and situation. China is attempting to propose its own idea of security and order through its initiated exchange forum, as it is commented by the media that China is developing and honing its tools for global security and wants to promote a vision of world order that draws on ancient Chinese philosophical traditions and theories of statecraft.<sup>16</sup>

### CHINA'S NEW INSTITUTIONAL INITIATIVES WITHIN ASEAN FRAMEWORK: RCEP

The Regional Comprehensive Economic Partnership (RCEP) is a regional trade agreement plan put forward and driven by ASEAN in 2011. The RCEP is the largest FTA China has ever negotiated on. China sees itself capable of and responsible for playing an important role in the RCEP negotiations

**13** Li Jiayao, "Chinese defense minister attends 4th ADMM-Plus in Philippines," *China Military*, October 25, 2017, [http://eng.chinamil.com.cn/view/2017-10/25/content\\_7800222.htm](http://eng.chinamil.com.cn/view/2017-10/25/content_7800222.htm).

**14** "Full text: Speech by Premier Li Keqiang at 23rd China-ASEAN Summit," *The State Council of The People's Republic of China*, November 12, 2020, [http://english.www.gov.cn/premier/speeches/202011/13/content\\_WS5fade6dbc6d0f7257693f972.html](http://english.www.gov.cn/premier/speeches/202011/13/content_WS5fade6dbc6d0f7257693f972.html).

**15** "Xinshidai de zhongguo guofan (shuangyu quanwen)"[China's National Defense in the New Era (Bilingual Full Text)], *Chinadaily*, July 24, 2019, [http://language.chinadaily.com.cn/a/201907/24/WS5d-37f2aea310d83056400bef\\_6.html](http://language.chinadaily.com.cn/a/201907/24/WS5d-37f2aea310d83056400bef_6.html).

**16** Rajeev Ranjan Chaturvedy, "China uses Xiangshan Forum to raise its profile on regional defence issues," *South China Morning Post*, November 3, 2019, <https://www.scmp.com/news/china/diplomacy/article/3036052/china-uses-xiangshan-forum-raise-its-profile-regional-defence>.

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and accelerating the process of the negotiations positively and actively.<sup>17</sup> Negotiations among RCEP participants began in November 2012, and cover goods, services, investments, economic and technical cooperation, competition, and intellectual property rights. China has pushed hardest for the deal among group members. China has long backed RCEP as an opportunity to set regional rules for trade.

In April 2014, Premier Li Keqiang said at the Boao Forum in Hainan that China is willing to work with all parties to actively promote the process of the negotiations of RCEP, hoping that agreement could be reached in 2015. Li proposed that the launching of a feasibility study on a Free Trade Area of the Asia-Pacific (FTAAP) may be considered to maximize the benefits of trade and investment in the Asia-Pacific. Additionally, Li stated that China takes an open position towards the Trans-Pacific Partnership (TPP) and both the RCEP and the TPP should become important supplements to the multilateral trading system, and these two mechanisms should go hand in hand and reinforce each other.<sup>18</sup> At 10+3 meeting in 2015, Li state again that China hopes that agreement could be reached in 2016. In 2017, Li attended the first leaders' meeting on RCEP. And in the 2nd leaders' meeting on RCEP in 2018, Li is quoted as saying, "talks on the RCEP have reached the final stage and we must build on the momentum and unleash a strong finishing kick, striving to complete the deal within 2019."<sup>19</sup> At the 3rd RCEP Summit in Bangkok in 2019, Li called the latest progress in the seven-year-long RCEP negotiations and suggested that all parties prepare a complete legal text for signature as soon as possible.<sup>20</sup> In November 2019, the RCEP 15 participating countries finally concluded text-based negotiations. On May 28 2020, Li expressed his belief again that the Regional Comprehensive Economic Partnership (RCEP) will be signed before the end of this year as scheduled.<sup>21</sup> After twenty-eight rounds of RCEP negotiations and eight Regional Comprehensive Economic Partnership (RCEP) Ministerial Meeting during the past 8 years, RCEP has been signed in November 2020 and is expected to take effect within two years. It is of note that China has made a lot of efforts

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**17** William Alan Reinsch and Jack Caporal, "At Last, An RCEP Deal," *CSIS*, December 3, 2019, <https://www.csis.org/analysis/last-rcep-deal>.

**18** "Full text of Li Keqiang's speech at opening ceremony of Boao Forum," *Chinadaily*, April 14, 2014, [https://www.chinadaily.com.cn/china/2014-04/11/content\\_17425516.htm](https://www.chinadaily.com.cn/china/2014-04/11/content_17425516.htm).

**19** "Chinese premier calls for strong "finishing kick" of RCEP talks," *Xinhuanet*, November 14, 2018, [http://www.xinhuanet.com/english/2018-11/14/c\\_137606226.htm](http://www.xinhuanet.com/english/2018-11/14/c_137606226.htm).

**20** "Li Keqiang Attends the Third Regional Comprehensive Economic Partnership (RCEP) Summit", *Ministry of Foreign Affairs of the People's Republic of China*, November 5, 2019, [https://www.fmprc.gov.cn/mfa\\_eng/wjlb\\_663304/zjzg\\_663340/bmdyzy\\_664814/xwlb\\_664816/t1713920.shtml](https://www.fmprc.gov.cn/mfa_eng/wjlb_663304/zjzg_663340/bmdyzy_664814/xwlb_664816/t1713920.shtml).

**21** "Premier Li: China expects to sign RCEP this year," *CGTN*, May 28, 2020, <https://news.cgtn.com/news/2020-05-28/Premier-Li-China-expects-to-sign-RCEP-this-year-QRz1DUz9II/index.html>.

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to persuade India into joining in the RCEP, though failed.<sup>22</sup> So although RCEP was initiated by ASEAN, China has been a staunch supporter of its process and played a crucial and constructive role in pushing for the negotiations. The pact is even seen as an extension of China's influence in the region by international observers.<sup>23</sup>

### CHINA'S NEW INSTITUTIONAL INITIATIVES BEYOND ASEAN FRAMEWORK: OBOR

It is no doubt that OBOR is the most ambitious plan among all China's regional initiatives to enhance cooperation between China and ASEAN countries. Chinese president XI Jinping launched the concept of the 21<sup>st</sup> Century Maritime Silk Road (MSR) in October 2013 during a visit to Indonesia, which is combined with the concept of a Silk Road Economic Belt to constitute Belt and Road Initiative (BRI, also OBOR). China views BRI as a China's approach to deal with the common challenge faced by the human kind and improve the global economic governance.<sup>24</sup> The Chinese government then set up the Leading Group for Promoting the Belt and Road Initiative with an administrative office under the National Development and Reform Commission in early 2015. In March 2015, the Chinese government published the "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road". In May 2017, the first Belt and Road Forum for International Cooperation was convened in Beijing, the second being followed in 2019. At the 19th National Party Congress in October 2017, China's Communist Party formally adopted the Belt and Road Initiative under its Party Constitution as part of a resolution to achieve "shared growth through discussion and collaboration".<sup>25</sup> It is no doubt that the BRI will be a guiding principle for China's overall foreign policy in the coming five years. As some analysis pointed, President Xi views BRI as the signature foreign policy theme of his leadership tenure and the practical embodiment of his "China Dream" for promoting national rejuvenation and cementing

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**22** "Shangwubu tan yindu buru RCEP: Yindu he 15 fang dou cunzai yixie tanpan wenti" [Ministry of Commerce on India's non-entry into the RCEP: India and the 15 parties have some negotiating problems], *Sohu*, November 6, 2019, [https://www.sohu.com/a/352015828\\_260616](https://www.sohu.com/a/352015828_260616).

**23** "RCEP: Asia-Pacific countries form world's largest trading bloc," *BBC News*, November 16, 2020, <https://www.bbc.com/news/world-asia-54949260>.

**24** "Xinqidian xinyuanjing xinzhengcheng—wangyi tan dierjie 'yidaiyilu' guoji hezuo gaofeng luntan chengguo" [New Start Point New Vision New Journey - Wang Yi on the results of the 2nd Belt and Road International Cooperation Summit], *Xinhua*, April 29, 2019, [http://www.xinhuanet.com/world/2019-04/29/c\\_1124429961.htm](http://www.xinhuanet.com/world/2019-04/29/c_1124429961.htm).

**25** "Zhongguo gongchandang zhangcheng" [Constitution of the Communist Party of China], *Gongchandangyuanwang*, October 24, 2017, <http://www.12371.cn/special/zggcdzc/zggcdzcqw/>.

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the country's place as a leading world power.<sup>26</sup> China views ASEAN as the primary area of its BRI building.<sup>27</sup>

China has been promoting the development of BRI in the Southeast Asia through the following ways. Firstly, it aims to advance practical cooperation in various fields. As China's government model is likely to be characterized by the performance legitimacy domestically, China seeks to achieve some practical fruits internationally, especially under Xi's strong leadership. Chinese Foreign Minister Wang Yi said that China's BRI is constituted of an action team, rather than a talking shop and it sticks to result-orientation, action-orientation and project-orientation.<sup>28</sup> The OBOR initiative includes five cooperative fields to benefit China–ASEAN, covering infrastructure, information sharing, technological innovation, trade service, and cultural exchange. By the end of July 2019, the Chinese government has signed 195 intergovernmental cooperation agreements with 136 countries and 30 international organizations.<sup>29</sup> In the Southeast Asia, the China-Indochina Peninsula Economic Corridor has been promoted strongly by China, which was initiated in 2010 but got momentum in the BRI framework. It proceeds along three routes: the Eastern via Vietnam (estimated completion for the international rail line running from Nanning to Hanoi is by 2030), the Central via Laos (2022) and the Western via Myanmar (2020).<sup>30</sup> In the individual Southeast Asia countries, a lot of cooperation projects have been implemented, such as hydropower projects in Laos, Rayong Industrial Zone in Thailand, Melaka Gateway in Malaysia, and Jakarta-Bandung high speed railway project in Indonesia. The study from the Moody's analytics finds that eight examined countries in the ASEAN would have progressively faster growth rates as the level of BRI funding increases. Indonesia and the

**26** Christopher K. Johnson, "President Xi Jinping's 'Belt and Road Initiative,'" CSIS, March 28, 2016, <https://www.csis.org/analysis/president-xi-jinping%E2%80%99s-belt-and-road-initiative>.

**27** "Zhongguo wajiaobu: Shizhong jiang dongmeng shiwei zhoubian wajiao youxian fangxiang he 'yidaiyilu' jianshe zhongdian diqu" [Chinese Foreign Ministry: ASEAN has always been regarded as a priority for peripheral diplomacy and a key area for the construction of the Belt and Road], China-ASEAN Business Council, November 29, 2020, <http://www.china-aseanbusiness.org.cn/index.php?m=content&c=index-&a=show&catid=11&id=35421>.

**28** "Xinqidian xinyuanjing xinzhengcheng—wangyi tan dierjie 'yidaiyilu' guoji hezuo gaofeng luntan chengguo" [New Start Point New Vision New Journey - Wang Yi on the results of the 2nd Belt and Road International Cooperation Summit], Xinhuaawang.

**29** "'Yidaiyilu' changyi liunian chengjidan: Jinnian qian 8 geyue woguo dui yanxian guojia jinchukou zengsu gaochu quanguo zhengti 6.3 ge baifendian" ["Belt and Road" initiative six-year report card: In the first eight months of this year, China's import and export growth rate of countries along the route is 6.3 percentage points higher than the overall national], *China-ASEAN Business Council*, September 20, 2019, <http://www.china-aseanbusiness.org.cn/index.php?m=content&c=index&a=show&catid=6&id=31057>.

**30** Sophie Boisseau du Rocher, "The Belt and Road: China's 'Community of Destiny' for Southeast Asia?" *IFRI*, June 2020, <https://www.ifri.org/en/publications/notes-de-lifri/asie-visions/belt-and-road-chinas-community-destiny-southeast-asia>.

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Philippines would see the greatest boost to long term GDP growth, followed closely by Laos and Myanmar.<sup>31</sup>

The reason for such a practical cooperation partly lies on the China's governance style. The central government has acted a supervisor of BRI and is organizing many actors to implement the project on the ground. Out of these actors, companies, especially Stated Owned Companies, have been mobilized. Besides companies, local governments (provinces, cities, districts) have also been asked to implement BRI practically and to have BRI integrated in in their local development strategies.<sup>32</sup> For example, Yunnan Province labels itself as a "bridgehead" to develop cross-border ties with economies in Southeast Asia, especially Myanmar, while Guangxi Province concentrated its efforts to develop cross-border ties with Vietnam.

Secondly, China offers huge financial support to make sure the practical fruits OBOR initiatives can yield. China put forward the initiative to set up the AIIB during Xi's visit to Indonesia in October 2013. It was put forth together with the 21st Century Maritime Silk Road, which implies there is a sort of complementary relationship between them. A positive aspect of the AIIB, in comparison to other more established international financial institutions such as the Asian Development Bank and the World Bank, is its willingness to finance infrastructure projects for which it would normally be difficult for low-income countries to secure funding from the Bretton-Woods institutions<sup>33</sup>. As Malaysian Prime Minister Mahathir Mohamad stated that Western institutions have consistently failed to provide investment for the region, and that the AIIB presented an excellent opportunity to improve infrastructure.<sup>34</sup> The AIIB will help supply the capital for infrastructure construction of about US\$150 billion, and its such rich capital makes it a real international development bank. China firmly support its operation and development. In addition to subscribing capital according to plan, as Xi said, China would contribute 50 million U.S. dollars to the project preparation special fund to be established soon, to support the preparation for infrastructure development projects in less developed member states.<sup>35</sup> As of the

**31** "The Belt and Road Initiative—Six Years On," *Moody's Analytics*, June 2019, <https://www.moodyanalyt-ics.com/-/media/article/2019/belt-and-road-initiative.pdf>.

**32** "China's belt and road and the world: competing forms of globalization," *IFRI*, April 2019, <https://www.ifri.org/en/publications/etudes-de-lifri/chinas-belt-road-and-world-competing-forms-globalization>.

**33** G. John Ikenberry and Darren J. Lim, "China's emerging institutional statecraft: The Asian Infrastructure Investment Bank and the prospects for counter-hegemony," *Project on International Order and Strategy at Brookings*, April 2017, <https://theasiadialogue.com/wp-content/uploads/2018/02/chinas-emerging-institutional-statecraft.pdf>.

**34** Ck Tan, "Mahathir urges Japan, other holdouts to join AIIB," *Nikkei Asian Review*, May 14, 2015, <https://asia.nikkei.com/Politics/Mahathir-urges-Japan-other-holdouts-to-join-AIIB2>.

**35** "Full text of Chinese President Xi Jinping's address at AIIB inauguration ceremony," *Chinadaily*, January

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end of 2018, AIIB had approved loans of US\$7.5 billion and leveraged other investments totaling almost US\$40 billion. Its 35 approved projects are distributed over 13 countries including Indonesia, Pakistan, Tajikistan, Azerbaijan, Oman, Turkey and Egypt. It is worth noting that one of the differences between AIIB and other Westerns MDBs is that AIIB places no policy of fiscal requirements on states which borrow money, which partly leads to cooperation more feasible. Besides AIIB, during the Beijing Asia-Pacific Economic Cooperation Summit of 2014, China committed to give US\$40 billion for the Silk Road Fund in order to improve infrastructure and strengthen economic integration. At opening of Belt and Road forum in 2017, China further committed to contribute an additional RMB 100 billion to the Silk Road Fund.

Besides the investment effort through AIIB and the Silk Road Fund, China has adopted many measures to scale up financing support for the Belt and Road Initiative. For example, China's policy banks and state-owned commercial banks are the two main kinds of bank institutions to support its SOEs to go aboard when implementing BRI. At the first Belt and Road forum, Xi said that China will encourage financial institutions to conduct overseas RMB fund business with an estimated amount of about RMB 300 billion. The China Development Bank and the Export-Import Bank of China will set up special lending schemes respectively worth RMB 250 billion equivalent and RMB 130 billion equivalent to support Belt and Road cooperation on infrastructure, industrial capacity and financing.<sup>36</sup> According to Xi, in the following three years, China would provide assistance worth RMB 60 billion to developing countries and international organizations participating in the Belt and Road Initiative to launch more projects to improve people's well-being. China would provide relevant international organizations with US\$1 billion to implement cooperation projects that would benefit the countries along the Belt and Road.<sup>37</sup>

Thirdly, to facilitate these BRI projects, China has attempted to build various institutions, formal and informal. As WangYi said, Belt and Road international cooperation framework, which is guided by the summit forum and propped up by the bilateral cooperation in various fields, has basically taken shape.<sup>38</sup> Belt and Road Forum for International Cooperation was held in May 14 to 15 2017 for the first time. The event was attended by heads of

16, 2016, [https://www.chinadaily.com.cn/business/2016-01/16/content\\_23116718\\_3.htm](https://www.chinadaily.com.cn/business/2016-01/16/content_23116718_3.htm).

**36** "Full text of President Xi's speech at opening of Belt and Road forum," *Xinhuanet*, May 14, 2017, [http://www.xinhuanet.com/english/2017-05/14/c\\_136282982.htm](http://www.xinhuanet.com/english/2017-05/14/c_136282982.htm).

**37** *Ibid.*

**38** "New Starting Point, New Vision and New Journey: Wang Yi on Outcomes of the Second Belt and Road Forum for International Cooperation (BRF)," *Ministry of Foreign Affairs of the People's Republic of China*, April 29, 2019, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1660860.shtml](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1660860.shtml).

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state and government of 29 countries as well as more than 1,600 representatives from over 140 countries and 80-plus international organizations. The forum produced 279 deliverables, involving 76 major items in five key areas.<sup>39</sup> The second Belt-Road Forum (BRF) was held in Beijing from 25-27 April 2019. It was attended by 40 global leaders, among which Italian Prime Minister Giuseppe Conte became the first G7 leader to join the BRI. Compared with the previous session, the number of sub-forums has doubled and expanded to 12 sessions. The newly added sub-forums are mainly the Clean Silk Road Sub-forum, the Digital Silk Road Sub-forum, the Green Road, the Innovation Road, the Local Cooperation Sub-Forum, and the Overseas Economic and Trade Cooperation Forum.<sup>40</sup> In addition, the entrepreneur conference was held for the first time, which aims to strengthen the direct connection between enterprises and the business community under the big framework of the BRI. During the second Belt and Road forum, all parties also proposed and established over 20 platforms for Belt and Road multilateral dialogues and cooperation on the China-Europe Railway Express, ports, finance, customs, accounting, taxation, energy, environmental protection, culture, think tank, and media etc., including the establishment of the Maritime Silk Road Port Cooperation Mechanism, the International Coalition for Green Development on the Belt and Road, the Alliance of International Science Organizations in the Belt and Road Region, and the Belt and Road Studies Network.<sup>41</sup> Besides the Belt and Road summit once every two years, a lot of cooperation platforms have also been built to facilitate the development of BRI. In November 2018, the first China International Import Expo was held, attracting 172 countries, regions and international organizations and more than 3,600 enterprises from outside China. China has also hosted many large-scale expositions such as the Silk Road International Exposition and the Investment and Trade Forum for Cooperation between East and West China, the China-ASEAN Expo, the China-Eurasia Expo, the China-Arab States Expo, the China-South Asia Expo, the China-Northeast Asia Expo, and the Western China International Fair.<sup>42</sup>

It is easy to conclude that BRI, is moving toward the trend of institutionalization, though at an early stage, as Xi is quoted in the second Belt-Road

**39** Office of the Leading Group for Promoting the Belt and Road Initiative, *The Belt and Road Initiative Progress, Contributions and Prospects 2019*, (Beijing: Foreign Languages Press, 2019), p.35.

**40** "The Second Belt and Road Forum for International Cooperation is holding in Beijing," *OCEPO*, April 25, 2019, <http://www.ocepo.com/news/The%20Second%20Belt%20and%20Road%20Forum%20for%20International%20Cooperation%20is%20holding%20in%20Beijing.html>.

**41** "New Starting Point, New Vision and New Journey: Wang Yi on Outcomes of the Second Belt and Road Forum for International Cooperation (BRF)," *Ministry of Foreign Affairs of the People's Republic of China*.

**42** Office of the Leading Group for Promoting the Belt and Road Initiative, *The Belt and Road Initiative Progress, Contributions and Prospects 2019*, p.35-36.

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Forum, “In the spirit of multilateralism, we need to earnestly advance the institution building for Belt and Road cooperation to provide a strong underpinning for our practical cooperation in various fields.”<sup>43</sup> Many observers point out that the BRI has entered a new phase to get institutionalized.<sup>44</sup> Compared to the traditional concept of institution, institutionalization of China’s BRI possess new characteristics. It is an ongoing process rather than being built based on an institutional charter. It has quite loose objectives and principles, changing membership, and the various agenda. It has offered no tacit and binding rules to constrain the actor’s behavior, rather it places the first priority on the result itself. To put it differently, in BRI institution framework, the rules can be used to enhance the result of development, but they are not the ends by themselves. The traditional institution theoretically needs some extent of power centralization to ensure rules compliance, while the BRI institution is in essence a platform, which is built by China and China tend to play the role of organizer, instead of the supervisor.

Fourthly, to facilitate the BRI projects, China aims to offer its own vision for international cooperation and global governance. At the first Belt and Road Forum, Xi stated that the troubles in the current international relations he was bothered by were deficits in peace, development and governance.<sup>45</sup> In China’s perspective, jointly building BRI is in the interests of the world community. Reflecting the common ideals and pursuit of human societies, it is a positive endeavor to seek new models of international cooperation and global governance, and will inject new positive energy into world peace and development.<sup>46</sup> To put it differently, building BRI is an attempt to provide an alternative solution to these issues as they have not been addressed effectively in isolation over long periods of time. It is no doubt that China strives to make some reforms upon the current global governance system by its own approach, the real question, however, is what are the new models proposed by China through BRI. There are some hints as follows. Firstly, China proposes the aim of developing a community of “shared destiny for all mankind”, which is intended to be finalized by BRI. On January 18, 2017, Xi Jinping gave a speech at the United Nations Geneva headquarters entitled

- 43** “Promoting High-Quality Development of Belt and Road Cooperation,” *Ministry of Foreign Affairs of the People’s Republic of China*, April 27, 2019, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1659454.shtml](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1659454.shtml).
- 44** “Li Yang: ‘Yidaiyilu’ changyi keyi chengwei jiejiu weiji de youxiao banfa” [Li Yang: The Belt and Road Initiative can be an effective way to rescue the crisis], March 23, 2019, <https://xw.qq.com/cmsid/20190323A08O9R/20190323A08O9R00>.
- 45** “Full text of President Xi’s speech at opening of Belt and Road forum,” *Belt and Road Portal*, May 14, 2017, <https://eng.yidaiyilu.gov.cn/home/rolling/13299.htm>.
- 46** “Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,” *Economic and Commercial Office of the Embassy of the People’s Republic of China in the Kingdom of Cambodia*, March 28, 2015, <http://cb.mofcom.gov.cn/article/ydy/201504/20150400930895.shtml>.

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“Work Together to Build a Community of Shared Future for Mankind”. In the report delivered by Xi at the 19th National Congress of the CPC in Oct 2017, the proposition to build a community of shared future for mankind has been emphasized as an important part of the thought on Socialism with Chinese characteristics for a new era. Compared to traditional way of interpreting the world, it seems China has tried to develop its own framework. Within the community of “shared destiny for all mankind”, the West is not the leader anymore and China is obviously a member, if not the leader. Additionally, compared to the community of democracies always prescribed by the West, China seems to blur the difference between the democratic and the non-democratic. The traditional values held by the West, such as human rights, have not been included in China’s view of the world. Hence, it has a solid cultural and spiritual basis on China. Secondly, the core concept of the OBOR initiative is openness, inclusiveness and mutual benefits. It is reiterated that China will uphold the principle of extensive consultation, joint contribution and shared benefits, maintain close communication and coordination with all parties to build BRI. It can be interpreted that China views the international cooperation and governance were dominated by the West, being a closed club, and China’s voices and rights were not respected equally, which leads to China’s vision for the principles of extensive consultation, joint contribution and shared benefits. As Xi said, the international society should support equality among all countries, big or small, strong or weak, rich or poor. In order to fulfill these principles and norms, the BRI is presented as an ‘inclusive’ initiative meaning any country, international organization, company, state institution, local government, non-governmental organization or individual can come to participate. To make sure the mutual benefits, the BRI has paid a lot efforts to promote policy synergies between relevant parities, especially in Southeast Asia. For instance, to synergize Indonesia’ Global Maritime Fulcrum and BRI, a joint statement published when President Joko Widodo visited China in March 2015, promised a “maritime partnership” and described the two maritime policies as “complementary”.<sup>47</sup> To realize mutual benefits, China aims to include discourse of improving people’s wellbeing into its BRI discourses. In China’s political discourses, people’s wellbeing is the greatest political correctness and all the development should serve the people instead of certain interest groups or the few people as in the West countries through China’s lenses. Thirdly, China is trying to take the flag of some norms, such as development and free trade, which were usually prescribed by the West. China does not tend to

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**47** Bruno Jetin, “‘One Belt-One Road Initiative’ and ASEAN Connectivity: Synergy Issues and Potentialities,” in Linggui Wang and Jianglin Zhao, *China’s Belt and Road Initiative and Building the Community of Common Destiny* (Singapore: World Scientific Publishing Co, 2019), p.13.

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reinvent a new system, but aims to promote the improvement of international governance system. i.e., to persevere in some and throw away others simultaneously. China not only aims to avoid irritating the West while implementing the OBOR initiative but also wants to include the West into its institutionalization attempt to make the initiative more feasible. On the one hand, The Chinese Government is attempting to use these existent norms to increase legitimacy for the BRI. For instance, thanks to China's effort, the proposition to build a community of shared future for mankind was first made part of the United Nations resolution. On March 11, 2017, the same proposition was included in the UN Security Council resolution; and on September 11, 2017, the proposition's underlying principle of achieving shared growth through discussion and collaboration consultative was incorporated in the UN General Assembly resolution on the United Nations in global governance.<sup>48</sup> In terms of BRI, the Ministry of Commerce (MOFCOM) have worked with the UN Development Programme (UNDP) to present the BRI as a key means to achieving the UN Sustainable Development Goals, while in 2017 the UN Security Council passed a resolution calling for support for development initiatives, specifically mentioning the BRI.<sup>49</sup> AIIB also illustrates China's intentions to making partnership with the existing institutions. China supports the AIIB to work with other multilateral development banks on the big infrastructure projects, including the World Bank Group, Asian Development Bank, European Investment Bank, and European Bank for Reconstruction and Development.<sup>50</sup> Another friendly signal to the Western countries and Western norms is China's push for third-party market cooperation when implementing BRI. China has expanded third-party market cooperation with 14 countries including France, Italy, Spain, Japan and Portugal, Germany and so on. On the other hand, faced with the new situation that the West, especially the US Trump administration, has began to reel against the free trade norms, China began to take the lead in diffusing the free trade norms and development ideas. At the first Belt and Road forum in May 2017, Xi is quoted as saying, "trade is an important engine driving growth. We should embrace the outside world with an open mind, uphold the multilateral trading regime, advance the building of free trade areas and promote liberalization and facilitation of trade and invest-

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**48** Jun Ding & Hongjin Cheng, "China's Proposition to Build a Community of Shared Future for Mankind and the Middle East Governance," *Asian Journal of Middle Eastern and Islamic Studies*, Vol. 11, Issue. 4 (2017), p.7.

**49** Stephanie Olinga-Shannon, Mads Barbesgaard and Pietje Vervest, "The Belt and Road Initiative (BRI): An AEPF Framing Paper," *TNI*, October 29, 2019, <https://www.tni.org/en/publication/the-belt-and-road-initiative-bri>.

**50** Jiejun Zhu, "Is the AIIB a China-controlled Bank? China's Evolving Multilateralism in Three Dimensions (3D)," *Global Policy*, Vol. 10, Issue. 4 (November 2019), pp.653–659.

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ment.” At 26th APEC Economic Leaders’ Meeting in November 2018, Xi spent a lot of inks to express China’s support for the free trade norms. He stated that, “the road toward a Free Trade Area of the Asia-Pacific (FTAAP) will not be smooth. Yet, we need to remain committed to this goal and move toward it. We need to adopt an open, inclusive and transparent approach to the various kinds of free trade arrangements to ensure coordinated and positive interactions among them. We need to firmly uphold the rules-based multilateral trading system and say no to protectionism. The World Trade Organization is exploring a new round of reform. Such reform should be designed to enable the WTO to better play its role and uphold the core values and underlying principles of the multilateral trading system instead of having the Organization overhauled.”<sup>51</sup>In brief, free trade norms nowadays have obtained a status of political correctness within China, which has hardly been questioned from the economic gains and losses lens. In spite of the gap between what China has said and done, it is obvious that China is rhetorically giving up its long-held norms of self-reliance and portraying itself as a new defender of free trade norms. A Chinese scholar is quoted as saying, “We should adhere to “free trade” and grab the high ground of morality, which will be beneficial to further establish the image of a responsible power and consolidate China’s leading position in global governance.”<sup>52</sup>

Last but not least, it is of note that China will set an exemplar of some norms, especially to its neighboring Southeast countries, through its own successful actions rather than its words though China may have no much intention to spread it internationally. China maintains its own view of sovereign, the role of government in relation to the market and so on. At the General Debate of the 70<sup>th</sup> Session of the UN General Assembly in 2015, Xi illustrated his interpretation of sovereignty, “the principle of sovereignty is not just limited to the idea that the sovereignty and territorial integrity of all countries is inviolable, and that their internal affairs are not to be subject to interference. It also means that all countries have a right to make their own choice of social systems and development paths, that this right should be upheld, and that all countries’ endeavors to promote economic and social development and improve their people’s lives should be respected.”<sup>53</sup> Obviously China is making a point that every country has the right to choose its government system, even though in a way that the West opposed. Compared to the democratic means that a government is elected, China holds that

**51** “Full text of Xi’s remarks at 26th APEC Economic Leaders’ Meeting,” *Xinhuanet*, November 18, 2018, [http://www.xinhuanet.com/english/2018-11/18/c\\_137615119.htm](http://www.xinhuanet.com/english/2018-11/18/c_137615119.htm).

**52** Huang, Yongfu. 2018. “Solving Sino-US trade frictions from the perspective of a community of shared future for mankind.” [http://paper.people.com.cn/rmlt/html/2018-04/20/content\\_1894422.htm](http://paper.people.com.cn/rmlt/html/2018-04/20/content_1894422.htm).

**53** “Full text: Xi’s speech at the General Debate of the 70th Session of the UN General Assembly,” China.org.cn, November 6, 2015, [http://www.china.org.cn/chinese/2015-11/06/content\\_36999256.htm](http://www.china.org.cn/chinese/2015-11/06/content_36999256.htm).

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what's more important is the accountability that a government should take to develop its economy and improve well beings of the people. China's stance will have far reaching implications to the diffusion of democratic norms in Southeast Asia, directly or indirectly. Additionally, China's huge economic success will lead to the reflection on the role of government in relation to markets and enterprises. China attributes its economic success to the strong role of government in managing the economy, and holds state owned enterprises are significant to its global economic endeavor and domestic economic stability. Some Chinese scholar concluded that the secret to China's success is its use of both the "invisible hand" and "visible hand", forming an organic integration and mutual improvement over the functions of the market and the state.<sup>54</sup> In terms of BRI, as President Xi said in a speech, "In all Belt and Road cooperation projects, the government will provide guidance, enterprises will act as the main players and market principles will apply. This will make the projects more sustainable and create a fair and non-discriminatory environment for foreign investors."<sup>55</sup> Whether it can be labelled as "China model", China's exemplar aroused some anxieties around some Western scholars. As Ian Bremmer's article titled by State Capitalism comes of age: the end of free market? from *Foreign Affairs* said, the state's heavy hand in the economy is signaling a strategic rejection of free-market doctrine and the champions of free trade and open markets have to prove these systems' value to an increasing skeptical international audience.<sup>56</sup> The southeast countries will be the most likely to become one of the skeptical international audience as they benefit the most from BRI.

## V. CONCLUSION

The China policy and scholarship circles like to depict the international situation as the world is undergoing changes unseen in a century (Bainian Weiyou Zhi Dabianju).<sup>57</sup> The big changes essentially consist of an adjustment to the international order, not only in terms of power, but also in norms and vision, which involves a shift not only between China and U.S., but also between the East and the West. Against this backdrop, the relationship between China and ASEAN will be faced with new challenges and opportunities.

<sup>54</sup> Justin Yifu Lin, *Demystifying the Chinese Economy*, (Cambridge: Cambridge University Press, 2014).

<sup>55</sup> "Remarks by H.E. Xi Jinping President of the People's Republic of China At the Press Conference of The Second Belt and Road Forum for International Cooperation," *Ministry of Foreign Affairs of the People's Republic of China*, April 27, 2019, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1659452.shtml](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1659452.shtml).

<sup>56</sup> Ian Bremmer, "State Capitalism comes of age: the end of free market?" *Foreign Affairs*, Vol. 88, No. 3 (May/June 2009), pp.40-55.

<sup>57</sup> "Shijie bainian weiyozhi dabianju de fengfu neihan" [The rich connotation of the great changes that the world has not had in a hundred years], *CPC news*, January 21, 2019, <http://theory.people.com.cn/n1/2019/0121/c40531-30579171.html>.

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As mentioned above, the role of China in regional orders has been evolving, from participating in ASEAN-centered institutions in the 1990s, proposing proactive initiatives in ASEAN-centered institutions in the 2000s, to propose new institutional initiatives within and beyond ASEAN frameworks in the 2010s. In the past three decades, China has transformed from an active institution participant to an active institution champion with a well-defined agenda and strategy, BRI being the just case. It is obvious that China has obtained more and more influence in shaping the regional order.

For China to rise as a major power, it is important to deal with its relationships with ASEAN countries as well as to deal with the major power relationships with the U.S. In retrospective, it can be concluded that there are some core principles which penetrate their interaction of the past three decades. Firstly, the doctrine of development has constituted China's lasting aims in relation to ASEAN countries. No matter China's seek to engage with ASEAN in 1990s, China's efforts to promote ACFTA, RCEP, or China's grand ambitions to build BRI with ASEAN countries, development has been one of the dominant driving forces for China. In China's perspective, development holds the master key to solving all problems.<sup>58</sup> Secondly, the principle of inclusiveness has dominated its relationships with the U.S and ASEAN countries, which has been illustrated in China's policy towards ADMM plus, RCEP and OBOR. Regarding relationship with the US, China will neither become another US, nor challenge or replace the US.<sup>59</sup> To put it differently, as China's foreign Minister Wangyi stated, "China respects the traditional influence and practical interests of the US in the Asia Pacific region, and is willing to live in peace with the US in this region, and carry out cooperation based on their respective advantages. The relationship between China and the US are not antagonistic in this region."<sup>60</sup> Regarding relationship with the ASEAN countries, it seeks to develop a strategic partnership which is non-aligned, non-military and non-exclusive, and does not prevent the participants from developing their all-directional ties of friendship and cooperation with others.<sup>61</sup> Thirdly, the baseline during its interaction with the US and ASEAN countries is non- interference in other countries' domestic affairs.

**58** "Full text of President Xi's speech at opening of Belt and Road forum," *Belt and Road Portal*.

**59** "Wang Yi Delivers a Speech at the Council on Foreign Relations of the United States (US)," *Ministry of Foreign Affairs of the People's Republic of China*, September 29, 2018, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1602445.shtml](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1602445.shtml).

**60** "Wang Yi Zhongmei zai yataidiqu keyiyou 'gongtong pengyouquan'" [Wang Yi: China and the U.S. can have a "community of friends" in the Asia-Pacific region], *Huanqiuwang*, December 18, 2020, <https://world.huanqiu.com/article/41A0MBmk35b>.

**61** "2003 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," October 8, 2003, <https://cil.nus.edu.sg/wp-content/uploads/formidable/18/2003-ASEAN-China-JD-on-Strategic-Partnership-for-Peace-and-Prosperty.pdf>.

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For China, it has all along adhered to the principle of non-interference in other's internal affairs. "This is a tradition of China's diplomacy and We did not, do not and will not interfere in the internal affairs of any country."<sup>62</sup> Of course, China in turn opposes its domestic affairs being interfered by others.

In spite of China's increasing power, it is too bold to say the primacy of regional order will witness a transition from Washington to Beijing. The fact is that China's rising undoubtedly will pose a serious challenge to the U.S. dominated regional order in the coming years. Firstly, China has become the largest trade partner of ASEAN in a whole, which means the economic configuration in the region will tilt towards China. Due to the new economic configuration, ASEAN countries' political attitudes toward China will have to take some adjustments, although different countries have various rhymes. To put it differently, they have to rethink their former pro-U.S. policies, especially on the disputes in which China gets involved. In the late 1990s and 2000s, the ASEAN countries have adopted a hedging strategy in its relations with U.S. and China, i.e. depending on U.S. militarily and China economically. China's increasing rising will put the hedging strategy into question. Secondly, China efforts to build new institutions will compete or cooperate with the existent regional institutions. For instance, the ADMM plus will offer an alternative to ARF in regional security issues, while RCEP and BRI will play more roles than APEC in facilitating the regional economic development. In the future, China's new institution initiatives will possibly be balanced by the ones proposed by U.S., for example, BRI will spur new economic initiatives by U.S. next administration. For ASEAN countries, they will get faced with more opportunities, but at the same time they will have to strike a balance between various institution initiatives. Especially the serious challenge for the ASEAN is to keep itself the seat of driver faced with institutional competition form U.S and China. Thirdly, as the U.S hegemony in the Southeast Asia has been weakened by China's rising power, the norm structure of liberal internationalism built to uphold the U.S hegemony is inevitable to be shaken. For the U.S, it has to figure out whether it is necessary to propose new norm narratives or improve the existing norm structures to safeguard its declining hegemony. For China, it has to figure out what to be maintained and what to abandoned in the existing norm structures to justify its rising power, especially how to blend its traditional culture with the existing norm narratives. For the ASEAN countries, the region has entered into an era of plurality of norms. It is of great uncertainties for the region to move with various norm narratives being in complex interaction.

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**62** "Wang Yi: China Adheres to Non-interference in Other's Internal Affairs and Other Countries Should Not Interfere in Other Countries' Internal Affairs", *Ministry of Foreign Affairs of the People's Republic of China*, September 27, 2018, [https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1600130.shtml](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1600130.shtml).

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