

# **Diplomatic Briefing**

Regional Security Dilemma: Trends, Directions, and Illusion

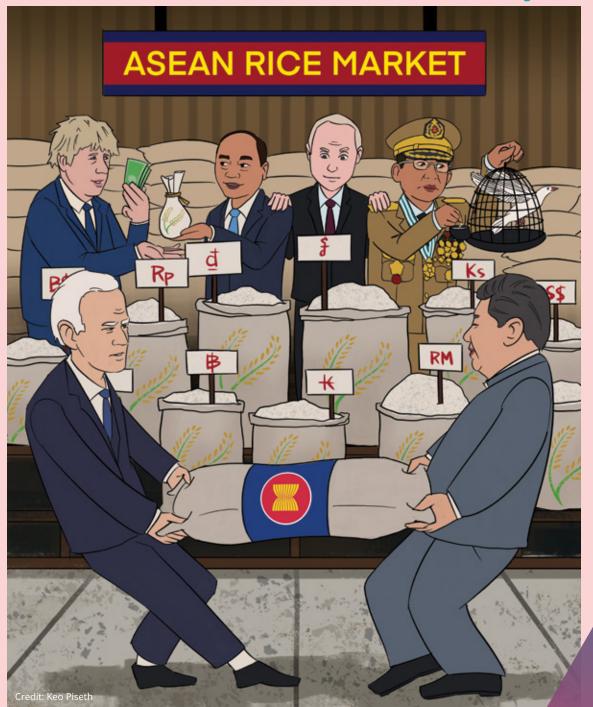
Russia-Ukraine War	
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Myanmar Political Crisis

US-China Strategic Competition

ASEAN Chairmanship

ISSUE 05/2022 - August 2022



AN ANNUAL COLLECTION OF CATEGORIZED OPINION PIECES AND SHORT ARTICLES ON INTERNATIONAL RELATIONS **Diplomatic Briefing** is an annual collection of categorized opinion pieces and short articles from an extended network of scholars and regional experts, covering a wide range of issues from international relations, to sub-regional affairs, to foreign policy, to economic and trade, and beyond.

Initiated by Konrad-Adenauer-Stiftung (KAS) Cambodia and the Cambodian Institute for Cooperation and Peace (CICP), the Diplomatic Briefing aspires to serve the diplomatic community, policymakers, and interested stakeholders in Cambodia and the region on analysing and debating the latest trends, challenges and issues in the global arena that may pamper key developments of Cambodia and threaten regional peace and stability at large.

The Diplomatic Briefing also attempts to serve as a platform for intellectual exchange of perspectives and insights as well as for emerging Cambodian scholars to have their research works published.

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Thank you for being a part of our community,

Your CICP and KAS team



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# EDITORIAL NOTES



Welcome to the Fifth Volume of the Diplomatic Briefing! The last four editions have brought about a diverse range of perspectives and insights from different stakeholders across the globe. We hope that you all are looking forward to the fifth volume as much as we are.

It is our aspiration that the Diplomatic Briefing has by now already served its purpose of enriching the diplomatic community, policymakers, and interested stakeholders on the latest trends and challenges in the global arena that may hinder the key developments of Cambodia and threaten regional peace and stability at large. It also attempts to serve as a platform for an intellectual exchange of diverse perspectives and insights, as well as for emerging Cambodian scholars to have their research published. We sincerely hope that this momentum continues over the long-run. We have also decided to upscale this flagship publication to be published annually



(rather than biannually) with a much broader range of content that is both greater in quantity and quality, and richer in substance and scale.

This fifth issue brings to you a diverse range of issues in the realm of the region's growing security dilemma and its implications thereof. Many pressing and timely subjects were brought into focus through the comprehensive insights and perspectives of our key experts across the region and beyond. We are also delighted to have the Ukrainian voice heard – both in terms of the situation on the ground and how Cambodia, as the Chair of ASEAN this year, can contribute to the promotion of a peaceful resolution to this enduring crisis. The situation in Ukraine has a substantial impact on the world economy, disrupting global supply chains and also having a spillover effect on the international rules-based order at large. Closer to home, there is a much wider debate on neighborhood diplomacy and a more mainstream discussion on major power rivalry, including its implications on ASEAN in particular and Southeast Asian politics as a whole. Other ASEAN member states' internal politics have also been touched upon in this volume, including Myanmar's enduring political decay, the recent election in the Philippines, and Malaysia's upcoming elections. Some other cross-cutting issues that may hinder key developments in the region have also been featured, including the ongoing negotiation on the Code of Conduct in the South China Sea, the rising economic tiger – India - and its economic influence in the Indo-Pacific, the Korean Peninsula security issue, and the Global Gateway Initiative, among others.

We hope that this volume will serve to enhance a deeper and more substantive discussion on various challenges and key foreign policy setbacks one way or another. We welcome additional debate, thought-provoking insights, and diverse perspectives so that this Diplomatic Briefing publication can serve its purpose in fostering more concrete and pragmatic ideas in the future.

Enjoy the reading!

#### **PICH CHARADINE**

The Editorial Team Deputy Director Cambodian Institute for Cooperation and Peace Ind

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# **COVER STORY**

# RUSSIAN-UKRAINIAN WAR: WHY SHOULD ASEAN CARE?

## NATALIYA ZHYNKINA

A. .

Ukraine's Deputy Ambassador to Vietnam (accredited to Cambodia) **Nataliya Zhynkina** is the Ukrainian Deputy Ambassador and Political Counsellor of the Embassy of Ukraine in Vietnam (with accreditation to Cambodia). Zhynkina was previously Chargé d'Affaires of Ukraine in Vietnam for two and a half years until April 2022, and has previously served at the Ministry of Foreign Affairs of Ukraine and the Embassy of Ukraine in Singapore. Zhynkina speaks Ukrainian, Russian, English and Vietnamese, and holds a Master's Degree in Public Administration from the Lee Kuan Yew School of Public Policy and Master's Degree in International Economics from the Volodymyr Dal East Ukrainian National University.

The hot stage of the Russian-Ukrainian war has been tormenting the world for almost 4 months. While the army, which was considered to be the world's second strongest, has failed to gain any achievement that the autocratic regime could call a victory in order to start thinking of ceasing hostilities, the embattled nation is determined to defend every inch of its territory, and this determination is widely supported by the majority of countries in the world. The developments we have seen throughout these last 4 months allow for the prediction that there is no visible end of the war in sight if the aggressor still hopes to achieve tangible gains from this brutal violation of international law.

Yet, as the hostilities take place in far-away Europe, why should the ASEAN care?

On June 3, 2022 the UN General Secretary Antonio Guterres stated: "The conflict has already taken thousands of lives, caused untold destruction, displaced millions of people, resulted in unacceptable violations of human rights and is inflaming a three-dimensional global crisis – food, energy and finance – that is pummelling the most vulnerable people, countries and economies". He also drew attention to the dangers and long-term implications of continued fighting and the potential escalation of hostilities for Ukraine, the wider region and the world.

The UN General Secretary mentioned only the economic consequences, among which the repercussions for agricultural and food markets are the most vital, especially for some ASEAN countries with vulnerable population groups that depend on imports of food, feed, fertilizers, and more.

The unravelling global food crisis is of an artificial nature - it has been provoked by Russia's war against Ukraine. The war is a primary reason for the ensuing food crisis, and it will be the end of the war, the withdrawal of Russian troops from Ukrainian fields, the unblocking of Ukrainian sea-ports and finally the holding of Russia accountable – that solves the food crisis.

In order to ensure the long-term stability of agricultural markets in the ASEAN region and the world, in addition to coordinated inter-regional decisions on mitigating the negative impact of food trade disruption, collective effort should be made to end the current crisis and prevent a recurrence of such aggressive wars in the future.

Along with accountability in international economic relations, another pillar of the global security system is represented by the responsible attitude of nuclear-weapon states to their commitments under the Treaty on the Non-Proliferation of Nuclear Weapons. An integral part of this security system is the Treaty on a Nuclear-Weapon-Free Zone in Southeast Asia.

Russia has committed acts of nuclear terrorism, seizing nuclear power plants in Ukraine and holding their personnel hostage. Russia also threatens Ukraine with nuclear weapons and everyone else in the world should they intervene in the war. Nuclear bluffing has become a useful tool for strategic deterrence using fear as the main resource.

Such behavior is undeniably irresponsible. Threats to use nuclear weapons against non-nuclear states, especially those that have voluntarily renounced their nuclear arsenal, such as Ukraine, or that have made a commitment of never having one, like the ASEAN countries, are undermining global efforts to build a world which is safe for all. It is the responsibility of all nations of the world to severely punish such actions in order to preserve peace for all mankind.

For many countries in the world that rely on the rulesbased order, Russia's war on Ukraine creates a fundamental threat that cannot be accepted. Since 2014, Russia has violated close to 400 international treaties, to which both itself and Ukraine are parties. The world's response to the violation of international law and the UN Statute was weak and uncertain in 2014 during Russia's illegal annexation of Crimea. This gave Russian leadership the idea that even more aggression would be readily accepted.

Today, while facing unprecedented sanctions, Russia is trying to convince some national leaders that there is room for normalizing the situation by giving Russia a degree of concessions. But this simply amounts to blackmailing. Giving in to the blackmailing of big states cannot end the current hostilities and does not set a precedent that will prevent the future hostilities of big states against smaller ones.

International sanctions are not the reason for the current crisis. The reason is that Russia is waging war on Ukraine and thus ruining the economy and society of one of the top world food producers, disrupting global trade, violating numerous international and bilateral agreements, and neglecting its own obligations as a member of the UN Security Council. The longer the war continues, the deeper the crisis will become and the graver the consequences.

The largest ever package of sanctions on Russia thus far was imposed by ASEAN's external partners, who are determined to pursue a consistently restrictive policy against violators of international law and order. Thus, in the long run, attempts to maintain cooperation with Russia may have profound grave systemic consequences both for the economies of these countries and for the stability of the ASEAN region as a whole.

Facing sanctions, Russia searches for ways to circumvent them through enhancing cooperation with traditional partners in South East Asia. But what is left behind the scene in such negotiations is that Russia is constantly worsening its own business environment, in particular through legitimizing state raiding and authorizing intellectual property theft since the beginning of the war. This is a serious warning for those who still plan doing business with Russia: they will lose money and assets in deals with Russia, sooner or later, moreover, they will be out of reach of any civilized court to recover.

In fact, the abandonment of ties with Russia in critical areas could actually create conditions for new promising projects in cooperation with world economic leaders, investments, innovations, and more. In the global market, there appears to be an empty space - the new suppliers will come to compete in order to get the best deals, and this competition will drive more prospective developments for the benefit of the AESAN.

While many heads of states, including the ASEAN leaders, are convinced that sanctions cannot end the war, such measures are an effective, peaceful tool for stopping the aggressor and bringing the Russian-Ukrainian war to the end. It is of the utmost importance how the war ends: armed aggression must not be rewarded and Russia should not leave this war with any, even minor, gains, or the negative impact on the current rules based world order will be immense.

A united and clear response from the world to aggression in international relations is necessary. Countries and regions of the modern world are highly interconnected and must work together to meet the challenges of building a crisis-resistant world order, a system in which ASEAN plays an important role. Only international solidarity and a strong, united response to aggression against sovereign states can protect the world from further attempts to use force in violation of the fundamental principles of coexistence in the twenty-first century.

A portrait of Mr. Volodymyr Zelenskyy, the current President of Ukraine who leads the country's army fighting against Russia's invasion. Photo: President Volodymyr Zelenskyy via Flickr. 

# CAMBODIA'S TRIANGULAR RELATIONS WITH CHINA AND VIETNAM:

INTRICATE RIVALRY AMID CHANGING INTERACTIONS

### **Ambassador JULIO A. JELDRES, PhD**

A former Senior Private Secretary to the late King Norodom Sihanouk, an Adjunct Research Fellow at Monash University's School of Philosophical, Historical and International Studies and a Senior Visiting Fellow at CICP. Ambassador **Julio A. Jeldres** was born in Santiago de Chile. He became interested in Cambodia's contemporary history in 1967, following the visit of Jacqueline Kennedy to Cambodia. He began a correspondence and long-standing friendship with His Late Majesty King Norodom Sihanouk in late 1967. He served as Deputy Chief of Cabinet, Chief of the Private Secretariat and Special Assistant to His Late Majesty from 1981 to 1991 and as Official Biographer since 1993. He was granted the personal rank of Ambassador by the King Father in June 1991. Since April 2013 he has been a Counsellor to the Cabinet of His Majesty the King of Cambodia with the protocol rank of Minister of State.

He holds a BA (Asian Studies) from Swinburne University in Melbourne (1978) and a PhD in history from Monash University (2015) and is author of several books, including the best seller Royal House of Cambodia (2003 and 2017); Norodom Sihanouk and Zhou Enlai: An Extraordinary Friendship on the Fringes of the Cold War (2021); chapters of books on Cambodia's relations with China, France, Vietnam, Laos and the two Koreas and research papers on Cambodia's external relations, politics, the monarchy, the Royal Family and the late King Father.

He is an Adjunct Research Fellow at Monash University's School of Historical Studies and International Relations. He is a Senior Visiting Research Fellow at the Cambodian Institute for Cooperation and Peace and was a Senior Visiting Research Fellow at the Sleuk Rith Institute of the Documentation Center of Cambodia from 2019 to 2021.

In assessing Cambodia's triangular relations with China and Vietnam, one cannot avoid looking back with a certain familiarity to the events which transpired in the late 1950s and 1960s, when Cambodia, under the late King Norodom Sihanouk, was formulating an independent foreign policy and a modus vivendi with its neighbors.

When Cambodia decided to recognize the People's Republic of China in July 1958, China was completely isolated by the West and Cambodia's decision was not welcomed. Indeed, pressure and threats were made to get Cambodia to change course. But King Norodom Sihanouk had carefully observed China and concluded that the country was going to become an economic and political power which Cambodia could count on when confronted with the actions of its rapacious neighbors. He thus decided to go ahead with establishing robust relations with China.

As far as relations with Vietnam were concerned, Sihanouk was reluctant to recognize either South or North Vietnam until both states were reunified as envisaged by the Geneva Agreements of 1954. However, he allowed for the establishment of economic ties and permitted sport teams and journalists to visit North Vietnam in an bid to show Cambodia's willingness to live in amity with any government that was prepared to respect Cambodia and its people.<sup>1</sup> For the late King Father, to respect Cambodia and its people meant to respect Cambodia's territorial integrity, its neutrality and to recognize the borders of Cambodia as they currently were.<sup>2</sup> At the same time, he was fully aware, as stated on many occasions, that a reunified Vietnam would present enormous challenges to Cambodia. This is why, in the mid-1960s, he began a process of engaging in friendly gestures towards North Vietnam, hoping that after the war had ended and Vietnam had been reunified, the new government would remember Cambodia had been a friend during Vietnam's times of need.<sup>3</sup>

Today, Cambodian relations with China are as strong as ever. The two countries upgraded their bilateral relations and signed a Comprehensive Strategic Partnership of Cooperation in December 2010. Cambodia has relied on China for the construction of major infrastructure projects and the training of public servants, doctors and journalists. The bulk of Cambodia's COVID vaccines also came from China, something Prime Minister Hun Sen emphasized when he stated that "without assistance from China maybe we would not have had vaccines for our people". <sup>4</sup>

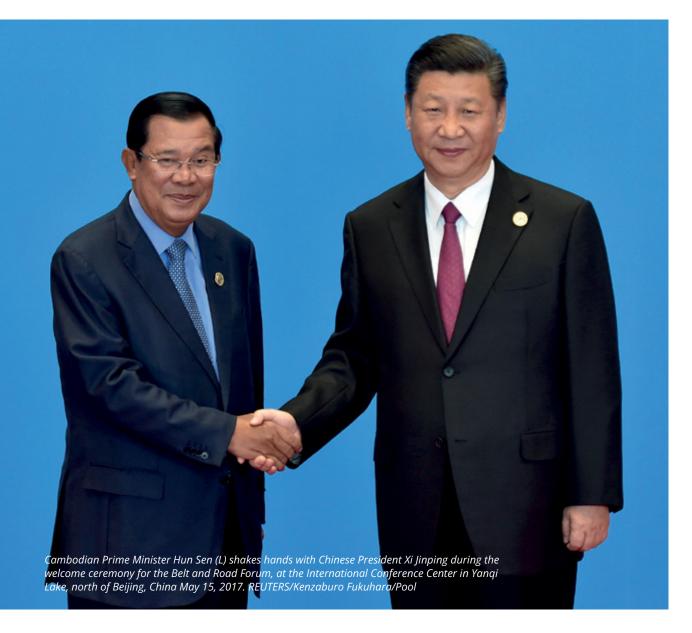
China has also become the largest investor in Cambodia. The Cambodia-China Free Trade Agreement, which was signed in October 2020, aims to increase annual

4 Nikkei Asia, May 20, 2021

<sup>1</sup> Australian Legation-Phnom Penh to External Affairs-Canberra, Memorandum 269, July 27 1956, Series A6760 Control Symbol 221/5/8 Part 1, National Archives Australia (NAA).

<sup>2</sup> Ambassador Noel Deschamps-Phnom Penh to Sir Keith Waller, Secretary of External Affairs-Canberra, Personal Letter, 9 April 1963, Series A6760 Control Symbol 221/5/8 Part 1, NAA

<sup>3</sup> Telegram from Samdech Norodom Sihanouk to the author, No. 305/CABT, Peking 3 April 1971



bilateral trade to over US\$ 10 billion by 2023.5

Cambodia's close relationship with China has come at a cost nevertheless. Other ASEAN countries have been critical of Cambodia's muted reaction to China's action in the South China Sea.<sup>6</sup> Similarly, the United States has slapped an arms embargo on Cambodia and also targeted the country's Army Intelligence Unit, adding it to a list of seven other intelligence units "deemed a risk to US national interests.<sup>7</sup>

Cambodia's substantial relationship with Vietnam since Hanoi intervened to overthrow Democratic Kampuchea (Pol Pot's regime) in late 1978 has remained constant. This year, the two countries will celebrate the 55th Anniversary of the establishment of diplomatic relations (1967-2022) and the very successful visit of Vietnamese President Nguyen Xuan Phuc to Cambodia in late 2021, is an indication that the bonds remain unaltered.

However, there are ongoing issues that continue to pose challenges to the relationship. Land demarcation remains a politically controversial issue, often used by the exiled opposition to attack the government, even though 84% of the Cambodia-Vietnam border has already been demarcated.

Another issue that presents continuous challenges to the friendly relations between the two countries is the presence of illegal Vietnamese migrants in Cambodia, said to be between 400.000 and 700.000, with a great majority not in possession of identity documents.<sup>8</sup>

<sup>5</sup> Khmer Times, November 24, 2021

<sup>6</sup> The Straits Times, Singapore, 29 October 2020

<sup>7</sup> Los Angeles Times, December 9, 2021 and VOD English, 9 December 2021

<sup>8</sup> Minority Rights Group International, "Cambodia – Ethnic Vietnamese," 7 November 2017, https://minorityrights.org/ minorities/ethnic-vietnamese



This presents a serious problem to the government and, while the ruling party has been benign in their treatment of the illegal migrants, it has in recent years carried out enforced relocations of entire Vietnamese communities, particularly in the area of the Great Lake, and officially requested Vietnam to repatriate those found without documentation accrediting their identity.<sup>9</sup>

However, as some of these migrants have lived in Cambodia for many years, the Vietnamese authorities no longer recognize them as Vietnamese citizens, which causes tensions in the bilateral relationship.

In spite of the tensions mentioned above, trade between Cambodia and Vietnam has not been affected and in 2021, Cambodia's trade with Vietnam reached a peak of US 9,3 billion, or a 75% increase over the previous year.

Le Hong Hiep, Coordinator of the Vietnam Studies Program at ISEAS Singapore, told the Asia Times Online that "China and Vietnam strategic and economic competition in Cambodia has been ongoing for a long time, and will only intensify when both China and Vietnam want to maintain and strengthen their influence over Phnom Penh".<sup>10</sup>

No doubt this intricate rivalry will continue into the future, but forty years after Vietnam's intervention in Cambodia to topple Democratic Kampuchea, it is clear that China has emerged the ultimate winner.

<sup>9</sup> Kimhong Hen, Cambodia-Vietnam Relations: Key Issues and the Way Forward, Singapore, Perspectives, No36, 2022, ISEAS-Yusof Ishak Institute.

<sup>10</sup> Hutt David, Cambodia on middle path between China and Vietnam, Asia Times Online, 29 April 2022

Cambodia's Prime Minister Hun Sen shakes hands with China's President Xi Jinping before their meeting at the Great Hall of the People in Beijing, China April 29, 2019. Madoka Ikegami/Pool via REUTERS



#### **Dr. CHHEANG VANNARITH**

President, Asian Vision Institute (AVI) Director of Think-Tank 2022 Asia-Pacific Secretariat Dr. **Chheang Vannarith** is the President of the Asian Vision Institute (AVI). He is also a policy analyst and government relations strategist. He has over a decade of experience as a geopolitical and geoeconomic analyst, with a focus on Southeast Asia. He was honored a Young Global Leader by the World Economic FOrum in 2013. He previously served as Visiting Fellow at ISEAS-Yusof Ishak Institute (2017-2018), China Institute of International Studies (2016), Institute of Developing Economies in Japan (2017), and East-West Center in the United States (2010); Southeast Asia Consultant at the Nippon Foundation in Japan (2016-2018); Anjunct Lecturer at Nanyang Technological University's School of Social Sciences (2017-Present); Lecturer of Asia Pacific Studies at the University of Leeds (2013-2016), and Executive Director of Cambodian Institute for Cooperation and Peace (2009-2013).

*He received his BA in International Relations from the Diplomatic Academy of Vietnam in 2002, MA in International Relations from the International University of Japan in 2006, and PhD in Asia Pacific Studies from the Ritsumeikan Asia Pacific University in 2009.* 

The concept of building a community with a shared future was put forth by President Xi Jinping in 2013 to advance China's new foreign policy narrative focusing on cooperation, harmony, and humanity. It represents a grand strategic narrative which is part of China's wider global activism as it begins to assert itself as an emerging global power on par with the United States.

China has promoted the concept at both bilateral and multilateral platforms. For instance, during a high-level dialogue between the Communist Party of China (CCP) and the world political parties in July 2021, General Secretary Xi Jinping stressed the importance of building "a community with a shared future for mankind" as a means to promote China's vision to build a more just, inclusive, prosperous and harmonious world. Notably, the Belt and Road Initiative (BRI) is regarded as a key cooperation mechanism in the realisation of a global community with a shared future.

It is argued here that this concept is shaping the regional order both materially and normatively. China is seeking to revise international norms and rules which do not reflect emerging Chinese interests and instead promote new norms and rules that better serve its interests. Southeast Asia provides a fertile ground and right conditions for China to trial its new ideas and initiatives.

Cambodia and Lao PDR appear to be the two Southeast Asian countries most closely aligned with China - a foreign policy stance reflecting their own national interests, especially economic interests. Cambodia for example signed the action plan on the "Community of Shared Future (CSF)" in April 2019. Following this, during his official state visit to Cambodia in October 2016, President Xi Jinping proposed that the two countries forge a community with a shared future. Moreover, during Premier Li Keqiang's visit in January 2018, both sides agreed to deepen and institutionalise the bilateral cooperation on the CSF. Furthermore, during Prime Minister Hun Sen's visit to China in January 2019, both sides agreed to formulate an action plan on forging the Cambodia-China CSF with "strategic significance".

The concept of building a "Community of Shared Future" is compatible with Cambodia's foreign policy objective of promoting a new era of international relations. This new era focuses on a type of win-win cooperation that adheres to the principles of mutual respect, mutual understanding, mutual learning, non-interference, and sovereign equality. The concept is thought to help Cambodia realize its own national interests, including peace, prosperity, and prestige, and the vision to become a higher-middle-income country by 2030 and a high-income country by 2050.

The Action Plan embodies broad based cooperation under five main pillars: political, security, economic, cultural and people-to-people exchange, and multilateral cooperation. Thirty additional sectoral cooperation areas fall under these pillars. As monitoring and evaluation mechanisms are not yet in place, it is difficult to assess the progress of its implementation. Both enforcement and implementation of the action plan must be promoted. The following sections will examine each pillar in turn.

#### **Political Cooperation**

This pillar includes cooperation on foreign affairs, political parties, legislative bodies, and political consultative organisations. In terms of foreign affairs cooperation, both sides agreed to strengthen bilateral strategic communication, deepen mutual political trust, and promote the development of bilateral relations in the new era of "Comprehensive Strategic Partnership of Cooperation". In terms of political parties' cooperation, both sides remain committed to giving full attention to the important role of inter-party exchanges and promoting greater bilateral cooperation. In terms of legislative and political consultation, both parties agreed to further promote exchanges and cooperation between the National People's Congress and the Chinese People's Political Consultative Conference from the Chinese side, and the Senate, the National Assembly, and the Supreme Consultative Council from the Cambodian side, and boost closer cooperation and coordination in multilateral parliamentary organisations.

## **Security Cooperation**

This pillar consists of cooperation in defence-security, law enforcement, and political security. Both sides have agreed to strengthen strategic communication, enhance friendly exchanges and pragmatic cooperation, promote national defence and military collaboration, and effectively deal with security threats while respecting one another's sovereignty. In terms of political-security cooperation, both sides agreed to strengthen policy design and strategic deployment in order to safeguard the security, stability, and development interests of both parties.

#### **Economic Cooperation**

This pillar includes a long list of sectoral cooperation areas on the economy and trade, investment, production capacity and industry, transport infrastructure, mines and energy, finance, people's livelihoods, agriculture, customs inspection and guarantine procedures, water resource management, information and telecommunication technology, metrology, and certification and conformity assessment. On trade cooperation, both sides have committed to continuously expanding trade and realising the goal of US \$10 billion in bilateral trade by 2023. The signing of the Cambodia-China FTA in October 2020 for example is a catalyst to realising this target. Under investment cooperation, both parties agreed to further increase the scale and level of Chinese investment in Cambodia, with a particular focus on agriculture, industry, infrastructure, energy, and tourism.

### Cultural Cooperation and People-to-People Exchange

This pillar consists of cooperation on culture and tourism, cultural heritage, education, health, STI (science, technology, and innovation), exchange of young leaders, the protection of environment, forestry and wildlife conservation, media and public relations, and the respect of intellectual property rights.

In terms of STI cooperation for instance, both sides agreed to continuously strengthen pragmatic cooperation in scientific and technological innovation between the two countries by enhancing top-level policy design and action plan development.

### Multilateral Cooperation

This pillar consists of cooperation on regional and international affairs, the safeguarding of the common interests of developing countries, and the promotion of regional peace, stability, development, and prosperity. Some key measures to realise these goals include jointly implementing the "ASEAN-China Strategic Vision 2030", building a closer ASEAN-China Community of Shared Future, forging the Mekong-Lancang Economic Development Belt, and Building a Community of Shared Future among Mekong-Lancang countries.

In terms of multilateral cooperation norms and principles, both parties stress the principles of mutual respect, equality, justice, and win-win cooperation in the name of building a community with a shared future for mankind.





# CAMBODIA'S EMBRACE ON THE BELT AND ROAD INITIATIVE (BRI) AND ITS GEOPOLITICAL IMPLICATIONS: HOW MUCH HAS CAMBODIA GAINED AND HOW MUCH HAS IT NOT?

#### **Dr. NEAK CHANDARITH**

Director of Institute for International Studies and Public Policy Founding Director of Cambodian 21st Century Maritime Silk Road Research Center, Royal University of Phnom Penh

#### **LIM CHHAY**

Program Manager for Foreign Affairs, Konrad-Adenauer-Stiftung Cambodia, Research Fellow EU-ASEAN Next-Gen Think-Tank Dialogue—the EANGAGE Project of the EU Commission Dr. **Neak Chandarith** is currently the Director of Institute for International Studies and Public Policy, Royal University of Phnom Penh.

He is also the founding director of Cambodia 21st Century Maritime Silk Road Research Center at RUPP. He obtained his bachelor of education (TEFL) from FLC (IFL), RUPP, Master of Education (TESOL) from Latrobe University, Master of Political Science from Kobe University, and Ph.D. in Political Science from Australian National University (ANU). He is also a Member of the Board of Directors at Cambodia Development Center. His research interests center on Belt and Road Initiative, Mekong-Lancang Mechanism and state-society relations in Southeast Asia.

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#### **Overview**

Cambodia-China relations have reached a new, historic and strategic stage by 2020. With the pair's engagement from the first unofficial meeting between the then-King Sihanouk and Premier Zou Enlai in April 1955 at the Bandung Conference to the official establishment of diplomatic relations in 1958, the friendship had upgraded into a 'comprehensive strategic partnership' by 2010. With the commitment to deepening bilateral cooperation with China, Cambodia, in 2019, signed the Action Plan on Building China-Cambodia Community of Shared Future (2019-2023) in which both leaders would put more effort into consolidating cooperation in political security, the economy, commerce, socio-cultural tourism, the environment, and in all aspects of people-to-people exchange. This interlocking relationship did not happen by chance. Instead, it has been a well-crafted, elaborate process of friendship cultivation and specific cooperation with Cambodia. This has included the rapprochement of Cambodia with China after the 1990s, the upgrading of bilateral relations into a comprehensive strategic partnership in 2010, and surpassing Japan as the largest Official Development Aid (ODA) and soft loans provider in 2013.

Based on this consolidated web of relationships, Beijing has been the bastion of various coordinating activities to socialize Cambodian political elites into embracing the main political and socio-economic values of the BRI, as well as the so-called 'Community of Shared Future for Mankind', an increasingly common Chinese slogan. Exemplifying this, in a bilateral summit commemorating the 60th-anniversary of relations, both sides were committed to working towards a Cambodia-China Community of Common Destiny with strategic significance, continuing to maintain close high-level contacts, enhancing the role of the inter-governmental coordination committee, coordinating defense and law enforcement sectors at all levels, accelerating the implementation of the BRI and strengthening coordination and cooperation within the frameworks of the Mekong-Lancang Cooperation (MLC), ASEAN-China Cooperation and other mechanisms.

#### Small States and Their Strategic Options Concerning the BRI: The (Economic) Case of Cambodia

The fast-changing and evolving geopolitical landscape as seen through the strategic rivalry between Beijing and Washington has been a complex issue for decades and will continue to intensify in the future. Cambodia, as a small state, has experienced uncertainty where her foreign policy core values are being challenged. What are the core values that Cambodia is pursuing? What long-term ambition does she aim to achieve? How does the Chinese Belt and Road Initiative (BRI) complement her ability to achieve such an ambition?

In the current context, economic diplomacy constitutes one of the main pillars of Cambodia's foreign policy. As Cambodia is committed to achieving middle-income and high-income status by 2030 and 2050 respectively, domestic economic diversification and increasing economic pragmatism with external partners are the rationales behind this ambition. It is an undeniable fact that right after the launch of the BRI, Cambodia's bandwagoning to such an initiative demonstrated the Kingdom's ambition for economic competitiveness through diversifying its sources of growth and expanding its economic horizon. Through this, Cambodia believes that the BRI would further upgrade her infrastructure development and production-capacity cooperation, among other economic benefits.<sup>1</sup>

The footprint of the BRI's implementation in Cambodia has been strongly set thanks to the full political trust of both leaders. From the Cambodian perspective, China's new foreign policy initiative is a great opportunity for Cambodia as well as for ASEAN to harness the resources provided for much-needed infrastructure projects. We assess hereafter the case of the planned Multipurpose Sihanoukville Special Economic Zone . Based on a preliminary study in which China's Shenzhen is used as a model, Sihanoukville would be transformed from a once-sleepy coastal city to a financial, industrial, and tourism regional hub. It would act as a logistics hub linking all the Kingdom's special economic zones with itself as the main focal point.

The plan to build a multi-purpose economic zone in Sihanouk through the BRI framework is a significant part of China's geoeconomics strategy in Cambodia. Cambodia and China are committed to a 21st century maritime silk road. Building a multi-purpose special economic zone in a coastal city under such a framework would follow the master plan development model from China's Shenzhen from the 1990s to the present day. The Shenzhen Model focused on a development-oriented national strategy, comprehensive development to cover the whole region with a clustered structure and infrastructure framework, and dynamic adjustment to optimize various pace layouts for the different stages of development. The application of Shenzhen's development to the building of this multi-purpose special economic zone through the BRI framework would present various opportunities and strengths to the Kingdom. Firstly, Cambodia would be able to harness economic and financial opportunities from the fourth global industrial transfer. The coastal city would attract more foreign investment in fourth industrial revolution industries, infrastructure, social facilities, and more. Secondly, Cambodia would be able to experience the rise of the technology-driven new economy, which will bring more possibilities for catching up with fast-changing technology and innovation. These opportunities are feasible thanks to the geographic strengths of Sihanoukville, as it is the only potential national maritime gateway hosting a deep-water international seaport, airport, and coastal tourism resources.

#### The Digital Silk Road in Cambodia: Connectivity for Economic Growth

Besides the case of the special economic zone (SEZ) plan in Sihanouk, the BRI's soft infrastructure projects have also set a foundation for Chinese strategic involvement in the Kingdom. In recent years, the Covid-19 global pandemic has disrupted the implementation process of China's BRI projects in Southeast Asia. Yet there has also been a shift in the priorities of China's BRI projects, through which 'soft infrastructure' projects, namely the Digital Silk Road and Health Silk Road, have been given greater importance. Since 2017, Xi Jinping has put these two components at the core of China's BRI diplomacy, which has been accelerated significantly during the global pandemic.<sup>2</sup> Throughout the region, it was reported that the Digital Silk Road and Health Silk Road are setting a new and strong footprint in ASEAN countries, as China is eager to dominate the global tech industry vis-à-vis its strategic rival the US.

For Cambodia, the main question would be: is the country ready for this rapid digital transformation? What benefits does it get out of the Digital Silk Road project? Not until 2021 did Cambodia adopt a policy framework for the Cambodian Digital Economy and Society. This is a comprehensive policy response to the fast-changing technological advancement as well as an attempt to exploit the full potential of the emerging Fourth Industrial Revolution, as detailed in Cambodia's long-term economic vision 2025 and the Rectangular Strategy-Phase IV. Looking at the Digital Silk Road, it could contribute to the kind of digitalization envisioned in the long-term strategic plan. But more importantly, Cambodia seems to have no choice but to embrace the Digital Silk Road. The project incorporates 5G technology, mobile structure, e-commerce links, the use of artificial intelligence (AI), international trunk passageways, and the installation of fiber optics cables,

<sup>1</sup> Vannarith, Chheang (2017). Cambodia Embraces China's Belt and Road Initiatives. ISEAS-Ishak Yusof Institute. https://think-asia. org/bitstream/handle/11540/7213/ISEAS\_Perspective\_2017\_48. pdf?sequence=1

<sup>2</sup> Wang, Zheng (26 May, 2022). Assessing the Belt and Road Initiative in Southeast Asia amid the Covid-19 Pandemic (2022-2022). ISEAS-Ishak Yusof Institute. https://www.iseas.edu.sg/ articles-commentaries/iseas-perspective/2022-57-assessing-thebelt-and-road-initiative-in-southeast-asia-amid-the-covid-19pandemic-2021-2022-by-wang-zheng/

A picture of Sihanouk Port, the only deep-water international sea port in the Kingdom. Photo: Shutterstock 

coordinated through Chinese big tech giants, including Alibaba, Huawei Technology, ZTE , and Tencent.<sup>3</sup>

In recent years, Cambodia has embraced the BRI's Digital Silk Road (DSR) project, as there seems to be no better alternative that fits the nation's vision of a "Digital Cambodia". It was also argued that China's Huawei should become a predominant tech giant in ASEAN's digital infrastructure as the forerunner of 5G technology following the significant decrease in the West's role.<sup>4</sup> In 2022, the first Chinese association of internet start-ups, called the Cambodian Internet Startup Association (CISA), built a partnership with the local Cambodian Association of Finance Technology (CAFT) to create the diverse parts of the internet industry and fintech community in the Kingdom.<sup>5</sup> Under the theme of "post-covid digital economy development in Cambodia", Cambodia even hailed this initiative as a "brilliant milestone" in the BRI. In 2019,

<sup>3</sup> Kimlong, Chheng (2019). Linking Digital Silk Road to Cambodian Digital Economy. Khmer Times. https://www.khmertimeskh. com/595096/linking-digital-silk-road-to-cambodian-digitaleconomy/

<sup>4</sup> Wang, Zheng (26 May, 2022). Assessing the Belt and Road Initiative in Southeast Asia amid the Covid-19 Pandemic (2022-2022). ISEAS-Ishak Yusof Institute. https://www.iseas.edu.sg/ articles-commentaries/iseas-perspective/2022-57-assessing-thebelt-and-road-initiative-in-southeast-asia-amid-the-covid-19pandemic-2021-2022-by-wang-zheng/

<sup>5</sup> Molly, Bodurtha (2021). The Digital Silk Road: Perspectives from Affected Countries. Leiden Asia Centre. https://leidenasiacentre. nl/wp-content/uploads/2021/08/Digital-Silk-Road-Perspectives-From-Affected-Countries.pdf

Cambodia and China agreed to allow Chinese Tech Giant Huawei to provide 5G infrastructure across the Kingdom. The following implementation agreement was signed with the Ministry of Posts and Telecommunications (MPTC) in 2020 to grant Huawei the right to sell ICT equipment to Cambodian carriers as well as to establish the MPTC's data center facility, video conference system, and fiber-optic connectivity.

As far as specific details on the Digital Silk Road bilateral cooperation agreement are concerned, there has been almost no mention of such documents. This is despite the fact that there are considerable elaborations on communication technology and innovations under the Key Area section in the "Outline of the Bilateral Cooperation Plan to jointly Build the Silk Road Economic Belt and the 21st Century Maritime Silk Road between the Government of the Kingdom of Cambodia and the Government of the People's Republic of China". On close inspection, Chinese tech giants are not in a prominent position, but more or less play some roles in building a footprint for Cambodia's digital development and wider connectivity through a market-leading role.<sup>6</sup>

Despite the Covid-19 pandemic's recent disruption of general economic activities, Chinese direct investment in the Kingdom remains high as of 2021, still accounting for USD 2.32 billion, the highest of any single country. This is indicative that, although the Digital Silk Road project has not been completely successful in the Kingdom, the foreign investment, which sustains a continuation of the annual 7.7 percent economic growth rate over the last several decades, has generated certain and significant benefits for Cambodian households, both in urban and remote areas. Such benefits include being able to access the internet and some other basic telecommunications services.<sup>7</sup>

#### **Conclusions and Ways Forward**

Since the launch of the BRI, China has consistently been the largest financier of Cambodia's socio-economic development, as well as the largest ODA provider ahead of other partners like Japan. Cambodia has embraced the BRI thanks to the strategic options this small Kingdom has, mutual political trust between Beijing and Phnom Penh, and the country's commitment to the 21st Century Maritime Silk Road plan in the coastal city of Sihanoukville. Embracing the BRI would further enhance Cambodia's soft infrastructure projects that primarily fit into the country's development plan, particularly toward the digitalization of the economy and society at large.

Although the presence of the BRI in Cambodia appears to be part of China's geoeconomics strategy in Southeast Asia, it also provides the Kingdom the ability to make Sihanoukville the engine house driving wider national developments.

The SEZ plan could embed the country within global supply chains to increase industrial diversity, as well as take the lead in socio-economic development and drive common development in surrounding provinces. To fully exploit these benefits, however, the Kingdom must take several factors into consideration. Firstly, a capable regulatory system should be established. Such a system would include drafting laws and regulations on SEZ management, spatial plans, and economic development plans, as well as specific implementation schemes. Secondly, planning should be compatible and pushed forward together with laws, policies, standards, and guidelines through planning management and implementation advancement mechanisms. Thirdly, Cambodia should strengthen the government's role in the early development of SEZ implementation. This can be done through (1) the purchase and reserve of strategic land resources by the government, (2) the formulation of practical industrial policies, and provision of special policies to introduce pilot projects, and (3) the construction of critical infrastructure, especially trunk pipelines, and (4) guiding the development of strategic regions by government or state-controlled companies to play a leading role in the market economy. Last but not least, it is about efficient execution. That is to have efficient decisionmaking conducted by high-level special committees authorized with unrestrained power, to facilitate good coordination and cooperation among ministries and departments, and to have a clear division of responsibilities between central and local government.

<sup>6</sup> Kimlong, Chheng (2019). Linking Digital Silk Road to Cambodian Digital Economy. Khmer Times. https://www.khmertimeskh. com/595096/linking-digital-silk-road-to-cambodian-digitaleconomy/

<sup>7</sup> Ibid.



# **THE SMILING DRAGON** CHINA'S SOFT POWER IN SOUTHEAST ASIA

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#### What is Soft Power?

The rise of "wolf warrior" diplomats aggressively promoting Beijing's narrative, Confucius Institutes, panda bear gifts, "vaccine diplomacy" and more show that China's manifold soft power efforts in ASEAN and beyond are expanding and intensifying. They range from investment and media outreach to varied forms of diplomatic, academic, professional, and cultural exchange, to medical aid and humanitarian assistance.

The concept of soft power was first introduced in the late 1980s by Harvard Professor Joseph S. Nye, Jr. According to Nye's definition, power itself is the capacity to influence the behavior and preferences of other actors (states, societies, companies) in the furtherance of one's own objectives. At the national level, there are several ways to exert that power. A state can use "hard" power, referring to force or the threat of it, through political, economic, or military channels. It can also be induced with the use of payments, favorable trade agreements, or strategic "deals". Otherwise, "soft power" can be used to co-opt others through attraction, persuasion and constructive means. These "soft" alternatives coalesce around the practice of nudging, rather than coercing.

A country's soft power lies in its political values and norms, the legitimacy and moral authority of its foreign policies, and its international reputation, as well as the reach and familiarity of its cultural output. Analyzing perceptions, long-term attitudes, choices, and policies abroad can be useful when measuring the impact of a country's soft power. Projecting soft power may help enhance a nation's international prestige and partnerships, its economic, academic, and cultural appeal, and its self-confidence and prosperity.

#### **The Chinese Approach**

The concept of soft power gained notoriety in China in October 2007, when then-President Hu Jintao mentioned the term officially and stressed the need to "enhance the influence of Chinese culture worldwide" for the nation's prosperity.<sup>1</sup> His successor, Xi Jinping, recognized early on the importance of this strategy. After becoming president in 2014, he announced his intention to "increase China's soft power, give a good Chinese narrative, and better communicate China's message to the world".<sup>2</sup> In 2017, President Xi used an address to the National Congress of the Communist Party to reaffirm his objectives: to "strengthen peopleto-people and cultural exchanges with other countries" and "tell China's stories well, present a true, multi-dimensional, and panoramic view of China, and enhance our country's cultural soft power."<sup>3</sup> In the context of its growing economic and military power, scholars have also documented China's objective to weaken the narrative of a "China threat" - common in Western media - to emphasise the discourse of its "peaceful rise".4

China's comprehensive, top-down approach aimed at nurturing a positive, attractive image of the People's Republic of China (PRC) abroad represents the country's own particular understanding of soft power. While Joseph Nye described it as an asset that can exert influence somewhat independently of the state, China deploys it more as a tool – an active instrument

<sup>4</sup> Falk Hartig, "How China Understands Public Diplomacy: The Importance of National Image for National Interests", International Studies Review, Volume 18, Issue 4, December 2016, p. 655-680, https://doi.org/10.1093/isr/viw007



<sup>1</sup> Embassy of the People's Republic of China in the Republic of Liberia, "Full text of Hu Jintao's report delivered at the 17th National Congress of the Communist Party of China (CPC) on Oct. 15, 2007", https://www.mfa.gov.cn/ce/celr//eng/gyzg/a123/ t375202.htm

<sup>2</sup> David Shambaugh, "China's Soft-Power Push. The Search for Respect", Foreign Affairs, July/August 2015, Volume 94, Number 4, p. 99-107, here p.99. https://www.foreignaffairs.com/articles/ china/2015-06-16/chinas-soft-power-push

<sup>3</sup> Xi Jinping, "Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era", Address delivered at the 19th National Congress of the Communist Party of China, 18th October 2017, p. 39, http://www. xinhuanet.com/english/download/Xi\_Jinping's\_report\_at\_19th\_ CPC\_National\_Congress.pdf

of the state and the ruling party. Some experts call this Chinese variation "sharp power".<sup>5</sup>

Since early 2020, in the context of the COVID-19 pandemic that originated in the city of Wuhan and negative international reporting on human rights and security issues, Beijing has relied on soft power to mitigate reputational damage and protect China's appeal. It developed new soft power tools known as "mask diplomacy" and later "vaccine diplomacy", as well as "wolf warrior" diplomats responding aggressively to criticism . In the Global Soft Power Index produced by the British consulting firm Brand Finance, China has achieved its best performance ever in 2022, ranking 4th worldwide and overtaking Japan as the highest-ranked nation in Asia.<sup>6</sup>

China's growing influence on a global scale is a subject of the highest importance for decision-makers and interested observers across the Asia-Pacific region, Europe, and beyond. In 2021 and 2022, Konrad-Adenauer-Stiftung (KAS) conducted a research project based on qualitative data to better understand the extent, impact, and potential implications of Chinese soft power efforts in the northern part of Southeast Asia. The researchers involved focused on Cambodia, Malaysia, Singapore, Thailand, and Vietnam, which are all linked by land to their much larger northern neighbour, characterized by centuries of exchanges with China, and within the scope of its Belt and Road Initiative (BRI). This part of the world is particularly interesting because Southeast Asia has been a nexus of power contestation between China and the US, from the Cold War to the present day. Interactions with these global powers continue to shape the modern history of the region and the decisions of such smaller states.7 The study highlighted many specificities of the PRC's soft power strategy in four areas: governance and diplomacy, education and culture, media, and economy. The following details several important findings.

#### **China's Appeal and Growing Influence**

The study demonstrated that the PRC under President Xi Jinping has successfully developed and implemented a multifaceted outreach strategy. This has allowed China to increase its overall footprint, strengthen its influence, and in some cases enhance its appeal with its five Southeast Asian neighbours. Beijing's "host diplomacy" as well as scholarship programmes, media investments, and economic engagement in the region appear to be especially effective tools in obtaining its objectives.

It is difficult to evaluate whether the PRC's "host diplomacy", with numerous invitations to political leaders, party officials, students, academics, and journalists, directly translates into producing soft power gains: visitors who return from their trips in China with an improved image of the country and a willingness to actively contribute to its international prestige. But this approach certainly appears to have built important relationships in key sectors and improved the PRC's influence in the region, as well as its image as an influential country. It is well-documented that in the context of political (or business) negotiations with foreign representatives, this strategy aims to produce so-called "old friends" - interpersonal relationships with mutual obligations helping the Chinese side to achieve its objectives.<sup>8</sup> China experts also underline the fact that China's elite-to-elite diplomacy can resonate quite well in countries in East Asia and the Pacific, where relations with the West can sometimes be strained due to the West's values-oriented diplomacy. Beijing's policy of non-interference in its neighbours' domestic affairs, its top-down control of development, and its policy of limiting calls for political reform in favor of economic progress fits particularly well with the range of blended authoritarian and democratic systems in the region.9

Both growth in trade, coupled with large investment projects like BRI initiatives, and a high number of Chinese tourists eager to travel the world also contribute to the PRC's appeal as a partner, thus improving its status among the selected Southeast Asian countries. Moreover, China's strategy to showcase its socio-economic achievements, especially by extensively communicating its ability to lift millions of people out of poverty, has certainly proven effective. It generates respect and demonstrates the appeal of its model, especially in circles where strong leadership or economic interventionism are well regarded. Popular Chinese brands and companies in Southeast Asia, like Oppo, Vivo, Xiaomi, and Huawei for the smartphone

<sup>5</sup> See for example: Joan Pablo Cardenal et al, Sharp Power: Rising Authoritarian Influence, National Endowment for Democracy, 2017, https://www.ned.org/wp-content/uploads/2017/12/Sharp-Power-Rising-Authoritarian-Influence-Full-Report.pdf

<sup>6</sup> Global Soft Power Index 2022, Brand Finance, https:// brandirectory.com/softpower/report

<sup>7</sup> See for example: David Shambaugh, Where Great Powers Meet: America and China in Southeast Asia, Oxford University Press, 2020.

<sup>8</sup> See for example, David Lampton et al., Rivers of Iron: Railroads and Chinese Power in Southeast Asia, op. cit., p. 122.

<sup>9</sup> See for example Joshua Kurlantzick, "China's Charm Offensive in Southeast Asia", Current History, University of California Press, September 2006, Volume 105, Issue 692, p. 270–276, here p. 272, https://doi.org/10.1525/curh.2006.105.692.270







market<sup>10</sup>, also do their share to cultivate a positive image of China abroad.

In terms of influence, the PRC's military power helps define China as a major player who must be taken seriously by its neighbours. China has developed an extensive media ecosystem that relays its messages throughout many Southeast Asian countries. Pro-Beijing news reporting in Chinese state-run broadcasters (such as CCTV and CRI) and in local media outlets with ties to China also help persuade the public to accept the truthfulness and validity of PRC messaging. The long-term benefits are potentially substantial, particularly in terms of China's ability to use local media to inform and influence discourse on foreign policy issues that touch upon its own interests.

The most tangible success of China's soft power projection is certainly in the cultural field, from Chinese "classics" to popular entertainment. The first category includes Chinese classical literature and music, Confucianism, traditional medicine and festivals, cuisine, calligraphy, architecture, and martial arts, among others - all traditional elements of Chinese culture and society that are immediately identifiable as typically Chinese by a broad audience. The second category includes giant pandas, popular (and occasionally chauvinistic) movies and TV shows, romantic novels, or internet celebrities like YouTube star Li Ziqi, who shares her idealised traditional rural lifestyle with millions of followers worldwide. These non-political aspects of Chinese culture remain China's most successful tools for exercising soft power because of their broad popularity among large segments of Southeast Asian societies.

#### The Limits of China's Strategy

However, the study conducted by KAS also showed that China's effective cultural diplomacy (classic literature, festivals, TV shows, and so on) does not particularly translate into deference toward the PRC as a global actor, stronger support for its political and economic model, or acceptance of its regional and international policies. In other words, the immediate return on investment for China's soft power projection in this field is arguably limited, at least at the moment, in terms of direct foreign policy gains.

The PRC also struggles to increase its appeal in the fields where other states, especially Western countries

or Japan and Korea, are already well established. This is the case for academic exchange programmes where opinion polls show that Chinese universities are less popular than the competition in the United States, the UK, the EU, or Australia. The only noticeable exception in this area seems to be Cambodia, where China is by far the top preference for tertiary education abroad.<sup>11</sup> The same is true for tourism: in 2021, the most popular holiday destinations in the five countries of our study were Japan, the EU, and ASEAN member states. China was mentioned in the top 3 only in Cambodia where it took first place.<sup>12</sup> Other examples include sustained interest in the study of European and other foreign languages, pop culture, lifestyle and sport, or new technologies and brands, including for example in the automotive sector where the "made in Germany" or "designed in California" labels are still excellent selling points.

China can sometimes undermine its regional soft power efforts with its own business practices, security policy in the South China Sea, and political assertiveness towards its foreign partners. For example, economic investments in the five countries of this study do not necessarily improve China's local image, as the implementation of many mega projects results in popular resentment due to concerns over sovereignty issues, the dangers of "debt trap diplomacy", negative environmental and social impacts, the lack of employment opportunities for local workers, technological issues, and resulting legal disputes. Soft power is of little help when China's actions begin to threaten the fundamental economic, security, or political interests of its Southeast Asian partners and their citizens.

Chinese tourists are welcome in the countries of this study because they stimulate economic growth, but their absence during the COVID-19 pandemic has also highlighted the economic dependence of several states in this regard and the negative impact of mass tourism on the environment.

China has attempted to use vaccine diplomacy to promote its soft power, while responding to critics with "wolf warrior" combativeness. Such tactics have not always yielded favourable results. Despite being delivered early in the countries of this study, Chinese inactivated vaccines soon proved to be less popular than other alternatives. Citizens in these countries were acutely aware that Chinese vaccines were less effective than those provided by the West, and were also aware

<sup>10 &</sup>quot;Chinese smartphone brands take 62% of Southeast Asia's 30.7 million shipments", Canalys, Shanghai (China), Bengaluru (India), Singapore, Reading (UK) and Portland (US), 15th August 2019, https://www.canalys.com/newsroom/southeast-asiasmartphone-marketshare-Q22019

<sup>11</sup>\_Sharon Seah et al., The States of Southeast Asia: 2022, ISEAS-Yusof Ishak Institute, Singapore, 2022, p. 53, https://www.iseas. edu.sg/articles-commentaries/state-of-southeast-asia-survey/ the-state-of-southeast-asia-2022-survey-report/

<sup>12</sup> Ibid., p. 54.

that, with few exceptions, these were not donations – their governments purchased them from China at premium prices. Ambassadorial "wolf warrior" tactics have often provoked mockery or resistance in some areas – as seen with the emergence of the so-called Milk Tea Alliance, an online movement defined by anti-China or anti-authoritarianism sentiments, among "netizens" of Hong Kong, Taiwan, Thailand, and other ASEAN countries.

Finally, China's attempts at using social media as a platform for its soft power projection often fail to reach or convince younger audiences. The reasons for this are simple: Beijing's overly controlled communication is heavily charged with ideology (think of the promotion of The Governance of China by Xi Jinping). It aims to promote China's state narratives and national priorities abroad, and focuses on technologies from the 20th century (Chinese state-run broadcasters, the acquisition of local media outlets, op-eds, book presentations and so on). For many young people in Southeast Asia, this is simply neither "fun" nor credible, and it doesn't generate significant attention, or "likes", online.

### **Local Trust**

These observations are consistent with other recent research projects and opinion polls in the region. For example, the first edition of the China Index, produced by Doublethink Lab in cooperation with National Taipei University and other local academic partners, measured China's influence in 36 countries and territories on every continent, from March to August 2021, and focused on nine domains: the media, foreign policy, academia, domestic politics, economy, technology, society, military, and law enforcement. Of the 36 countries evaluated (as of April 2022), it assessed Cambodia, Singapore and Thailand, respectively, as being the top three countries most exposed to China's influence, while Malaysia ranked 8th and Vietnam 26th.<sup>13</sup>

The ISEAS-Yusof Ishak Institute in Singapore measures opinions annually among representatives of government, academia, civil society, NGOs, the media, and the private sector in ASEAN. The latest qualitative survey conducted in November/December 2021 found that only 37.16 percent of the respondents in the five countries of this report are either "confident" (25.8 percent) or "very confident" (11.36 percent) that China will "do the right thing" to contribute to global peace, security, prosperity and governance.<sup>14</sup> Interestingly, this percentage of confidence is higher than the ASEAN average (26.8 percent) and higher than the previous year (19.3 percent), in the middle of the COVID-19 pandemic. In 2021, the level of trust towards China was highest by far in Cambodia (74 percent), lowest in Singapore (16.3 percent) and Vietnam (24.3 percent), and more moderate in Malaysia (37 percent) and Thailand (34.2 percent).

Those who trust China in Cambodia attribute this first to the PRC's "vast economic resources and strong political will to provide global leadership". Those who distrust China in Singapore (69.8 percent of respondents) and Vietnam (64.6 percent) name two primary reasons: the fact that "China's economic and military power could be used to threaten [their] country's interest and sovereignty" (the first reason mentioned in Vietnam) and the fact that they "do not consider China a responsible or reliable power" (the first reason in Singapore). In Malaysia and Thailand, those who trust China primarily cite the PRC's economic resources and political will to provide global leadership, as in Cambodia, whereas those who distrust China share Singapore's and Vietnam's concerns.

Similar tendencies can be observed in response to COVID-19 vaccines: Chinese brands are most trusted in Cambodia (where 67.9 percent of the respondents name Sinopharm or Sinovac as their preferred brand) and least trusted in Vietnam (4.2 percent) and Singapore (4.5 percent), whereas Thailand (17.1 percent) and Malaysia (23.7 percent) are closer to the average of 23.48 percent.<sup>15</sup>

Among those who trust the PRC in the five countries, "respect [for] China" and "[admiration] for its civilisation and culture" are rarely primary considerations for their opinion. This point is mentioned only by a small share of respondents in the latest ISEAS survey (13.9 percent in Singapore, 12 percent in Malaysia, 10 percent in Cambodia, 7.5 percent in Thailand, and 2.9 percent in Vietnam). The vast majority of respondents focus on economic, military, and political arguments.<sup>16</sup>

## Soft Power Cannot Be Bought

In terms of strategies, the pro-active, top-down method of Chinese leadership to generate a positive image of China abroad contradicts Professor Joseph Nye's prevailing definition of soft power, as an asset

<sup>14</sup> Sharon Seah et al., The States of Southeast Asia: 2022, ISEAS-Yusof Ishak Institute, op. cit., p. 42-43.

<sup>15</sup> Ibid., p. 14.

<sup>16</sup> Ibid., p. 43.

<sup>13</sup> Doublethink Lab, China Index 2021, https://china-index.io/

of the state that influences others by virtue of its own inherent appeal. In that sense, for the American sinologist David Shambaugh, the PRC's approach is more accurately defined as public diplomacy than real soft power.<sup>17</sup>

In July 2015, both Joseph Nye and David Shambaugh analyzed the limits of Chinese soft power. Nye wrote that "China has emphasized its cultural and economic strengths, but it has paid less attention to the political aspects that can undermine its efforts". In his view, two factors limit the PRC's soft power – its nationalistic approach, with assertive narratives that often antagonize target audiences, and the government's intention to be the predominant source of soft power, focusing on traditional culture and often using propaganda tools abroad.<sup>18</sup> Shambaugh simply called China's soft power agenda "external propaganda".<sup>19</sup> At the time, Nye and Shambaugh both came to the conclusion that China's global appeal will only improve if the PRC's leadership agrees to unleash the full talent of the Chinese civil society and allows people and companies to freely innovate and be visible abroad. As Shambaugh puts it: "the Chinese government approaches public diplomacy the same way it constructs high-speed

rail or builds infrastructure – by investing money and expecting to see development. (...) Soft power cannot be bought. It must be earned."<sup>20</sup>

The recent study conducted by KAS shows that more than half a decade later, the Chinese leadership continues to implement the same playbook with its five neighbours in Southeast Asia. It uses top-down methods to try to control information and opinions about China in the region, without enabling individuals, the private sector, or Chinese civil society to participate freely in the process. This strategy produces mixed outcomes in terms of international appeal. It remains to be seen if Beijing will dare in the future to "get out of its own way" and unlock the full potential of its soft power. China's international media policy, the broad deployment of "wolf warrior" tactics by its diplomats, and pressures on foreign celebrities to affirm the "One China" principle suggest that for the time being, a strategic shift in this area is not on the agenda of the CCP.

For interested readers, the full KAS study about China's soft power in selected ASEAN countries can be found here: <a href="http://www.kas.de/Thailand">www.kas.de/Thailand</a>

20 Ibid., p. 107.

<sup>17</sup> China Power Team (CSIS), "Is China's Soft Power Strategy Working?", Discussion with Joseph S. Nye Jr., Liz Economy, David Shambaugh, CSIS, 27 February 2016, https://chinapower.csis.org/ is-chinas-soft-power-strategy-working/

<sup>18</sup> Joseph S. Nye, Jr., "The Limits of Chinese Soft Power", Project Syndicate, 10th July 2015, https://www.project-syndicate.org/ commentary/china-civil-society-nationalism-soft-power-byjoseph-s--nye-2015-07

<sup>19</sup> David Shambaugh, "China's Soft-Power Push. The Search for Respect", Foreign Affairs, art. cit., here p.100.

Since the global pandemic, China's "mask diplomacy" and "vaccine diplomacy" play an important role in its practice of soft power, which makes China achieved best performance ever in 2022 as indicated in the Global Soft Power Index by

Brand Finance. Photo: Shutterstock

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# **U.S.-CHINA COMPETITION:** WHAT DOES IT MEAN FOR ASEAN?

**PO SOVINDA** 

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It is undeniable that the US and China have competed quite dynamically in the Indo-Pacific region, especially in Southeast Asia, over the course of more than a decade.

For various US administrations, from Barack Obama to Joe Biden, China has remained a strategic rival in Asia. President Obama launched the "Pivot to Asia" policy in 2012, President Trump initiated the "Free and Open Indo-Pacific Strategy" in 2017, and President Biden recently announced the "Indo-Pacific Economic Framework" in 2022. In the Mekong region, the US has also upgraded the "Lower Mekong Initiative" to the "Mekong-US Partnership" in 2020. All of these initiatives were designed with the main aim of countering China's growing regional influence. Moreover, the US also imposed various sanctions on the country, such as high trade tariffs, ban on the global telecommunications company Huawei, and targeted sanctions on certain Chinese officials accused of violating human rights in Xinjiang. US government officials, congressmen and senators all seem to have formed a unified view that China has truly become a strategic peer competitor.

In the eyes of Chinese ruling elites since President Jiang Zemin, the US has been attempting to contain the country's economic and military rise. But China does not have much leverage to prevent a US strategy of containment. What it can do is to protect its interests and influence by cultivating and enhancing its relationship with Southeast Asia. When Chinese President Xi Jinping came to power in 2013, China launched various grand initiatives such as the Belt and Road Initiative in 2013, the Asian Infrastructure Investment Bank in 2016, and the Lancang-Mekong Cooperation in 2016. China has also upgraded its relationship with ASEAN to the status of the "China-ASEAN Comprehensive Strategic Partnership" in October 2021. China also signed a free trade agreement with ASEAN in 2002.

It is worth noting that the US and China have repeatedly stated support for ASEAN in terms of maintaining and enhancing its centrality. However, one should not take this statement at face value. A deeper assessment is needed. From an optimistic perspective, US-China competition over the past 10 years has demonstrated that such a rivalry is necessary for the maintenance of peace and prosperity in the region.

First, most Southeast Asian countries, such as Vietnam, Singapore, the Philippines, and Indonesia, in fact welcome stronger US engagements in the security realm so as to balance a growing Chinese military presence and expansion in the South China Sea (SCS). For these countries, the US represents a stabilizing force for peace and stability in the region.

Second, the increasing volume of economic initiatives by both the US and China to engage Southeast Asia is beneficial for local economic growth. So far, Southeast Asian countries have expressed support for and engaged with the Chinese Belt and Road Initiative (BRI) quite enthusiastically. Rhetoric from government officials in Southeast Asian countries suggests they are willing to engage the US as much as possible on the economic front should the US wish to do so.

Even with that said, it is concerning that ASEAN has been facing pressures from both the US and China to choose sides. Even though there is rhetoric from the ruling elites and scholars in Southeast Asian countries that their respective states are not going to choose between the two superpowers, it is becoming increasingly evident that the room to maneuver between these superpowers is narrowing. ASEAN therefore faces the immediate challenge of avoiding a zero-sum scenario.



There are two aspects ASEAN may consider in terms of uniting itself as a single collective entity. First, more developed ASEAN member countries should encourage greater economic interaction with their less developed partners. They should invest more in and exchange more goods and services with other less advanced ASEAN members. For instance, Singapore and Malaysia should invest in and encourage greater bilateral trade with Cambodia and Laos. At the same time, more developed ASEAN members should also provide more scholarships to students from less advanced ASEAN members. This is particularly important because, as countries remain relatively self-reliant, their foreign policy is less influenced by the need to please certain powers for economic gains. Second, in the short and medium-term, ASEAN must engage all powers, not just the US and China, in order to play a stabilizing role in the US-China relationship. This includes Japan, South Korea, India, Australia and the European Union. At the time of writing, there are already existing efforts to engage these middle powers, but more is needed to ensure that they are all on board with ASEAN, especially their support for ASEAN centrality.

After all, the unity of ASEAN is a determining factor in terms of whether the region can weather this heated power competition between the world's two largest powers.



China's State Councilor and Foreign Minister Wang Yi greets with Dato Lim Jock Hoi Secretary-General of ASEAN with the both flags behind. Source: Reuters

### **ASEAN-CHINA SPECIAL SUMMIT:** WHAT'S NEXT?

**Prof. Dr. YANG YUE** 

Professor and Deputy Director Institute of Asian Studies, China Foreign Affairs University Prof. Dr. **Yang Yue** is Deputy Director of the Institute of Asian Studies at China Foreign Affairs University, Associate Professor. As a member of NACT China (Network of ASEAN-China Think- tanks), Dr Yue Yang has been actively engaging in Track II diplomacies. She received her PhD in International Relations from the Chinese Academy of Social Sciences. She was a Fulbright Scholar at Georgetown University in the U.S. from 2006 to 2008. Her research focuses on American politics and foreign policy, ASEAN-China relations, East Asia Regional Coopera- tion, and cultural diplomacy. Her most recent books include Theory and Practice of China's Cultural Diplomacy - An Empirical and Country-specific Study; The Belt and Road Initiative: ASEAN Countries' Perspectives; ASEAN-China Cooperation for Environmental Protection and Sustainable Energy Development, and most recent articles include "ASEAN's Perception of and Response to China-US Competition"; "Theoretical Analysis and Practical Approaches of Cultural Diplomacy: A Perspective of the "Civilization Dialogue Theory"; and "Major Power Competition and the Trump Administration's policy toward Southeast Asia."

The 2021 ASEAN-China Special Summit to commemorate the 30th anniversary of dialogue relations began a new chapter in ASEAN-China relations. Jointly building a Comprehensive Strategic Partnership (CSP) has become a principal goal for both sides to achieve in the years to come. However, with the Biden administration's newly released Indo-pacific strategy still centering on the containment of China<sup>1</sup> and a series of negative geo-political and geo-economic impacts of the Russia-Ukraine conflict, leaders of both sides require greater wisdom and vision to meet new challenges while simultaneously seizing the opportunity to ensure a peaceful environment for regional development.

#### Lessons from the Russia-Ukraine Conflict for the Region

Important lessons should be heeded from the Ukraine crisis, especially since what is happening here could happen elsewhere, including in the Asia-pacific. Although the Asia-Pacific is the most dynamic region in the world, there are still several ongoing hotspot issues, such as South China Sea territorial dispute. This area could turn out to be the ground for hot conflict if such issues cannot be properly managed by the regional countries involved. An important lesson from the Russia-Ukraine conflict is that peace is not to be undervalued. ASEAN countries and China are alike in their desire to maintain peace. Thus, only by continuously adhering to the settling of disputes by peaceful means can regional security be safeguarded and regional prosperity continue. The other lesson from Russia-Ukraine conflict is that inclusive security can ensure sustainable peace for all. The sustainable security of Europe cannot be achieved by excluding Russia. The same is true of the Indo-pacific. The US indo-pacific strategy aimed at excluding China is sure to sabotage the peace and security of the region.

#### Opportunities for Stronger ASEAN-China Relations under the CSP

ASEAN declaring a CSP with China and Australia at the same time and reluctance to frame the CSP with China as an "upgrade," demonstrates the pressures it faces in the current major-power rivalry and its prudence in navigating through relations with its external partners. ASEAN's concern should be well noted and accommodated by its external partners. To support ASEAN centrality and make the CSP deliver for its citizens is the best way to relieve the stress on ASEAN. With the increasingly tense major-power rivalry that is currently taking place in the region, ASEAN has been seeking to expand its external partnership in order to create more geostrategic space for maneuvering. With the expansion of its external partnerships, ASEAN on one hand feels under-resourced to manage such a big circle of friends<sup>2</sup>. On the other hand however, it also seeks to determine how to identify the most appropriate means to engage such partners in order not to create a competitive tendency among them and maximize the benefits from partnership. In light of this situation, China could help by providing third-party market cooperation in Southeast Asia. Currently, China has signed documents on third-party market cooperation with several countries, such as France, Italy, Japan and the UK. ASEAN, as an honest broker, which was stated in the ASEAN Outlook on the Indo-Pacific (AOIP), should also encourage third-party market cooperation between China and its other external partners, thereby both harmonizing relations among ASEAN's external partners and bringing additional benefits to the region without damaging ASEAN's interests.

<sup>1 &</sup>quot;Indo-Pacific Strategy of the United States," The White House, February 2022, https://www.whitehouse.gov/wp-content/ uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf.

<sup>2 &</sup>quot;Revisiting ASEAN and ASEAN-led Mechanisms: Taking Stock and Thinking Through,"ASEAN Political-Security Community Outlook, Volume 4, 2022, p.56.

#### **Deliver Substance under the CSP**

Concrete actions need to be taken to materialize the initiatives laid out in President Xi's speech at the 2021 ASEAN-China Special Summit. China, for the first time, officially endorsed the ASEAN Outlook on the Indo-Pacific at this sumit and declared a desire for synergy between the BRI and AOIP.<sup>3</sup> What comes next is for both sides to map out an action plan to link the two strategies and make them deliver on their commitments. 2021 witnessed milestone achievements in the joint construction of Belt and Road projects. The China-Laos Railway began operation. A new freight train service linking central China's Hunan Province and ASEAN was also launched, allowing China-Europe rail freight to reach Vietnam. Another milestone was surpassed in early 2022 during the construction of the Jakarta-Bandung High-Speed Railway. A continuous cross-highway box girder with the largest span was erected, a highly complex part of the headline BRI project.

On top of that, the synergy between the China-proposed Global Development Initiative<sup>4</sup> and ASEAN Community Vision 2025 should be placed high on the ASEAN-China cooperation agenda. It is especially urgent and necessary given the adversary impact of the pandemic on the implementation of the UN's 2030 Agenda for Sustainable Development. The current US-led stringent and comprehensive sanctions against Russia will further worsen the situation by undermining the fruits of economic recovery. Given the setbacks hampering regional development and the already vulnerable state of the regional and world economy, the China-proposed Global Development Initiative, stressing eight priority areas, including poverty alleviation, food security, COVID-19 and vaccines, financing for development, climate change and green development, industrialization, digital economy, and connectivity, could contribute to the rekindling of regional development. This would thereby help to achieve all 17 of the SDGs in the 2030 Agenda.

Inclusive cooperation and the maintenance of a peaceful environment are prerequisites for both sides to jointly building the CSP. The region has been benefiting from inclusive cooperation and a long period of peace. This needs to be cherished now more dearly than ever in today's fluid global environment.

<sup>3 &</sup>quot;For a Shared Future and Our Common Home,"Speech by H.E. Xi Jinping, President of the People's Republic of China at the Special Summit to Commemorate the 30th Anniversary of China-ASEAN Dialogue Relations, November 22, 2021, http://bn.mofcom.gov. cn/article/chinanews/202111/20211103219692.shtml.

<sup>4 &</sup>quot;Xi Proposes Global Development Initiative,"China Daily, September 22, 2021, https://www.chinadaily.com. cn/a/202109/22/WS614a3c0da310cdd39bc6a868.html.



China's State Councilor and Foreign Minister Wang Yi posed the ASEAN Way together with all ASEAN Foreign Ministers. Photo: Ministry of Foreign Affairs and International Cooperation of Cambodia.

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Senior General Min Aung Hliang as currently the President of State Administration Council of Myanmar after the military coup in February 2021. Souce: Alexander Zemlianichenko/ Pool via REUTERS

# MYANMAR'S POLITICAL DECAY AND ITS SPILLOVER EFFECT ON ASEAN

**KAVI CHONGKITTAVORN** 

Senior Fellow at Institute of Security and International Studies (ISIS) Thailand **Kavi Chongkittavorn** is a senior fellow at the Institute of Security and International Studies (ISIS) Thailand. He has been a journalist for more than three decades covering Thai and regional politics. He began his career as a reporter in 1983 and became the paper's foreign news editor in 1986. Then, he was asked to explore Indochina - first as Bureau Chief in Phnom Penh, Cambodia (1988-1990) and later on in Hanoi, Vietnam (1990-1992). After a year in Oxford University as Reuter Fellow in 1994, he went to Jakarta and served as Special Assistant to the Secretary-General of ASEAN in Jakarta in 1995 before returning to journalism. He was named the Human Rights Journalist of 1998 to commemorate the 50th Anniversary of the Universal Declaration of Human Rights by Amnesty International. From 1999-2000, he was the President of the Thai Journalists Association. From 2000-2001, he went to Harvard University as Nieman Fellow. He served as a member of the jury and from 2005-2008 as its chair of Guillermo Cano World Press Freedom Prize organized by UNESCO.'

On February 1, 2021, the Myanmar coup took ASEAN by surprise, as none of them could ever have imagined that the internal disputes within the country would upend its successful engagement over the past three decades. ASEAN has previously been credited for its perseverance and persistence in resolving the conflict in the resource-rich country.

The most frequently asked question now is: Does ASEAN have the capacity to help end the recent conflict and bring about normalcy to this war-torn country? To answer this question, it is important to understand the current context that Myanmar and ASEAN as a whole are faced with.

First, Myanmar is no longer the same country as in the past when it was governed largely by military rulers following its independence in 1946. For the past decade, at the very least, the people of Myanmar, especially the millennial generation, have enjoyed a free, open, and democratic society as never before experienced. It has been repeatedly stated that the ASEAN way, based on non-intervention and consensus, has been a panacea for its internal crisis .

Given the current geopolitical landscape, ASEAN is encountering new challenges posed by heightened superpower rivalry. In the past, the bipolar world was less difficult to navigate because there were no clear red lines. However, as the Russian-Ukraine war has manifested, the room for such maneuvering is getting smaller by the day. Some of the ASEAN members have already chosen a side. The grouping's split positions should not be interpreted as a liability, as it serves the grouping's overall interest, to maintain dialogue and cooperation with all external partners. Diversity in ASEAN is therefore an asset demonstrating the group's pragmatism. Second, the need for speed should be a key priority in the years to come. At the moment, the decision-making process is very structured and time-consuming. For the past five decades, such procedural steps have served the ASEAN members well. However, in the age of social media and fake news, ASEAN must streamline some of the procedures to ascertain timely decisions.

One new trend occurring during Cambodia's current chairmanship of ASEAN has been increased dialogue among the ASEAN leaders. Prime Minister Hun Sen took the initiative to consult with other ASEAN leaders, including Indonesian President Widodo Joko, Singapore Prime Minister Lee Hsien Loong, and Malaysian Prime Minister Sabri Jacob on the Myanmar crisis. This kind of informal consultation should be encouraged due to the ever-changing strategic landscape of the region and world. Apart from the ASEAN-related summits that are held each year, more informal meetings must be organized to strengthen and increase mutual trust among the grouping's leaders.

Finally, due to the Myanmar crisis and the currently evolving Russia-Ukraine war, the ASEAN Treaty of Amity and Cooperation (TAC) is becoming an important regional instrument to promote ASEAN's fundamental principles as potentially binding principles for all the fifty signatories. The six principles outlined in the TAC are very useful for ASEAN in conducting its collective diplomacy. Two of these principles would continue to be highlighted. Firstly, the right of every state to lead its national existence free from external interference, subversion, or coercion and secondly, non-interference in the internal affairs of one another.

In the post-Covid-19 world, the TAC's significance will continue to increase as international community seeks an exit strategy to a coming bipolar world.

After the Kingdom of Cambodia, Republic of Indonesia will take over the rotating Chairmanship of ASEAN by 2023. A picture shows ASEAN State leaders (from left) from Brunei, Cambodia, Indonesia, and Laos. Photo: Reuters

### DUAL CHALLENGES OF INDONESIA'S ASEAN CHAIRMANSHIP IN 2023

#### **ANDREW W. MANTONG**

Researcher, Department of International Relations Centre for Strategic and International Studies (CSIS), Indonesia Andrew Wiguna Mantong joined CSIS in January 2016. Prior to joining CSIS he served as the Secretary of Undergraduate Program at the Department of International Relations, Universitas Indonesia. His expertise includes topics such as non-traditional security, state-society relations, Indonesian foreign policy and ASEAN. He also teaches some international relations related courses on foreign policy, global civil society, theory and methodology at the Faculty of Social and Political Science, Universitas Indonesia. He obtained bachelor degree in International Relations from Universitas Indonesia in 2008 and master degree in International Relations from S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore, in 2012. Since 2016 he has been working with national and regional officials and academics to provide trainings and workshops related to foreign and security affairs, to conduct numerous studies and to formulate policy recommendation for various foreign policy stakeholders. Some of his research includes multiple studies on Indonesian defense diplomacy formula for maritime affairs, Indonesia' perspective on ASEAN maritime security frameworks, and Indonesian foreign policy under President Joko Widodo's administration. He is also currently observing state-society relations in Indonesia in issues like terrorism and radicalism, cybersecurity, and broader non-traditional security issues.

Indonesia will soon assume the role of ASEAN Chairman in 2023. Jakarta will likely find an intricate space between national and regional challenges to navigate ASEAN in dealing with its most pressing issues.

This year, Indonesia is the President of the Group 20 (G20). Aside from political challenges, it has put Jakarta at a tremendous logistical challenge to hold a series of back-to-back high profile meetings from the end of 2021 last year. While the G20 presidency mostly involves governmental agencies in economic affairs, many foreign affairs resources have been drawn into the events given the strategic importance of the issues involved.

Indonesia's G20 presidency this year may have provided some reflections for Indonesia's ASEAN policy next year. First, President Joko Widodo's foreign policy focus on economic diplomacy has found its gauge in the events of the G20. Controversy over Russia's attendance in the upcoming Summit has provided some tremendous diplomatic challenges for Indonesia who seeks to ensure that its agenda and priorities are not put aside by a security agenda. Jakarta prefers the international community to separate economic priorities from security concerns. Such normative standards, which are built around the long-seated doctrine of Free and Active Foreign Policy, will likely continue next year when Indonesia will go on to host not only ASEAN meetings involving ASEAN countries, but also ASEAN meetings with its dialogue partners, including the United States (U.S.), China, and Russia. The doctrine sets up a parameter to which Indonesia should remain neutral and be guided only by national interests and ideals in the middle of great power competition while being active in contribution to any efforts of maintaining international peace and stability. Second, consequently, we may expect some continuities of the agenda set this year by Indonesia in the following year. Along with economic diplomacy priorities, dealing with the post-Covid 19 economic recovery will heavily influence Jakarta's priorities and policies for ASEAN. Jakarta will likely discern regional challenges, including geopolitical issues, through the lens of economic priorities. Russia's invasion of Ukraine is important for Jakarta due to the shocks it has caused in terms of finance, commodity prices and supply chains, all of which may endanger regional attempts to jump-start the economy through recovery policies.

In various strategic talks within the country during President Widodo's tenure, the potential for a demographic dividend and opportunities to create economic growth have become some of the most important strategic concerns. Jakarta believes that a certain level of growth should be secured to make the most of Indonesia's current demography before turning its attention towards other liabilities in the future. Investment inflows and the creation of overseas markets are thus pivotal. We can therefore expect some continuities between Indonesia's proposal on the creation of the ASEAN Outlook on Indo-Pacific, its agenda for the G20 Presidency, and its ASEAN Chairmanship next year.

The post-pandemic recovery, as well as the economic growth that goes along with digitalization and sustainable development, will only be achieved, in Jakarta's eyes, by ensuring a "free and active" region. However, to realize such a vision, Indonesia will have to deal with both structural and internal pressures.

First, intensifying competition between the U.S. and China in the region has continuously blurred the

boundaries between economic and security affairs. The establishment of AUKUS and the Quad may also demonstrate a trend of great powers relying more on minilateral arrangement outside of regional processes such as the East Asia Summit and the ASEAN Regional Forum. Embedded in Jakarta's vision to navigate these forums is a belief that focusing on economic issues will invite more cooperative gestures than focusing on security interests. While the regional architecture is currently diversified between bilateral, minilateral, and regional measures, overlapping agendas will further test such a belief in at least two ways.

Jakarta will need to anticipate how political-security interests may lurk behind economic proposals. An attempt to secure greater supply chain cooperation, for example, could involve the question of how to reshore industry and manage the disruption caused should maritime clashes occur between great powers. Applying new technologies as well as labor and environmental standards both in industry and infrastructure development may also have some political consequences that could in turn divide ASEAN countries according to different sentiments.

Jakarta will need to find an effective formula not only to revitalize but also to secure the relevance of an ASEAN-driven forum. In doing so, Jakarta will also need to deal with domestic sceptics of ASEAN effectiveness in dealing with strategic issues in the region, including the South China Sea disputes and the possible crossstrait clash between China and Taiwan. Second, it should be noted that Indonesia is one of the more recent countries to ratify the ASEAN Charter. When the Indonesian parliament ratified the ASEAN Charter in 2008, it formally stipulated in the law adopting it that the ratification was conditional on sustained efforts towards the eventual realization of the "promotion and protection of human rights by an effectively functioning ASEAN human rights body, enforcement of sanctions towards serious breaches and non-compliance against the (ASEAN) Charter including suspension of rights to membership, and the promotion of societal participation in ASEAN activities". The 2021 military coup in Myanmar coupled with the continuing political and humanitarian crisis in the country is a significant test to this condition.

Domestic stakeholders could prove increasingly impatient about how slow progress is being made in ASEAN given the ASEAN Five Point Consensus and the on the ground reality in Myanmar today. Jakarta will hope that inclusive dialogue is immediately forthcoming between the Tatmadaw and contending forces in Myanmar's contemporary political space. Should the Junta hold an election next year without prior dialogue and humanitarian pause to allow for the impartial delivery of assistance to the Myanmar people, Indonesia will face a difficult political question regarding ASEAN relevance, both at home and abroad, during its Chairmanship of ASEAN in 2023.

President Jokowi, a man behind Indonesia's current diplomacy, attended Indonesia Independence Day ceremony on August 17th 2019. Photo: ShutterStock Group Of Malaysian holding Malaysia flag waving on the wind Flew with sun flare over the bright blue sky. Photo: Shutterstock

# MALAYSIA'S INTERNAL POLITICS AND THE IMPLICATIONS ON ITS FOREIGN POLICIES AND ASEAN

#### **THOMAS BENJAMIN DANIEL**

Senior Fellow, Institute of Strategic and International Studies (ISIS) Malaysia **Thomas Daniel** is a senior fellow in the Foreign Policy and Security Studies Programme. His interests lie in the security/strategic challenges and impacts of major power dynamics on ASEAN and its member states, the South China Sea dispute, and Malaysia's national security and foreign policies. Thomas also looks at the policy implications of refugees, asylum seekers and other displaced people in Malaysia, and the government's refugee policy of "not having a policy". Thomas holds an MA (International Studies) from the University of Nottingham (Malaysia), a BA in Communication and Media Management, and a BA (hons) in Communication, Media & Culture from the University of South Australia. He was a public relations practitioner focusing on social media management and media engagement strategies.

Malaysian politics has been in a state of tempered flux since the 2018 general election that dislodged the ruling Barisan Nasional (BN) coalition which has held power in various forms since independence. While this has not affected Malaysia's foreign policies dramatically, the nuances and uncertainties of domestic politics have seeped into how foreign policy is conducted and the views that conceive of them.

The Pakatan Harapan (PH) coalition that won the election, consisting mainly of long-standing opposition parties and a growing number of "defectors" from the former ruling coalition, did not deviate drastically in terms of the well established norms and interests of Malaysia's foreign policies. However, political priorities and a desire to demonstrate to both local and global audiences that the PH coalition was serious about its electoral manifestos saw a greater focus on issues like the rule of law, transparency and accountability, and an emphasis on human rights. These were prominently reflected in the Foreign Policy Framework for a New Malaysia, which aimed to frame Malaysian foreign policymaking as being defined by a new set of additional values.

The PH government was led by former prime minister Mahathir Mohamad, which saw some of his long held, deep seated perceptions of the world make a comeback in certain aspects of foreign policy. These included, but were not limited to, a strong sense of the hypocrisy and disingenuousness of the West, as well the "voice of conscience" for the Global South, particularly for the Muslim Ummah.

Political infighting, factionalism and scheming saw the PH coalition crumble in March 2020, with a new coalition, Perikatan Nasional (PN), walking the corridors of power. Coalitional jockeying in the pursuit of power subsequently came to the fore once again and in August 2021, the then Prime Minister Muhyiddin Yasin was forced to resign after losing the support of the majority of MPs from the largest party in parliament and in his coalition.

Malaysia's so-called "Grand Old Party", the United Malays National Organisation (UMNO), now holds the post of Prime Minister, which it considers its natural seat. Since then, factions within the party have triggered two state elections, which they won handsomely, and are now pushing for General Elections to be held as soon as possible. The belief is that the electorate has tired of the unstable politicking during the pandemic as well as its resulting economic crunch. Instead, they are now ready to return to a familiar party and coalition that, while associated with patronage and race-based politics, was also wistfully remembered by some for broad-based economic growth and general stability.

Since March 2020, when PH fell, Malaysian foreign policy has largely been characterised by three key trends.

First, the nation's foreign policy focus was largely dominated by the challenges brought about by the Covid-19 pandemic. This saw Malaysia undertake a significant outreach to countries that were core trade and supply chain partners, as well as those which supplied much needed vaccines to Malaysia as it sought to act decisively during the height of the pandemic in 2021. While the current impact of the pandemic is now less severe in Malaysia, the country is still in the process of opening up, which would see a renewed push for sorely needed travel related to business, investments and tourism.

Second, domestic politics and the pursuit of power continues to dominate the focus of Malaysian policymakers. Naturally, there has been little room to focus on foreign policy. This has arguably affected the extent of Malaysia's proactive engagement within ASEAN. While Malaysia has always deferred to the current Chair to set the tone and lead the agenda for the regional organisation, it has been noticeably less involved and outspoken on a range of issues over the past two years. This against a backdrop of the region beset by increasing major power competition across multiple spectrums and growing tensions in the South China Sea, where Malaysia is increasingly coming under pressure from China on its claims and hydrocarbon explorations. These issues aren't seen to bring in much desperately needed political capital to those vying for power, or in the case of the South China Sea, could cast an unfavourable one due to the limited options available to Malaysia in response. The one exception here is Malaysia's continued outspokenness on ongoing bloody ramifications of the February 2021 coup in Myanmar and insistence that the military junta make progress on the five-point consensus before being invited back to leaders-led meetings.

Third, and directly related to the two points above, Malaysia's foreign policy from March 2020 onwards has largely been reactionary. This has been especially true of policy coming from the top down, where elected politicians hold an apex position in foreign policy making. The hierarchy generally flows from the Prime Minister to the Foreign Minister and the Deputy Foreign Minister.. It is when there are major aberrations or sudden unexpected developments that shortcomings of the reactive nature are laid bare. For example, the alleged delayed decision to evacuate Malaysian diplomats and citizens from Ukraine before Russia invaded, despite strong evidence Russia was indeed going to invade. .

Whether top-down led stability, which would allow for a greater and more coherent focus on foreign policy, will come after a general election remains far from certain. A strong win could bring some political stability to the country. Broader questions remain on how Malaysia and its policy makers perceive the country, its identity, its position, and its strategic advantages (and challenges) in an evolving regional order marked by major power rivalry and growing uncertainty. While political stability will go some way to stabilising the policy making environment, there remain difficult questions and decisions that Malaysia will have to address in the foreseeable future.



A picture of Ferdinand Marcos Jr., during election campaign in the Philippines. Marcos Jr. was elected as the President of the Republic of the Philippines in 2022. Photo: Wikemdia Commons.

# A MISINFORMATION AND DISINFORMATION "SUCCESS STORY"? THE 2022 PHILIPPINE ELECTIONS

**UNITEAM** 

"BO

AND

GBONG" MARCOS JR.

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#### **MARIE ANTOINETTE P. DE JESUS**

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On June 30, 2022, 12 noon, the new Philippine President is Ferdinand Marcos, Jr., son of the deceased dictator, Ferdinand Marcos, Sr.

How did Marcos, Jr. do it? Why did he win when he was almost always absent during sponsored Presidential debates, when he lies about his educational degree, when his family has billions of pesos of estate tax liabilities, when his family is affluent, largely because of ill-gotten wealth, and when his father's Martial Law created a negative snowball effect on the country's economy, governance, and human rights?

Aside from depending on traditional politicians, conducting a typical campaign with a transactional relationship with voters, and focusing on the message of "unity", analysts point to Marcos Jr.'s strategy of propaganda, misinformation, and disinformation (PMD) as the main reason for his win (and the money and machinery required).

Analysts also suggest that the Marcoses' PMD strategy wasn't implemented a few months before elections. They invested in the long run by working on their comeback ever since Marcos, Jr. lost the Vice-Presidential race to Maria Leonor Gerona Robredo—or earlier—some say from the moment they were allowed to return to the Philippines, about 30 years ago.

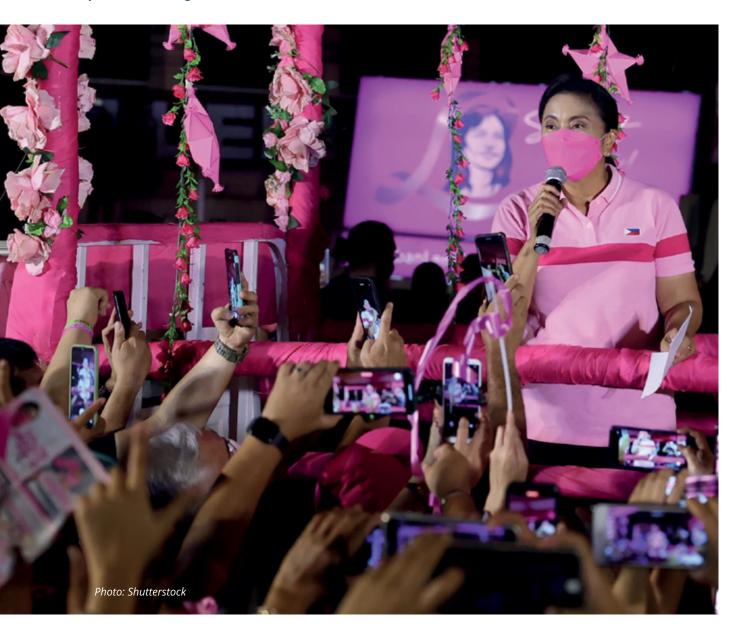
The PMD strategy is apparent in the flooding of Marcos-related propaganda on Facebook, YouTube, and TikTok—a suitable approach in the Philippines, where an average Filipino spends about 10 hours each day on the internet and 76 million citizens are Facebook users (as of 2020).

Doing the on-the-ground PMD dissemination work are "troll armies". But they don't call themselves that. A study by the University of Massachusetts Amherst's Jonathan Corpus Ong revealed that the troll machinery is surprisingly sophisticated. An individual applies to a public relations (PR) firm and undergoes job interviews and tests. Once hired, they're surprised that their client is a politician and they're tasked to create fake accounts and memes. A strategist oversees their work and there's no transparency in these transactions. A symbiotic relationship exists between the troll armies and pro-Marcos influencers or vloggers.

Their messages on these platforms are advantageous to the Marcoses. First, they portray the Martial Law era as a golden age, appealing to people's nostalgia for a peaceful life. Second, they downplay, even deny, the massive plunder and human rights abuses during this period. Third, they create and spread fake news on what Marcos, Jr. will give Filipinos if he wins, such as a quiet and abundant life similar to his father's time (which have been debunked), the distribution of 400,000 tons of (Tallano) gold, PHP 20 (around USD 0.30) per kilo rice (which Marcos, Jr. eventually said was merely an "aspiration"), etc.

Aside from improving the Marcoses' image, their PMD strategy includes relentless bashing and the invention of stories about Marcos's critics, particularly, Robredo. In a study by a fact-checking initiative, Tsek.ph, the largest beneficiary of fake news is Marcos, Jr., while the biggest victim of fake news is Robredo. Fact checkers flagged false or misleading claims about Robredo, including edited photos and videos to make it seem as if she is unintelligent, fake, or a "puppet" of a foreign country or a political family.

Why is there such certainty about these concerted efforts by the Marcoses, beside the existing online environment of dishonesty and hate? According to Cambridge Analytica whistleblower, Brittany Kaiser, the Marcoses requested them to rebrand their family image. Although the Marcoses eventually didn't commission Cambridge Analytica, it's logical that they



may have engaged another firm. The Marcoses have denied this.

Unlike buying votes or changing the number of votes, this strategy is subtle. Yet morally, it is a form of cheating, as they're cheating others from the truth.

The way that Marcos, Jr. won these elections sets a dangerous precedent for other nations. Can a country claim they have a democracy when one of its most important exercises—elections—was won through lies and manipulation? Will this be a trend? Or has it already been percolating around the world?

We saw it in Russia's online efforts to influence the U.S. elections; but this is more of a foreign interference. Domestically, we find that the Kremlin's messaging on the war in Ukraine is different from international reports-while international media showed shocking images of civilian casualties in Ukraine, some Russian media described it as a hoax.

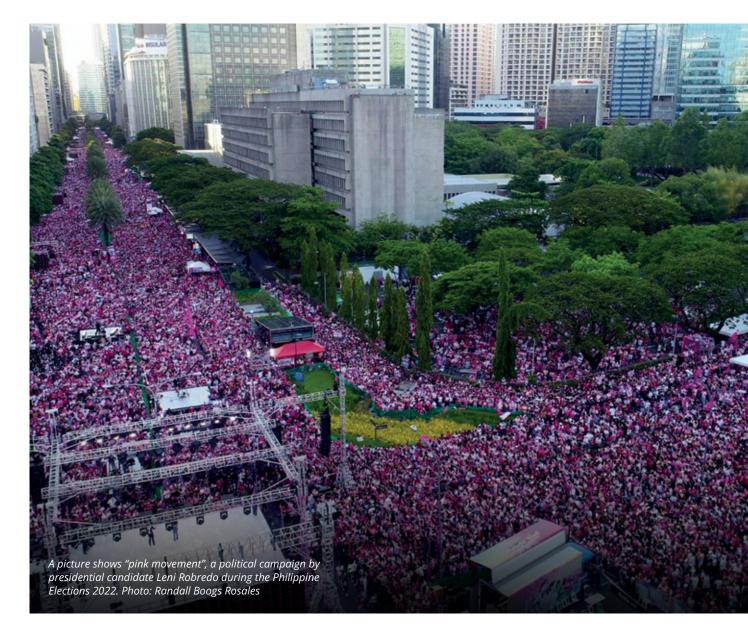
In Venezuela and Turkey, the government has armies of influencers peddling their agenda. Will we see the same in the Philippines and other countries, with troll armies becoming institutionalized?

How about those holding elections after the Philippines? Will the Philippines become a template for others wanting to grab power and hijack a democracy in such a deceptive manner?

What is happening in the Philippines isn't only about hijacking a democracy and a country's future, but also hijacking a shared, treasured history.

There must be a way forward.

A first in Philippine history—the pink movement powered by Robredo's volunteers, was created and molded by regular Filipinos, instead of typical politicians with their PR firms. Contrary to the traditional approach of paying voters to attend politicians' rallies



or to vote for them, many Robredo supporters did not only give their time and effort, but also spent their own money. This was evident in rallies with hundreds of thousands of attendees, reaching a high of up to one million, where performers and attendees would offer food, distribute campaign materials, offer free entertainment, and so much more. And this was apart from volunteer initiatives captured in house-to-house campaigns, flash mobs, caravans, murals, songs...

Many describe the pink movement as extraordinary and inspiring. And it can be a formidable opposition movement for good, able to mobilize quickly for a common cause during Marcos, Jr.'s Administration.

While their numbers are far from the votes cast for Marcos, Jr.--with Marcos, Jr. winning with a 30% lead, the passion and perseverance of each pink volunteer outweighs that. This daunting resistance is a tough

feat for an online troll army and a voter base—albeit very large—mostly driven by transactional politics.

But if the pink movement is so formidable and daunting, why was it unable to stop Marcos, Jr.'s win? The reason is that the pink movement is only a couple of months old. It didn't have sufficient time and resources to counter the Marcoses' efforts to regain power since their return from exile in 1991, the more than 6 years of their PMD strategy, a roughly 30-year long education crisis, and the fact that Filipinos have taken their democracy for granted for decades.

The conduct and outcome of the 2022 Philippine campaign and elections aren't just slaps in the face of Filipinos wanting better for their country, but a brutal beating. Yet, if this is what it takes to get large swathes of the country to wake up and radically change thingsespecially through the pink movement-then so be it. View of the sunset over the South China Sea from 100 floor of ICC Building in Hong kong. Source: Shutterstock,

# CONCERTED EFFORTS ADVANCE THE NEGOTIATIONS OF THE CODE OF CONDUCT IN THE SOUTH CHINA SEA (COC)

#### **Dr. PHAM DUY THUC**

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His research interests focus on international order, trust and confidence building measures, international relations in the Indo/Asia-Pacific, especially US-China strategic competition, Southeast Asia, ASEAN, Vietnam's foreign policy and the South China Sea disputes. He has written extensively for the International Studies magazine, East Asia Forum, The Diplomat and the likes.

Prior to joining the East Sea Institute, Dr. Thuc served as a researcher at the Institute for Foreign Policy and Strategic Studies (IFPSS), the DAV (2008 - 2009). He had a posting as Third Secretary at the Embassy of the S.R. of Vietnam in the United Republic of Tanzania (2009 – 2012).

Negotiations of the Code of Conduct in the South China Sea (COC) are entering a crucial stage. ASEAN and China have reached a provisional agreement on the preamble of the Code. Both sides are currently preparing to work on important contents of the COC that are mutually agreed to be substantive, effective and in line with international law and 1982 United Nations Convention on the Law of the Sea (UNCLOS).

There is a big hope that Cambodia will contribute to the COC process. China explicitly expressed a desire to conclude the COC in 2022 under Cambodia's chairmanship of ASEAN to celebrate the 20th anniversary of the signing of the Declaration on the Conduct of Parties in the South China Sea (DOC), which ushered in a "golden period" in history of ASEAN-China relations. Implicitly, Cambodia is expected to advance the COC negotiations and mark another milestone to promote the ASEAN-China relations.

Indeed, the ASEAN Chair's support is necessary, since it can set the COC negotiations as one of the main priorities on the agenda of related meetings throughout 2022. But this alone is insufficient, as the COC process does not merely depend upon the Chair alone. Instead, it needs concerted efforts from all countries concerned, both inside and outside the region.

All countries must firmly thwart disturbances to the negotiation process. Major powers must ensure they engage only in responsible forms of competition. Power politics, muscle flexing, coercion, intimidation, militarization and fortification should be abandoned. All countries concerned must earnestly maintain peace, security and cooperation, exercise self-restraint, and refrain from any provocative actions that complicate the situation or violate either the littoral states' exclusive economic zones (EEZs) and continental shelves or the international law. The ASEAN Chair must clearly demonstrate its readiness to proactively perform its mandated role. It has to actively promote and enhance the interests, consensus and unanimity of ASEAN on the COC issue. It must maintain the momentum of the COC negotiations and keep the issue at the center of regional attention and focus, while simultaneously coordinating on other pressing issues, such as the post Covid-19 recovery, the Myanmar Crisis and external developments like the situation in Ukraine.

There should be an appropriate solution for the coordinator of ASEAN-China dialogue relations to fulfill its role. Currently, Myanmar undertakes this task. Myanmar and China co-chair COC-negotiating meetings, namely the ASEAN-China Senior Officials' Meeting on the Implementation of the DOC (SOM-DOC) and the ASEAN-China Joint Working Group on the Implementation of the DOC (JWG-DOC). Unfortunately, it is difficult for Myanmar to do its job sufficiently, since it is currently bogged down in a crisis and ASEAN only allows non-political representatives from the country to participate in important ASEAN meetings.

ASEAN and China must find a way to reconvene face-to-face meetings. Both sides have flexibly held prior meetings through virtual platforms, resulting in the previously mentioned provisional agreement on the preamble section. They held the 26th in-person meeting of the JWG-DOC in May 2022 in Phnom Penh. It is an encouraging progress, paving the way for future physical meetings as they remain the primary modality of COC negotiations, since its contents are crucial and confidential. However, it is very difficult to hold in-person meetings while the Covid-19 pandemic remains rampant and the countries concerned are still adopting strict measures to prevent the virus contagion from getting out of control, such as zero-covid policy, travel bans and so on. More importantly, ASEAN and China must put their differences in perspective. The COC should not merely contain general principles. It must also include specific rules that are consistent with international law, including UNCLOS and related adjudication practices. It must be applied for the entire South China Sea, including the Paracels, the Spratlys, Scarborough Shoal and other related areas. It must clearly define the rights and obligations of different parties and have monitoring mechanisms in place to ensure the proper compliance and settlement of disputes in its interpretation and implementation. It should not be an exclusive agreement which prevents parties from cooperation with other countries outside of the Code. Making a detailed COC will help avoid the shortcomings of the DOC as a political and non-binding agreement. The DOC has failed to prevent activities which have complicated the situation, changed the status quo and allowed for the militarization of the South China Sea.

To recap, the COC negotiations are entering an important phase. ASEAN and China have agreed to make it a substantive and effective agreement that is consistent with international law and UNCLOS. Advancing the COC negotiations is not only the responsibility of the rotating ASEAN Chairmanship. It requires joint attempts and efforts from all countries concerned, both within and outside the region.



Regional Comprehensive Economic Partnership (RCEP) is a free trade agreement (FTA) between the ten members of ASEAN and its five FTA partners including Australia, China, Japan, New Zealand, and Republic of Korea)

### INDIA'S ECONOMIC INFLUENCE IN THE INDO-PACIFIC

**MIHIR S SHARMA** 

Director Centre for Economy and Growth Programme the Observer Research Foundation

**Mihir Swarup Sharma** is the Director Centre for Economy and Growth Programme at the Observer Research Foundation. He was trained as an economist and political scientist in Delhi and in Boston. His book, Restart: The Last Chance for the Indian Economy, was published in 2015; it won the Tata LitLive best Business Book of the Year and was longlisted for the Financial Times–McKinsey Business Book of the Year.

In 2019 Mihir co-edited What the Economy Needs Now with Abhijit Banerjee, Gita Gopinath and Raghuram Rajan. He is also the India columnist for Bloomberg Opinion, on the Editorial Board of the Business Standard newspaper in New Delhi, and an Aspen Fellow.

#### **Economics or Geopolitics?**

India was widely expected to be one of the founding members of the Regional Comprehensive Economic Partnership, known as RCEP. In dramatic fashion, India's Prime Minister Narendra Modi chose at the last minute to withdraw India's candidacy for the trade agreement during the closing summit of November 2019 in Bangkok, saying that his "conscience" would not allow him to permit India to join fifteen other countries in the world's largest free trade agreement.

Given that this came at the end of more than eight years of discussion, of which India was an integral part, it was naturally seen as a great disappointment – particularly by India's close economic and geopolitical partner, Japan. Although India and Japan already have a relatively deep and robust FTA, Tokyo may have hoped that New Delhi's presence in RCEP would help to dilute the notion that the bloc was essentially creating a Beijing-led structure for trade in the Indo-Pacific.

It should thus be clear that the reasons both for India's possible presence in RCEP and its decision to not enter are closely related to geo-political and geo-economic questions about the future of the Indo-Pacific and India's role in the region – and not just the costs and benefits for Indian companies and consumers. While the Indian government has consistently expressed scepticism about possible benefits from tariff reductions, and showed concern in particular about its dairy and other sensitive agricultural sectors during RCEP negotiations, a major reason for its eventual refusal to join is unquestionably the general belief of the Indian political class that the agreement is centred around the export powerhouse that is the People's Republic of China.

### Trade Hesitation vs Geopolitical Hesitation

Policymakers in New Delhi have expressed concern in the past about a "unipolar Asian economic order", especially in the context of large economic programmes such as the Belt and Road Initiative (BRI). This reflects India's traditional prioritization of its "strategic autonomy" in both political and economic alignments. Hesitation over RCEP should be seen as another example of this concern, not a broader refusal to engage further with trade agreements. This is in spite of the possibility that Indian partners, including Japan, would have preferred an India inside RCEP that would have helped balance China's power in the grouping.

In the period since India refused to join RCEP, further developments have underlined this. In 2020, a clash at the disputed Sino-Indian border resulted in the deaths of twenty soldiers from the Indian Army and an unknown number from the Chinese People's Liberation Army (PLA). Bilateral economic relations suffered greatly as a result. In particular, the Indian government put constraints on investment from China and restricted trade in Chinese goods. This would naturally have been far more difficult had India entered into the RCEP process. After the 2020 crisis, the military and political relationships between India and China are unavoidably linked to the bilateral economic relationship. RCEP, by placing FTA-related constraints on the bilateral economic relationship, would have been seen as reducing strategic autonomy to an unacceptable extent by Indian policymakers.

India's willingness to enter into other FTAs in the past year, including with the RCEP member Australia, is another indication that it may not just be trade skepticism but broader geopolitical concerns that are responsible.

#### **Alternatives to RCEP?**

So how is India using or creating economic influence in the region, if not through joining RCEP? The danger is that by withdrawing from RCEP and failing to join the other large trade pact in the Indo-Pacific, the Comprehensive and Progressive Trans-Pacific Partnership or CPTPP, India will not just isolate itself economically, but also reduce its ability to use the size of its economy and market as a form of influence on the region. Previous attempts by India to join the Asia Pacific Economic Cooperation or APEC forum have also been denied. If India wishes to create a multipolar and inclusive Indo-Pacific, which is its stated policy, then it cannot give up on increasing its economic influence through greater integration with the economies of the region.

The main grouping through which India has so far sought to reshape the Indo-Pacific's economic architecture and exert its own economic influence is the Quad, which includes the United States, Australia, Japan, and India. While it has been known as a security-focused grouping – although not an alliance – the Quad has in recent years begun to focus more closely on geo-economic and development (though not necessarily explicitly trade-related) questions. In the last Quad summit at Tokyo, the four national leaders met along with the heads of their respective development agencies to begin work towards development cooperation in the Indo-Pacific.

Yet the Quad has many limitations as a mechanism for exerting India's economic influence. Not only is it still seen as a security-first grouping, meant to manage and counter Beijing's actions in the region, but it is also considered by many countries, particularly in Southeast Asia, as an exclusive grouping and thus an object of suspicion. Repeated references to "ASEAN centrality" within the Indo-Pacific in Quad joint statements have thus far not helped to completely overcome such suspicion.

At the last Quad summit in Tokyo, the leaders also released the "Indo-Pacific Economic Framework" or IPEF, which has four modules under which economic cooperation between regional countries could be enhanced. There is a clear overlap between RCEP countries and the thirteen in the IPEF, which includes those of the Quad, South Korea, Fiji, New Zealand, seven members of ASEAN, and New Zealand. Besides China, RCEP members that are not in IPEF include Myanmar, Cambodia, and Laos.

The hope is that, although the IPEF has no planned element of tariff reductions and market access, it will nevertheless create a route by which trade and investment could be increased through the creation of common standards and regulatory norms, which may eventually be imposed through binding legal commitments.

In the absence of participation in classic trade blocs like RCEP or CPTPP, India has thus had to seek out other formats to expand its economic influence in the Indo-Pacific. It will likely seek APEC membership again in order to revitalize the forum and increase its voice in trading protocols within the region. But the primary mechanism in the near future will undoubtedly be the IPEF. This has the benefit of both satisfying those in New Delhi who continue to be hesitant about trade and those who are wary of strengthening blocs like RCEP which they see as creating "China centrality" in the Indo-Pacific region.

### RCEP REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP

AUSTRALIA BRUNEI CAMBODIA CHINA INDONESIA JAPAN LAOS MALAYSIA MYANMAR NEW ZEALAND PHILIPPINES SINGAPORE SOUTH KOREA THAILAND VIETNAM

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KYIV, UKRAINE - Feb. 25, 2022: War of Russia against Ukraine. Subway station serves as a shelter for thousands of people during a rocket and bomb attack. Photo: Shutterstock

# MIDDLE POWERS, STRATEGIC APPROACHES AND RETHINKING IN TIMES OF EXTERNAL THREAT

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Project Coordinator Konrad-Adenauer Stiftung Poland Office **David Gregosz**, born 1983 in Leinefelde/Thuringia, studied Economics and Political Science at the Philipps University Marburg. Since September 2020 he heads the office of Konrad-Adenauer-Stiftung (KAS) in Warsaw/Poland. From 2017-2020 he coordinated the global International Economic Policy work of KAS. Before that, from October 2013-2017, he managed an office of KAS in South America (Santiago/Chile).

**Thomas Behrens**, born 1976 in Bonn, studied law at the Ruprecht-Karls-University Heidelberg and political science at the Rheinische Friedrich-Wilhelms-University Bonn. In 2011, he wrote his master's thesis under Prof. Gerd Langguth on the topic of power-political asymmetry in German-Polish relations since 1998. Since April 2021 he serves as project coordinator at the Foreign Office of Konrad-Adenauer-Stiftung (KAS) in Poland. Previously, he worked for several years as an independent, project-related employee for KAS Poland, as well as various partners of KAS Poland (Institute for Public Affairs (ISP), Centre for International Relations (CSM), Bertelmann Stiftung, Kreisau Foundation for European Understanding, etc.) and private companies.

Russia's military invasion of Ukraine on February 24, 2022 marks the most significant turning point in security policy since the end of the Cold War in 1989/90 and constitutes a watershed moment in international relations. Russia's aggression against this sovereign neighbour, whose citizens in recent years have (in a broad majority and increasingly so) sought to join the democratic and economically prosperous West, is now the fifth major war<sup>1</sup> that the country under the leadership of Vladimir Putin has waged in its geostrategic neighbourhood since the 1990s. The attack on Ukraine also represents a (repeated) violation of international law. This significantly undermines the European and international security architecture and has evoked overwhelming rejection and condemnation worldwide. Impressively, this is documented in the adoption of UN Resolution ES-11/1<sup>2</sup> by the United Nations General Assembly on March 02, 2022.

Due to the increasingly ruthless warfare of the Russian armed forces, comprehensive military support from the West to Ukraine in the form of weapons deliveries and stand-by options is currently being intensively discussed. A movement of refugees towards the West has already begun, which experts estimate could ultimately involve up to 10 million people, as experts stated in March this year.<sup>3</sup> More worryingly, the conflict could also be extended to neighbouring countries such as the Baltic states or Poland by the nuclear armed Russian state, as Vladamir Putin's longer-term regional strategy remains unknown.

Given this background, which issues are gaining new or renewed relevance in international relations? One of them is certainly the foreign policy strategy assessments of medium-sized states.

What characterises a middle power? Can a different positioning of medium-sized states in Europe be identified? Are these strategies now being debated and re-evaluated in light of the war in Ukraine? And what is the situation in Poland, which in terms of population, territory, its positive economic dynamics and geostrategic position in the region is one of the most important members of the European Union, that now, with its borders with Ukraine, Belarus and Russia (Kaliningrad Oblast), is surely be one of the countries most affected by the war in the East? With this in mind, how should Poland's recent foreign policy be assessed? And what strategic conclusions can be drawn for middle powers in other regions of the world - such as Cambodia in the Indo-Pacific?

### The Concept of the "Middle Power" in International Politics

Political science differentiates states in terms of power and influence into "world powers", "middle powers" and "small states". The first category - initially known as "great powers", and later, during the Cold War (with reference to the US and the Soviet Union) even labelled "superpowers", includes states that, due to their economic, military, diplomatic and cultural dominance, have the ability to exercise global hegemony. They are in a position to simultaneously influence developments in several regions of the world in line with their own interests or to achieve their goals globally by means of power projection. Middle powers, on the

In detail: 1999-2009: Second Chechen War; 2008: war in Georgia; 2014: invasion and subsequent annexation of Crimea; since 2014: military support for pro-Russian forces in the war in eastern Ukraine; 2015: military intervention on the side of the Assad regime in the Syrian civil war; 2022: invasion of Ukraine.

<sup>2</sup> https://www.aljazeera.com/news/2022/3/3/unga-resolutionagainst-ukraine-invasion-full-text.

<sup>3</sup> https://www.gazetaprawna.pl/wiadomosci/swiat/ artykuly/8372742,gerald-knaus-migracja-z-ukrainy-z-powoduwojny-moze-uciec-nawet-10-milionow-ludzi.html.

other hand, are states that can achieve a large, specific influence internationally or regionally, but are not able to establish global dominance. In this context, physical and material criteria are referred to according to the relative capabilities of such states, including population size, territory, economic and military policy framework data or their membership or position in international organisations, among others. On the other hand, their political self-image is also considered a decisive factor, according to which middle powers seek to establish niches in the international arena by means of regional influence, representing special foreign policy interests and values in certain areas, and especially by trying to make use of diplomatic capabilities. In contrast, small states do not have any independent international significance in terms of power politics.<sup>4</sup>

#### European Middle Powers and Their Various Approaches. Is there Now a Rethinking?

Europe, with all its historical diversity, has a wide range of different middle power types, which often have their own foreign policy strategies. The following three examples serve to illustrate this: Switzerland, Austria and Poland.

Switzerland, geographically located in the centre of the European continent, claims for itself the decidedly neutral role of a politically and economically stable middle power with strong global interests. This country, with roughly 8.5 million inhabitants, is neither a member of the EU nor NATO, but instead relies on a broad international network and a politically, economically and culturally multilateral dialogue with neighbours and global partners. Switzerland, which ranks 20th in the world economically, with a nominal GDP (2021) of 810,830 billion US dollars<sup>5</sup>, gains its strength primarily from its globally oriented foreign trade policy. The principle of "Swiss neutrality" is the country's main foreign policy focus, meaning, as a credible actor in the global arena, it seeks international solutions in association with like-minded states. It deliberately refrains from pursuing a policy agenda based on power politics. Instead, Switzerland focuses on issues and regional priorities by means of a coherent approach, even in relation to the major powers. Nevertheless, part of the country's national identity is that it relies on a stable European and international environment to safeguard its core national interests - security, prosperity and independence. In the current conflict, this has led Switzerland, after a brief period of hesitation, to join the West's tough package of international sanctions against Russia, contrary to its previous balancing position. The reason for this is that its government does not want to undermine two important foreign policy goals that are about to be achieved: the consensus on a political framework agreement with the EU and its historical first candidacy for a non-permanent seat in the UN Security Council from 2023.6 Therefore, diplomats claim that the time in which Switzerland can stay out of major geopolitical conflicts completely by referring to neutrality is over. On the contrary, neutrality in the modern era implies that a country can stand up against serious violations of international law. Thus, Russian elites' assets in Switzerland have been frozen, financial transactions with Russia have ceased with immediate effect, and the nation's airspace has been closed to Russian aircraft.7 In case the question of suspending commodity trade with Russia should also arise in the future, Switzerland's current political turn would be even more explosive, since 80 per cent of Russian exports are conducted through Swiss companies.<sup>8</sup> In this respect, the political reinterpretation of Swiss neutrality in the wake of the Russian invasion of Ukraine is to be understood as a radically different approach.

In Austria, a similarly large country with a population of almost 9 million people and a nominal GDP of 481,209 billion US dollars (global ranking: 28)<sup>9</sup>, the situation is different, as the country's middle power status is based on two different pillars. On the one hand, the Republic of Austria also considers itself a balancing power. This is due to the constitution in which the country in 1955 committed itself to "perpetual neutrality". Thus Austria stands out in its role as an East-West hub and mediator between the industrialised and developing countries. It is not a member of NATO, but is nonetheless active in the United Nations and has experience with UN peacekeeping operations. It also attaches great importance to participation in the OECD and international economic organisations and is actively involved in the Organisation for Security and Cooperation in Europe (OSCE). A special manifestation of this multilateral

<sup>4</sup> Georg Schwarzenberger, Machtpolitik, Eine Studie über die internationale Gesellschaft, Tübingen 1955, S. 65-80; Detlef Nolte, Macht und Machthierarchien in den internationalen Beziehungen: Ein Analysekonzept für die Forschung über Regionale Führungsmächte, German Institute of Global Area Studies (GIGA) (Hg.), Hamburg 2006, S. 28.

<sup>5</sup> GDP of European countries 2021 - StatisticsTimes.com.

<sup>6</sup> https://www.handelsblatt.com/politik/international/ukrainekrieg-sanktionen-gegen-russland-was-hinter-der-kehrtwendeder-schweiz-steckt/28127874.html.

<sup>7</sup> Schweiz schließt sich EU-Sanktionen gegen Russland an - Schweiz - derStandard.at > International.

<sup>8</sup> Schweiz spielt wesentliche Rolle bei Russland-Sanktionen -Wirtschaftspolitik - derStandard.at > Wirtschaft.

<sup>9</sup> GDP of European countries 2021 - StatisticsTimes.com.

approach is the fact that many institutions with international significance are located in Vienna: the Secretariat of the OSCE and the headquarters of the International Atomic Energy Agency, the United Nations Industrial Development Organization, the United Nations Drug Control Programme, and the Organization of Petroleum Exporting Countries. In addition to this balancing strategy for international influence, however, there is also a second essential parameter in Austria: the strong ties to the West through its membership in the European Union since 1995. Unlike in Switzerland, taking a political stance is therefore not a contradiction to neutrality. The reaction to Putin's military incursion (despite deep economic relations with Russia<sup>10</sup>) was correspondingly clear<sup>11</sup>: Chancellor Karl Nehammer spoke of a unilateral unleashing of the war in Ukraine by Russia, of war crimes as well as crimes against humanity. Moscow sharply criticised this as a violation of the duty to maintain neutrality. But despite this, Austria supports Brussels' tough sanctions and in fact even contributes to the financing of weapons deliveries to Ukraine by supporting an EU fund.<sup>12</sup> While this position is legally questionable, it underlines only too clearly that Austria is indeed undoubtedly in the camp of Western democracy.

By contrast, another European state, Poland, made this decision clearly long ago - and deeply institutionalised it over two decades. After the end of communism, the continuous integration of the country into "the West" was considered an irrevocable maxim. This led to Poland's accession into NATO in 1999 and the development of a close relationship to the USA as world power in terms of security policy, which is reflected in particular in the country's participation in military combat operations in Iraq and Afghanistan. Furthermore, Poland joined the European Union in 2004, where it is the fifth-largest member state with a population of almost 38 million. It is also the sixthlargest economy in the EU-27 with a nominal GDP (2021) of 655,332 billion US dollars<sup>13</sup> - a strong economic base that even reported positive growth during the global financial crisis. Poland is thus evidently a European middle power. Aware of its status, the country exerts international influence through its membership in organisations such as the OSCE, whose presidency it currently holds at the time of writing in 2022, or in the United Nations. And as the largest EU member state in Central Eastern Europe, it has for a few years been trying to establish a regional leadership position through new initiatives such as Visegard, the Three Seas Initiative and the Bucharest 9. Since Poland, as an eastern EU and NATO member, has long been advocating support for democratic neighbours in the east, and since it is now, as a country bordering Ukraine, directly affected by the war and the immense influx of refugees, its current response is explicit<sup>14</sup>: Europe and the Western world - united in awareness of their shared values - must stand together, put all politically and economically conceivable sanctions in place against Russia and provide humanitarian and military backing for the neighbour across the border as much as possible. The seriousness of this stance was underlined by the Polish proposal to offer Ukraine even its own MIG fighter planes to engage Russia.15 But as a middle power alone, Poland will not be able to provide all of this support, but instead relies on the joint strength, capability, and resilience of international alliances such as the EU and NATO. Meanwhile, the country feels confident in its assessment of Russia as a major regional power that uses its energy resources as a political weapon to fulfil imperial dreams and to once again subject the countries in its immediate vicinity to its influence.

The conclusion to be drawn from the three cases outlined here is that a comparatively relative, limited international influence as a middle power does not necessarily lead to uniform or analogous foreign policy strategies. On the contrary, medium-sized states take very different positions. However, what they all have in common is that they are making strategic decisions during the current crisis in the service of common values that, in the face of the gravest external threat, promote a supranational alliance that will secure their own continued existence and freedom in the future.

#### Poland's Foreign Policy in Recent Years

On the basis of the analysis so far, with regard to the Law and Justice ("PiS") government, it can only be stated soberly that foreign policy pursued since 2015 does not correspond to the strategic approach that Poland is currently rightly pursuing in light of the war and the immense security challenge it poses. Good

<sup>15</sup> https://www.welt.de/politik/ausland/plus237421027/ Ukraine-Krieg-Wie-es-zum-Konflikt-ueber-28-Kampfjets-kam. html?icid=search.product.onsitesearch.



<sup>10</sup> https://www.sueddeutsche.de/politik/russland-oesterreichsanktionen-wirtschaftsbeziehungen-ukrainekriegauslandsinvestionen-1.5545891.

<sup>&</sup>lt;u>11</u> Russland bezweifelt Österreichs Neutralität im Ukraine-Krieg (faz.net).

<sup>12</sup> Seite 2 - Warum Österreich Neutralität auch im Ukraine-Krieg heilig ist (faz.net).

<sup>13</sup> GDP of European countries 2021 - StatisticsTimes.com.

<sup>14</sup> https://www.gov.pl/web/dyplomacja/komunikat-msz-w-sprawierosyjskiej-agresji-zbrojnej-na-ukraine; https://www.gov.pl/web/ premier/przemowienie-premiera-mateusza-morawieckiegow-berlinie; Was ist die Strategie des herrschenden Lagers gegenüber dem Krieg in der Ukraine - Polityka Insight.

relations with Western partners, as had been consolidated in a cross-party consensus under previous governments since the 1990s, were no longer a priority under PiS. General principles of the rule of law collapsed under national judicial reform, for which Poland is currently in a deep dispute with the highest European bodies such as the EU Commission and the European Court of Justice, as well as the majority of other EU member states. But instead of resolving opposition, Warsaw shifted into a destructive mode. The government obstructed the traditional line of deepening the country's integration with the West with an exaggerated narrative claiming that a hegemonic Europe dominated by Germany wanted to deprive Poland of its sovereignty and cultural identity. Believers of such a narrative argued that Europe does not see Poland as an equal partner. Therefore, the government sought its own profile in regional cooperation initiatives such as the Visegrad Group or the Three Seas Initiative, thus far without capitalising on them or establishing improved relations with neighbours such as the Czech Republic or Hungary beyond singular agreements. There is one principle that can be seen as the force behind the country's actions abroad in recent years: PiS sees domestic policy as the driving factor of foreign policy. Until recently, the government's sole aim was to politicise foreign policy problems, such as the migration crisis on the Belarusian border at the end of 2021 or conflicts with the EU, in order to gain support among its own voters in Poland's currently highly polarised society. Actual problem-solving was not relevant and foreign policy became secondary. This has resulted in phenomena such as the ineffectiveness of Polish diplomacy for party-political goals and the loss of important mutual trust at the supranational political leadership level.<sup>16</sup> What limits this damage at the moment is solely the fact that despite all the abuses described above, one of the few lines of continuity in Poland - due to the dramatic historical experiences of the nation's repeated obliteration by foreign powers - is the irreversible pursuit of and focus on national security and defence as an essential factor of its foreign policy. A policy entirely detached from the West - be it a rejection of the EU as a major regional economic power or the USA as a world power and dominant provider of security within the framework of the transatlantic alliance - is therefore unthinkable, even for the current government in Warsaw.<sup>17</sup>

#### 16 Klaus Bachmann, Politik in Polen, Stuttgart 2020, S. 67 ff.

#### Lessons for Middle Powers in Other Regions of the World

The sheer scale of the refugee exodus from Ukraine to the West (very likely the largest since World War II) and the decisive response of the United Nations shows that the war in Ukraine cannot be classified as merely a regional conflict. The unclear role of China and questions about the impact on global financial and energy trade, as well as the possible involvement of NATO as the conflict escalates, emphasise the transregional scale of the crisis.

The reaction to the recent aggression of the Russian nuclear power, in violation of international law, leads to the conclusion that in the face of such broad conflict, middle powers in particular must strengthen their foreign policy strategy capabilities in order to build effective resilience. This is all the more urgent as, in the 21st century, a major conflict between the world powers of the USA, still the provider of stability freedom and democracy, and China, the advocate of a multipolar and ideologically pluralistic world order<sup>18</sup>, seems imminent. Medium-sized powers in other regions, such for example the Indo-Pacific, will therefore also find it more difficult to continue to adopt a neutral or balancing position in the future.

Cambodia, a state that is oscillating between the USA and the EU as its largest foreign trade partners and China as a regional power seeking to expand its economic, military and cultural dominance in strategically important regions (locally evident in the context of issues such as China's Belt and Road Initiative, the use of military bases and the role of Chinese migrants<sup>19</sup>), will not be exempt from this. In this respect, middle powers everywhere are faced with the need to make crucial decisions. At this point, it is not expedient - as the example of Poland shows and as some reports also attest to Cambodia<sup>20</sup> - to orient foreign policy solely in the light of domestic policy being the driving force. The times of such negligent misjudgements and irresponsibility should be over.

<sup>17 &</sup>quot;Ohne normativen Kompass", KAS-Länderbericht von David Gregosz (10.11.2021): https://www.kas.de/ documents/252038/10987758/Au%C3%9Fenpolitische+Bilan z+der+polnischen+Regierung+unter+F%C3%BChrung+der+P iS.pdf/00a4fd0a-7986-c4b4-4127-9fee3873bb50?version=1.0 &t=1636560296143.

<sup>18</sup> https://www.dw.com/de/chinas-weltordnung-f%C3%BCr-das-21jahrhundert/a-54351316.

<sup>19</sup> Kambodscha zwischen China und dem Westen - Rosa-Luxemburg-Stiftung (rosalux.de).

<sup>20</sup> Ibidem.





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#### Introduction

The first two decades of the 21st century have made it manifestly clear that the digital realm is in many ways where mankind's course in the times to come will be decided. This is a fact that the Kingdom of Cambodia is increasingly forced to confront as it aspires to be a hub of progress and development in Southeast Asia. While a more pronounced digital footprint is necessarily dependent on collaboration beyond any one nation's borders, the choice among potential international partners that Phnom Penh faces is far from simple. In that sense, the domain of technology, not unlike many other fundamental sectors in the region, is vulnerable to the long-standing and intense rivalry between two of the great powers of our age, namely the United States and China. Regardless of the extensive expertise and abundant resources that both countries have to offer, picking one over the other is more than likely to have adverse diplomatic and economic implications for Cambodia as a result of a retaliation on the part of the losing side. The Kingdom's digital sphere readily illustrates this trend - Washington and Beijing are currently embroiled in a fierce competition for dominance in this field. They do so by actively promoting platforms and networks of their own design (such as the Digital Silk Road and the Digital Connectivity and Cybersecurity Partnership) and actively undermining and criticizing each other's efforts<sup>1</sup>.

In light of this unenviable balancing act, researchers have suggested that there is in fact a "third way" that can be sought as a way to mitigate the dilemma of being torn between the two shores of the Pacific<sup>2</sup> - a

policy of broader cooperation with the European Union (EU). The rationale behind this argument insists that the 27-state bloc has no ambitions to be a hegemon in the Far East but is rather pursuing mostly economic interests through productive exchanges with friendly nations. Therefore, it follows that neither Washington nor Beijing would be as antagonized by a Cambodian effort to increase engagement with the EU (both are vital trading partners of the organization, after all) as they would if Phnom Penh settled on one of them. Furthermore, recent years have shown that the EU is displaying a greater willingness to support and expand its partnerships throughout Asia in a mutually beneficial and sustainable manner. Brussels' recent announcement of the Global Gateway Initiative (GGI), a multi-billion euro transcontinental investment platform centered around resilience and capacity-building via equitable standards and practices is a testament to that fact<sup>3</sup>. The following article will briefly summarize the key provisions on digital development that the GGI incorporates and subsequently attempt to apply them to the particularities and issues in Cambodia that bear relevance in this crucial context. This will demonstrate why joint activity with the EU under the initiative can be highly beneficial for Phnom Penh in both the short and long term. Finally, some recommendations detailing potential next steps for Cambodia's officials vis-à-vis the GGI will be offered along with a discussion of the likely challenges they will face.

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<sup>1</sup> https://www.globalasia.org/v16no4/cover/us-china-rivalry-anddigital-connectivity-in-the-indo-pacific\_miyeon-oh; https://www. usaid.gov/digital-development/digital-connectivity-cybersecuritypartnership

<sup>2</sup> https://cicp.org.kh/publications/facilitating-multilateralism-eucambodia-asean-dialogue/

<sup>3</sup> https://ec.europa.eu/info/strategy/priorities-2019-2024/strongereurope-world/global-gateway\_en

### The GGI and Its Digital Agenda at a Glance

While it is beyond the scope of this article to explore the initiative in its entirety, a brief outline must necessarily be put forward, particularly in relation to the current paper's sphere of interest. At its core, the GGI is an ambitious EU master plan "for major investment in infrastructure development around the world" by allocating roughly 300 billion euros for such joint ventures abroad<sup>4</sup>. The project, as hinted above, revolves around the idea that democratic ideals transcend national borders and can create the foundation for an even-handed and productive dialogue that in turn facilitates lasting ties of cooperation. It is emphasized that establishing relations in this manner is more essential than ever as states struggle in the face of ever-evolving global challenges.

The digital domain is an integral part of this vision the sector is consistently portrayed as the linchpin of security, education, administration and economic exchange in a modern state. Therefore, the authors of the GGI insist that the EU's upcoming investments in the tech sphere will be vital for ensuring progress, prosperity and innovation far beyond the bloc's borders. In pursuit of that goal, a commitment is made not only to bolster the conception and execution of digital projects, but also to firmly ground them in comprehensive norms oriented towards transparency and reciprocity. More concretely, the initiative is intended to increase connectivity and accessibility across the board by helping to expand existing networks and establish new ones on land, at sea and in space. Beyond material undertakings, the GGI also seeks to provide state-appropriate aid vis-à-vis the management of critical online assets, cyber security and the administration of digital markets. Furthermore, technological research in this domain which has been used by the EU to enhance its transport grids, learning facilities and healthcare systems will also be shared and furthered on foreign soil. All in all, the initiative's goal is to be a provider of "digital economy packages" that will stimulate sustainable and inclusive development across a variety of essential sectors in third countries.

### Cambodia's Digital Realities and How the GGI Fits In

Attention will now be afforded to the specific facts on the ground in terms of the main issues underlying the digital status quo within the Kingdom and how the initiative can be instrumental in addressing the situation. To that end, the discussion should move beyond the basic promise of increased material investment capital that the EU is offering and instead focus on nation-specific problems where non-financial support can also be granted. First and foremost, the administrative digital assets that Phnom Penh has been employing leave a lot to be desired in terms of reliability and security. Even though the Royal Government of Cambodia (RGC) has recently been attempting to establish a more secure dedicated platform for interdepartmental communication and data storage, the situation on the ground is far from satisfactory. In that sense, officials still often rely on informal and publicly accessible networks to establish channels of interaction and engage in informational exchange.

This can make even the most sensitive of the RGC's operations vulnerable to data theft and cyber sabotage, a fact that has already been made evident on several occasions. In 2012, a massive cyberattack against the national authorities was conducted by two foreign hacking organizations, NullCrew and Anonymous. As a result, highly confidential correspondence and access details from multiple critical branches of the political and military establishment were made available online. Over the next several years, reports emerged that numerous email and social media accounts of key officials from across the Kingdom's political spectrum (including the prime minister) were also taken over by hackers with malicious intent. Another notable incident occurred in the run-up to Cambodia's general elections in 2018 as a result of subversive digital activities on the part of Chinese agents. Subsequent investigations revealed that groups acting outside of the territory of the People's Republic of China conducted an extensive espionage campaign prior to the vote due to Beijing's vested interests in Phnom Penh's politics5.

Such events and the vulnerabilities behind them are clearly factored into the GGI - Brussels promises to invest in both material and digital infrastructure development that puts the security of its partner states front and center. In that sense, emerging projects will set a new standard in terms of data storage, telecommunications and subversion resilience that the RGC can take advantage of in its daily activities as EU-Cambodian partnerships unfold. This in turn will help to strengthen the nascent legal framework on digital affairs that Phnom Penh has been toiling to realize during the past decade<sup>6</sup>.

<sup>4</sup> https://ec.europa.eu/info/sites/default/files/joint\_ communication\_global\_gateway.pdf

<sup>5</sup> https://cdri.org.kh/publication/cybergovernance-in-cambodia-arisk-based-approach-to-cybersecurity

<sup>6</sup> https://mef.gov.kh/download-counter?post=7116

On a related point, another fundamental obstacle on the path to digital development in the Kingdom is represented by the financial sector's lagging pace of change. Technologies that have become vital in this field elsewhere around the world are yet to gain a foothold on Cambodian soil. For instance, the RGC's Digital Economy and Society Policy Framework for 2021 emphasized that the absence of a common payment platform to underpin the Cambodian market on the whole is a major hurdle in the context of both public and private enterprises. While it cannot be denied that some tentative efforts to remedy the situation have already been made (such as the launch of the Bakong digital currency, which currently has over 200,000 users), their scope has thus far been limited. Constrained material and human resources are said to have made it impossible for numerous financial institutions in the country to even consider a genuine digital transition, thereby failing to keep up with their counterparts across borders. Fortunately, investment in digital markets and the innovations that enable them are also among the pledges made in the EU's grand project. Considering the EU's long-standing position as a leader in the provision of stable and secure financial services via increasingly progressive technologies, Cambodia has much to learn and gain by partnering up with the bloc in this regard.

A further issue of central significance meriting attention is the lack of Cambodian experts in the digital field. According to government statistics, only 27.1% of all students enrolled in higher education institutions in the country are engaging in the fields of science, technology, engineering and mathematics (STEM). As a result, the needs of the market for more specialized labor in digital ventures are consistently not met - in 2017 for example, 55.2% of the Kingdom's firms claimed that their staff's level of preparedness for a more digitalized economy was low7. Education is identified as the primary tool in a future endeavor to reverse this trend, but once again, more capital will be required to see this aspiration materialize. The authors of the GGI emphasize that they will financially and administratively seek to provide opportunities for long-term technology-oriented learning that is open and inclusive across society. As part of this provision, the initiative envisions training exchanges between the EU and partner countries to further facilitate the development of more sustainable foreign education systems. Already established European platforms for studying abroad (such as the Erasmus+ programme) can be instrumental in this regard, particularly given recent substantial increases to their funding. For the

period between 2021 and 2027 alone, Brussels has set aside 2.2 billion euros for educational projects aiming to foster skill-building among young people on a transcontinental scale. In Cambodia's case, this will be crucial when it comes to increasing the basic digital literacy rate within the population, which is currently at only around 30%<sup>8</sup>.

While the points of interest outlined above are notable in themselves, they do not provide a full list of the sectors that could greatly benefit from the GGI's promised digital rejuvenation. If the initiative's initial scope is any indication, vital policy fields such as healthcare, energy and environmental protection also fall within the purview of the project's technology-centered aspirations. Only time will tell just how much of Cambodia's unrealized digital potential can be tapped into by partnering up with the European bloc via the GGI<sup>9</sup>.

#### Policy Challenges for Cambodia in Relation to the GGI and Recommendations on Tackling Them

The information laid out in the previous section is a testament to the numerous opportunities the GGI provides in terms of the digital leap forward that the Kingdom aspires towards. Nevertheless, it must be noted that there are in fact also two main issues to take into account when considering its application on Cambodian territory.

The first among them is a point of contention that has been stalling cooperative proceedings between Brussels and Phnom Penh for some time - the latter's governmental approach and the former's response to it. Two clearly opposing views are found within this long-standing debate. From the perspective of the EU, serious human and labor rights violations can be attributed to the Kingdom's authorities as part of an effort to stifle democracy. In response, the European bloc partially withdrew its preferential trade arrangement with Cambodia (the so-called "Everything But Arms" (EBA) scheme) in 2020, a move that had been unprecedented in the organization's foreign policy up until this point<sup>10</sup>. On Phnom Penh's side, accusations of double standard tactics have been leveled against the EU. In other words, some in Cambodia are of the opinion that the rescission was unjustly singling out the Southeast Asian state considering that graver

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<sup>8</sup> https://mef.gov.kh/download-counter?post=7116

<sup>9</sup> https://ec.europa.eu/info/sites/default/files/ joint\_ communication\_global\_gateway.pdf

<sup>10</sup> https://www.kas.de/documents/264850/8651571/ Chapter+5. pdf/e27236ff-8726-0f3d-2ade-85d4e6b12410?version=1.2 &t=1591609834392

transgressions have been committed by other partner countries enjoying comparable market privileges<sup>11</sup>.

This clash of opinions has inevitably soured bilateral relations to some degree, making the acceptance of new joint ventures such as the GGI a more demanding endeavor. However, there are also some positive lessons to take away from these events. While a full withdrawal of the EBA was indeed within the EU's prerogative, Brussels chose not to take advantage of this option. Instead, it sought to preserve existing channels of communication with Phnom Penh, which is evidence of its aspiration to maintain and increase its engagement in the ASEAN area in general. To that end, the EU has often chosen collaboration instead of judgment in its dealings with the Kingdom (as shown during the COVID-19 pandemic)<sup>12</sup>. Europe's growing involvement is hardly surprising given the threat to its strategic economic interest in the region that actors such as China pose. Cambodia can and should take advantage of Brussels' openness in the pursuit of its own developmental agenda via promising platforms such as the GGI. There is no question that compromise on both sides regarding the Kingdom's mode of governance will be necessary to see this vision through. Nevertheless, Phnom Penh would be wise not to let that requirement obscure the enormous benefits for the domain of technology in a number of key sectors that the initiative could bring about. After all, the economic stability and progress of a country (which is now inherently tied to the digital realm) are just as important to politicians as the integrity of the positions of power they occupy.

The second factor of importance is the recency of the GGI's announcement and the relatively inexact implementation strategy that underpins it. Since the initiative's emergence last year, there are still a number of unknowns surrounding the fulfillment of its pledges on the ground. More time will be needed to adequately examine the platform's operational intricacies and assess the impact it could have in the territories where it is deployed. In such a context, patience rather than an eagerness to acquire fresh funds would be advisable on Cambodia's part. This necessitates carefully planned and comprehensively conducted multilateral negotiations that are based on both nation-specific realities and lessons drawn from other global investment initiatives (such as China's Belt and Road).

#### Conclusion

Recent years have revealed a Cambodia that is increasingly willing to embrace the global digitalization of human life. With this ambition comes the need for international collaboration between the Kingdom and foreign partners that can deliver on the financial and experiential needs that currently define the Kingdom's tech sector. To avoid taking sides and facing adverse consequences in the tug of war between China and the U.S., Phnom Penh can look towards another player whose attention has increasingly been focused on bolstering its Southeast Asian ties - the EU. Its new Global Gateway Initiative (GGI) promises to revolutionize Europe's investment relations with the rest of the world and by extension breathe new life into digital economies across the planet.

Collaborating as part of such a platform is an opportunity for Cambodia to address many of the vulnerabilities and shortcomings it has been forced to confront at the onset of the digital age. Mere monetary investment in material infrastructure related to the sector is only one part of this equation. The GGI's instruments could, for instance, help to make the government's online presence more dependable and resilient in the face of potential future subversion. Moreover, digital financial systems and services that are only now being introduced could become more widespread and accessible throughout the country. The Kingdom's workforce could also be given the educational opportunity to expand its expertise at a time when markets are in greater need for technology-centered skills. Generally speaking, all of this activity under the GGI is more than likely to produce a positive spillover effect in terms of digital innovation that would in turn positively impact other crucial sectors of the Cambodian economy.

There are challenges on the road ahead - the dialogue between Brussels and Phnom Penh has had its fair share of disagreements in recent times and their resolution will by no means be a simple task. Furthermore, as a foreign policy project, the GGI is still in its early days and remains far from the fully-fledged intercontinental investment powerhouse it aspires to be. Nevertheless, the Kingdom should remain undeterred - 2022 represents a critical moment in time as the EU is arguably closer to Southeast Asia than ever before. Cambodia should seize the opportunity to realize its mounting digital objectives through assistance from Europe, even if that would require a degree of diplomatic tact and compromise that the bloc and the country have struggled to reach in the past.

<sup>11</sup> https://www.idc-cdi.com/the-eu-needs-to-appreciate-cambodiasrole-and-voice/

<sup>12</sup> https://ec.europa.eu/trade/policy/countries-and-regions/ countries/cambodia/#:~:text=The%20EU%20ranked%20as%20 the,of%20the%20EU's%20total%20trade

## GLOBAL GATEWAY PARTNERSHIP IS BASED ON THESE SIX PRINCIPLES

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Democratic Values and High Standards	Good Governance and Transparency	Equal Partnerships	Green and Clean	Security Focused	Catalysing Private Sector Investment

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# RCEP, CPTPP AND IPEF ALL COEXIST, WHERE DOES ASIA-PACIFIC ECONOMIC COOPERATION GO FROM HERE?

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With the launch of the negotiations on the Indo-Pacific Economic Framework (IPEF), Asia-Pacific regional economic cooperation is once again facing new developments. The Asia-Pacific region currently has two comprehensive economic cooperation mechanisms, the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP). If the IPEF takes shape by the end of next year as planned, it will become the third economic cooperation mechanism in the region. These three mechanisms are distinct, reflecting the two forces currently shaping economic cooperation in the Asia-Pacific region.

Firstly, the origins of the mechanisms are different: RCEP is distinctly endogenous, while CPTPP and IPEF have a strong US imprint; RCEP originated from the endogenous demand of East Asian countries to join forces and strengthen their economies following the 1997 Asian financial crisis. Accumulated from the experiences of ASEAN+3 and ASEAN+1 cooperation, ASEAN formally proposed in 2011 to launch RCEP negotiations on the format of 10+6, including 10 ASEAN countries plus China, Japan, Korea, Australia, New Zealand and India. Progress in the negotiations was slow due to the large number of member countries and the vast differences in their overall sizes and development levels. Significant advances have been made since 2017, as the political will to reach an agreement has increased. The CPTPP was born out of the Trans-Pacific Partnership (TPP), which was led by the US and Japan in succession. It is modelled on the Trans-Pacific Partnership FTA signed by Brunei, Chile, New Zealand and Singapore in 2005, and includes provisions on intellectual property protection, stateowned enterprises, labour rights and other issues of concern to the US. In 2017, Trump announced his withdrawal from the TPP negotiations after taking office. The IPEF, on the other hand, is a framework introduced after the Biden administration took office, in order to fill in the absence of US economic strategy for the Indo-Pacific region. The IPEF is a new initiative and the content of which is not yet clear.

Secondly, the nature and objectives of the mechanisms are different. RCEP is a traditional trade liberalisation agreement that aims to lower all forms of trade barriers and create more trade and investment opportunities between member countries. The CPTPP is described as a "high level" FTA that aims to reduce traditional trade barriers such as tariffs, as well as to set high standards on issues such as digital trade, intellectual property protection, labour rights and environmental protection. The purpose is to achieve a higher degree of liberalisation within a specific group of states. The IPEF, on the other hand, is mainly focused on setting standards and not concerned with trade liberalisation. The US intends to use the so-called "high standards" of the IPEF to further open up the Asia-Pacific markets in certain fields and to reshape the supply chain system of specific industries. A number of US officials have bluntly stated that counteracting China's influence is the main consideration in launching the IPEF.

Thirdly, the focuses of the mechanisms are different: RCEP focuses on creating more inclusive and open regional economic integration. The agreement provides for member countries to achieve zero tariffs on more than 90% of their trade in goods, either by reducing tariffs to zero immediately or gradually over 10 years, and allows for a certain degree of agricultural quotas. The agreement simplifies customs clearance procedures, reduces technical barriers to standards, technical regulations and conformity assessment procedures, consolidates and upgrades the investment rules of the five original 10+1 FTAs, and increases certainty of market access. Particularly notable is the "Regional Cumulative Rules of Origin", which provides that materials of origin from other member countries used by member companies in the production process can be considered as originating materials, thereby cumulatively increasing the proportion of originating value components. As long as 40% of a product is produced in a RCEP member country, it will enjoy preferential tariff treatment. This liberal approach greatly facilitates intra-regional trade and the strengthening of intra-regional supply chain cooperation. The

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CPTPP on the other hand focuses on higher levels of liberalisation and stricter rules, mainly reflecting the interests of developed economies. The average percentage of trade categories in which member countries have achieved zero tariffs stands over 99%, while the transition period is also short, with more than 85% of product areas immediately witnessing the implementation of zero tariffs. On digital trade, the CPTPP establishes the basic principles of free crossborder data transmission, the removal of localised storage restrictions and the protection of source code. In terms of intellectual property protection, the protection of patents, trademarks and trade secrets has been increased. In relation to state-owned enterprises, a broader definition of "state-owned enterprise" was developed, requiring production and operation to be based on "commercial considerations" and subsidies received to not harm the interests of other member states. In relation to environmental protection, specific obligations were put forward in a number of environmental areas. The CPTPP also imposes stricter labour standards and more complex and stringent rules for defining the origin of products, while the IPEF, in line with the Biden administration's economic policy objectives, focuses on four main areas of so-called "high standards". The "connected economy", "resilient economy", "clean economy" and "fair economy" are the four pillars of the IPEF. The four pillars of the IPEF include digital trade, supply chain security, renewable energy, taxation and anti-corruption policies, which also encompass "high standards" in the areas of labour and environmental protection. Without ceding US market share, the IPEF will help US companies to more fully mobilise the resources of Asia-Pacific countries and gain an advantage in competitive markets.

RCEP, CPTPP and IPEF together represent a contest between two strands of power in Asia-Pacific regional economic cooperation. One is the demand of regional countries, especially developing countries, to strengthen economic integration and achieve common development, while the other is the "high standard" cooperation model strongly implanted by the US. The CPTPP, which originated from the US TPP initiative, was made more balanced after the US withdrew, freezing 22 provisions in the original TPP text that the US had insisted on and others opposed, reflecting the pursuit of higher levels of trade liberalisation by the more economically advanced members of the Asia-Pacific region. In contrast, the IPEF has the strongest 'American flavour'. Official US documents make no secret of the benefits that the framework will bring to US households, but the benefits to Asia-Pacific countries are so far unclear.

### CPTPP

THE COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP IS A FREE TRADE AGREEMENT (FTA) BETWEEN 11 COUNTRIES IN THE ASIA-PACIFIC REGION



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# THE KOREAN PENINSULA ISSUE AND CAMBODIA'S ASEAN CHAIRMANSHIP 2022: OPPORTUNITIES, CHALLENGES, AND THE WAY FORWARD

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The Korean War ended on the 27th of July 1953, three years after it began in 1950. Over five million soldiers and civilians lost their lives in the process<sup>1</sup>. Despite the fact that the war has long since ended, geopolitical power contenstation, both within the Korean Peninsula and from external actors such as the US, China and Japan, remains evident today.

ASEAN, as one of the Korean Peninsula's main development partners with comparatively little ideological interest in the region, is well placed to mediate the ongoing tense relationship between the two Koreas. Cambodia, as the current Chair of ASEAN, has demonstrated notable effort and benevolence in helping to promote peace and confidence-building during the Summit for Peace on the Korean Peninsula in February 2022<sup>2</sup>.

However, the main question remains, what can Cambodia, as the Chair of ASEAN in 2022, do to make positive progress on the issue of the Korean Peninsula? How can it help ASEAN and the two Koreas to utilize the opportunities and confront the dire challenges which must be addressed in order to move forward?

#### **Opportunities for ASEAN and Korea**

Both the Democratic People's Republic of Korea (DPRK or North Korea) and the Republic of Korea (ROK or South Korea) have modestly fair relations with ASEAN member states, and vice versa. Take Cambodia. The Kingdom is one of the few Southeast Asian countries to have an Embassy in the DPRK<sup>3</sup> and currently maintains good bilateral ties with the ROK<sup>4</sup>.

The bond between Cambodia and the DPRK results from the good relations established between King Norodom Sihanouk and Kim Il-sung during the 1960s which have been maintained ever since<sup>5</sup>. This has made Cambodia one of the few countries in the world to have a unique relationship with North Korea that is based on bilateral ties rather than geopolitical and geo-cultural interest<sup>6</sup>, creating room for the Kingdom to further engage with the DPRK.

In this context, Cambodia can help to promote bilateral dialogue with North Korea and even encourage the softening of its highly isolationist foreign policy, particularly at a time when the DPRK is still struggling to contain the ongoing COVID-19 pandemic<sup>7</sup>.

Given the pandemic, the Ukraine conflict, rising food and fuel prices, the ongoing Myanmar crisis, and the growing geopolitical rivalry between the US and China, Cambodia has many regional priorities to balance. Yet the Kingdom could nevertheless help to

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History.com Editors. (2009, November 9). Korean War. History. com. Retrieved June 14, 2022, from https://www.history.com/ topics/korea/korean-war#:~:text=Korean%20War%20Casualties,-The%20Korean%20War&text=Nearly%205%20million%20 people%20died,more%20than%20100%2C000%20were%20wounded.

<sup>2</sup> Sochan, R. (2022, February 13). PM suggests move for Korean peace. PM suggests move for Korean peace | Phnom Penh Post. Retrieved June 12, 2022, from https://www.phnompenhpost. com/national-politics/pm-suggests-move-korean-peace

<sup>3</sup> Chheang , V. (2019, March 7). Cambodia-North Korea relations. East-West Center. Retrieved June 13, 2022, from https://www. eastwestcenter.org/publications/cambodia-north-korea-relations

<sup>4</sup> Sar , Socheath. "Diplomatic Ties with South Korea 'on Right Track,' Says Prime Minister - Khmer Times." Khmer Times - Insight into Cambodia, January 3, 2022. https://www.khmertimeskh. com/50999920/diplomatic-ties-with-south-korea-on-right-tracksays-prime-minister/#:~:text=The%20bilateral%20diplomatic%20 relations%20between,advancement%2C%20especially%20in%20 recent%20years.

<sup>5</sup> Jeldres, J. A. (2019, February 24). Clarification on N Korea's ties with Cambodia - Khmer Times. Khmer Times - Insight into Cambodia. Retrieved June 14, 2022, from https://www. khmertimeskh.com/581276/clarification-on-n-koreas-ties-withcambodia/

<sup>6</sup> Kin, P. (2018, September 2). Cambodia-North Korea relations since 1964: A historical review. International Relations Institute of Cambodia . Retrieved June 23, 2022, from https://iric.gov.kh/ cambodia-north-korea-relations-since-1964-a-historical-review/

<sup>7</sup> Al Jazeera. (2022, May 30). N Korea logs rise in fever cases amid move to soften covid curbs. Coronavirus pandemic News | Al Jazeera. Retrieved June 14, 2022, from https://www.aljazeera. com/news/2022/5/30/n-korea-logs-jump-in-fever-cases-amidmove-to-soften-covid-curbs

alleviate tensions on the Korean peninsula through the use of discreet diplomacy.

#### **Challenges for ASEAN and Korea**

Inevitable challenges must be confronted by both ASEAN and the Koreas. Firstly, both ASEAN and the Koreas currently do not have the same "threat-perception". While South Korea views North Korea as a major threat to its security<sup>8</sup>, ASEAN's current pressing issues revolve around the South China Sea, the COVID-19 pandemic, and the Myanmar issue<sup>9</sup>.

Secondly, the relationship between ASEAN and the Koreas is currently confined to the economic rather than the security and defense realm<sup>10</sup>. In fact, according to a survey report conducted by ISEAS-Yusof Ishak Institute in 2020, ASEAN member states view the Republic of Korea as a good development cooperative partner, while only a few in Southeast Asia view it as a strategic partner<sup>11</sup>.

Thirdly, the world is currently occupied with the Russia – Ukraine war and its impact, such as the rising cost of food and fuel. The externally-involved actors, such as the United States, Russia, China, and Japan, will find

11 Tang Siew Moon et al., The State of Southeast Asia: 2020 Survey Report, op. cit., p. 42.

it difficult to turn their attention toward the six-party talk - the multilateral negotiation involving the US, China, Japan, Russia, North Korea and South Korea to find peaceful resolutions towards the security concern raised by North Korea nuclear weapon programs especially at a time when Russia is currently being isolated and sanctioned by the Western world.

#### **The Way Forward**

Moving forward, during its 2022 ASEAN Chairmanship, Cambodia should maintain its current position as a good cooperative partner to both North and South Korea, without putting forward provocative demands that could trigger tension within the Korean peninsula and elicit further confrontation between the US and China.

The most feasible and positive approach Cambodia could take is to remain neutral while opening up to all the parties concerned, such as North Korea, South Korea, Japan, Russia, the United States, and China to discourage any escalation of tensions within the peninsula and ease the region from the current geopolitical contestation between major powers that could result in further confrontation at any moment.

<sup>8</sup> Reuters. (2022, June 12). South Korea says it will boost defence capacity to counter North Korean threat. Retrieved June 14, 2022, from https://www.reuters.com/world/asia-pacific/southkorea-says-boost-defence-capacity-counter-north-koreanthreat-2022-06-12/

<sup>9</sup> Ho, S., & Po, S. (2021, December 30). Three key challenges for Cambodia's ASEAN chairmanship in 2022. RSIS. Retrieved June 14, 2022, from https://www.rsis.edu.sg/wp-content/ uploads/2021/12/IP21027-Ho-Po-masthead-final.pdf

<sup>10</sup> Choe, W. (2021, January 26). "New southern policy", Korea's newfound ambition in search of strategic autonomy. French Institute for International Relations. Retrieved June 14, 2022, from https://www.ifri.org/en/publications/notes-de-lifri/asievisions/new-southern-policy-koreas-newfound-ambition-search



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# **ASEAN-UK DIALOGUE PARTNERSHIP:** PROGRESS AND FUTURE DIRECTION

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#### Introduction

August 2nd, 2021 marked a historical milestone between ASEAN and the United Kingdom (UK), as ASEAN officially conferred the status of "Dialogue Partner" to the UK. Perhaps best summed up by the phrase "old wine in a new bottle", this status marks a new stage in bringing an old friend into closer and comprehensive engagement after 45 years of cooperation through EU Partnership. The ASEAN-UK Dialogue Partnership promotes in-depth cooperation between both partners under three main pillars. This new stage also reflects the consolidation of ASEAN development and the UK's "Global Britain" ambition following Brexit.

#### ASEAN-UK Dialogue Partnership in Current Progress

#### **Political and Security Cooperation**

Prior to this new status change, the UK committed to send a permanent Ambassador to ASEAN through the UK mission to ASEAN in November 2019. The UK had always positioned itself in a unique position as a good friend with embassies and high commissions in all 10 ASEAN countries. With the initiation of the ASEAN-UK Dialogue Partnership, the UK has taken a pivotal step towards Southeast Asia in a timely and apt manner. The presence of the UK as ASEAN's Dialogue Partner has provided another mechanism through which to develop ASEAN credentials, as the UK is a key member of G7, G20, UNSC, and other top-level international institutions. Moreover, the UK is currently in the process of fulfilling its ambition in the Indo-pacific region to be a key regional player.

ASEAN and the UK are currently drafting a concrete Plan of Action (PoA) for the ASEAN-UK Partnership over the course of the next 5 years from 2022 to 2026 at the first-ever ASEAN-UK Foreign Ministers' Meeting. In addition, the on-going affairs between the UK and ASEAN has demonstrated active relations and cooperation, not only in multilateralism, but also in bilateral relations. The UK also has strategic partnership agreements with several ASEAN countries. Noticeably, relations between ASEAN Member States and the UK have improved and become more prosperous following the ASEAN-UK Partnership. Meanwhile, several senior officials from the UK have visited the region and are looking forward to discussing further cooperation with the bloc.

In terms of security, the new partnership seeks to put its cooperation to the test in resolving regional instability and humanitarian crises. The ASEAN Member States (AMS) and UK's security interests stretch beyond mere practical cooperation, also encompassing long-term strategic policy. The UK also seeks to project its influence in the region on the aspects of maritime issues. The ASEAN-UK partnership focuses on defense, transnational crime, and cybersecurity by sharing techniques and ensuring the mutual protection of regional peace with the respect of ASEAN centrality. At present, ASEAN is also considering the UK's proposal to be part of the ASEAN Defense Minister Meeting Plus (ADMM Plus)<sup>1</sup>, which would allow it to take further cooperative steps on the consolidation of defense strategies with AMS, as well as completing a Memorandum of Understanding (MoU) on defense cooperation.

#### **Economic Cooperation**

Total annual bilateral trade between ASEAN and the UK for goods and services amounted to over £35.2 billion by 2021<sup>2</sup>. The trade and economic relationships between both partners have experienced significant growth, with the UK becoming one of the top 10 largest investors in the region. Besides its effort to engage closely with the region, the UK has sought to strengthen its economic cooperation with states

<sup>1</sup> Ian Storey and Hoang Thi Ha "Global Britain' and Southeast Asia: Progress and Prospects", 2021/130, Yusof Ishak Institute, https:// www.iseas.edu.sg/articles-commentaries/iseas-perspective/2021-130-global-britain-and-southeast-asia-progress-and-prospectsby-ian-storey-and-hoang-thi-ha/

<sup>2</sup> Natalie Black and Jon Lambe, "Opportunities for the UK-ASEAN Partnership in 2021", The ASEAN Magazine Issue 21 (2021), ASEAN Organization, https://asean.org/wp-content/ uploads/2022/05/The-ASEAN-Magazine-Issue-21-2022-Informal-Economy.pdf

on a bilateral level. These include its Generalized System of Preferences (GSP) to ASEAN Developing Countries, the Joint Economic and Trade Committee (JETCO) to potential trading partners, and Free Trade Agreement (FTA) to Singapore and Vietnam. AMS also initiated numerous agreements focused on the digital economy and e-commerce that help to push for a more integrated and larger market. Furthermore, the ASEAN-UK partnership involves ground-level implementation with the increasing involvement of businessmen and investors between both parties via the ASEAN-UK Business Council. Another economic turning point between ASEAN and the UK is the Joint Ministerial Declaration on Future Economic Cooperation during the 1st ASEAN Economic Minister (AEM) - UK Consultation to demonstrate the joint resolution. Here, the partners will work together to implement the post-pandemic recovery plan, resilient future, sustainable development, and inclusive economic growth for the ASEAN-UK region across 11 priority policy areas. AMS recently demonstrated their enthusiasm in seeking an opportunity with the UK, while the UK has also asked for further engagement with ASEAN to support and share economic interests.

#### **Social Cooperation**

Strategically speaking, the UK's role in ASEAN is a key reflection of soft power on Indo-Pacific Tilt. In accordance with "Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy" (2021), it is concluded that the UK saw ASEAN as a key area in deepening and expanding their partnership to promote open societies with human rights, freedom of speech and freedom of expression. Moreover, as seen in the current progress, ASEAN and the UK have proactively engaged in cooperation on a number of key priority areas, including digital transition, education (through Chevening Scholarship and British Council), science, technology, engineering, and mathematics (STEM), technical and vocational education and training (TVET), women's leadership and entrepreneurship, social assistance on COVID-19 recovery process (vaccination development and the donation of millions of doses), humanitarian assistance, and especially climate change through funding, mutual cooperation, and concrete actions.

## Future Directions for the ASEAN-UK Dialogue Partnership

ASEAN and the UK will celebrate their first anniversary as Dialogue Partners with the Foreign Ministers' Meeting that is expected to occur in August 2022. This meeting will outline their future action plan for the next 5 years. As a way forward, the discussion is expected to touch upon how to construct a dynamic plan for trade and economic development, further improve trade agreements, and reduce market access barriers. The UK's priorities will be how they can put their Indo-Pacific Tilt strategy into action and build a meaningful friendship with the 10 AMS and the bloc's external partners. The UK's center of attention will be on security and maritime issues by wanting the external parties to respect the UNCLOS agreement<sup>3</sup> and appealing to ASEAN on their shared interest in forging open societies, resolving the region's humanitarian crisis, digitalization, the post-Covid recovery plan, education, and climate change<sup>4</sup>. Moreover, the ASEAN-UK Dialogue Partnership will become a significant steppingstone in pushing the UK closer to future membership in ADMM-Plus, the East Asia Summit (EAS), and the ASEAN Regional Forum (ARF). The second ASEAN Economic Minister - UK Consultation meeting is also expected to take place in September<sup>5</sup> this year, a gathering that will undoubtedly see the strong mutual relationship continue to prosper.

The UK needs to work closely with ASEAN in the Indo-Pacific to realize its Indo-Pacific Tilt and Global Britain strategies in a new competitive age. It had been 25 years since ASEAN last accepted a dialogue partner which is the highest level of partnership; thus, the UK becoming the ASEAN dialogue partner surprised the world by showing a new realm of cooperation between ASEAN and UK in times to come.

#### **Recommendations**

Overall, the ASEAN-UK Dialogue Partnership has marked a significant milestone for the UK in realizing comprehensive cooperation plans with ASEAN across political-security, economic and socio-cultural aspects. Nonetheless, each AMS and the UK should remain vigilant in this competitive and complex region because of unceasing major power competition between the US and China. As such, it is recommended that the UK should use this partnership to better fulfill its Indo-Pacific strategy and to promote growth and social development in the region. Mutual benefits can be reaped as AMS have a large abundance of human capital. They

<sup>3</sup> According to Job Lambe, UK Ambassador to ASEAN, Interview with Biztech Asia, https://biztech.asia/2022/05/30/an-interview-with-jon-lambe-uk-ambassador-to-asean/

<sup>4</sup> Natalie Black and Jon Lambe, "Opportunities for the UK-ASEAN Partnership in 2021", The ASEAN Magazine Issue 21 (2021), ASEAN Organization, https://asean.org/wp-content/ uploads/2022/05/The-ASEAN-Magazine-Issue-21-2022-Informal-Economy.pdf

<sup>5</sup> According to Job Lambe, UK Ambassador to ASEAN, Interview with Biztech Asia, https://biztech.asia/2022/05/30/an-interview-with-jon-lambe-uk-ambassador-to-asean/

simply lack the techniques and technological support needed, resources in which the UK can offer. The intensive dialogue between these players allows them to make better decisions amidst the major power rivalry currently unfolding while also mutually reinforcing the international rules based order.



# WRAP-UP



Humanity in the 21<sup>st</sup> century has witnessed many unprecedented challenges which pose potential threats not only to international security at large but also to states and individuals. They range from the Covid-19 global pandemic and recovery effort, the increasingly intense great power rivalry that also encompasses the strategic and economic role of middle powers, the Russia-Ukraine War, the Myanmar political crisis, and the issue of the Korean Peninsula, and so forth.

Diplomatic Briefing's fifth volume sheds some useful light on these issues, as it brings fresh perspectives on such timely security challenges. The situation in Ukraine seems to be the most intense conflict in the 21<sup>st</sup> century, overshadowing the wider international security debate. As Nataliya points out in the Cover Story, this is no longer a purely European security issue, as the wider spill-over effects are clear, including that of a food and energy crisis in ASEAN and in various other regions.



US-China strategic competition also remains a relevant topic, with such contestation growing even more intense in recent times. We are now witnessing the increasing assertiveness of China and its soft-power projects, such as the BRI, coupled with a stronger US-led alliance system and minilateral mechanisms. Moving on from this major concern, this volume also discusses the role of the middle powers and small states in international affairs, including India's economic influence in the Indo-Pacific, Cambodia's current ASEAN Chairmanship in 2022, and Indonesia's incoming ASEAN Chairmanship in 2023.

In Southeast Asia, external threats have pushed ASEAN to a crossroads in which its member states must do more to ensure ASEAN's relevance and centrality in the future. This is not to mention the significant internal threats faced by the bloc, such as the Myanmar crisis, the post-pandemic economic recovery, the change of political leadership among ASEAN member states, and so on. From Europe to Asia, from diplomats, policy-makers, and academic researchers to young IR scholars, the divergence of perspectives is highlighted in this platform. In doing so, we have noted that complex security issues always require a degree of common ground to work towards a peaceful resolution, as well as to maintain the rules-based international order. Hence, this volume highlights the need for closer cooperation among major, middle, and small states.

We hereby express our sincerest appreciation for all the efforts put in by our esteemed authors, as well as the supporting works of our production team at KAS and CICP.

To our dear readers of the Diplomatic Briefing series, we thank you very much for your kind support along the way. This support is very meaningful to our work and motivates us to produce more quality content in the future. We will continue to bring you more fascinating analyses on international relations topics, key regional trends, and other issues concerning Cambodia's development and attempts to foster regional peace and stability at large.

We hope you find this volume helpful. We wish you all the best and a thought-provoking read!

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