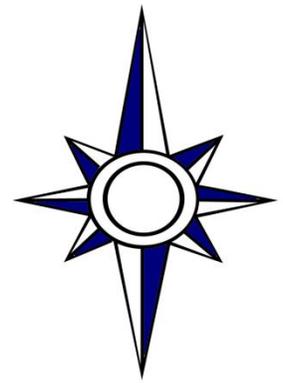


Comparative Connections

A Quarterly E-Journal on East Asian Bilateral Relations



China-Southeast Asia Relations:

China Reassures Neighbors, Wary of US Intentions

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Following last quarter's strong criticisms of US and regional moves seen directed against Chinese policies, Chinese leaders and commentary this quarter reverted to a reassuring message of good neighborliness and cooperation. Senior leaders interacted constructively and official Chinese media gave repeated emphasis to positive and mutually beneficial relations. Wariness of US policies and practices was registered in lower-level commentaries while Chinese officials interacted in business-like ways with US counterparts over regional issues. China consulted with ASEAN representatives seeking to implement a code of conduct in the disputed South China Sea, and a working group meeting was held in Kunming, China on Dec. 21-23. Handling of issues in the South China Sea was more moderate than the confrontational approach witnessed in Chinese actions and publicity over fishing and other rights in disputed waters in the East China Sea and the Yellow Sea. On the other hand, even reassurances underlined a determination to rebuff violations of China's "core interest" in protecting territorial claims. Some military exercises and enhanced patrols by Chinese ships also were noted in the South China Sea. Meanwhile, China's positive reaction to the November elections in Myanmar was in line with longstanding Chinese support for the authoritarian military leadership.

Premier Wen Jiabao at regional meetings in Hanoi

As in the past, Chinese Premier Wen Jiabao represented China at the regional meetings associated with the annual ASEAN Summit, held this year in Hanoi in late October. Wen's meetings included the 13th summit between China and ASEAN; the 13th summit among ASEAN, China, Japan, and South Korea (ASEAN Plus 3); and the fifth East Asia Summit (EAS), which this year featured expanded membership to include Russia and the United States and the participation of Secretary of State Hillary Clinton representing the US. Clinton notably used the occasion to reaffirm US interests in freedom of navigation and peaceful resolution of territorial disputes in Asian regional waters that had aroused Chinese official rebuke during the ASEAN Regional Forum (ARF) meeting in July, but this time prompted muted media criticism. Strong public disputes with Japan over the Diaoyu/Senkaku Islands prevented a separate meeting between Wen and Japan's prime minister, but he did have a trilateral meeting in Hanoi with his counterparts from Japan and South Korea; Wen also had talks with Vietnam's prime minister.

Premier Wen affirmed China's interest in negotiating and signing a bilateral agreement with Vietnam over maritime disputes. He and his ASEAN counterparts adopted a China-ASEAN agreement on sustainable development and a plan of action to accelerate cooperation in security, trade, and politics during the next five years. Accords on further development and implementation of the ASEAN-China Free Trade Agreement were featured during the visit. At

the meeting with the Japanese and South Korean leaders, Wen pursued China's interest in a free trade agreement among the three countries. Wen duly welcomed the participation of Russia and the US at the EAS and emphasized China's interest in fostering economic integration in East Asia while promoting regional peace and development.

Chinese commentary on the series of meetings focused on the importance of securing traditional China-Southeast Asian friendship, strengthening regional economic cooperation, and deepening mutual trust. At the EAS, regional leaders discussed furthering cooperation on such issue areas as energy security, education, bird flu control, and disaster relief.

Defense Minister Liang Guanglie at ASEAN Defense Ministers Meeting

Official Chinese media reported approvingly that territorial disputes in the South China Sea were not featured in the inaugural meeting of the Asia-Pacific defense ministers, known as the ASEAN Defense Ministers Meeting Plus 8 (ADMM+8), in Hanoi on Oct. 12. Chinese Defense Minister Liang Guanglie joined other defense ministers, including US Secretary of Defense Robert Gates, at the meeting.

The Chinese commentary noted in passing the comments by the hosting Vietnamese defense minister that "some ministers mentioned the South China Sea." In fact, Secretary Gates strongly affirmed US interests in freedom of navigation and in seeking a peaceful resolution of disputes in the South China Sea; Gates supported the creation in the interim of a "full code of conduct" in line with the 2002 ASEAN-China Declaration on the Conduct of Parties Regarding Disputed Territory in the South China Sea. Moreover, ministers from South Korea, Japan, Vietnam and other Southeast Asian countries also reportedly raised South China Sea issues, but the final statement on the meeting made no mention of the disputes.

Chinese media coverage of Liang's remarks highlighted China's "defensive" military posture and its aversion to challenging or threatening others. Liang proposed steps to build greater mutual trust and supported further meetings of defense officials under the leadership of ASEAN to create a "fair security mechanism" that would contribute to regional peace and stability in line with China's search for "a peaceful environment that would enable continuous prosperity."

South China Sea developments

Chinese official media gave little coverage to the consultations reportedly taking place among Chinese and ASEAN representatives on reaching an agreement implementing and advancing the 2002 Declaration on the Conduct of Parties between China and ASEAN Regarding Disputed Territory in the South China Sea. *Xinhua* reported briefly on the Dec. 21-23 meeting in Kunming, China, of a China-ASEAN joint working group on this issue. It said the next working group meeting would be held in Indonesia in March 2011.

In the meantime, Chinese officials continued to emphasize that the South China Sea disputes should be handled by the "nations directly involved in territorial disputes" and should not involve "outside forces," notably the US. Chinese official media also registered opposition to statements by Secretary Gates and Secretary Clinton highlighting US interests in South China

Sea issues. At a forum in Beijing on Oct. 22, Ma Xiaotian, deputy chief of the General Staff of the People's Liberation Army (PLA), reaffirmed China's "indisputable sovereignty" over the South China Sea while affirming commitment to enhance dialogue and cooperation "with the parties concerned." He said that the overall situation in the South China Sea is "stable," adding that "it will do no good to the region's security and stability to repeatedly bring forward the issue or exaggerate the issue, like what some countries do."

Chinese official media carried reports this quarter asserting that China plans over the next five years to add 30 marine law enforcement vessels to patrol the South China Sea and other disputed waters. The latest addition to its fleet in the South China Sea was a 1,290-ton ship with advanced satellite and navigation equipment capable of speeds up to 20 knots and able to cruise for 5,000 miles without refueling. The Nov. 3 *New York Times* reported China held a live-fire exercise involving 1,800 troops and more than 100 ships in the South China Sea.

Emphasizing the positive with Southeast Asian neighbors

In addition to positive meetings by the prime minister and defense minister with Southeast Asian counterparts, Chinese President Hu Jintao interacted constructively with Southeast Asian and other Asia-Pacific leaders at the APEC forum in Japan in November, and Vice President Xi Jinping underlined reassurance and cooperation during a trip to Singapore that month.

At a reception in Singapore on Nov. 16, Xi spoke to a broader audience of ASEAN members, highlighting China's leadership in being the first foreign power to sign ASEAN's Treaty of Amity and Cooperation, to fully support the Southeast Asia Nuclear Weapon-Free Zone Treaty, and to establish a free trade area with ASEAN. Xi highlighted China's determination to pose no threat to any country and to insure that its burgeoning economic strength benefits its neighbors.

Politburo Standing Committee Member Jia Qinglin presided at the seventh China-ASEAN Business and Investment Summit in Nanning, China, on Oct. 19. He emphasized that "no matter how strong and powerful China can be, the country's policy of mutual trust, equal treatment, good neighborhood, mutually beneficial cooperation, and common development would remain unchanged in developing relations with ASEAN countries."

Chinese media this quarter was full of headlines and feature articles underlining ever stronger ties between China and ASEAN countries. They said that China-ASEAN trade surged 44 percent in the first nine months of 2010, reaching \$211 billion. Chinese investment in the first half of the year was said to be worth \$1.2 billion. An unusual full-page interview with Assistant Foreign Minister Hu Zhengyue, a Foreign Ministry official responsible for Southeast Asian affairs, appeared in Chinese media on Nov. 12, emphasizing that "China wants mutual trust and benefit" in relations with its neighbors. Other articles had headlines stressing "China Reaches Out to Asian neighbors," "Peace, harmony, good-neighborliness – goals of China's diplomacy," and "Western hegemony theory does not apply to China-Asia relations."

Reduced criticism of US role

The Nov. 12 full-page interview with the assistant foreign minister was notable in that there was no criticism of the US. Similarly muted in its treatment of the US in Asian affairs and other

issues was a lengthy article by State Councilor Dai Bingguo entitled “Persisting with taking the path of peaceful development,” that was posted on the website of the Chinese Foreign Ministry on Dec. 6 and featured prominently in Chinese media.

One passage in the Nov. 12 interview seemed to recall Chinese rhetoric in the late 1990s that took aim at US alliances in the Asia Pacific and other aspects of “Cold War thinking” by the US in urging regional governments to reject the US approach and to support the “New Security Concept” being fostered by China. China found that pressing Asian countries to choose between the US and China was a losing proposition, and Chinese officials stopped doing so in tandem with a fuller emphasis on China’s peaceful rise and eventual stress on peaceful development. Yet, Assistant Minister Hu seemed to revive the Chinese call for regional countries to choose between China and the US when saying “...China believes that the old security concept and security logic defined by alignment, strength, deterrence and power should be rejected in the region. And a new security concept should be established with mutual trust, mutual benefit, equality and coordination at its core. The new concept recognizes, respects, and rises above national differences in terms of ideology, values, social systems, and stages of development.” Thus far, other Chinese officials have not been seen in public pressing Southeast Asian and other neighboring countries to choose between China and the US in the region, but private pressure to do so reportedly has been evident since the US intervention over South China Sea issues in July 2010.

Other, less authoritative Chinese commentary continued to attack US involvement in Southeast Asia, though the frequency and harshness of the criticism was much reduced from the Chinese media attacks last quarter. *People’s Daily Online* columnist Li Hongmei repeatedly portrayed enhanced US involvement with the Asia-Pacific as desperate ploys of a declining power seeking to exploit China’s differences with Asian neighbors in order to preserve a leading position in the face of China’s impressive rise. Chinese government intelligence analyst Song Qingrun writing in *China Daily* on Oct. 15 was less sanguine about China’s situation; the analyst saw China facing a daunting challenge posed by US reengagement with Asia and “growing misgivings among some neighboring nations toward China.” Chinese Academy of Social Science expert Li Wen writing in the Oct. 28 *China Daily* underlined the complications US involvement in the EAS poses for China’s preferred regional grouping, ASEAN Plus 3. A prevailing theme in the various commentaries was a call for China to react calmly, defend its sovereignty and other interests, and avoid “over-reacting” to any challenges posed by the US or others.

Suspicion of US motives in Trans-Pacific Partnership

Chinese media has focused continued criticism on US-backed efforts to foster the Trans-Pacific Strategic Economic Partnership (TPP) Agreement. The TPP is a proposed free trade zone that currently includes Brunei, Singapore, Chile and New Zealand, with the US, Australia, Malaysia, Peru and Vietnam in talks on joining. Japan, South Korea, Canada and Taiwan also have expressed interest in joining TPP. Chinese and foreign media noted that at the Asia Pacific Economic Cooperation (APEC) forum in Japan in November, leaders of the nine current negotiating countries endorsed the proposal advanced by President Obama that set a target for settlement of negotiations by the next APEC Leaders Meeting in 2011, which will be held in the

United States. Reports indicated an intention to make the TPP a foundation for the Free Trade Area of the Asia-Pacific endorsed by the 21-nation APEC group at the November meeting.

Chinese media criticism has focused on US motives and possible negative consequences for China's preferences in Asia-Pacific multilateral cooperation. Washington is seen using the TPP as a means "to reverse its self-marginalization in the booming economic integration of East Asia." Chinese commentators see the US-backed plan running against the ASEAN Plus 3 free trade area long favored by China. A commentary by an expert from the Chinese Academy of Social Sciences appearing in the Nov. 15 *China Daily* predicted that both the US and Japan will join the TPP. When this happens, it said that TPP will be "overwhelmingly" superior to other regional plans for multilateral economic cooperation, "Washington's role in trans-Pacific cooperation will be further strengthened," and the Chinese favored ASEAN Plus 3 arrangement will be overshadowed and might come to exist "in name only."

China reacts to Myanmar elections

Following Myanmar's first elections in nearly 20 years on Nov. 7, relations between China and Myanmar remain stable. The newly appointed Chinese Ambassador to Myanmar Li Junhua emphasized that Beijing will continue to uphold its longstanding policy of promoting friendly, cooperative political, economic, and military ties. While China continues to shun interference, the domestic political dynamics in Myanmar have seen increasing involvement from Beijing to protect its economic and security interests. In a recent article in *Foreign Policy*, Stephanie Kleine-Ahlbrandt observes that China is already taking some concrete actions. Following the unrest in Myanmar's Kokang region in August 2009 between ethnic minority groups and the military junta, China has broadened direct engagement with the border ethnic groups and has been mediating privately, urging the military junta to refrain from using excessive force while calling for the Wa minority group to negotiate with the junta. The unrest in 2009 saw refugees flooding into China's Yunnan province, a festering problem that Chinese authorities worry might have spillover effects on regional stability along China's southwestern borders. Looking ahead, China faces an increasing dilemma. A recent article in *The Economist* in November notes that the elections will help legitimate Beijing's backing of the military junta, which is crucial to ensuring that the Chinese construction of the supply route for gas and oil continues unabated. At the same time, Beijing will continue to maintain close ties with the militias, many of which evolved from the Communist Party of Burma decades ago and received large sums of arms and support from China. Ensuring stability in Myanmar is thus increasingly important for Beijing, and China may continue to take a more active stance to help prevent conflict and promote development in the border regions.

Other developments

China-Vietnam. In early October, Vietnam asked China to release fishermen detained since September for fishing near disputed islands in the South China Sea. China released the detainees prior to the ADMM+ later that month. Also, high-level China-Vietnam military exchanges occurred during the quarter.

China-Australia. Reacting to advances seen targeting China in US-Australian defense cooperation during visits by Secretary of State Clinton and Secretary of Defense Gates to

Australia in November, Chinese government expert Zhai Kun averred that China would continue developing its relationship with Australia and does not see Sino-Australian relations coming at the cost of the US-Australian alliance.

Outlook

Regional leaders will join international observers to discern whether and how the Hu Jintao visit to the US in January 2011 might increase or dampen Chinese initiatives over the past two years that were widely seen as signs of greater Chinese assertiveness targeted against the US in Southeast Asia and other areas. They also will be watching to see how well or poorly the US plays the role of regional guarantor without substantially exacerbating tensions with China. Ongoing Chinese efforts to deepen economic, political, and military interchange with neighboring countries seem poised to continue, with some probable lull on account of winter weather and China's prolonged holiday during the lunar New Year.

Chronology of China-Southeast Asia Relations October – December 2010

Oct. 2, 2010: Wu Bangguo, chairperson of China's National People's Congress (NPC) Standing Committee, meets Thongsing Thammavong, president of the Laotian National Assembly, in Shanghai. They agree to increase high-level contacts, expand trade and economic cooperation, and strengthen exchanges between the ruling parties.

Oct. 11, 2010: Chinese and Vietnamese defense ministries issue a joint communiqué announcing agreement to strengthen bilateral defense cooperation, continue the exchange of visits between the two armed forces and navies, and to resolve all territorial disputes in a peaceful manner.

Oct. 12, 2010: China's Defense Minister Liang Guanglie announces that China and Vietnam will co-chair an expert working group to strengthen regional capacity to respond to non-traditional security challenges such as humanitarian assistance and disaster relief, maritime security, counterterrorism, and peacekeeping operations. The working group is part of the ASEAN Defense Ministers Meeting Plus 8.

Oct. 19, 2010: The China-ASEAN Expo opens in Nanning, with an emphasis on expanding regional cooperation in agriculture, trade, and investment.

Oct. 28-Nov. 14, 2010: China and Thailand conduct a joint military exercise at Sattahip Naval Base in the Gulf of Thailand. *The Washington Times* reports the *Blue Assault 2010* exercise is the first time Chinese People's Liberation Army (PLA) marines are training with foreign troops. The drill focuses on counterterrorism, involving more than 100 marines from each side.

Oct. 30, 2010: Chinese Premier Wen Jiabao visits Hanoi for the 13th annual summit between China and ASEAN; the 13th summit among ASEAN, China, Japan and South Korea (ASEAN Plus 3); and the fifth East Asia Summit.

Nov. 2, 2010: China's Marine Corps holds a major naval exercise in the South China Sea. The live-fire exercises, codenamed *Jiaolong 2010*, include more than 1,800 troops and over 100 ships, submarines, and aircraft.

Nov. 11, 2010: Wu Bangguo, chairperson of China's NPC Standing Committee, visits Jakarta and meets Indonesian President Susilo Bambang Yudhoyono. They agree to deepen and expand bilateral business, trade, and economic ties, and to increase agricultural cooperation.

Nov. 16, 2010: Chinese Vice President Xi Jinping visits Singapore and holds talks with Prime Minister Lee Hsien Loong. They agree to strengthen bilateral ties through further cooperation in counterterrorism activities, transnational crimes, maritime security, and other nontraditional security issues. They also sign a Memorandum of Understanding to further boost educational and cultural exchanges between China and Singapore.

Nov. 19-24, 2010: The Chinese PLA and the Singapore Armed Forces (SAF) hold a joint exercise in Singapore. It is the first time a PLA chemical defense regiment participates in a training exercise with the SAF and involves around 150 personnel from both sides participating in a series of seminars, planning exercises, and response drills.

Nov. 22, 2010: Deputy Secretary of the Chinese Communist Party Central Commission for Discipline Inspection He Yong meets his Vietnamese counterpart in Beijing to discuss strengthening bilateral exchanges and cooperation to tackle corruption.

Nov. 26, 2010: Chinese Minister of Public Security Meng Jianzhu and his Laotian counterpart Thongbanh Seng Aphone sign a security cooperation agreement to tackle cross-border crimes and increase patrol in the border areas between the two countries.

Nov. 27, 2010: Deputy Chief of the General Staff of the PLA Ma Xiaotian meets Vietnamese counterpart Nguyen Tri Vinh in Hanoi for the fourth round of bilateral defense and security consultation. They agree to strengthen exchanges and coordination in regional security affairs.

Nov. 29, 2010: Deputy Chief of the General Staff of the PLA Ma visits Bangkok and meets Thai Defense Minister Prawit Wongsuwan for the 9th Defense and Security Consultation. They review bilateral military affairs and agree to increase exchanges and joint training.

Dec. 3, 2010: The Chinese frigate *Xiangfan* arrives in Danang, Vietnam following a joint naval patrol in the Beibu Gulf. The five-day port visit is intended to help enhance mutual trust between the two navies.

Dec. 7, 2010: Chief of the General Staff of the PLA Chen Bide meets Chief of Staff of the Philippine Armed Forces Ricardo David in Beijing. They agree to contribute to regional stability through further exchanges and cooperation between the two militaries. David also meets Defense Minister Liang.

Dec. 12, 2010: *South China Morning Post* reports that Chinese and Vietnamese officials have been holding negotiations to help resolve the South China Sea disputes, but Chinese officials

reportedly refuse to yield on discussions related to the Paracel Islands. So far, there have been four rounds of bilateral dialogue, all of which focus on the Spratly Island disputes.

Dec. 12-15, 2010: Cambodian Prime Minister Hun Sen visits China and meets President Hu Jintao and other senior Chinese officials. The two sides agree to establish a comprehensive strategic partnership of cooperation and sign a number of deals to strengthen bilateral cooperation in energy security, infrastructure development, finance, and consular affairs.

Dec. 22, 2010: Defense Minister and State Councilor Liang Guanglie meets Singaporean Chief of Navy Chew Men Leong in Beijing. They agree to continue deepening bilateral cooperation between the two navies, including more frequent port visits, officer exchanges, and escort operation in the Gulf of Aden.

Dec. 23, 2010: Philippine press reports that Chinese Ambassador Liu Jianchao expressed strong dissatisfaction at a forum held at the Chinese Embassy in Manila regarding the US role in the South China Sea dispute, emphasizing that involvement should only be limited to claimant countries in the region.

Dec. 24, 2010: *Xinhua* reports the fifth meeting of a China-ASEAN joint working group on the implementation of the Declaration of the Conduct of Parties in the South China Sea was held on Dec. 21-23 in Kunming, China.

Dec. 30, 2010: The newly appointed Chinese Ambassador to Myanmar Li Junhua meets Chairperson of Myanmar's State Peace and Development Council (SPDC) Gen. Than Shwe. Li remarks that China will uphold its longstanding policy of promoting friendly and cooperative ties and deepening economic ties with Myanmar.