

PACIFIC FORUM

COMPARATIVE

C O N N E C T I O N S

A TRIANNUAL E-JOURNAL OF BILATERAL
RELATIONS IN THE INDO-PACIFIC

CHINA - SOUTHEAST ASIA

DIMINISHED PRIORITY AS UKRAINE DISTRACTS AMERICA

ROBERT SUTTER, GEORGE WASHINGTON UNIVERSITY
CHIN-HAO HUANG, YALE-NUS COLLEGE

Southeast Asia stopped being China's high priority as Beijing viewed US initiatives to compete with China in the region as flagging amid preoccupation with the war in Ukraine. Chinese diplomacy added to the reasons Southeast Asian governments generally eschewed support for US-backed sanctions against Russia and carefully avoided major controversy in UN votes on the Russia-Ukraine conflict. A Chinese-Solomon Islands security deal resulted in more US and allied attention to the Pacific Islands than ever before, surpassing rare past instances of concern over interventions by the Soviet Union, Libya's Muammar Gaddafi, and others in an area usually considered of low strategic importance.

This article is extracted from *Comparative Connections: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific*, Vol. 24, No. 1, May 2022. Preferred citation: Robert Sutter and Chin-Hao Huang, "China-Southeast Asia Relations: Diminished Priority as Ukraine Distracts America," *Comparative Connections*, Vol. 24, No. 1, pp 79-88.

Lower Priority

Foreign Minister Wang Yi's annual [review](#) of Chinese international priorities in late December signaled an end to Beijing's extraordinary high-level attention to Southeast Asia, evident since late 2020. The highpoint of that effort was President Xi Jinping presiding over a special ASEAN-China summit in November. Wang's speech returned Southeast Asia to the region's important but not prominent position in Chinese priorities before late 2020: it ranked fifth after salient international trends and China's relations with Russia, the United States, and Europe. The higher priority attached to Southeast Asia [coincided](#) with and seemed related to keen Chinese attention to the Biden administration's stepped-up efforts to reverse recent decline and compete more effectively with China in the region. In the past three months, Beijing media and commentary have [depicted](#) the US initiatives in Southeast Asia as complicated and weakened by the conflict in Ukraine and by the initial failure of the United States to gain regional agreement on a proposed US-ASEAN summit.

Beijing's diminished attention to Southeast Asia was evident when Premier Li Keqiang avoiding the topic in his press [conference](#) following the annual meeting of the National People's Congress in March. Wang Yi, [meeting](#) with the media after the Congress, as usual devoted more attention to foreign affairs. Southeast Asian issues were duly discussed after long explanations of China's reaction to the war in Ukraine, relations with Russia, and relations with the United States.

When speaking on Southeast Asian issues, Wang was consistent with recent practice. He condemned the Indo-Pacific Strategy announced in February as the latest US effort to build alignments in the Australia-India-Japan-US Quadrilateral Security Dialogue (the "Quad") and other arrangements to create an Asian NATO that he judged leads to confrontation contrary to ASEAN-centered regional cooperation favored in the region. He hailed the China-ASEAN comprehensive strategic partnership, the proposed upgrading of the ASEAN-China Free Trade Agreement, the positive prospect of even closer trade relations under the ASEAN-centered Regional Comprehensive Economic Partnership (RCEP) agreement, and China's leading role in providing vaccines and other COVID relief for Southeast Asia. Wang devoted special attention to the stalled China-ASEAN negotiation on a

Code of Conduct in the South China Sea, urging ASEAN members to work constructively with China to resolve differences and to counter efforts by "some non-regional powers" to disrupt the negotiations.

Elsewhere, there were few notable Chinese initiatives focused on Southeast Asia, though Wang did [host](#) the foreign ministers of Indonesia, Myanmar, the Philippines, and Thailand for in-person consultations in China in late March and early April. By contrast, Wang in January [hosted](#) his counterparts from four Persian Gulf countries (Saudi Arabia, Kuwait, Oman, and Bahrain), along with the Gulf Cooperation Council secretary general, and held separate meetings with top diplomats from Turkey and Iran in what seemed to be an effort to raise China's profile in that region as the US was seen in withdrawal. South Asia received new attention in Wang's trips to the Maldives and Sri Lanka following his annual visits to African countries in January, and his visits to Pakistan, Afghanistan, Nepal, and India in March.

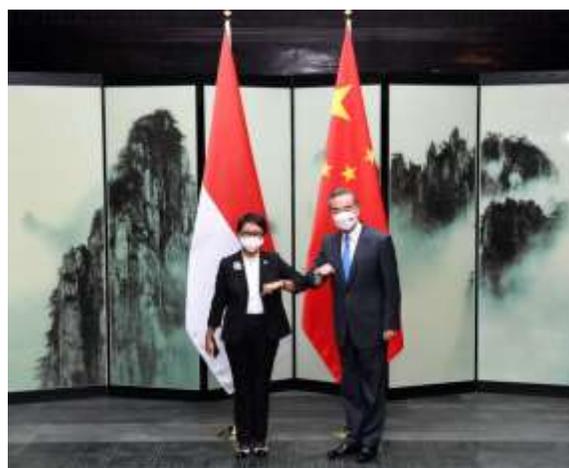


Figure 1 Foreign Minister Wang Yi meets with visiting Indonesian Foreign Minister Retno Marsudi on March 31, 2022. Photo: Ministry of Foreign Affairs, People's Republic of China



Figure 2 Foreign Minister Wang Yi meets with Myanmar's Foreign Minister U Wunna Maung Lwin on April 1, 2022. Photo: Ministry of Foreign Affairs, People's Republic of China

By that time, Chinese [motives](#) focused on winning support among developing states for China's strong opposition to US-led sanctions against Russia for its war against Ukraine and Beijing's opposition to US and Western efforts to support the Ukrainian military and weaken the Putin regime. Indeed, Chinese media interpreted Xi Jinping's keynote speech to the annual Boao Forum for Asia in April, which emphasized the president's Global Security Initiative upholding "common, comprehensive, cooperative and sustainable security," as an opposing vision to the "Cold War mentality" of US-led efforts to sanction Russia and provide weapons assistance to Ukraine.

Meanwhile, China's systematic and well focused use of economic blandishments and other positive incentives as well as levers of coercive influence, control and intimidation to steadily advance its influence and power in Southeast Asia and other world areas achieved notable [success](#) in the Solomon Islands on Southeast Asia's southeastern flank. Discussed below is a secret security agreement, leaked to the media in draft form in March, which was signed by the Solomon Islands and Chinese governments in April. These developments prompted widely publicized alarm in Australia, the United States, and other regional stakeholders over the potential for China to gain a military foothold in an area of growing strategic importance to Southeast Asia and the broader Indo-Pacific.

Specific Regional Issues

Beijing continued to highlight its status as the leading source of vaccines and other COVID relief in Southeast Asia. The annual Institute of Southeast Asian Studies poll of regional elites [published](#) in January said that 58% of respondents saw China as "the strongest provider of COVID-19 vaccine support" with the United States ranked a distant second with 23%.

Chinese commentary in March remained [optimistic](#) about growing trade as Chinese trade with ASEAN rose by over 10% in the first two months of 2022, after an increase of almost 20% in 2021. The growth figure declined to 8.4% for the first quarter of 2022. CCP [leaders](#) in April were sensitive to China's strict COVID Zero measures' likely negative impact on Chinese economic growth and disruption of supply chains and trade with Southeast Asia and other trading partners.

High-profile shows of force in the South China Sea by US and allied naval warships and repeated Chinese warnings and complaints continued without letup. Chinese [commentary](#) highlighted a report by the South China Sea Strategic Situation Probing Initiative, a Beijing-based think tank, documenting the ever-increasing tempo and scope of US and allied exercises in the South China Sea. There were 95 US military exercises in the South China Sea in 2021, 10 more than in the previous year. US amphibious landing and aircraft carrier strike groups carried out exercises on 12 occasions in 2021, nearly double the number in 2020. Japan was cited as the most active ally, participating in dozens of joint exercises with the US last year. The report also noted a record number of 1,200 sorties by US maritime patrol and reconnaissance aircraft conducting close-in intelligence gathering targeting China. Against this background, the US Aircraft Carrier *Carl Vinson* and US landing helicopter dock ship *Essex* and their support warships [exercised](#) in the South China Sea in mid-January. On Jan. 24, the *Vinson Strike Group* joined the US Aircraft Carrier *Abraham Lincoln Strike Group* to conduct dual carrier operations in the South China Sea.

A week earlier the two carrier strike groups and the *Essex* Amphibious Ready Group exercised with a Japanese helicopter carrier and accompanying destroyer in the nearby Philippines Sea. In conjunction with this year's US-Philippines *Balikatan* military exercises, the

largest in seven years, in late March the *Abraham Lincoln* Strike Group carried out operations in the South China Sea and made a port [visit](#) to Manila. At that time, US, Japanese and Australian warships conducted South China Sea exercises. And on March 20, US Indo-Pacific Commander Adm. John Aquilino told reporters accompanying him on a US reconnaissance aircraft operating over the disputed South China Sea of the dangers posed by China's "fully militarized" islands in the Sea. The reporters [noted](#) the plane was repeatedly warned by Chinese outposts to leave Chinese territory. China did not have comparable displays of force during this reporting period, but Beijing did [announce](#) on March 4 10 days of military drills in a no-entry zone that appeared to infringe on South China Sea areas also claimed by Vietnam.



Figure 3 A helicopter takes off from the USS Wasp during a recent exercise in the South China Sea with the Philippine navy. Photo: AFP

Beijing' ability to make headway on resolving differences in Code of Conduct negotiations faced major obstacles. On the one hand, Chinese ally Cambodian Prime Minister Hun Sen, this year's ASEAN Chairperson, said he would give priority to concluding the negotiations in 2022. Nevertheless in December 2021, prominent international affairs expert PLA Maj. Gen. (Ret.) Yao Yunzhu [saw](#) completion of negotiations this year as unlikely because she judged that as the talks advance, differences will become more pronounced and difficult to address and foreign interference with intensify. Leading Southeast Asian specialist Carlyle Thayer in a Jan. 14 Thayer Consultancy Background Brief agreed. He noted that the current negotiating text does not yet define the geographic scope to be covered by the code; does not clarify the code's legal status as a binding agreement or a nonbinding declaration; does not contain a binding dispute settlement mechanism or provisions on how the code will be

enforced, and makes no mention of third parties who may wish to accede to the code. Adding to the complications are two proposals by Beijing requiring advance notification of military exercises involving countries outside the region and limiting exploitation of South China Sea oil and gas resources to companies from China and littoral states, excluding oil companies from outside the region. The former could block US and allied exercises and the latter would compel littoral states to engage Chinese companies in oil and gas exploitation as their capacities are limited and they now rely on collaboration with foreign firms.

Opposition to US Initiatives

The Chinese foreign ministry spokesperson and official media commentary [reacted](#) negatively to the announced US Indo-Pacific Strategy and Secretary of State Antony Blinken's concurrent visits in February with US forces leaders in Hawaii, Quadrilateral Security Dialogue ("Quad") counterparts in Australia, and Pacific Island leaders in Fiji to register US resolve in defending against Chinese advances in the Indo-Pacific including the Pacific Islands. There was notably less Chinese official commentary regarding the initially unsuccessful efforts by the United States to reach agreement with Southeast Asian leaders on a US-proposed in-person US-ASEAN summit in March. The unofficial *Global Times*, affiliated with *People's Daily*, made clear Chinese satisfaction with what it [portrayed](#) as Southeast Asian resistance to an "arrogant, bossy" America seeking to set times convenient to US leaders regardless of inconveniences to Southeast Asian counterparts. Official Chinese commentary depicted US leaders as preoccupied with Russia and the war in Ukraine, but Beijing remained [unclear](#) on whether and how the Ukraine war would complicate US policy countering Chinese challenges in Southeast Asia and the broader Indo-Pacific. The White House announcement in April that the US-ASEAN summit would be held in May prompted critical Chinese commentary warning the ASEAN states not to be turned into "chess pieces" manipulated by the United States against China.

Chinese officials and commentary gave top priority in foreign affairs to [encouraging](#) opposition to US and Western-aligned countries imposing sanctions and pressures on Russia for its war in Ukraine. They judged approvingly that much of the developing world, including Southeast Asia, was not supportive of the US-led

efforts. Only Singapore among ASEAN governments imposed sanctions on Russia. The voting record of Southeast Asian states on various UN resolutions reflected cautious postures in order not to raise tension or incur punitive sanctions from the US and European Union on the one hand and China and Russia on the other. On the UN General Assembly resolution calling on Russia to stop the offensive, eight ASEAN members voted in favor and two (Laos and Vietnam) abstained. On the UN General Assembly resolution to grant access to Ukraine to deliver aid, seven ASEAN members voted in favor and three abstained (Brunei, Laos, and Vietnam). On the UN General Assembly resolution to expel Russia from the Human Rights Council, four ASEAN members voted in favor (Myanmar, Philippines, Singapore, and Thailand), two voted against (Laos and Vietnam), and four abstained (Brunei, Cambodia, Indonesia, and Malaysia). One notable exception was pro-China Cambodian leader Hun Sen who repeatedly [spoke out](#) against the Russian “invasion” for what were seen as a range of reasons based on Cambodian experience with foreign invasion and mercurial personal calculations.

Perceptions of US-China Rivalry in Southeast Asia

The authoritative annual [survey](#) of opinion in Southeast Asia conducted by the Institute of Southeast Asian Studies and published in 2022 reinforced recent studies charting China’s continued remarkable advancing political and strategic influence along with growing economic power in Southeast Asia. At the same time, the survey, as it did [last year](#), showed a high level of anxiety and distrust held by those polled about Beijing’s powerful regional position. As seen in the survey published in 2021, this year’s poll showed that the United States under the Biden administration was viewed as more influential and trustworthy than in polling during in the Donald Trump administration published in the Institute’s annual surveys ending in 2020. Forecasting growing US-China rivalry, the 2022 survey underlined a trend seen last year marking strong regional support for and trust in US strategic influence. If forced to choose, a substantial majority, 57% (versus 61% in the previous poll published in 2021) would choose the United States, whereas those choosing China were 43% (versus 38% in the previous poll). Regional anxiety over China’s rise showed in almost 60% of respondents in the 2022 survey having little or no confidence that China would

“do the right thing” to contribute to global peace, security, prosperity and governance,” while over 40% of respondents viewed China as a “revisionist power” that “intends to turn Southeast Asia into its sphere of influence.”

Center for Strategic and International Studies Southeast Asia Director Gregory Poling took a similarly hard look at Chinese motives and practices in an important [book](#) published in early 2022 assessing the checkered US historical record and recent failings in dealing with China over South China Sea disputes. Beijing is seen following a determined effort begun under Deng Xiaoping’s leadership to have its way at others’ expense in a drive to control the South China Sea, reinforced by ever-growing Chinese economic and political influence and leverage backed by the impressive buildup of military and para-military coercive capacities. The situation has deteriorated badly for the United States and its interests in the past decade because of failures of the Barack Obama government to counter egregious Chinese advances and the Trump government to implement and sustain effective strategy. The present stakes for the United States and its interests are seen as very high, with no likelihood of an easy solution.

Solomon Islands: Domestic Tensions, Chinese Advances, High Security Stakes

The Chinese security agreement with the Solomon Islands government [came](#) amid strong and violent domestic opposition to the government of Prime Minister Manasseh Sogavare, resulting in riots targeting the ethnic Chinese businesses in the capital city and endangering the prime minister’s home in November 2021. The disturbances were quelled with the help of regional peacekeepers from Australia, New Zealand, Fiji, and New Guinea brought in at the government’s request. The underlining domestic tensions have a long history, and exploded in armed conflict that was dealt with by an Australian-led regional security force that helped to maintain the peace in the Solomon Islands from 2003 until its withdrawal in 2017. In 2019, the Sogavare government alienated the opposition by breaking longstanding ties with Taiwan that had benefited the opposition and establishing official relations with Beijing. After the November 2021 riots, the prime minister faced a vote of no-confidence in Parliament in December when parliamentarians who voted in support of the government were

rewarded with sizable cash payments from the China-funded National Development Fund.

The leaked draft China-Solomons security framework had vague terms that would allow Chinese military and intelligence operations, and involvement in maintaining order and protecting Chinese businesses. [Critics](#) saw Prime Minister Sogavare opening the country to a substantial Chinese military presence without consultations in a secret deal with potential loss of sovereignty. They depicted his motives as corrupt and partisan. The reactions of governments in Australia and New Zealand were sharply negative while US concern was registered in the dispatch to the region of a senior US delegation led by National Security Council Coordinator for the Indo-Pacific Kurt Campbell.

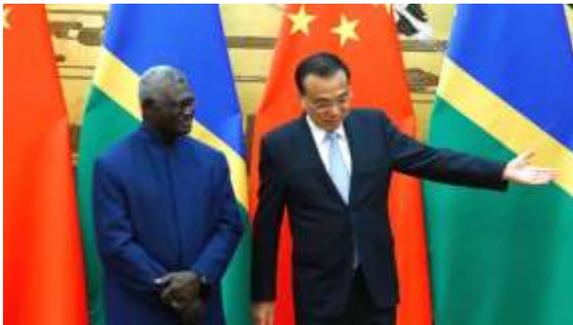


Figure 4 Solomon Islands Prime Minister Manasseh Sogavare and Chinese Premier Li Keqiang attend a signing ceremony at the Great Hall of the People in Beijing, China October 9, 2019. Photo: Thomas Peter/Reuters

Chinese commentary rebuked US and Australian “bullying” of the Solomon Islands government. The Chinese foreign ministry spokesperson and Chinese commentary criticized the US visit to the Solomon Islands as designed to pressure the Sogavare government in pursuit of a type of Monroe Doctrine in the Pacific Islands. Western media were critical of Chinese exploitation of weak Pacific Island governments. The [Financial Times](#) went beyond standard critiques of Chinese economic measures including use of payoffs and other corrupt practices to gain the support of political leaders of small poorly governed countries. It gave prominence to heretofore poorly understood Chinese efforts in the Solomon Islands and other developing countries to rely on ostensibly private Chinese firms to purchase or arrange long-term leases of islands or large tracts of coastal territory in countries with strategic locations to construct military installations for use by Chinese forces. One such

purchase in the Solomons took place three years ago and was later voided. Others were attempted.

Philippines Power Transition and Future China Policy

The shift over the past year in President Rodrigo Duterte’s government toward a more forceful defense of Philippines claims against China in the disputed South China Sea and stronger alignment and closer cooperation with the US military has worried specialists in China about a potential shift against Beijing’s interests following the May 2022 presidential elections. During a meeting in China with Philippines Foreign Secretary Teodoro Locsin, Foreign Minister Wang Yi [urged](#) Manila to steer clear of external disturbances and prevent tensions from arising in the South China Sea. The meeting came amid the largest US-Philippines annual *Balikatan* military exercises in seven years. Philippines-based expert Richard Javad Heydarian [found](#) that only front-running presidential candidate Bongbong Marcos favors a policy of avoiding confrontation with China over territorial issues while seeking beneficial economic cooperation. Overall, other candidates and Philippines public opinion favor calibrated assertiveness on territorial difference and realist pragmatism in other areas of interaction with China. Regardless of who wins the upcoming election, China’s continued presence in the maritime dispute means that the United States remains an important ally and partner of choice for Manila.

ASEAN-Myanmar-China relations

More than a year after the coup in Myanmar, there remains a lack of tangible progress in implementing ASEAN’s five-point consensus adopted by regional leaders, including the junta leader, in April 2021. In a regional foreign ministers’ meeting in February 2022, ASEAN agreed to adopt a more coordinated stance toward Myanmar. Cambodia’s chairmanship of the regional grouping this year has seen Phnom Penh taking on a different tack earlier this year when Cambodian Prime Minister Hun Sen made a surprise visit to Myanmar and met junta leaders in January 2021. The visit was met with regional disapproval, with Malaysia publicly denouncing the event. Regional leaders appear to have persuaded Cambodia to return to ASEAN’s earlier position of maintaining and applying the five-point consensus and maintaining additional diplomatic pressure on the junta. ASEAN continued its outreach to China for support on

the implementation of the five-point consensus. In a regional foreign ministerial meeting with China in March and April 2022, top ASEAN diplomats engaged with Chinese officials on Myanmar and sought Beijing's support for ASEAN's coordinated effort and diplomatic approach to address the looming border security risks, humanitarian, and refugee problems with the Myanmar crisis.

Regional Outlook

The outcomes from the upcoming US-ASEAN summit will feature prominently in regional development as US strategic competition with China deepens in Southeast Asia. Regional views on how to respond to continued US-China tension will test ASEAN's ability to maintain its leverage and unity. The South China Sea dispute, Myanmar crisis, and economic headwinds with rising inflation across the region will add to increasing challenges and uncertainties in the next reporting period of China-Southeast Asia relations.

CHRONOLOGY OF CHINA-SOUTHEAST ASIA RELATIONS

JANUARY—APRIL 2022

Jan. 1, 2022: Regional Comprehensive Economic Partnership (RCEP) [kicks](#) into effect as the world's largest trade pact. RCEP covers nearly a third of global gross domestic product. In addition to tariff reductions and eliminations, RCEP will enhance regional trade with preferential market access, allowing for greater flexibility to draw on regional supply chains.

Jan. 20, 2022: Vietnam's Foreign Ministry officials [reject](#) reports from Chinese media that Vietnam has been supporting and arming militia fishing vessels in the maritime dispute.

Jan. 20, 2022: Following the opening of the China-Laos high speed railway line in December 2021, China's plans for extending the pan-Asia railway through Indochina are stalled. Thailand announces that it will review the initial terms of agreement with China on the railway construction, especially the requirement that only Chinese materials and workers be employed for construction and that China be granted rights to develop areas along the railway line.

Jan. 21, 2022: Philippines [welcomes](#) the US State Department's latest report on the South China Sea, which affirms the validity of the 2016 Permanent Court of Arbitration in The Hague's ruling and the finding that China's expansive maritime claims are "unlawful."

Jan. 25, 2022: Senior Chinese and Laotian officials meet during a videoconference to celebrate the 60th anniversary of diplomatic relations and agree to deepen bilateral economic and security ties. China also agrees to provide additional medical equipment and COVID-19 vaccinations to support Lao's efforts to combat the pandemic.

Feb. 16-17, 2022: ASEAN foreign ministers [meet](#) in Phnom Penh to discuss the latest developments in regional security. They agree to apply continued pressure on the junta in Myanmar, including the decision that Myanmar could only send nonpolitical representatives to ASEAN meetings and to expedite implementation of the five-point consensus adopted in April 2021. Regional foreign ministers also agree to an early conclusion of a robust code of conduct with China over the South China Sea and aim to finalize the agreement by the end of this year.

Feb. 26, 2022: According to the *The Irrawaddy*, a Thailand-based English news website on Myanmar, the junta [convened](#) an emergency meeting to discuss the implications of Russia's invasion of Ukraine for Myanmar. The report notes that the junta assumes there is a risk that Myanmar would face invasion by neighbors like China, just as Ukraine has been invaded by its larger and more powerful neighbor. While the junta acknowledges that such an invasion would not occur in normal times, it asserts that China may "take matters into its own hand if and when Myanmar's military is incapable of protecting Chinese interests in the country."

March 8, 2022: Vietnam lodges a complaint and urges China to [respect](#) its exclusive economic zone and sovereignty after China had earlier announced military drills in the vicinity of China's Hainan Islands in South China Sea from March 4-15.

March 14, 2022: Philippines [summons](#) China's ambassador in Manila to explain the "illegal intrusion and lingering presence" of a Chinese navy reconnaissance ship that had entered Philippine waters without permission the previous month. The Philippine Foreign Ministry statement indicates that the Chinese vessel lingered in its waters from Jan. 29 to Feb. 1 and ignored repeated demands from the Philippine forces to leave the area.

March 26–April 2, 2022: Lee Hsien Loong, Singapore’s prime minister, [visits](#) the United States and meets with President Joseph Biden and other senior US officials. The two leaders discuss the state of bilateral ties and regional security issues, including North Korea and Myanmar. In the midst of growing uncertainty in US–China relations, Singapore emphasizes that it would continue to deepen security ties with the US, while urging the two external powers to provide continued leadership in the form of public goods and concrete trade and economic investments in the region.

March 28–April 8, 2022: Philippines and the US [carry](#) out a 12-day *Balikatan* military exercise focusing on maritime security, amphibious, urban, and aviation operations, counter-terrorism, and humanitarian assistance. The military drill comes at a time of heightened tensions between the Philippines and China over the South China Sea.

March 31–April 3, 2022: Chinese Foreign Minister Wang Yi [meets](#) with regional counterparts from Indonesia, Thailand, the Philippines, and Myanmar. In each of the bilateral meetings, the regional diplomats exchange views on the Russia–Ukraine crisis, as well as on regional security and economic issues, including affirming the significance of ASEAN’s five-point consensus on Myanmar and its implementation, as well as enhancing trade and infrastructure development under the Belt and Road Initiative.

April 5, 2022: Thailand’s Prime Minister Prayut Chan-o-cha [announces](#) that a submarine deal with China could be annulled if a specific term of agreement in the earlier deal is not implemented. Under the terms of the deal, submarine engines were to be provided by Germany and to be fitted on the Chinese *S26T Yuan*-class submarine that is being built for the Royal Thai Navy. The German company supplying the engines, however, was barred from making the sale to China due to an embargo as they are designated a military item. China had indicated that it would find a suitable replacement with Chinese-made submarine engines.

