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Wang Yi's Recent Visits to the ASEAN Countries: Understanding Chinese Interest in Singapore, Malaysia and Cambodia

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Analysis Paper

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The Minister of Foreign Affairs of the People's Republic of China, Mr. Wang Yi recently concluded a four day visit to the three ASEAN countries - Singapore, Malaysia and Cambodia from 10 to 13 August.¹ This visit which sought to reaffirm close strategic ties and strengthen the Belt and Road Initiative partnerships with the three countries occurred in the midst of growing tensions between China and the Philippines in the South China Sea. Even so, Wang utilized the occasion to name the United States as the largest source of instability.² What prompted Beijing to plan these visits and what could be the probable outcome? It may be noted that Wang Yi has been reinstated as the Foreign Minister in July this year (his nine-year long previous tenure was from 2013-2022), replacing Qin Gang.

Singapore

Wang Yi began his three-nation tour with Singapore on 10 August. He met Singapore PM Lee Hsien Loong, Deputy PM and Minister for Finance Lawrence Wong and Foreign Minister Vivian Balakrishnan on 11 August. On the bilateral plane, the two sides agreed to full resumption of direct flights, promote closer trade cooperation, people-to-people exchanges and tourism.³ The progress of the institutionalized platform such as the Joint Council for Bilateral Cooperation (JCBC) was reviewed along with the three major China-Singapore Government-to- Government projects viz. the Suzhou Industrial Park; the Tianjin Eco-City⁴; and the Chongqing Demonstrative Initiative on Strategic Connectivity.⁵ It bears recalling that Singapore-China relations have been recently upgraded to "All-Round High-Quality Future-Oriented Partnership" during the official visit of the Prime Minister Lee to China in April 2023.

On the regional level, the two sides affirmed the continued role of ASEAN and the importance of building an open, peaceful and inclusive region. Singapore has "in-principle support for China's interest to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)", provided of course that the same is acceptable to the other CPTPP members. Singapore has also welcomed China's application to the Digital Economy Partnership Agreement (DEPA). DEPA is a partnership that allows the exporters and SMEs belonging to partners countries New Zealand, China and Singapore to leverage the gains from digital trade.

China has been Singapore's largest trading partner for the last ten consecutive years (with a bilateral trade of USD 115.13 billion in 2022), and Singapore has been China's largest foreign investor. China and Singapore have enjoyed close economic cooperation with the two countries

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¹ This outreach has to be seen in the context that China is to host the third Belt and Road Forum later this year. https://www.scmp.com/news/china/diplomacy/article/3230554/beijings-top-diplomat-visit-asean-members-amid-south-china-sea-tensions

² 'Foreign Minister names US as largest source of instability', 11 August 2023, https://global.chinadaily.com.cn/a/202308/11/WS64d5e776a31035260b81ba10.html

³ China has already extended a 15-day visa-free policy for Singaporeans with effect from 26 July. https://global.chinadaily.com.cn/a/202308/12/WS64d6b515a31035260b81bacb.html

⁴ The 15th anniversary of the Tianjin Sino-Singapore project will be celebrated this year.

⁵ Singapore Deputy PM is scheduled to visit China later this year to Co-Chair the 19th JCBC with Chinese Vice Premier Ding Xuexiang.

having signed the China-Singapore Free Trade Agreement (CSFTA) on 1 January 2009. It was decided during President Xi Jinping's visit to Singapore in 2015 to upgrade CSFTA. This was done during the visit to Singapore by Chinese PM Le Keqiang in November 2018.

Malaysia

Wang Yi visited Malaysia in the second leg of his tour on 11 and 12 August. He met Prime Minister Anwar Ibrahim and Malaysian Foreign Minister Dr Zambry Abd Kadir. In addition, he also met Transport minister Loke Siew Fook and caretaker Penang chief minister Chow Kon Yeow. ⁶ This year holds significance as it marks the 10th anniversary of the Comprehensive Strategic Partnership between Malaysia and China. Next year (2024) will be the 50th anniversary of the establishment of diplomatic ties between the two. This was Wang's sixth visit to Malaysia as Foreign Minister.

China has been Malaysia's largest trading partner for over a decade (with a bilateral trade of USD 110.62 billion in 2022- an over 15 per cent increase over 2021). On the bilateral economic relations level, there was a focus on investment — in petrochemical (Rongsheng) and car manufacturing (Geely). Education matters were also discussed given that Malaysia has over 60,000 Chinese students.

Cambodia

Last, but not the least, the third and the final leg of Wang's visit was to the Kingdom of Cambodia-on 12 and 13 August. The visit of a senior Chinese leader like Wang Yi, (who is also the Political Bureau Member of the Communist Party of China Central Committee (CPCC) and Director of the Office of the Central Commission for Foreign Affairs) so soon after the declaration of Hun Manet as the next Cambodian leader, displayed China's keenness to acknowledge the new leadership and furnishing the necessary sanction to Cambodia's electoral system. In Phnom Penh besides incumbent Prime Minister Hun Sen, Wang met his son and designated successor Hun Manet. He was also granted an audience by the King of Cambodia, Norodom Sihamoni. Wang also met Deputy Prime Minister Hor Namhong and Deputy Prime Minister-designate Sun Chanthol upon his arrival in Phnom Penh on August 12. Beijing on its part reposed faith in the Deputy Prime Minister designate Sun Chanthol for his active promotion of the Belt and Road cooperation between the two countries, and welcomed his taking over the next chairmanship of the Cambodian side of the China-Cambodia Intergovernmental Coordination Committee. Cambodia

⁶ https://www.freemalaysiatoday.com/category/nation/2023/08/11/wang-yi-visit-significant-investments-the-main-topic-says-pm/

⁷ Malaysia MOFA website, 11 August 2023, https://www.kln.gov.my/web/guest/-/the-official-visit-of-the-minister-of-foreign-affairs-of-the-people-s-republic-of-china-his-excellency-wang-yi-to-malaysia-11-and-12-august-2023

⁸ Pradeep Nambiar, "Wang Yi's visit 'significant', investments the main topic, says PM", 11 August 2023, at https://www.freemalaysiatoday.com/category/nation/2023/08/11/wang-yi-visit-significant-investments-the-main-topic-says-pm/

and China already have Comprehensive Strategic Cooperative partnership, with the controversial Naval Base built by China in Ream, in the Gulf of Thailand. This visit coincides with the 65th Anniversary of the year of the Diplomatic Relations of Cambodia and China.

Economically, Cambodia is closely allied with China ⁹ through its Belt and Road Initiative besides the Diamond Hexagon cooperation framework that is focused on six priority areas, including political cooperation, production capacity and quality, agriculture, energy, security, and people-to-people exchanges. The two countries have already signed the Cambodia-China Free Trade Agreement (2022) besides being part of the Regional Comprehensive Economic Partnership (RCEP) regime.

In a press release issued on 13 August, the Cambodian Ministry of Foreign Affairs and International Cooperation stated: "China reaffirms resounding support for Cambodia's sovereignty, emerging government leadership and development path'. The Press release goes on to state: "The mandate received from 82% of the Cambodian voters underscored the responsive governance approach of the Cambodian People's Party, attending to the exigencies and aspirations of the citizens." It thanked China for support during COVID-19 pandemic, and also reassured Beijing of its steadfast adherence to the One-China policy. The press release also mentions the forthcoming visit of Hun Manet to Beijing and his expected participation in the 20th China-ASEAN Expo and China-ASEAN Business and Investment Summit in Nanning, and the 3rd Forum on the Belt and Road Initiative. All this gives a flavour of future trends.

Implications for India

Chinese Foreign Minister Wang Yi's visit to the three Southeast Asian countries was propelled by strategic and economic motivations. None of these countries can deny the rise of China but some like Cambodia rely heavily on China for their economic growth. Cambodia is perhaps among the weakest links in the ASEAN chain and, on the other hand, economically-strong Singapore holds its own. Sam Rainsy in assessing recent developments in Cambodia notes that a leadership transition will not change anything so long as Hun Sen pulls the strings from behind. He notes: "For China, a subservient Cambodia that provides a military stronghold and a dependent outpost in Southeast Asia is a fundamental strategic achievement in the global expansion of Beijing's power." 10

Although one would like to believe that the age old civilizational ties between India and Cambodia itself ensures that Cambodia-India ties are strengthening, the facts on the ground may be indicating something else. China's new naval base in Ream in Cambodia, so close to the Strait of Malacca which links Indian Ocean to South China Sea holds potential concern for India and

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⁹ Cambodia owes USD 10 billion in debt to China which amounts to over 40 per cent of it total foreign debt. https://asia.nikkei.com/Spotlight/Hun-Sen-s-Cambodia/China-s-Wang-Yi-visits-Cambodia-meets-with-Hun-Sen-and-son

¹⁰ Sam Rainsy "New prime minister is not a fresh start for Cambodia", Nikkei Asia, at https://asia.nikkei.com/Opinion/New-prime-minister-is-not-a-fresh-start-for-Cambodia

ASEAN. How is ASEAN responding to Chinese actions in the South China Sea? As a report in The Mint points out this base would extend Beijing's reach in contested waters of Southeast Asia¹¹. And any turbulence in the South China Sea could easily spillover into the Indian Ocean. This is likely to have detrimental impact on maritime security and maritime trade routes on which the Indian economy depends so much. That is where the triad of India's Neighbourhood First Policy, India's Act East policy and India's Indo-Pacific Policy assumes importance. The three nations' visit by Wang Yi once again highlights China's intent and the need to take note of the slowly but surely changing regional geopolitical landscape.

¹¹ "China's new military base in Cambodia threatens India's maritime security – Here's why", Mint, at https://www.livemint.com/news/world/chinas-new-military-base-in-cambodia-threatens-indias-maritime-security-heres-why-11691234289762.html