China's Policy Shifts on Southeast Asia:

To Build a "Community of
Common Destiny"

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Abstract: Since Xi Jinping was elected General Secretary of the Communist Party of China (CPC) in November 2012, the Chinese leadership has made a series of policy shifts on Southeast Asia, demonstrated both in its policy proclamation and in China's increasing engagement with the region. On the policy level, the Chinese leadership has declared its commitment to transforming the China-ASEAN relationship from a strategic partnership into a "community of common destiny" based on the strengthened four pillars of China-ASEAN relations. In practice, China is devoting itself to building a positive image, offering more public goods, and participating more actively in the shaping of norms and rules concerning the South China Sea and in the management of major power competition in the region. With regard to the formal establishment of the

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ASEAN Community, China is taking new initiatives to promote relations with the ASEAN by fostering common values and strategic trust while enhancing regional economic development.

Keywords: China-ASEAN relations; “community of common destiny”; public goods; power balancing.

In spite of the ever more complex China-ASEAN relations, building a “community of common destiny” has increasingly become the common goal of China and most ASEAN members. First proposed in a Chinese white paper in 2011, the notion was further elaborated by Chinese President Xi Jinping in October 2013 when he visited Indonesia and Malaysia. In his speeches to both countries, he laid out the blueprint to build a “China-ASEAN Community of Common Destiny” by working together to develop mutual trust and good-neighborliness in an open and inclusive spirit, as well as through more win-win cooperation. As one of the first steps, a protocol on the completion of China-ASEAN negotiations on upgrading their past free trade agreement (FTA) was signed in Kuala Lumpur in November 2015, which would further promote trade between both sides and lay a more solid foundation for closer regional economic integration. Indeed, since Xi Jinping was elected General Secretary of the Communist Party of China (CPC) in November 2012, China has renewed efforts to enhance its relations with the ASEAN and has accomplished remarkable progress in working with the ASEAN to foster a sense of community in the region. Nevertheless, in view of the many old and new challenges to the bilateral relationship, China needs to further upgrade its ASEAN policy so as to continue strengthening its relations with the ASEAN and facilitate the building of their “community of common destiny”.

Chinese Vision of a “Community of Common Destiny”

Since the 18th CPC National Congress in November 2012, the new Chinese leadership has been strongly committed to upgrading the China-ASEAN relationship from a “strategic partnership” to a “community of common destiny,” and has issued many new policy measures under the strategic “2 + 7 cooperation framework,” in order to bring the bilateral relationship from the past “golden decade” into a new “diamond decade”.

Origin of the Concept

The concept of “community of common destiny” takes root in the traditional Chinese wisdom that “all parties of interest are bound together for good or for ill.” In the East Asian context, not only are the security and prosperity of individual states a function of the general well-being of the world economy and regional economic integration, but they are also subject to the changing dynamics of the regional security environment. Any political, security or economic move for absolute selfish gains would result in an absolute loss of common — and ultimately one’s own — interests. That is to say, every state needs to try its best to contribute to the common peace and prosperity of the region and refrain from making moves only for short-term benefits.¹ Such is the essence of the concept of “community of common destiny.”

This concept was initially put forward in the white paper *China's Peaceful Development* issued by the State Council in September 2011, and its substance has been greatly enriched ever since. For example, former CPC General Secretary Hu Jintao stressed in his address to the 18th CPC National Congress in 2012 that while going all out to develop the nation, the Chinese people must develop a consciousness of all mankind sharing a “community of common destiny,” that “a country should accommodate the legitimate concerns of others when pursuing its own interests; and it should promote common development of all countries when advancing its own development.”² Shortly after Xi Jinping became CPC General Secretary, he also noted to the international community that

we all live in an interdependent “community of common destiny.”

Facing the complicated world economic situation and ever more global challenges, no country can manage alone or stand

¹Zhai Kun, “Xinanquanguan 3.0 ban yuzhoubiangonggongwaijiao [New Asian Security Concept 3.0 and Peripheral Public Diplomacy]”, *Public Diplomacy Quarterly*, Vol. 17 (2014), p. 23.

²Hu Jintao, “Firmly March on the Path of Socialism with Chinese Characteristics and Strive to Complete the Building of a Moderately Prosperous Society in all Aspects”, *Qiushi Journal*, Vol. 4, No. 4 (November 2012), http://english.qstheory.cn/magazine/201204/201401/t20140121_314964.htm.

aloof. . . thus we must develop more equitable partnerships for global development, in order to enhance the common interests of mankind.³

Within three years, Mr. Xi has emphasized the notion dozens of times on all occasions, making it a guiding concept of the Chinese government.

Thus, the proposal of building a “community of common destiny” with the ASEAN reflects China’s sincere commitment to grasping new opportunities and tackling the growing challenges for China-ASEAN relations. The year 2013 marked the tenth anniversary of the China-ASEAN Strategic Partnership, with great achievements having been made in their bilateral relationship in all fields. On his state visits to Indonesia and Malaysia, Mr. Xi Jinping proposed building a “China-ASEAN Community of Common Destiny” with joint efforts to “enhance trust and develop good-neighborliness, to work for win-win cooperation, to assist each other in time of need, and to adhere to openness and inclusiveness.”⁴ In his speech at the Bo’ao Forum for Asia (BFA) in March and his state visits to Singapore and Vietnam in November 2015, he reiterated the urgency of generating new momentum for the building of such a community between China and the ASEAN.

Contrary to the negative comments of many observers, the notion of building a “China-ASEAN Community of Common Destiny” is not an empty slogan, but is based on a number of concrete agreements, common projects, and past achievements.

Enhancing common global interests has grown to be a key element of China’s national development agenda.

³“Xi Jinping tong waiguo zhuanjia daibiao zuotan [Xi Jinping Meets with Representatives of Foreign Experts]”, Xinhua News, December 5, 2012, http://news.xinhuanet.com/politics/2012-12/05/c_113922453.htm.

⁴“Xi Jinping zai yinni guohui fabiao yanjiang: xieshou jianshe zhongguo dongmeng mingyun gongtongti [Xi Jinping Addresses the Indonesian Congress: To Join Hands in Building a China-ASEAN Community of Common Destiny]”, Xinhua News, October 3, 2013, http://news.xinhuanet.com/world/2013-10/03/c_117591652.htm.

The "2+7 Cooperation Framework"

With the many new initiatives proposed by Chinese leaders on their visits to ASEAN member states, China-ASEAN relations are expected to enter a "diamond decade" as Premier Li Keqiang vividly described at the 17th China-ASEAN (10+1) Summit held in Nay Pyi Taw on November 13, 2014.

During the previous "golden decade" from 2003 to 2013, China and the ASEAN had been working closely to strengthen their political mutual trust and promote cooperation in all areas, and they managed to build the largest free trade area among developing countries. Annual growth rate of their bilateral trade stood at over 20 percent throughout the decade. At present, China is the biggest trading partner as well as fourth largest source of foreign direct investment (FDI) for the ASEAN, while the ASEAN is the third largest trading partner and third largest source of FDI for China.

It is under such context that Premier Li Keqiang proposed the "2+7 cooperation framework" between China and the ASEAN in his address to the 16th China-ASEAN Summit in Bandar Seri Begawan on October 9, 2013, in order to further enhance their bilateral ties. The "2" represents the two political consensuses to be consolidated by both sides, that is, their future cooperation has to be based on the deepening of their strategic mutual trust and good-neighborliness; and the key to cooperation is to keep focusing on economic development and generating more win-win results. The "7" represents the seven concrete proposals for developing China-ASEAN relations in the coming decade: (1) to actively discuss the signing of the treaty of good-neighborliness and friendly cooperation between China and the ASEAN; (2) to launch negotiations on upgrading the China-ASEAN free trade agreement; (3) to accelerate the construction of connected infrastructure; (4) to enhance financial cooperation and risk prevention in the region; (5) to steadily promote maritime cooperation; (6) to strengthen exchanges and cooperation in the security field; and (7) to enhance people-to-people and cultural contacts, as well as exchanges in science and technology.⁵ It is expected that the China-ASEAN relationship will be able to

⁵"Li Keqiang zongli zai di shiliuci zhongguo dongmeng lingdaoren huiyi shang de jianghua [Premier Li Keqiang's Remarks at the 16th ASEAN-China Summit]", Xinhua News, October 9, 2013, <http://news.xinhuanet.com/world/2013-10/10/c-125503937.htm>.

march from a “golden decade” into a new “diamond decade” under the “2+7 cooperation framework.”

Four Pillars of the China-ASEAN Community of Common Destiny

During the “golden decade” of China-ASEAN relations, the four pillars of their strategic partnership were the signing of Declaration on the Conduct of Parties in the South China Sea (DOC) in 2002, the conclusion of a comprehensive FTA in 2002, China’s accession to the Treaty of Amity and Cooperation in Southeast Asia (TAC) in 2003, and China’s consistent support for ASEAN integration. Marked by the signing of the *Revised Framework Agreement on China-ASEAN Comprehensive Economic Cooperation and Under Part of the Protocol of the Agreement* (hereinafter referred to as the Protocol) in November 2015, both sides are taking steps to consolidate the new pillars of their partnership in building a community of common destiny.

The first pillar is enhanced economic cooperation through old and new regional mechanisms including the “10+3 (ASEAN plus China, Japan and South Korea)” mechanism, the Free Trade Area of the Asia-Pacific (FTAAP) that China proposes under the APEC framework, negotiations over the Regional Comprehensive Economic Partnership (RCEP) centered on the ASEAN, China’s new initiative to build the 21st-Century Maritime Silk Road, the upgrading of the China-ASEAN FTA, and the Lancang-Mekong cooperation mechanism, among others.

The second pillar is closer political cooperation. While China’s accession to the TAC in 2003 paved the way for the rapid development of its relations with the ASEAN in the “golden decade,” a new political foundation is urgently needed to consolidate their mutual trust and more institutional ties. In fact, negotiation has been going on over the past years on a Treaty of Good Neighborliness, Friendship, and Cooperation between both sides, the conclusion of which will make the ASEAN the ninth among Chinese neighbors to reach such a treaty with China and greatly promote regional peace, stability, and common development.

The China-ASEAN Community of Common Destiny is expected to develop under the “2+7” cooperation framework.

The third pillar is their joint endeavor to build a new regional security architecture. With regard to the longstanding territorial disputes between China and some East Asian countries, as well as growing security challenges faced by the whole region, China has been advocating the building of a new, more inclusive, and effective Asia-Pacific security architecture based on the New Asian Security Concept proposed by President Xi Jinping in May 2014, which is widely recognized as a conducive approach to peace and prosperity of the region, though its policy implications are yet to be observed.

The fourth pillar is their shared commitment to seeking peaceful settlement of the South China Sea issue. It has become a new consensus among China and most ASEAN members that they need to reach a Code of Conduct in the South China Sea (COC) based on common observance of the DOC signed in 2002. To encourage the process, China has adjusted its past stance to embrace a “dual-track approach” to the South China Sea issue, that is, to settle sovereignty disputes by peaceful negotiation among direct disputants, and to work together with all parties involved to maintain peace and stability of the South China Sea.

Although some of these four pillars are weaker than others, they set a clear direction for future development of China-ASEAN relations, a goal toward which China has made many nuanced policy shifts and adopted some new policy measures since President Xi took office.

China's Policy Shifts on Southeast Asia

The Central Conference on Work Relating to Peripheral Diplomacy held in October 2013 confirmed that the basic goal of China's peripheral diplomacy is to promote friendship with neighboring countries in a sincere, intimate, and mutually accommodating spirit for win-win benefits.⁶ Guided by such principles, China has been putting greater emphasis on promoting its image by providing more public goods for its Southeast

⁶“Xi Jinping zai zhoubian waijiao gongzuo zuotanhui shang fabiao zhongyao jianghua [Xi Jinping's Address to the Central Conference on Work Relating to Peripheral Diplomacy]”, Xinhua News, October 25, 2013, http://news.xinhuanet.com/politics/2013-10/25/c_117878897.htm.

Asian neighbors, as well as trying to settle South China Sea disputes based on new rules and norms that better reflect regional consensuses.

To Foster a Favorable National Image

A country's international status is not only dependent on its hard power like military capabilities and economic size, but also on the moral strength it presents both domestically and internationally. China's policy toward Southeast Asia has always been driven by moral considerations apart from physical benefits. Such considerations were reflected in the White Paper *China's Peaceful Development* in 2011, in every public speech that Chinese leaders made on their visits to neighboring countries, and were again emphasized in President Xi's address at the Central Conference.

By stressing a *sincere* spirit, the Chinese leadership gives China's commitment to developing relations with Southeast Asian nations beyond the transient ups and downs in their bilateral relationship, and an effective way is to keep on consolidating and upgrading their partnerships. By far, China has established a comprehensive strategic cooperative partnership with Vietnam, Cambodia, Laos, Myanmar, and Thailand, as well as a comprehensive strategic partnership with Indonesia and Malaysia.

By advocating an *intimate* spirit, the Chinese leadership proposes that both sides continue enhancing their communication and exchange in all fields so as to foster a more favorable image to each other. For example, to demonstrate China's priority concern over its relationship with Southeast Asian countries, Chinese leaders have paid annual visits to them and attended every regional meeting or forum like the East Asian Summit (EAS), the APEC Summit, and the Lancang-Mekong Dialogue since 2013. China's "charm initiative" is often supplemented by numerous cultural initiatives to convey Chinese values and commitment to friendship, as seen in such activities as the China-ASEAN Cultural Exchange Year and many charity events under the 21st-Century Maritime Silk Road Initiative.

A *mutually accommodating* spirit indicates that the idea of inclusiveness needs to be further promoted. As Chinese leaders have reiterated on many occasions, "the Pacific Ocean is large enough to accommodate common development of the region" if all nations keep an open mind and positive attitude toward cooperation. Indeed, China has demonstrated its strong will to help maintain regional peace and stability by such actions as hosting

the CICA Shanghai Summit and proposing the dual-track approach to settling the South China Sea issue. On President Xi's visits to Vietnam and Singapore in November 2015, he emphasized this spirit once again, calling for all regional countries to join hands in upholding peace and stability of the region by dovetailing their development agendas, enhancing security cooperation, and strengthening people-to-people ties.

Finally, China's emphasis on *win-win benefits* confirms its endeavor to promote common benefits with its neighbors through enhanced cooperation and a more open attitude toward other nations' "freeriding on the express train of Chinese development." For instance, seeing that shortage of investment in infrastructure building has been a bottleneck that constrains the economic development of Southeast Asia, China offered US\$3 billion of aid and interest-free loans to the less developed ASEAN countries in 2014; at the 27th China-ASEAN Summit in November 2015, Premier Li promised to set up a special loan of US\$10 billion for the second-phase construction plan of infrastructure in ASEAN countries.

From the above, we can see that China has taken more efforts than ever before to promote common development with its neighbors and respond actively and positively to their demands, in order to foster a good image among neighboring nations.

China is committed to fostering a better regional image and using its growing economic and military power to maintain regional peace and prosperity.

To Show Goodwill by Offering More Public Goods

To show goodwill to Southeast Asian nations, China is determined to provide them with more public goods, especially in the form of regional development funds and technological backup. Economic recovery and sustained development have been the most urgent need of regional countries since the outbreak of the global financial crisis in 2008. With its own economy getting ever larger and more robust, China is extending

its helping hand to neighbors in need, in particular those less developed Southeast Asian nations.

In funding regional development, the revised version of the "Chiang Mai Initiative Multilateralization (CMIM)" took effect in July 2014 under China's strong promotion, with the size of funds doubled to US\$240 billion,

significantly enhancing regional countries' capabilities to cope with difficulties in international balance of payments and short-term capital demands. In the same year, China offered \$50 billion, up to 50 percent of the initial authorized capital, for the establishment of the Asian Infrastructure Investment Bank (AIIB) and another \$40 billion for the Silk Road Infrastructure Fund to help strengthen trans-regional connectivity. According to the latest statistics of China's Ministry of Commerce, China's direct investment in 49 countries along the Silk Road Economic Belt and the 21st-Century Maritime Silk Road — named the "Belt and Road" Initiatives — totaled over \$14.8 billion in 2015, increasing by 18.2 percent over the previous year.⁷ The capital mainly flows to Singapore, Indonesia, Thailand, Laos, and Kazakhstan, making Southeast Asia a major destination of Chinese investment.

In technological fields, China has conducted ever more exchange and cooperation with Southeast Asian nations as well. On the 2nd China-ASEAN Forum on Technology Transfer and Innovation held in Nanning, China in September 2014, 15 contracts were signed between China and Cambodia, Laos, Myanmar, and Thailand, which included the joint construction of the Sino-Thailand and Sino-Laos technology transfer centers, the Mobile Payment Fast Track and the industrial display base of Beidou, and further cooperation in public promotion and education in science as well as R&D in agriculture, among other fields. China is also helping Southeast Asian nations to improve their infrastructure-building capacity, especially in high-speed train systems, as Premier Li announced at the 27th ASEAN Summit held in Kuala Lumpur in November 2015. As a first step, two high-speed railway projects were launched by China with Thailand as well as Indonesia in 2015.

To Jointly Shape New Rules for Settling South China Sea Disputes

With increasing major power competition in the Asia-Pacific and growing tensions arising from sovereignty disputes in the South China Sea, the

⁷"Shangwubu: erlingyiwunian woguo qiye dui "yidaiyilu" guojia touzi zeng 18.2% [Chinese Investment in Countries under the "One Belt, One Road" initiative up 18.2%, Ministry of Commerce Says]", *People's Daily Online*, January 20, 2016, <http://finance.people.com.cn/n1/2016/0120/c1004-28070428.html>.

regional security situation seems to be on a worsening and dangerous trend, which calls for new thinking and new rules for related parties to settle disputes peacefully and more effectively on the basis of the DOC signed between China and ASEAN members in 2002. To encourage joint efforts in shaping new rules, China has mainly adopted two approaches over the past few years.

On one hand, China has shown a stronger resolve to enhance its military capabilities not only as a means to safeguard its legitimate rights and interests, but also as a guarantee for the sustained willingness of related countries to seek dispute settlement by consultation and negotiation. President Xi stressed that a strong military is also part of the Chinese Dream when he met with officials of the Guangzhou Military Command in December 2012. The white paper on Chinese military buildup in 2013 also reaffirmed resolves of the People's Liberation Army Navy (PLAN) to develop blue-water capabilities of conducting mobile operations, engaging more actively in international cooperation, and countering non-traditional security threats while strengthening capabilities in strategic deterrence and counterattack. As *Jane's Defense Weekly* reported, the PLAN boasted at the end of December 2014, one aircraft carrier, 56 submarines including 5 nuclear-powered submarines, and thousands of other naval vessels. Its JL-2 submarine-launched ballistic missiles, DF-42 intercontinental ballistic missiles, and "*Zhonghua Shendun*" or "Chinese Aegis" destroyers all enjoy a leading edge in the world.

On the other hand, China is trying to work more closely with other related parties in fostering new rules and norms in settling South China Sea disputes by more peaceful and effective means. First is the proposal of a "dual-track" approach in August 2014, which was welcomed by other parties concerned on many occasions afterwards. Second is China's relentless effort to push forward COC negotiations. For example, The 6th Senior Officials' Meeting (SOM) and the 9th Joint Working Group (JWG) Meeting on the Implementation of the DOC were held in Suzhou, China on September 14, 2013, during which in-depth exchange of views was conducted among all parties on the principle of fully implementing the DOC as a basis of negotiation of the COC. On October 20, 2015, the 10th SOM on the Implementation of the DOC issued two important documents including a list of crucial and complex issues and a list of elements for the outline of a COC concerning the South China Sea disputes. All parties agreed at the

meeting that this marked a breakthrough that was very hopeful to generate new progress in negotiation of the COC.

To Seek Strategic Balance of Power in the Region

In recent years, the Asia-Pacific power structure has undergone significant changes such as China's lasting rise, the ASEAN integration, growing South China Sea disputes, and Myanmar's ongoing democratization process. All major powers have readjusted their strategies toward Southeast Asia—the United States' rebalancing strategy, Japan's "value-oriented diplomacy," and ASEAN's balance-of-power approach. China has taken more proactive initiatives to seek a strategic balance of power and help shape the new regional order.

Officially put forward in June 2012, the U.S. pivot — and later rebalancing — strategy aims to position the bulk of its air and naval forces in the Asia-Pacific region to contain China's rapidly growing military capabilities. By strengthening ties with traditional allies and potential partners and helping them improve in military power, giving tacit or explicit support for South China Sea claimants like the Philippines and Vietnam in their disputes with China, and pushing forward Trans-Pacific Partnership (TPP) negotiations, the United States has been ever more intensely engaged in the South China Sea issue and regional power competition.

Japan is following the U.S. rebalancing steps closely, though with a milder face. On January 18, 2013, Japanese Prime Minister Shinzo Abe stated the five principles of Japan's "value-oriented diplomacy" toward Southeast Asia at a joint press conference held with Indonesian President Susilo Bambang Yudhoyono. Different from China's approach, Japan joins the strategic game mainly through providing military aid and official development aid (ODA) for Southeast Asian countries and strengthening their security cooperation. For instance, Mr. Abe paid visits to ten ASEAN countries in 2013 to unveil Japan's policy of "proactive contribution to peace"; Japan has offered a lot of technological aid to Indonesia and Vietnam as well as military equipment to the Philippines, and it is also planning to sign an Acquisition and Cross-Servicing Agreement (ACSA) with several

China has taken numerous proactive measures to seek a new balance amidst the changing dynamics of regional geopolitics.

ASEAN countries to become a potential source of military equipment. Besides, the Abe administration promised to provide JPY 69 billion to the Philippines in December 2013 for national disaster relief and reconstruction, and it has signed a series of cooperation agreements with Myanmar to help construct the Dawei Special Economic Zone and port facilities.

Southeast Asian countries seem to be continuing to adopt a balancing strategy so as to maintain some leverage among surrounding major powers. In the early 1990s, the ASEAN began to cooperate with China on strategic fronts to balance the dominating influence of Japan. After the Asian economic crisis broke out in 1997, the ASEAN started to promote cooperation with China, South Korea, and Japan (10+3) to strengthen ASEAN centrality. Since the global financial crisis in 2008, the ASEAN has engaged the United States, Russia, and other major powers in the East Asian Summit to balance the growing influence of the "big three" (China, South Korea, and Japan). In time, the ASEAN-plus structure has been formed with the ASEAN always playing a central role. In security terms, ASEAN countries tend to cooperate more with the United States, Japan, Australia, and other powers to balance against China, while on economic issues, ASEAN is promoting RCEP negotiations to balance against the U.S.-led TPP process.

To seek a strategic balance among all these changing dynamics, China has put forward a series of new initiatives that aim at integrating regional economic and security cooperation, including the "Belt and Road" initiatives, the New Asian Security Concept, and the Asian Infrastructure Investment Bank (AIIB), among others. In the economic area, the "Belt and Road" and other initiatives aim to promote economic cooperation with countries along the Maritime Silk Road, especially Southeast Asian nations, as a concrete action to show its goodwill. In the security area, China proposed the New Asian Security Concept featuring common, comprehensive, cooperative, and sustainable security in an effort to shape values and rules for regional security cooperation. With such proactive measures, China is committed to joining hands with as many nations as possible in maintaining regional peace, stability, and common development.

Policy Assessment: "Comfort Level" of Southeast Asian Nations

Although a more positive Chinese image is yet to be developed, China's policy shifts on Southeast Asia over the past few years seem to have

matched the “comfort level” of most ASEAN nations, thereby winning much regional recognition.

In general, Southeast Asian nations tend to acknowledge China’s postures of goodwill and its efforts to shape new rules in accordance with regional realities. In economic fields, they warmly welcome Chinese investment and assistance. For example, the “Belt and Road” Initiatives are winning growing support in the region not only because they help enhance the interconnectivity between China and Southeast Asian nations, as well as among those nations themselves, but also because they are conducive to the development of domestic infrastructure and manufacturing capacity of those Southeast Asian nations. In regional political fields, with China’s strong support and participation, the ASEAN is also maintaining its central role in East Asian integration and regional security architecture building. Thanks to China’s proposal of the “dual-track” approach to South China Sea disputes, Southeast Asian nations have been working closely and effectively with China in consultation over a potential COC, and all related parties have reached an agreement to start drafting a COC framework.

At the same time, Southeast Asian nations are increasingly cautious about deepening cooperation with China. Despite the many efforts China has taken over the past few years in developing a peaceful and responsible image in the region, some Southeast Asian nations remain doubtful of China’s strategic intention. While China still enjoys a relatively high favorability rate (above 60 percent in general) among Southeast Asian nations that have traditional friendly relationship with China, especially in Malaysia (78 percent in 2015), over 80 percent of people in Vietnam and the Philippines are “concerned” about the issue of territorial disputes involving China.⁸ Many people tend to argue that “China has the high ground in power instead of morality.”⁹ In fact, how to settle territorial disputes with its Southeast Asian counterparts has grown to be the biggest challenge for China’s image-building endeavor in the region.

⁸“Spring 2015 Global Attitudes Survey”, Pew Research Center, September 2, 2015, available at: <http://www.pewglobal.org/2015/09/02/how-asia-pacific-publics-see-each-other-and-their-national-leaders/asia-heat-map/>.

⁹Zhai, “*Xinanquanguan 3.0 ban yuzhou bian gonggong waijiao* [New Asian Security Concept 3.0 and Peripheral Public Diplomacy]”, p. 24.

Toward a China-ASEAN Community of Common Destiny

In spite of the shared commitment of China and Southeast Asian nations to fostering a community of common destiny among them, the dual-driver structure of East Asia — economic cooperation mainly driven by China, and political and security cooperation mainly driven by the United States — will most likely endure in the short- and mid-term, and a strategic competition seems to be getting more intense between China and the United States in the region. Therefore, an ever more integrated ASEAN will play an increasingly important role in regional politics, security, and economic cooperation. To foster a community of common destiny with the ASEAN and thus maintain a favorable environment for its own development and growing international status, China should adopt more proactive measures to enhance its relations with Southeast Asian nations.

To Adhere to the Moral Principle

Regardless of the different interpretations of a “moral principle,” the ultimate test for an emerging power is the extent to which it can and will stick to the common values and norms of the international community and keep the promises it has given to the world. In the future, more efforts have to be taken to enhance pragmatic cooperation between China and Southeast Asian nations, so as to promote their relationship — as declared by Chinese leaders on many international occasions — in a “sincere, intimate and mutually accommodating spirit for win-win benefits.”

For one, China must join hands with the ten ASEAN nations in building the 21st-Century Maritime Silk Road despite the fermenting South China Sea disputes for the time being. Not only is the participation of ASEAN nations the key to success of the initiative, but the implementation of the initiative will promote local economic and social development in ASEAN nations as well. Beyond the past focus on governments and big businesses, a new task for China-ASEAN cooperation is to engage smaller businesses, NGOs, and individuals in the process and produce growing tangible benefits for the general public within all these nations. For instance, both sides can work together to promote the living conditions of local people along the Maritime Silk Road by providing more funds for medical aid, education, development, and environmental protection. In the meantime, China should enhance its global public relations efforts through

international media, especially the internet, to foster a friendly and cooperative mentality across the region.¹⁰

In addition, China must stick to the anti-hegemony principle both in official statements and in actual practice. With a fresh memory of being colonized not too long ago, all Southeast Asian nations are concerned about whether China is trying to promote the “tributary system” it had enjoyed for over two millennia in history. In spite of Chinese reassurance that “China will never seek to be a hegemon” in Chinese official narrative, some Chinese government officials, business people, as well as tourists are often reported to behave arrogantly and disrespect local cultures when they are traveling abroad. Chinese enterprises’ quest for local markets is also regarded as part of a Chinese scheme to expand its sphere of influence. To mitigate such concerns, China ought to establish a set of legal and moral codes for businesses’ and citizens’ behavior overseas, and be extremely careful when dealing with issues concerning sovereignty and national dignity of Southeast Asian nations.

China has to establish a set of legal and moral codes for businesses’ and citizens’ behavior overseas to mitigate worries of the host countries.

To Contribute More to Regional Development

Although China is determined to provide more public goods to the world, especially its neighboring region, with its growing economy and global status, it has to upgrade the means of doing so with innovative thinking.

As the saying goes, “Think globally but act locally.” In promoting development along the Maritime Silk Road, multiple approaches should be employed to promote bilateral as well as multilateral cooperation. Any development projects have to be tailored to suit local conditions. Despite the huge potential benefits it may generate for local communities in the long run, the Maritime Silk Road Initiative also risks short-term negative effect on regional politics, cultural traditions, natural environment, and social

¹⁰“Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road”, March 28, 2015, available at: http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html.

conditions. To tackle these challenges, the Chinese government should encourage enterprises to take a “development-plus” approach, such as “development plus environmental protection” and “development plus education,” so as to fit their growing investment and local engagement into the overall blueprint for local development. Only in this way can Chinese economic engagement best serve the long-term development of local Southeast Asian communities.

Crowd-funding can also be encouraged to involve more actors to participate in the building of the Maritime Silk Road. According to statistics, the total GDP of nations along the Maritime Silk Road constitutes nearly 30 percent of the world economy while their population takes up nearly two-thirds of the world's total.¹¹ Yet the many nations along the Road are quite different in terms of their history, economic conditions, and development priorities. Crowd-funding would be a good way to enhance participation of all regional countries in utilizing their respective advantages to drive the initiative forward. To make it happen, more elaboration on policies related to the initiative and a whole set of new rules and guarantees for investment along the Maritime Silk Road are urgently needed.

To Jointly Maintain Regional Peace and Stability

As the largest nation in the Asia-Pacific, China's geopolitical posture and security stance, especially toward the South China Sea issue, are the most important factors in regional peace and stability. To strengthen the China-ASEAN community of common destiny, China needs to consider upgrading its “dual-track” approach (namely, a version of “dual-track 2.0”) to the South China Sea issue to better engage the United States in jointly promoting regional security.

The “dual-track 2.0” approach points to a new way of incorporating efforts from China, the ASEAN, and the United States for the peaceful settlement of the South China Sea issue. China had followed the principle of settling territorial disputes with other claimants bilaterally and rejecting participation of all other parties before 2014 when Premier Li Keqiang and

¹¹“Yidaiyilu jingji zongliang yue ershiyiwan yimeiyuan [Economic Output of Countries along “One Belt, One Road” Amounts to Near 21 trillion Dollar]”, China News, October 21, 2014, <http://www.chinanews.com/cj/2014/10-21/6699000.shtml>.

Foreign Minister Wang Yi began to advocate a “dual-track” approach. Long regarding the U.S. as an “outsider” to South China Sea disputes, China has tended to exclude the U.S. from regional talks over a potential COC and especially negotiations on territorial sovereignty. However, with regard to Southeast Asian nations’ concerns over an ever stronger China and their growing security dependence on the United States, trying to exclude the U.S. has proven less and less feasible to the settlement of the South China Sea issue; even worse, it may reinforce the impression that China is seeking to dominate the region by the logic of “might proves right.” In recent months, China has demonstrated great restraint toward the provocative actions of the United States in the South China Sea, such as the frequent sending of reconnaissance aircrafts or battleships to waters close to the disputed islands and reefs, even within 12 nautical miles of the Xisha (Paracel) Islands which have been fully under China’s jurisdiction over the past four decades. Although China officially condemned such provocations, it has not taken any escalatory military countermeasures, which showcases China’s growing strategic restraint and goodwill in peaceful settlement of the South China Sea issue with both Southeast Asian nations and the United States.

To Work with All Regional Nations for Win-Win Results

China and the ASEAN are not located in a vacuum. There are also many other interested parties in the region, thus a China-ASEAN Community of Common Destiny will be impossible to build unless it fits into the broader picture of regional integration and generates benefits for all. China must continue enhancing the inclusiveness of such regional cooperative institutions as the RCEP and the “Belt and Road” Initiatives to engage all interested parties, and strongly support ASEAN centrality to maximize the ASEAN’s “adhesive” role among China, Japan, South Korea, the United States, and other parties, in order to bring about increasing win-win results for all.

First, China should adopt a more positive attitude toward closer U.S.-ASEAN ties and promote cooperation with both parties. Since the beginning of the U.S. rebalancing to the Asia-Pacific, China and the United States

China should
accommodate rather
than try to exclude
the U.S. role in
regional efforts to
maintain peace in the
South China Sea.

have been engaged in an intense competition for ASEAN members' support for their respective regional strategies, which may result in a deadlock in the triangle relationship and even growing regional instability. Fortunately, the three parties seem to have reached a strategic consensus in strengthening their consultation and cooperation in all fields. For instance, China was invited to participate in the U.S.-led Cobra Gold military exercise in February and the Rim of the Pacific Exercise (RIMPAC) in June 2014, both of which were the first time for China. In economic areas, despite the absence of China in the founding negotiations of the TPP, the U.S. government has many times declared that it is not intended to exclude China, a stance increasingly acknowledged by its Chinese counterpart.¹² These subtle dynamics in the triangle relationship among China, the United States, and the ASEAN suggest new opportunities for their cooperation in regional political, security, and economic issues.

Second, China should take active measures to encourage the United States to join in the building of the Maritime Silk Road. Since the day the "Belt and Road" Initiatives were proposed, they have been widely regarded in the United States as China's countermeasures to the U.S. rebalancing strategy, triggering more and more concerns from the U.S. and its allies. To mitigate such concerns and more effectively construct the "Belt and Road," especially the Maritime Silk Road along Southeast Asia, China must do its best to convince the U.S. and other regional nations of its goodwill and capabilities in promoting the initiatives. One successful case speaks louder than a hundred policy speeches. With more and more countries welcoming and engaging themselves actively in those initiatives, what China needs to do is make sure each individual case of cooperation will provide concrete benefits to the local population, which will naturally draw more countries including the United States into this common cause of the region.

Third, China should work more closely with Japan and ASEAN nations to boost infrastructure interconnectivity in Southeast Asia. At present, infrastructure construction is proceeding in two directions, one across ASEAN nations and the other between ASEAN nations and their

¹²"Shangwubuzhang: burenwei TPP shi zhendui zhongguo, ye burenwei yu RCEP shi duili de [We don't think TPP is aimed against China; neither do we believe it will undercut RCEP]", Xinhua News, February 23, 2016, <http://news.xinhuanet.com/live/2016-02/23/c.1118128522.htm>.

economic partners, among which China and Japan have been two key contributors of required funds and technologies. So far, Japan and ASEAN nations have completed or are working on more than 70 infrastructure projects, while the joint projects between China and some ASEAN nations often encounter local opposition for legal, environmental, or social concerns. To enhance the building of the Maritime Silk Road, China should not only learn from Japan about securing construction contracts and winning support of local communities, but also try to work with Japan to integrate their respective advantages in enhancing regional infrastructure interconnectivity and economic cooperation.

Finally, the East Asian Summit (EAS) should be further strengthened to engage all related nations in promoting regional political, security, and economic cooperation. The EAS, commonly referred to as the “10+8” mechanism, is an annual forum among top leaders from the ten ASEAN nations, China, Japan, South Korea, the United States, India, Australia, New Zealand, and Russia. As the primary platform that incorporates the largest number of countries to discuss both strategic and specific issues concerning regional cooperation, the EAS has proven to be a key mechanism to facilitate positive interaction among regional leaders especially on strategic issues. Considering the risky trends of major-power game in the region and the urgent needs for all nations to maintain regional stability and economic well-being, China must work with other nations to prioritize the most salient issues for the region — for example, common security instead of any one nation’s absolute security, win-win results for all rather than self-interested protectionism, etc. — on the forum’s agenda, so as to effectively manage the common challenges of the region and provide lasting momentum for East Asian integration. In other words, only by promoting the common interest of all related nations can China-ASEAN relations achieve strong and lasting development. After all, the road to a China-ASEAN Community of Common Destiny lies within the shared path to peace and development of the whole Asia-Pacific.