

China-ASEAN Dialogue Relations at 25: Review and Outlook

By Han Zhili¹

Recognizing the strategic, diplomatic and economic importance, China and ASEAN commenced their dialogue relations in 1991, through which they have been partnering for security and prosperity of the region for a quarter of a century. Many of the achievements along the dialogue process are institutional and practical innovations in East Asia, setting examples for the other pairs of dialogue relationship, bringing tangible benefits to the countries and the peoples of the region. In the 25th year of their dialogue relations, it is right time for China and ASEAN to have a good review of the past experience, to assess the current status, and more importantly, to look forward to the future growth. In the midst of growing interdependence and complexity of the regional situation, it is even more important for China and ASEAN to sustain the momentum of the mutually beneficial dialogue relations for peace, stability and prosperity of the region.

I. Achievements and Experience

The 25 years' China-ASEAN dialogue relations are substantive. At the political level, China and ASEAN elevated their relationship to strategic partnership, after China acceded to the Treaty of Amity and Cooperation in Southeast Asia (TAC) in 2003. They have built up all-dimensional mechanisms to support their multi-faceted cooperation, including the annual summit, 12 ministerial meeting mechanisms, and over 20 working-level dialogue mechanisms. In security, China and ASEAN signed the Declaration on the Conduct of Parties in the South China Sea (DOC) in 2002, and subsequently, adopted the Guidelines for the Implementation of the DOC in 2011, and made positive progress toward a Code of Conduct in the South China Sea (COC). These efforts reflects the strong and shared political will of China and ASEAN to build a more peaceful, friendly and cooperative environment in the South China Sea. In economy, China and ASEAN

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activated the Free Trade Agreement (ACFTA) in 2010, which has substantially strengthened the trade and economic ties between China and ASEAN countries. In 2015, they concluded the negotiations on upgrading the ACFTA, making it a more facilitative and comprehensive economic agreement. Meanwhile, cooperation between China and ASEAN spills over from hard political, security and economic areas to soft socio-cultural areas, as China and ASEAN signed a large number of multilateral agreements to intensify their joint efforts in communicable diseases prevention and control, disaster management and emergency response, food security, environment protection, and many other issues relative to the welfare and wellbeing of the people in the region.

These achievements are a manifest of the consistent efforts of China and ASEAN to build an institutional system of formal arrangements to secure their mutually beneficial cooperation. Moreover, to put the exercise of power and the pursuit of interests under the constraint of the multilateral institutions offers reassurance that what China and ASEAN try hard to build in the region is an institutional order of equality, rather than a hegemonic order of dominance. Due to geographic proximity, asymmetric power relations and historical legacies, China-ASEAN dialogue relations are a mixture of interdependence and suspicion. As China has been increasingly gaining a more favorable position in their power relations, some ASEAN countries, impacted by the historical memories on the Chinese Empire and the Tribute System, suspect China's strategic intention of regional endeavors, fearing the possibility of losing ASEAN's centrality in the process of regional integration and being dominated by China's will. Therefore, as a salient feature, the cooperation between China and ASEAN has not only been in serve of the demands and interests of both sides, but also reassured ASEAN countries of China's self-constraint strategy, as shown in their security and economic cooperation in the past.

As geographic neighbors with shared territorial and maritime boundaries, the security of ASEAN countries and that of China are closely inter-linked. Since the founding of the PRC, the territorial and maritime disputes have remained volatile, which led to several wars and frictions between China and some individual ASEAN countries along the disputed boundaries both on land and in the maritime regions. Realizing that instability of the neighborhood would be a major impediment to their national security and development agendas, China and ASEAN both have strong demands and interests to pacify the land borders and the maritime regions and to provide

security for common development. As a major measure to this end, China acceded to the TAC in 2003, signed the DOC in 2002, and adopted the Guidelines for the DOC in 2011. The significance of these institution-building efforts is that China accepts ASEAN norms and ASEAN centrality as the fundamental principles to guide inter-state relations in the region, and is committed to the multilateral institutions to rule its own behaviors in the South China Sea, which helped to build China's image as an accommodating and self-constraint power.

In 1978 when China gave priority to economic development in the national policy agenda, China's diplomacy and foreign policies were directed toward this end. Since the ASEAN Summit in 1997, ASEAN has placed priority on economic development, determined to transform ASEAN into a prosperous and highly competitive region with reduced poverty and socio-economic disparities. Operating in an increasingly regionalized environment of interdependent markets and integrated industrial chains, China and ASEAN both had demands and interests to look beyond their borders and harmonized rules and regulations governing and facilitating intra-regional trade, investment and other economic activities. As a major step in institution-building, China and ASEAN initiated China-ASEAN FTA in 2011. With commitment of all the parties for effective compliance and implementation, this rule-based system greatly facilitates their trans-boundary economic activities, lowers the cost of transactions, and mitigates interstate economic conflicts. To behave under the rule of the multilateral FTA institutions, no country can pursue economic dominance at its own will.

II. Opportunities and Challenges

Currently, China and ASEAN have even stronger demands to deepen cooperation. Since the initiation of China-ASEAN dialogue relations, multiple channels have been built connecting China and ASEAN countries, and the two-directional flows of capital, goods, services, and people across boundaries have increased dramatically. Today, China is ASEAN's largest trading partner and ASEAN is China's third largest. Last year, their two-way trade grew up to 480.4 billion USD, the mutual investment in accumulative term reached 150 billion USD, and the exchange of visits exceeded 17.6 million. The quantitative increase has modified profoundly the conditions of their interdependent coexistence and requires deeper cooperation and

coordination to manage more effectively so enormous intra-regional economic and personnel flows.

Also, China and ASEAN are facing factors of uncertainty that could affect development, peace and stability of the whole region; inadequate cooperation and coordination would lead to regional disturbance which no one can stay safe from. For instance, the economy of Asia is facing greater downward pressure. Traditional geopolitical competition becomes prominent; territorial and maritime disputes flare up from time to time, frequently raising tensions and disturbing the relationship of relevant countries. Non-traditional security challenges like terrorism, pandemic diseases, transnational crimes and natural disasters make security issues intertwined, complex and difficult to be addressed by any individual country alone. Therefore, it is important that China and ASEAN to take credible steps to enhance practical cooperation in functional areas, so as to ensure that the positive trend of development of the region will not be disrupted by these problems.

ASEAN and China remain proactive with regional integration, which offers new opportunities for further growth of China-ASEAN cooperation. At the end of last year, we witnessed the declaration of the establishment of ASEAN Community, the first regional community of its kind in Asia, as a remarkable achievement of East Asia regional cooperation. The establishment heralds a new phase of regional integration, offering a new opportunity for joint endeavor to build and nurture wider regional cooperation in East Asia. Meanwhile, China has recently made several important regional initiatives, injecting new vigor and vitality to China-ASEAN dialogue relations in the years to come. In 2013, during his visit to the Southeast Asia, President Xi Jinping brought up such initiatives as building the 21st Century Maritime Silk Road, and establishing the Asian Infrastructure Investment Bank (AIIB) for improving connectivity of infrastructure facilities, institutions and people in East Asia and Asia at large, and for exploring a platform for exchanges and cooperation among Asian financial institutions. In the same year, Premier Li Keqiang declared “the 2+7 cooperation framework”, identifying 7 priority areas for future China-ASEAN cooperation. China made those initiatives with an aim to create more and bind together common interests of China and ASEAN.

On the other side, ASEAN’s suspicion upon China fueled by big power competition in East Asia has started to affect the atmosphere of China-ASEAN dialogue relations, and become the biggest challenges for future growth of China-ASEAN relations. The major power relationship is still

the biggest external factor impacting China-ASEAN relations. China and the US are sliding down to the trend of geopolitical competition in East Asia context. On the one side, remaining outside of the major mechanisms of the regional integration, such as the Chiang Mai Initiative Multilateralization (CMIM), and the negotiations on the Regional Comprehensive Economic Partnership (RCEP), the US feels excluded from regional economic architecture and faced with a challenge to maintain its role in East Asia. On the other side, the pivot strategy of the Obama's administration, which prioritizes the Asia-Pacific in its foreign, economic and security policies, is a showcase of the Cold War mentality of containment, intending to check and rebalance the rise of China in East Asia. Based upon the US strengthened alliances with its five Asian allies and defense and intelligence ties with several other Chinese neighbors, the US attempts to build a new security framework in East Asia, which raises China's unease, for bilateral alliances are exclusive security arrangements against a potential threat and a common enemy, can possibly be used as a platform to intervene the South China Sea issues, and thus cause confrontation in East Asian regionalism.

Major power competition in East Asia has fueled tensions in the region. In 2009 and 2010 China's response to the geopolitical completion and rivalry in the East Asia led to some scrapes with neighboring countries in diplomatic and security spheres. China reasonably strengthened its military power and presence in the South China Sea, which, however, was described in the US and some of the ASEAN countries as China's fundamental shift in its diplomacy from maintaining the status quo to new assertiveness. This interpretation of China's policy as new assertiveness and strategic shifting fuels ASEAN's anxiety and suspicion, altering ASEAN's positive perception of China in the region, and ruining China's new image as a self-constraint and cooperative power.

III. Vision for the Future

Today, both China and ASEAN are thinking hard on how to handle the challenges properly, and call forth all the possible forces and opportunities for cooperation, so as to keep their ties on the track of sound and steady growth, and make sure that the region will not miss the historic opportunity for development. For this purpose, in 2013, Chinese President Xi Jinping proposed during his visit to Indonesia to work together with ASEAN countries to build a more close-knit China-ASEAN community of common destiny. This

proposal was an extension of China's vision on a community of common destiny for all mankind to the China-ASEAN context. In the report of the 18th National Congress of the CPC in 2012, the term of the community of common destiny was stated for the first time in China's official document, indicating to raise the awareness that human beings are in the same community of common destiny. In the Boao Forum 2013, President Xi Jinping shared the vision on the community of common destiny with Asian countries, stressing that mankind has only one earth, and it is home to all countries; as members of the same global village, they should foster a sense of the community of common destiny. In the Boao Forum 2015, President Xi made a keynote speech entitled *Towards a Community of Common Destiny and a New Future for Asia*, further clarifying this vision.

To build China-ASEAN community of common destiny is a possible solution to the paradox of cooperation demands and suspicion that besets the future growth of China-ASEAN dialogue relations. First, the community of common destiny is descriptive, depicting the nature of shared destiny of China and ASEAN relations. Judged by both the volume and density of their political, economic and socio-cultural exchanges, ASEAN and China have become profoundly interconnected and interdependent. As important neighbors to each other, they share converging and integrated interests substantial in both scope and depth, and are presently in a status that no side can develop itself in isolation from the other, or have its own security ensured without the security of the other.

Second, the community of common destiny is ideational, illustrating China's fundamental idea of common development and common security on the regional order. It suggests that China and ASEAN pool and share their strengths to ensure prosperity and security for all, by all and of all; discard the old mindset of zero-sum game and give way to a new approach of win-win and all-win cooperation. In economy, they should deepen economic integration through ongoing and new initiatives, broaden areas of converging interests, address the development divide, and realize equitable economic development. In security, they should take a comprehensive and cooperative approach to ensure common and sustained security in both traditional and nontraditional areas.

Third, the community of common destiny is rule-based, built on the ASEAN-centered institutional architecture. The emergence and development of ASEAN-centered regional institutional architecture provides an institutional base for China-ASEAN community of common destiny. China supports

ASEAN Community building and involves itself deeply in 10+1, 10+3, 10+6, the East Asia Summit, and other multilateral mechanisms in which ASEAN holds the centrality. At 10+1 level, with a desire to build a credible institution for constraining ballistic behaviors of the parties involved and maintaining peace and stability in the South China Sea, China is taking serious measures to ensure the full implementation of the DOC and to reach a consensus with ASEAN on the COC as soon as possible. Also, China is holding discussions with ASEAN to sign a Treaty of Good-neighborliness, Friendly Cooperation. With their legal and political commitments, the Treaty will bind peaceful, friendly, and cooperative behaviors of China and ASEAN, and put their good-neighborly relationship, and regional prosperity and stability on a more solid institutional and legal ground.

Fourth, the community of common destiny is open and inclusive, creating a platform and broad space for ASEAN to engage more positively with the major powers in managing regional insecurities. China-ASEAN community of common destiny is not a union, or an alliance featured by exclusiveness. Instead, it is a composing part of a community of common destiny of a wider region. Recognizing the US longstanding presence and interests in the East Asia, and the necessity of the US contributions, China welcomes the US access to the East Asia Summit and expects the US to play a constructive role in keeping stability and development in East Asia. Meanwhile, the US should respect East Asia's diversity and valued traditions of cooperation, and turn the diversity into dynamism and driving force for common development and common security.