

A New Perspective of The Malaysia-China Relationship

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12 February 2023

Malaysia and the People's Republic of China began diplomatic ties in 1974, making it the first member state of ASEAN to do so. In the nearly 50 years thereafter, the Malaysia-China relationship has notably grown stronger and deeper, coinciding with China's massive change to re-emerge as a global superpower.

Undoubtedly, the early friendship between the two countries was developed in a difficult setting. Nearly 50 years ago, when Chairman Mao and Prime Minister Tun Abdul Razak met in Beijing, the Cold War was still raging. For instance, the governments of China and Malaysia have extremely different governance structures and are devoted to opposing political ideas ("Joint Communiqué of the Government of the People's Republic of China and the Government of Malaysia," 2022).

Both of the countries' leaders chose to set aside their political differences in order to work for the common good and friendship. Indeed, through its longstanding non-intervention foreign policy, China has shown respect and appreciation for Malaysia, and every country's right to pursue their respective political vision and diverse style of governance. In the 1980s, the Tun Mahathir Mohammad administration guided and moved the Sino Malaysia relationship to the next level, opening the door for greater economic cooperation (Dosch, 2014). This led to an increase in bilateral trade and investment, spurring economic growth and development in Malaysia.

In 2021, trade between the two countries has hit a record high of US\$177 billion, marking the 12th consecutive year where China remains Malaysia's largest trading partner. Malaysia, after Vietnam, is China's second largest trading partner in Southeast Asia. Malaysia has also benefited from China's "Going Abroad Policy" and BRI in terms of investment. China was ranked the third largest investor in Malaysia in 2021 with total investment of USD8 billion (New Straits Times, 2022).

Over the past decades, the China-Malaysia economic engagement has grown beyond trading natural resources and commodities, expanding into the manufacturing and technological sector. Malaysia's semiconductor industry, for instance, is now a part of the global supply chain that is connected to China's vast and extensive electronic ecosystem, helping Malaysia to stay competitive in an increasingly digitalized global economy.

The robust Sino-Malaysia economic relationship helps to nourish trust and confidence, strengthening government to government diplomatic ties. More broadly, it also facilitates people to people's interaction, enabling the promotion of mutual learning and understanding. Through tourism, cultural and education exchanges, the peoples of China and Malaysia have ever more opportunities to nurture warmer friendship and deeper understanding for each other. For example, in 2015, Xiamen University opened its branch campus in Malaysia, the first university from China to be established overseas ("Xiamen University to open branch campus

in Malaysia'', 2022). Xiamen University is expected to play a key role in expediting technological transfer as well as advancing civilizational understanding.

China's remarkable economic achievement has earned global admiration and China's success in eradicating poverty is an inspiration for the developing world. Through the ASEAN +1 and +3 framework, countries in Southeast Asia are tapping into China's expertise and resources to bring about similar social-economic transformation to the region (Southeast Asian Nations, 2021). The establishment of China ASEAN Free Trade Agreement 18 years ago, has too served as a fruitful and rewarding platform for the enhancement of trade and investment between the two regions.

The Belt and Road Initiative, for example, is playing a crucial role in building basic infrastructure such as ports and railways as catalyst to power broader social-economic development across the region. An apt illustration is the East Coast Rail Link (ECRL) that aims to connect the eastern seaboard of Peninsular Malaysia to the industrial bases of Klang Valley on the west coast. When fully operational, the ECRL is expected to generate a more even distribution of economic wealth and raise the standard of living in the less developed region of Malaysia. The China Malaysia Kuantan Industrial Park, another BRI project has added momentum to the bilateral economic cooperation with tangible benefits to both China and Malaysia.

The ASEAN-China relationship was elevated to a Comprehensive Strategic Partnership in 2021. (CSP). Then, on January 1, 2022, ASEAN and China strengthened their regional cooperation by implementing the Regional Comprehensive Economic Partnership (RCEP) (Association of Southeast Asian Nations, 2022). These are major developments that point to a new era of growth and opportunities for China as well as ASEAN.

The implementation of RCEP is an important initiative. The regional partnership presents a counterpoint to the prevailing narrative of de globalization, and decoupling between the world's two biggest economies. RCEP offers a bold platform, where countries in the Asia Pacific region have shown a desire to work together, and a willingness to set aside political differences in the interest of achieving greater mutual prosperity and growth (Ajami, 2020).

Southeast and East Asia have gone through a time of relative quiet and stability since the end of the Vietnam War. This is largely due to the realization in Asia that in spite of disputes and discords; countries must find a way to co-exist. The East Asians and Southeast Asians' pragmatic instinct to accommodate and compromise have allowed the region to enjoy an era of sustained economic growth and prosperity. This same pragmatism is needed today, on the global stage, where the two leading global economies must manage current uncertainties, as to preserve world peace and harmony.

China-Malaysia relations have remained strong, healthy, and friendly for nearly 50 years. It has brought mutual benefits to both peoples, nations as well as the region. The leadership of the two countries have committed towards working closely in the post pandemic economic recovery. The two countries will mark the 10 anniversary of their Comprehensive Strategic Partnership next year.

In conclusion, uncertainty in the international context is undoubtedly making the Sino-Malaysia collaboration more difficult. If both sides remain focus on common interests and shared values, the two governments and peoples of China and Malaysia should be able to weather the storm and together move towards a new era of even closer bond and stronger friendship.

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