

**UNIVERSITI TEKNOLOGI MARA**

**CHINA'S SOFT POWER: AN EVALUATION OF  
DIPLOMATIC TIES WITH ASEAN ON  
ECONOMIC RELATIONS**

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## **ABSTRACT**

China's appearances in international standing started post-World War II together with the United States, Russia, France and the United Kingdom emerged as the victors of the war (Goldstein and Pevehouse 2014). China is constantly making the representation of its power-holding status through embarking strategic economic plans, modernization militarization and redirecting its focal points of foreign policy (Holmes,2015). In addition, Kliman (2014) is impressed with the 10% of the economic growth that China projected since 1978-2010.It cemented China's position as the second biggest economy in the world after 10 years. Another research by Richard Maher (2016) stated that China will have years before successfully overpower The United States. He asserted that China gradually increases its soft power through economic successes to influence the international system politics. Yet, China is comfortable in its backyard because its stronger presence is very much accepted especially in East Asia and Southeast Asia region. This is also making ASEAN particularly uncomfortable with how China projects itself in Southeast Asia. However, economic advantages given by China are seriously pivotal for ASEAN's sustainability and prosperity with ASEAN as China's fourth major trading partners (Bae,2014). This draws an interesting question, whether China uses its soft power in the economy to bind ASEAN to its strategic needs (Hiep,2016). Thus, this study aims to investigate whether such a phenomenon is really happening especially on the China-ASEAN economic relations.

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Here is to the time when you do not think the lights are coming through the door.  
Here is to the time when the quietness does not go away.

I am closing this chapter of mine, it is not easy but it is worth it.

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Preamble

In the context of Southeast and East Asia regions, China is seen to concur the notion that it is ‘powerful’ and ‘above’ the rest. This can be seen where its aggressive foreign policy with regards to the South China Sea with several ASEAN members (Beech, 2016). In fact, China recently had been vocal as its Foreign Ministry is insinuating, they are willing to go into fight shall any parties tried to instigate one. This had proven challenging times for ASEAN where it believes that China is trying to assert its power to dominate small states. China is also seeing making assurance from Beijing that if the tensions shall build up into wars in this region, ASEAN will suffer economically. China is one of the biggest trading partners of ASEAN and the standing diplomatic ties could have a severe effect (Ng, 2018). This observation is proof on how China is trying to use its economic soft power to bind ASEAN to its desires.

### 1.2 Background of the Study

*“While the Chinese people value their friendship and cooperation with other countries and other peoples, they value even more their hard-won independence and sovereign rights. No foreign country should expect China to be its vassal or to accept anything that is damaging to China's own interests”* (Deng Xiaoping, 1982 as cited by Chang, 1996)

The subtle speech above by Deng Xiaoping who is the mastermind of China’s modernization speaks the true character of China as strong and unbending in their actions. China’s appearances in international standing started post-World War II together with The United States, Russia, France and United Kingdom emerged as the victors of the war (Goldstein & Pevehouse, 2014). This had encapsulated the world’s standing of China as one of the bigger superpowers. China constantly making the