

# THE CHINESE WORLD ORDER AFFECTING SOUTH EAST ASIA AND THE BALANCING OF POWER DEVELOPING COUNTRIES

Anthika Manowong

## **Abstract**

China has the world's largest population, a vast area, and thousands of years of history. This huge country has a flourishing culture with a highly refined arts and literature, and is developing very quickly to become a model of modernization and development for the world. It is argued that China rise could be concerning for Western leaders for a variety of reasons. China does not adhere to the Western model of democracy, and power lies with the communist party. China has become a new superpower and will soon surpass the United States economically, and challenges the Western powers that use to be the superpowers. Chinese scholars are trying to recover ancient Chinese philosophy to use to build new power. Empowering Chinese identity and nationalism among Chinese people overseas may rebuild China's power over its own country, including Chinese citizens overseas in South East Asia. The questions are: what does China wants from the world, and how will China would achieve its goals? What will be the effect of China on South East Asia governments, societies, and economies?

Keywords: Neoliberalism, Great Power, China Foreign Policy, Human Rights

## **Introduction**

Nowadays, arguing which system is better democracy or communism is meaningless, as it is easily shown that there are many democratic countries that have failed to be dominant (Ong, R, 2012). The Chinese model might lead the world to look at good dominance or bad dominance instead of democracy or communism, wherein examples of good dominance are Switzerland, Singapore and Hong Kong (Pu, 2013). China is not a perfect country and still has many deficiencies, but reducing poverties is better than many other developing countries. Corruption used to be a big problem in China, and Xi took action to stem it, and when this problem was solved, the gap between

rich and poor has been reducing day by day (Zhang, 2012). Furthermore, China is developing by selecting a good model and not copying another country and China's rise now affects every country in the world. China's model is unique and hard to copy, but the world could learn from the way that China focuses on relieving the poverties of its population as the first priority. Working with productivities and clean is an important metaphor to all bureaucracies in the world (Pu, 2013). This could provide a good chance for China to become the world leader in the near future with its economic growth.

The rise of China has been criticized by many Western countries, who say that China is using ancient thought about ruling the world, making China the center of the universe, "Tianxia". Many scholars have criticized the way China gives help to other developing countries in Africa, South America, and South East Asia, arguing that it does so as China is seeking new markets and wants to exploit those countries (Phua, 2011). But such criticism seem like China has acted without any other context. The economy and politics of every country are changing, and if scholars criticized China without being concerned that neoliberalism has been spreading everywhere in the world, it means that scholars have a lack of knowledge about the changes, as neoliberalism has been exploited developing countries for a long time. Moreover, we might pay attention to other great powers that are driving China to exploit South East Asia, such as Japan, Korea, Singapore, Australia, and Europe. A scholar may have another criticism: who is the real destructive country or is exploitation a function of globalization? From the outside, China is not the only one who is exploited South East Asia and other developing countries but every power full country also is.

The myth about China in Western criticism is that China is a communist country with a socialism system, and gives freedom to no one. This old criticism will never allow the scholar to understand the changes in these last two decades of China, especially the mixture of capitalism with other countries by creating Special Economic Zones in borders area, the free trade areas. Nevertheless, the Chinese government has good relations with and systems in Chinese bureaucracy at every level, provinces, districts, towns, private enterprises, state enterprises, and other Chinese overseas businessmen (Storey, 2011). Therefore, a scholar should conceive China as a variety of types of power in many sectors, such as government, state enterprises, private

enterprises, and foreign direct investment, all of which benefit in different ways, Chinese government may also have different aspect to South East Asia.

Financial aid for South East Asian countries is criticized as helping dictatorships in developing countries. This criticism is designed to put pressure on China to join and follow the rules of the OECD (Organization for Economic Cooperation and Development), which comprises Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Luxembourg, Netherlands, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom. Most OECD members are European, and join for access to free trade areas strongly tied to Neoliberalism, building dependency among developing countries two that they will rely on Western countries forever (Xinhua, 2013). Free trade has opened up markets to be free from government control, and private enterprises are being able to control everything on their own. The liberal market also allows entrepreneurs to cover their activities by making advertisements, for example; oil companies always devote a huge budget to portraying their business as a green business, whereas in reality oil companies are destroying the world and creating all pollution throughout their businesses (Tan, 2012).

### **China as a world model of a modern country**

According to the understandings of many West, Communism in China should have failed since the Tiananmen Square incident of 1989, which is commonly known as the June Fourth Incident in Mainland China, in the same way as the Soviet Union (Guo, 2006). Western countries predicted that China would collapse after Deng Xiao Ping passed away, and that China would fail economically in 2008 as a result of the global economic crisis. However, these predictions did not come to pass. President Hu was telling the world before he resigned that BRICS is the organization that assists developing countries and bring peace to the world (Ouch, 2011). BRICS comprises the new world leaders of Brazil, Russia, India, China, and South Africa. Therefore, when President Xi came first to power, Russia was the first country he visited, followed by South Africa. This clearly indicated to the world the countries that China is prioritizing Russia (Ramzy, 2016).

China eliminated poverty in three decades by adapting religion and nature to national development. China's lifting 400 million people out of poverty has been the world biggest economic revolution. This revolution has lesson for the world to learn and possibly to follow. China's economy has grown eighteen-fold since 1979 while Eastern Europe's only doubled (Zhang, 2012). Those seeking the model of a modern, developed city in the world are now watching Shanghai rather than New York.

Shanghai has modern basic facilities for the living needs of its population, for example; airports, a metro, a high-speed railway, and modern shopping malls. Certainly, China is facing problems, but overall other countries must concede that China is very successful. Some state that China's success is due to foreign investment but there have been more foreign investments in Eastern Europe (Li, 2011). Others have said that China has exploited workers, but the cost of labor is much lower in India, and some have even said that China's success is because it is a communist country. But from the perspective of Westerners, many countries in the world – Asia, Africa, and the Middle East – are communist, but these countries are not so successful economically as China (Cheng, 2012). China's success stems from its development model. Power in the world is no longer bifurcated as in the Cold War era: now power has dispersed to many countries, such as the G20 countries and BRICS. China is the nation helping those countries behind the scenes, including Thailand (Foot, 2009).

China has more than five thousand years of history and culture, and has been united as a country for two thousand years. Chinese literature and cultural heritage have developed to make China the great nation it is today. If the Roman Empire had been able to combine its language and culture with a modern economy, it could have become great as China is today. There are four main reasons why China has become a great nation: firstly, China has a huge population, secondly, China is a very large country, thirdly, China has a long history and fourthly, China has a rich culture (Stuart-Fox, 2003).

China's population greater than all of Europe, the United States, Russia, and Japan put together, and its diversity and long history are those of a continent. This continent

prioritized poverty eradication: Deng Xiao Ping held this policy as the most important. Deng began in rural areas of China because they are the poorest, and small businesses sprung up. And from small businesses came bigger businesses in a million places. After that, foundations grew in China to manufacture and expand the portfolio of export products from China to the world. This lesson and the experience of China could be a good example for many countries in the world that still living with poverty (Ong, 2012).

Deng Xiao Ping was developing China very carefully, and many business models and reforms were brought in one by one. For example, a Special Economic Zone was tested in only one area and, when it was shown to be successful, Deng expanded this idea into other provinces all around China. The pace of development by Deng was not fast at that time, and everything had to go slowly as the state was not yet stable. Deng was very careful with all his moves to make China stable, and to modernize the state brick by brick (Nyiri, 2012). And this why China has been able to develop with solid governance. Meaning that it is different from the Soviet Union, which collapsed and disintegrated into being many countries around Russia.

The strategy of Deng Xiao Ping was planned over 70 years' timeframe, which would make China a modern country in the 21<sup>st</sup> century, and we can see that the strategy is still unfolding, being a long term plan. Every project and problem was being monitored to identify results and potential improvements. China has combined small businessmen with the state to fix the problems of the market system. The Chinese government was able to convince businesses outside the system to fit into it, and this became a great business model for a socialist country (Lu, 2012). The Chinese government was working hard to build China to become an economically stable country, the state helped China survive well between the crisis in 1997 and now, while the United States and Europe continue to feel the effects (Liu, 2012).

Moreover, the Chinese have never had an evangelical culture of spreading religion to other countries, but have tried to learn and adapt from others. China have adapted other culture for trading between states. Meanwhile, China is a role model of a strong state for the world in knowing how to adapt itself for modernization. The Chinese government supports Chinese entrepreneurs to have enough funds for their businesses,

and lets the businesses develop by stimulating the banks to implement policies to stimulate an industrial revolution (Li-MingJiang, 2011).

Being a solid state in China is not recent: the system has been concrete Confucius philosophy more than thousand years ago. Confucius's system focused on works at every level of the bureaucracy to become an efficient governing system. The Beijing government has been using good practice for choosing potential administrators by conducting elections. Elections for Beijing governance is one of the tools for building a productive bureaucracy to handle power, and candidates must prove their potential by showing at least two management works as a leader of their province (Lee, 2015). By doing so, the Chinese government can screen out those who do not have the potential to hold an important position in the bureaucracy.

### **Reaction of Developing Countries toward China**

The voices of developing countries have never been heard by the great powers, by the Western countries or China, that causes developing countries to lose their identities, natural resources, cultures, ways of life, and the ability to stand on their own two feet. Right now, developing countries, especially in South East Asia, are depending on countries of great power (Lyttleton, 2011). South East Asia has been bombarded by capitalism since WWI, and China is now continuing the exploitation of this region with greater pressure than the West. ASEAN economic Community is not united and not strong enough to stand up to China. Due to the culture of being an individual beneficiaries' system, AEC loses the power to negotiate with China and the OECD (Yos, 2011). Furthermore, the conflicts between ASEAN members are complicated and hard to solve. For example, in recent years, ASEAN members have not been united at all due to the South China Sea dispute. Every country gains a different benefit from China. Vietnam becomes an enemy of China while Thailand, Laos, Cambodia, and Myanmar do not stand with Vietnam, as there is no advantage in standing on the Vietnamese side, and it is better to no be an enemy of China (Feng, 2018).

The South China Sea dispute helps scholars to observe China more clearly, as

China is marginalizing small countries by its development project, especially as regards the Special Economic Zone and Free Trade Area policies. China is facing a serious pollution problem due to rapid industrialization, and these are all problems attributable to globalization and capitalism. The Chinese population may increasingly lose their trust in their government. Chinese middle-class people are trying to express their opinions of the Chinese government more and more (Brown, 2009). China may focus on domestic problems rather than international relations in short term to make China cohesive with stable development.

In past decades, China could grow from an efficient foreign policy and marketing policy under globalization more than other countries. China is transforming from a developing country to a great power, and many cities in China are very modern, for example; Shanghai, Chengdu, Guangzhou, and Beijing. But this Chinese power leads to the challenge with bilateral since the cold war period. Now multipolar power has spread to many countries, for example; G20 and BRICS. This has brought more chances for economic stabilization and better negotiations between countries and great powers. China was criticized by other countries during the Tiananmen Square incident regarding human rights, with the world telling China to respect human rights through the incident. China is not suitable to be a world leader as it is violating human beings according the West argue (Du, 2009). The world is questioning how China can be the leader using brutal behavior, while China is looking for more allies and free trade countries to obtain more natural resources. But the world is being wary of being a friend with China as the image of China is one of seemingly always taking advantage of others.

In recent years, China has accepted the idea of human rights, evidenced by attending the United Nations General Assembly on human rights 27 times, including the general assembly on racial discrimination, violation of women's rights, refugee rights, and genocide. China has been criticized by the West for a long time and now China has started to criticized western nations on Human rights as well. In the past ten years, China had concerns about the human rights of Muslims in Europe, and particularly Germany, even if it seems ridiculous to some that China is telling the world that it is concerned about human rights. China has now accepted the concept of international human rights and is taking action on other projects related to human rights,

for example; China has supported the reduction of sanctions between countries. China argued that discussion about human rights should be based on each country's conditions rather than there being a common human rights policy and practice for every country, as developing countries may conceptualize human rights differently. Concerning the rights to do with economics, society and culture are more important than the rights of a political movements has been shown clearly as China's foreign policy. China and Syria cooperated on sanctions, as third country should not topple other governments, and China suggested that the world should respect the sovereignty of Syria. On the other hand, China is not completely opposed to sanctions, China negotiated as a facilitator with the Myanmar government to stop the shooting in Kachin state, and the Myanmar government announces that shooting had indeed stopped in 2013 (Blackwill, 2016). China suggest that the world should have better regulations of sanctions to prevent unfair treatment great powers.

The economic crisis between the United States and China represents a chance for China to balance power between it and the Western world. China's growing economic power can lead China to take part in human rights discussions. China is now rearranging the world system with more confidence, as it is world powerful trader. This economic rebalancing could enable China to increase its diplomatic influence on Western countries. China now is with more confident than before in giving opinions and challenging the Western to try new foreign policies on human rights. Western value is not the only path to modernization, and China had shown that it can be modern without following the Western model. Meanwhile, China must review itself if it imposes sanction on other countries, given its economic power. This review would mean a lot to the world, as China had the power to affect the decision making of many world leaders. On the other hand, China is worried that it is focuses on a policy of no sanctions, may not be able to help many Chinese citizens around the world. For example, in the conflict between Myanmar and Kachin state, if China could not impose sanctions to stop the conflict, then Chinese businessmen could have been affected due to the conflict with serious damage to their businesses. Another example comes from Libya, where China did not impose anti-Western sanctions because it wanted to protect 35,000 Chinese workers in Libya. Therefore, China could not support the weaker side as it was also worried about losing the benefit of business between China and Libya.



China is demonstrating new ways of human rights management in developing countries, which is quite challenging given the uncertainty of political systems. It has been shown that China is now taking action to reorganize the world as it promotes other new options on foreign policy to the world. The most interesting aspect of China's foreign policy is that it is now trying to be a part of the leadership of the world. But power is limited as there are many conflicts with different circumstances in developing countries, including South East Asian countries, and there are different levels of reaction to China's rise among the ASEAN nations.

The relations between ASEAN countries and China in these last two decades have become, closer since China helped them to get through the Asian economic crisis in 1997; meanwhile, military relations are very intense, and one of the reasons is the South China Sea dispute. Trading relations between border and nearby areas requires a better understanding with Yunnan, Guangxi, Guangdong and Hainan as it is affect South East Asia trading (Lee, 2017). Understanding the differences between inter-relational levels if important, especially how the government officials of those provinces implement policies of mutual interest. Moreover, it would also be better if we were able to understand the competition among Chinese bureaucrats working on South East Asia projects, and the complicated politics at the provinces and district levels.

The fast economic growth of the past three decades has prevented China from having a conflict in South East Asia as it is not cost-effective to jeopardize the millions of dollars of trade. Keeping the peace and close relations with South East Asia is the only choice for China right now, and these conditions help South East Asian countries to have more fruitful negotiations with China. South East Asia should work collectively and not individually, as it is more effective, and even though there are varieties of cultures, religions and political systems, there is mutual practical between South East Asian countries. Recently, Thailand, Vietnam, and Myanmar started better to balance their relationships with the two great powers, China and the United States. Inviting Japan and the United States in the strategy could give South East Asia a better chance of achieving a "win-win" scenario with China. South East Asian governments should avoid servitude to China by reconnecting with Japan, Russia, India, and the United

States. Furthermore, South East Asia tried to bring China into the ASEAN region by establishing AEC+3 (ASEAN + China, Japan, and South Korea). By doing so, China would be part of the ASEAN region and would prioritize mutual rather than individual benefits, as when the ASEAN region loses, China loses. AEC+3 would also bring about long term mutual interests and mutual benefits (Liu, 2018).

China gave funding to South East Asian countries without joining the OECD, and imposed conditions on that funding. Those fund include debt cancellation and additional loans, all to create a new strategy for international relations. This new foreign policy is intended to produce stable new opportunities for natural resource extraction and mutual international economic relations. Western countries have criticized China funding for South East Asia, saying that it comes with a hidden agenda, which is to exploited ASEAN countries in the future. South East Asian oil, natural gas, minerals, and agricultural products are very alluring for China. But with the funds that China gave to ASEAN countries, it did not check to determine whether they help South East Asian people or authoritarian governments, that use the funds to suppress those with an opinion that differs from that of the authoritarian government (Halper, 2010).

All Chinese funding to ASEAN countries cannot be examined as China is not joining the OECD, and all projects are funded without transparency. It is always discovered too late that funding and big projects from China can increase pollutions and poverty. Because South East Asian countries cannot interfere with the projects, China has absolute control over everything. There are two types of aid given by China, the old style and the new style. The old style involves announcing that China is the one great power and the center of the world, while the new style is to expand power in the countries that could be new markets for China and will support it by generating natural resources regularly, which are crucial for economic growth. However, South East Asian countries will continue to accept help and funds from China because this will strengthen ASEAN countries and prevent unfair treatment at the hands of the United Nations. Because of this, it would be difficult for ASEAN countries to act against China as they receive help from China.

## **Conclusion**

The successful economic development of the Chinese trading style has resulted from a mixture of Neoliberalism and Communism. The standard of living has increased, wealth and the economy have grown very quickly in the past three decades. Meanwhile, the wealth gap between urban and rural areas is also higher, with people in urban areas getting richer, and people in rural area getting poorer. Neoliberalism should be an economic system but, in this case, it means to dominate and control citizens, whether in a democratic country or a communist country. Centralization is a reproduction of Neoliberalism between China and South East Asian countries, with the market mechanism supporting absolute communist ideology as it increases the power of the central government. Thus, this Neoliberalism with the Chinese style of communism allow the fastest economic growth in China's history.

On the other hand, many countries are worried that China will influence and gain control over South East Asia, but China is at the stage of wanting only to focus on trading. China proved by donating money during the Asian Financial Crisis in 1997, that is not trying to be the great power in South East Asia, but wanted to be a good trading partner. However, many countries do not believe that China does not want to have a great power in South East Asia, as it has joined the WTO and APEC, which means that China is becoming a powerful player as China's economy is very attractive to many countries. Furthermore, China is enhancing international relations with Russia and supports the dictatorships in Iran, Myanmar, Sudan, and Zimbabwe.

Chinese leaders use the policy of the Chinese dream that will make every citizen wealthier, and the goal is being bilateral with the United States to control the world together as responsible great powers. In addition, China is different from other great powers as it does not focus on territory expansion but on trading. China explains that the Taiwan dispute is an internal conflict, which China will solve through negotiations with Taiwan. China's foreign policy is focused on trade and commercial activity through friendly funding to South East Asia, as China is aware that its military power is greatly exceeded by that of the United States, and so China tries to expand power at the regional level. However, nationalism at the regional level could be the big obstacle for China's foreign policy in South East Asia as the criticism has been levelled that China aims to be the one great power as it was in Chinese history.

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