

CHAPTER II

PRC FOREIGN POLICY TOWARDS MRC COUNTRIES

China is the country with the largest population in the world. According to the World Bank, China has 1,357 billion people in 2013. This amount would have an impact on economic growth and also in politics. China belongs to the Asian continent. In this continent, China has the strongest economy if it compares with other countries.

Picture 2.1 China Map



Source: <http://www.worthynews.com/>

China is the first state in Mekong regions which has the ability to take another potency for its self. It is known that China has the biggest population in the world not only in the late of 20th century but also nowadays. China needs alot of energy power for supplying its millions of populations activities. Since by using the nuclear energy is too risky for its populations, the hydro power energy becomes the best solution to overcome the energy crisis. Using clean energy is the dream of many countries. Mekong River is one of the rivers which supported China's government projects to satisfy the national energy. In order to support the national interest, China needs a policy to make it happen.

A. CHINA'S FOREIGN POLICY

Foreign policy is the way of interaction between a country to another country to discuss the issue or take action in the political, economic, social, cultural and all matters concerning the interests of the state. Basically foreign policy has significance in the implementation of the national interest. National interests here can be all things associated with a variety of sector issues. To run a foreign policy course, it depends on the system of government in the country because every country has a different system of government with a parliament or the another system like using presidential.

The recent China's foreign policy demonstrates much greater, modern, engagement and integration with existing world rather than

in the past. China leaders are following the strategy that deals

pragmatically with world conditions, conform to international norms, and pursues to international peace, development and harmony in the interest of China, its neighbors, and order concerned power, notably in United State⁴. In other words, China's foreign policy, is being pragmatic as strategy in this contemporary. China's recent approach to foreign affairs depends on many variables inside China and abroad that could change. So the strategy is still being pragmatic but it will be different depends on the situation that is going on. China's nationalism and security priorities are also important determinants in contemporary China's foreign policy. The Chinese Communist Party administration has placed greater emphasis on promoting nationalism among China people, as communism declines as source of ideological unity and legitimacy. This idea means that China will be more concern in domestically issue in doing what China needs in foreign policy because CCP administration was supported by nationalism⁵.

It is known that "One China Policy" is very common words in international relations in talking about China's foreign policy. This policy directly shows that there is only one legitimate government of China. That is the Chinese government that has the capital city in Beijing. So if it recognizes the existence of this policy, it will not recognize the existence of

⁴ Robert C. Sutter (2012) Chinese Foreign Relations second edition page 1

other main land in China. One China Policy is one of many China foreign policies in the international relations.

B. MRC COUNTRIES

MRC countries are the members of Mekong River Commission that are Thailand, Laos, Cambodia and Vietnam. MRC countries or lower Mekong are countries that have closed culture with China. MRC countries are part of ASEAN members which are located in the northern main island of Southeast Asia. MRC countries consist of developing countries that coined the mutually beneficial relationship with the Chinese government. The majority of MRC countries are Indochina. Indochina is generally known at the time of the French colonization of Laos, Cambodia and Vietnam. But in modern perspective, Thailand and Myanmar is also known as Indochina in the international community.

It has been noted previously that Indochina is not a called from the local population in that region but this word came from France colonialism in the nineteenth century. Indochina is derived from the combination of the words India and China. This call aims to show an area that has a geographical location in southern China and West India. In its development after the French colonization, Indochina has evolved into sovereign states.

C. CHINA - MRC MEMBER RELATIONS

The relationship between China and MRC members is actually long overdue. As we know that China has ideological proximity with most countries in the south. Laos, Cambodia and Vietnam are countries that still embraced the communism as a system of government. Because proximity among them make a system of government with a communist system. With the proximity of the government system, it certainly gives positive impacts on China in cooperation in various fields. This proximity data refers to the state of China's policy underlying the various.

The relationship of China and Laos can be seen in Chinese investment in that country. The relationship between the two countries gradually began to improve in 1989. Laos is a small country in Southeast Asia that does not have a sea port. Although Laos is a small country but it has an important role for China. This interest obviously exists because these two countries are directly bordering. Not only geography that makes Laos becoming an important country, but there are similarities in the political viewpoint between the two countries, especially in ideology. Laos shares borders with Vietnam to the east, Thailand to the west and Cambodia to the south. So, Laos can also be regarded as a gateway to South-East Asia from China.

China and Vietnam relationship has actually lasted longer before the South China Sea dispute happened. The South China Sea dispute is

slightly worsen ties both. The close relationship between China and Vietnam can be seen from the history of the war in Vietnam from 1955 to 1975. The Vietnam War was a war of ideology, between North Vietnam, which is supported by the USSR, China and other communist countries versus the Southern Vietnam, which is supported by the USA. The war took a long time until it is finally won by the communist forces. So, in this case we can see that China has been active in supporting the Vietnamese communist government.

The two countries however are becoming worse and not going well when the Chinese-Vietnamese had a conflict in 1979-1990 on the northern border of Vietnam. Vietnam and China relation is always have ups and downs but the important thing that should be noted is the Sino-Vietnamese war was the lowest point of the China and Vietnam relationship in this modern time. This war not only caused heavy casualties but also caused political instability because it took a very long time to finish.

Meanwhile, the relationship between China and Cambodia is getting better. In 2014, the Cambodia-China diplomatic relation celebrated the 56th anniversary. Both of them are supporting each other in bilateral relation such as in economic and politic. It can be seen from the increase of Chinese investment in Cambodia. China as the biggest investor in Cambodia, cannot be separated from the proximity of the socialist ideology. Proximity

the Pol Pot regime in Cambodia. Cambodia became an interesting country for Chinese investors because of the low wage of workers in that country. As we know that Cambodia GDP is 15,25 USD billion per year by 2013. This number was changed a lot if it is compared with ten years ago which reached USD 4.65 billion only. With the rapid growth of China's position, the raise of GDP was also calculated by the government of Cambodia in the bilateral cooperation clauses. The high investment is surely give impact to the market in earning better profits.

The low wage became the main attraction which can attract the foreign investors, especially China investors. Moreover, the strategic position of Cambodia in the middle of the ASEAN countries that will run a free trade area is very promising for the investors. According to Cambodia Prime Minister Hun Sen in 2012 more than 300,000 Chinese tourists visited Cambodia with direct flights to Cambodia from Beijing, Shanghai and other cities of China. The Chinese tourists are expected to reach 1 million in coming years. With so many of the foreign tourists visiting Cambodia this proves that the people of China Cambodia give confidence to the country as a safe country and partner. Politically those are the indicators that showing the good relationship between the two government, China and Cambodia, in the political, social and economy aspects.

Besides, Thailand is also an important state to be discussed.

Thailand had different history from other ASEAN member's in 1980s. At

that time, there was no single ASEAN member wanted to be close with China as a partner in economy. When a lot of states in South-East Asia were protecting their nations from communism including limiting bilateral relations to communist countries like China, Thailand was the only one who had good relation with China as ASEAN member. This proved to us that the relationship between China and Thailand has lasted a long time since the cold war.

In 2014 the bilateral relationship between Thailand and China has entered 39 years. In 39 years of bilateral cooperation, both of the countries are certainly still having the mutual benefits. The relation was different from Vietnam that had a volatile relationship, it can be seen from the relations between China and Thailand after World War II that were getting stronger from time to time. Both countries often hold summits and meetings in the fields of education, politics, military, and economy that continue to grow well.

D. CHINA POLICY TOWARD MRC MEMBERS

China's foreign policy to create bigger economy is including South East Asia region. As the ASEAN member, Lower Mekong River has a right to spread its power of Mekong River as well. Different from South China Sea which is classified as unclear territory, Mekong is a clear and definite territory that requires better and deep understanding between state interests.

China should see the ASEAN members as their partner for economy market

development, so if China gives a lot of problems for ASEAN it will influence the relations among them. Moreover China and ASEAN are on progress in facing CAFTA. Therefore, the diplomatic rules for Mekong River are the better way for solving the problems.

China is the country which has the strongest economic power in Asia. Its economic growth is certainly helped by the adequate improvement infrastructure. Since the end of the Japanese occupation in World War II China were started to develop its economic growth. According to the World Bank, China's GDP in 1995 stood at 728 billion USD. However, in 2013 this number turned into a 9 trillion USD. It is a very amazing result that makes a lot of countries feel surprised to hear that. This illustrates to us that China is very aggressive in the country's economic growth. The major success factor that cannot be separated from its success is the internal and external factors. The internal factors are the eradication of corruption in government, a stable political system and the support of the community. While in external factors is China has a good cooperations with other countries in building the economy aspect.

Promoting stable security relations with its neighbors is the basic starting point of Chinese policy; to have a peaceful and stable regional environment is a key aspect of China's security strategy and core interest.⁶ In general, China's foreign policy is greater, modern and integrated with every

⁶ A. P. C. B. ... ASEAN-China forum (Singapore: institute of southeast asian studies, 2004), p. 7

single country. But for specific, China's foreign policies towards Indochina are including economy, political security, multilateral diplomacy and soft power.

1. Economy

Talking about economy, cannot be separated from the needs of the state as the protector of society. The economy becomes the first reason answering the relations among states in a peace condition. In Post-World War II most of states are needed each other not only looking for security but also looking for prosperity. This action is mutual relations like flowers and bees which is one actor gives benefits to another. Because economy is one of fundamental subject for state requisites, it makes the idea of trade and relations among state are needed. Although China has the biggest economy growth state in Asia, it does not mean that China does not need other neighbors to develop its economy. China's foreign policy to their neighbor countries was actually passive in post WWII. However, China's policy was changing after Cold War, China became more aggressive in term of economy in South East Asia generally and Indochina in specific.

According to Minister Counselor Zhang Wanhai, Head of Delegation Of China at the 10th MRC-China Dialogue Meeting in

Vientiane, Laos, 1 September 2005, he said that

“China's development has become a significant part of Asian rejuvenation. Since 1996, China has contributed up to 44% of Asian economic growth. In the GMS region, the total trade volume between China and the other 5 GMS members, in the year of 2004, reached 25.82 billion US dollars. By breakdown, China's export in 2004 was 11.55 billion US dollars; and its import was 14.27 billion US dollars. In early July, the second GMS leaders' meeting was held in Kunming, Yunnan province of China”.

2. Political Security

China is a big state in Asia that can be a balance of United States of America. China is getting bigger not only because it has good domestic policy but also it has good foreign affairs. The economic's of China has influencing the Europe, USA, Russia, Asia Pacific and Latin America countries. As neighbor's country in Asia region, China's position is very important to increase the economy, especially for Indochina.

Political security in South-East Asia is very important. As a small power, Indochina sometimes needs China as a balance of USA power in South East Asia. This is a mutual relation because Indochina as a part of ASEAN member should stay in the middle in balancing East and West.

3. Bilateral Diplomacy

Bilateral relation is a relationship or agreement binding between two countries. China made a direct approach to every

is emerging issues between the two countries. China as a country with its strong economy is expected to help other countries in achieving the partner's goal. Bilateral diplomacy is seen as the effective way in addressing the country's continuing relationship.

One of the special things in the last point is about the Indochina position in ASEAN. Indochina is sometime being a host of regional meeting of organization by member of South East Asia. In this case, China wants to make a close relation with Indochina in order to know what happen in region including they needs. If China knows well about the appropriate countries needs in ASEAN, it has to think about the strategy for helping Indochina countries in ASEAN and also taking benefit from it.

4. Multilateral Diplomacy

Not only bilateral relation, but China also did their multilateral relations such as in ASEAN+1. In these relations, China has also the opportunity to make more interaction to Indochina countries. China also tried to discuss the Mekong issues with MRC country in multilateral level. The first Mekong River Commission summit in Hua Hin, Thailand, April 5, 2010 China vice minister of foreign affair said that

“The countries in the Mekong Sub-region are important ASEAN members and China's close neighbors and partners

China assigns high importance to and is actively involved in the sub-regional cooperation⁷.

It means that Indochina position in ASEAN is important. This statement is very clear that China needs Indochina not only as neighbor countries but also as ASEAN member.