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IN **HÉRODOTE 2020/1 No 176** , PAGES 59 TO 75

PUBLISHER **LA DÉCOUVERTE**

ISSN 0338-487X

ISBN 9782348057519

DOI 10.3917/her.176.0059

Uploaded: 03/04/2020

Article available online at

<https://shs.cairn.info/journal-herodote-2020-1-page-59?lang=en>



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The rise of China and social norms in Southeast Asia: The role of investment

*Elsa Lafaye de Micheaux*¹

Translated and edited by **Cadenza Academic Translations**

Translator: Isabelle Chaize, Editor: Hayley Wood, Senior editor: Mark Mellor

Abstract

Southeast Asia's dazzling economic performance is largely due to its close economic relationship with China, whose rise to power has made it Southeast Asia's leading trading partner and a major investor in the region. Disseminating a normative model specific to globalization and increasing its channels of influence, China's economic dynamics and power strategy are transforming the regional political economy. This article combines quantitative research methods and field research to explore this new Chinese normative influence. Chinese investment in Southeast Asia, defined broadly to include FDI, development assistance, and the Belt and Road Initiative, is analyzed as a vector of social norms in the region.

With a gross domestic product (GDP) of US\$2.8 trillion and aspirations to become the world's third largest economy by 2050, the economic dynamics of the Association of Southeast Asian Nations (ASEAN) are strongly influenced by the development of China, which has long been treated as one economic partner among many (Japan, Europe, and the United States (US)). Since becoming the leading supplier of the entirety of Southeast Asia at the end of the 2000s, China has created a non-exclusive but objective dependency between the region's economies and its own industrial capabilities. The Asian value chain generates significant intraregional

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trade flows and stimulates major transnational infrastructure projects. It is shaking things up when it comes to company location (in textiles, electronics, and the automobile industry) and competitiveness. Under pressure from international competition and intergovernmental political agreements, the increasing integration of the Chinese economy and the Southeast Asia region is also being driven by grants, loans, and capital movements. In the process, it is contributing to the dissemination of new labor standards and even new social and political norms. The “workshop of the world” owes its success to a labor system based around low pay, extremely harsh working conditions, and very long hours (Périsse and Séhier 2019). The future exportation of this system to Southeast Asia as a result of company offshoring is thus a topic worth discussing. Given its origin in an undeniably authoritarian state,² is the boom in new Chinese infrastructure projects and industrial investment in the ASEAN region connected to the recent resurgence (since 2014) of political authoritarianism in Southeast Asia? Will the transformations taking place in the region fuel the opposition between the “Beijing Consensus” and the “Washington Consensus”? Is the imposition of rival normative models not part of what is at stake in the competition between the great powers currently playing out at the regional and subregional level across Southeast Asia? The financial commitments that form the basis of China’s development in Southeast Asia may turn out to be vectors of new social norms throughout the region. That is the hypothesis we hope to support in this article by showing that China’s growing power (remarkable economic growth coupled with a new international and strategic stature, major military rise, and impressive technological and scientific progress) is reflected in the spread of new norms, particularly driven by major investment in the ASEAN nations.

The article consists of two sections: first, an overview of the current state of Chinese investment in Southeast Asia provides the broad framework for showing how such investment may be a vector of norms, based on an analysis of the example of Malaysia between 2009 and 2018. We then study the new normative dynamics generated by Chinese investment in Southeast Asia as a whole.

Chinese investment in Southeast Asia: Economic commitment and influence

The various Chinese financial flows toward Southeast Asia are understood here as vectors of the dissemination of new Chinese norms, as part of both the long-term evolution of the Southeast Asian economic space, in which China has played an

2. Although the term “authoritarian” was criticized and questioned by some after the fall of the Berlin Wall, its use to describe the current Chinese regime has now become established in the academic literature as well as in most other writing.

influential if not decisive economic role for two millennia (Tagliacozzo and Chang 2011), and the more recent integration of Southeast Asia into the “Chinese constellation,” a process that has gained momentum under President Xi Jinping. Driven by the urgent contradictions internal to the development of its own capitalism (pollution, inequality, overinvestment, excess liquidity, and slowing in growth (Séhier 2019)) and anxious to establish itself as a regional, in the first instance, and then world power, the People’s Republic of China’s strategic involvement in Southeast Asia was stated firmly in 2010, with the implementation of the China–ASEAN Free Trade Area: its aspiration to update its international status is clear. Ambitious co-development policies and more intensive co-operation (including in the scientific, cultural, military, and maritime spheres) coexist with aggressive strategic maneuvers in Southeast Asia. In the context of multiple long-established and rival foreign influences, this ambivalent involvement has a political and geopolitical dimension that is also present in its investments: what perception of its regional status does China want to convey through the projects it runs and finances?

Chinese financial involvement in Southeast Asia: A few facts and figures

Chinese foreign capital outflows, often from state-owned companies tied to a precise political agenda, are now huge, and point to new factors driving the decision to invest, with big Chinese contracts forming part of individually tailored political negotiations that both bind the region’s governments and offer them political support. From international aid to the Belt and Road Initiative (BRI) (2013) via foreign direct investment (FDI), China’s financial involvement in foreign countries comes in many forms that, for the purpose of studying the dissemination of norms in Southeast Asia, must be studied as a whole (for that reason, we use a broad definition of Chinese investment that includes FDI, development aid, and financing related to the Belt and Road Initiative). It is however important not to overstate or overestimate the political and strategic coherence of Chinese financing, particularly because of the bureaucratic complexity of the Chinese state and the ferocious rivalry between Chinese state-owned companies.

In line with its “Go Global” slogan (1999), growth in China’s global FDI³ since the mid-2000s has been remarkable.

3. Defined as the acquisition by a company of at least 10% of the shares—and/or voting rights—of a foreign unit or subsidiary, FDI is measured in terms of inward or outward flows or stocks. The United Nations Conference on Trade and Development (UNCTAD) produces long series of data for each country. The ASEAN Secretariat in Jakarta has, for the last ten years,

TABLE 1. – CHINESE OUTWARD FDI FLOWS, 2002–18
(BY VOLUME AND SHARE, IN MILLIONS OF CURRENT US\$)

2002	2004	2006	2008	2010	2012	2014	2016	2018
2,518	5,498	17,634	55,907	68,811	87,804	123,120	196,149	129,830
0.51%	0.61%	1.30%	3.29%	5.01%	6.87%	9.48%	12.65%	12.80%

Source: UNCTAD, 2019.

As the table shows, outward FDI from China has risen dramatically and rapidly between 2006 and 2018, China's share of global FDI grew from 1% to almost 13% reflecting an indisputable increase in its financial and industrial power (Table 1).

Chinese direct investment in Southeast Asia must be studied against the background of the precipitous expansion of these flows. The ASEAN region, which has long welcomed FDI, received US\$150 billion in FDI in 2018. It continues to attract global investment flows; of these sustained flows, only 9% (in 2017) of FDI to the region in the last decade came from China (Table 2). China is, however, the source of FDI that has seen the strongest growth in its commitments, which tripled between 2010 and 2018.

TABLE 2. – SOURCE OF INWARD FDI FLOWS RECEIVED BY ASEAN
IN 2010, 2017, AND 2018, IN US\$ MILLIONS

	2010	2017	2018
ASEAN (total reçu)	108,174.16	146,901.55	154,712.98
Intra-ASEAN	16,306.36	25,484.30	24,543.94
European Union (EU)	21,145.15	15,097.25	21,960.48
Japan	12,986.96	16,273.92	21,192.63
US	13,682.07	24,911.90	8,111.84
China	3,488.60	13,706.63	10,187.47
<i>China's relative share</i>	3%	9%	7%

Source : ASEAN Secretariat, Jakarta, 2019 (asean.database.org).

produced more detailed data regarding country profiles and beneficiary sectors. In particular, it documents intra-ASEAN FDI flows (Lafaye de Micheaux 2019).

The data collected in Southeast Asia reveal that these flows are targeted at very specific countries, locations, and sectors (Table 3). ASEAN's lowest-income countries, which have only recently become integrated into the globalized production system (Myanmar, Cambodia, and Laos), received the smallest FDI flows from the rest of the world between 2010 and 2018 (5% of the region's total). But they were the preferred target for China, receiving between a fifth and a quarter of its FDI to ASEAN. Although they vary from one year to another, this Chinese investment accounts for up to 32% (Cambodia), 63% (Myanmar), and 79% (Laos) of inward FDI according to the ASEAN Secretariat. In these countries, Chinese FDI thus plays a significantly bigger role. More generally, when we compare Chinese FDI to flows from Europe, Japan, and the US, which until the early 2010s fueled and provided the industrial structure for the economic development of Southeast Asia, Chinese investment seems to follow a distinctive logic. Its FDI comes from state-owned or private companies that either invest in existing facilities or offshore some of their production to factories in Southeast Asia. Statistically, it is impossible to distinguish between private and public FDI. Nevertheless, it is characteristic of the rapid and massive rise in Chinese investment that the biggest investments are being made by the country's large state-owned multinationals (Lim 2015). With diplomatic support—often direct—from the local government or Beijing, these investments include a distinct political and geopolitical dimension.

TABLE 3. – NET INWARD FDI FROM CHINA TO ASEAN 2014–18, IN US\$ MILLIONS

	2014	2015	2016	2017	2018
Total	6,165.21	6,811.74	9,609.60	13,706.63	10,187.47
Wholesale and retail trade (e.g., Alibaba, Malaysia)	780.07	488.52	2,235.45	2,707.89	3,601.98
Real estate	1,570.91	2,105.45	2,414.83	3,167.01	2,666.02
Manufacturing	1,191.20	601.36	684.23	1,699.09	1,585.96
Construction	8.65	191.49	678.22	653.67	950.16
Insurance and finance (mainly in Singapore)	792.60	75.77	1,746.77	3,468.91	423.09
Agriculture, fisheries, and forestry	112.72	2,195.34	75.25	238.63	211.14
Electricity	878.15	-290.11	491.46	916.78	86.74
Scientific and technological activities	88.02	51.54	53.14	58.52	82.25
Art and entertainment	87.67	387.31	13.56	0.94	34.44
Health	8.82	23.50	6.52	18.82	25.70
Mining	2.21	-0.80	110.87	679.57	5.52

Source : ASEAN Secretariat, Jakarta (asean.database.org).

However, any attempt to distinguish between FDI that encourages the spread of norms and FDI that is “normatively neutral,” in other words motivated exclusively by the logic of financial profitability, is doomed to failure. It would also be futile to try to disentangle investments that form part of China’s power strategy from those that pertain to its development strategy, which involves the acquisition of interests in the mining and metal industries with the aim of securing its supply chains; those intended to improve its connections with its immediate neighbors and its more distant markets; or those designed to maintain its margins and comparative advantages through offshoring (investment in manufacturing amounted to 33% of FDI in 2018). It is worth pointing out that at this level, the transmission of labor norms is relatively direct.

China’s international aid policy underwent a sudden change in 2000, when it was rapidly scaled up. It has three main objectives: to encourage economic growth and development in other developing countries as well as in China; to support China’s positions on the international stage; and to maintain its role as an important

and influential member of the international community. China, although now one of the largest funders in the world, is not a member of the Organization for Economic Co-operation and Development (OECD), which for several decades has kept detailed statistical records of official development assistance. China does not have a dedicated agency for measuring such aid, nor a centralized system for reporting or monitoring it. Several key features can be identified, however, from a 2011 White Paper that elucidated the five strategic elements driving Chinese aid: to strive continuously to help beneficiary countries build up their self-development capabilities; not to impose political conditions; to follow a model of equality, mutual benefit, and common development; to be realistic about its capabilities and ensure aid is “tailored” to the actual needs of the partner nation; and to “keep pace with the times” and be mindful of reform and innovation (Information Office of the State Council The People’s Republic of China, 2011).

TABLEAU 4. – CHINESE DEVELOPMENT AID IN SOUTHEAST ASIA, 2000–13

Destination country	Millions of current US\$	Share
Laos	10,702	41%
Indonesia	6,948	26%
Cambodia	3,295	13%
Vietnam	2,633	10%
Myanmar	1,077	4%
Philippines	808	3%
Malaysia	800	3%
Thailand	11	0%
ASEAN total	26,273	100%

Source : AidData2017, calculations by the author.

Moreover, given that Chinese ambassadors and Foreign Affairs ministers present the BRI as being also a project of cultural revitalization, it seems reasonable to suggest that the majority of the investments associated with it are charged with political and normative meaning. Nevertheless, 97% of these investments, which were boosted by the 2014 creation of the AIIB (Asian Infrastructure Investment Bank), a Chinese-instigated multilateral development bank, are financed by loans from large

Chinese banks (Ekman 2019). Although figures on Chinese investment connected with the BRI are remarkably difficult to find, we suggest some here based on orders of magnitude provided by analysts at the leading Malaysian bank, Maybank.

TABLEAU 5. – BRI INVESTMENT AND CONSTRUCTION CONTRACTS IN ASEAN
(IN US\$ BILLIONS)

	Second half of 2018	First half of 2019
ASEAN	5.6	11
Indonesia	2.1	3.1
Cambodia	0.798	2.5
Singapore		1.9
Vietnam		1.6
Philippines		1.2
Malaysia	0.176	0.440

Source : Maybank, *BRI Report*, 2019.

Investments deemed to relate to BRI infrastructure projects at the beginning of 2019 thus demonstrate strong growth over the period in question, with amounts equivalent to two times those of Chinese FDI in the same period.

Investment norms: Lessons from Malaysia

Chinese involvement in Southeast Asia, which started in 2000 and has accelerated since 2010, varies from country to country in terms of its form and timeline. But it does have some general features that we can try to identify, approached here through a case study of Malaysia (Delfolie *et al.* 2016). A rapid rapprochement between Malaysia and China at all levels began in 2008: trade, financial, and real estate flows as well as human and cultural exchanges (students, tourists, and religion) have all increased dramatically in recent years. Their excellent bilateral political relationship has strengthened and facilitated business deals, and vice versa. After 2013, the rate of investment accelerated further thanks to government-to-government and party-to-party ties (between the Chinese Communist Party (CCP) and United Malays National Organization (UMNO)). New forms of monetary

co-operation and institutional mechanisms were put in place in order to support this trend. These new developments far surpassed the scale of the traditional ethnic business conducted by Chinese people in Malaysia, who had been the primary mainstays of the relationship during the previous two decades (Jomo and Folk 2005). The largest of the major investments from China have been in real estate, the metal industry, and infrastructure. Two case studies from Malaysian states associated respectively with the incumbent party (UMNO, Pahang) and the opposition (Malaysian Islamic Party or PAS, Kelantan) reveal the complexity and closeness of the political ties forged through very different projects.

China's largest ever investments in Malaysia concern the relatively complex plan to construct a binational port and industrial park in Kuantan, Pahang, twinned with Qinzhou (Gulf of Tonkin, China), which was negotiated in agreements at the national political level. According to figures from the Malaysian Investment Development Authority (MIDA), in just two years, Chinese industrial investment in the state of Pahang (US\$4.9 billion) equaled the cumulative total of the previous twenty-five years. Thanks to newly issued investment approvals, particularly in the metal industry, the Chinese presence in Malaysia, which had long been fairly modest, increased significantly and suddenly: the considerable size of the Pahang investment (in the Kuantan industrial park and port) shifted the balance and disrupted the prevailing trend in foreign investment in Malaysian industry, which had until then been tightly focused on electronics. The industrial park project reinvigorated Chinese industrial investment in Malaysia and gave the state of Pahang a special role in the Malaysia–China relationship. It turned out to be an expensive and unprofitable plan from the Chinese point of view, and seemed initially designed to support the 2013 re-election of the then prime minister, Najib Razak, from the UMNO, which has strong ties to Pahang. When Najib Razak found himself embroiled in an international financial scandal in 2015, Chinese investment intensified still further in an attempt to provide direct political support for his vulnerable position. The Kuantan project has since become the bridgehead for the BRI in Malaysia: a deep-water port of entry, a major industrial site, and a departure station for the transpeninsular East Coast Railway Line (ECRL) intended to relieve, on a smaller scale, some of the maritime traffic in the Malacca Strait. At first sight, this Chinese investment in Malaysia seems to be simply a means to accomplish China's strategic intentions, but it has also played a role in Malaysia's domestic politics and muddied its national democratic process. China's support of Najib Razak was not unconnected with the latter's headlong plunge toward authoritarianism and rollback of human rights between 2015, until he was defeated in the general election of 2018.

Chinese investment in the Kelantan gold mine, which is operated in the immediate interest of a private Chinese partner, for a finite and modest amount, and

enjoys unreserved support from the local government, is of a very different type, but equally informative. When scrutinized in detail, the contractual and operational arrangements of the Sokor gold mine show how investment can become a vector of new norms. The China Nonferrous Metal Mining (Group) Co. (CNMC), a Chinese state-owned multinational operating in the mining sector, met with the local government of Kelantan, an opposition-ruled state in northeast Malaysia that had been left virtually in ruins by twenty-five years of Islamic administration with no financial support from the Malaysian Federation, and convinced them to approve the exploitation of a gold field that had been abandoned for decades by promising to build an Islamic school and giving the sultan shares in the company. Following several visits from “Professor Lim,” an unusual negotiator who was president of the Global Chinese Arts and Culture Society and visiting researcher at the Chinese National Academy of Arts,⁴ in 2011 the CNMC used capital acquired from tax havens to establish a listed company in Singapore for the exploitation of Sokor. With the aid of leading Chinese geological and technical expertise, the mine’s gold production was soon the second highest in the country (after the Raub mine). The independent geology consultancy responsible for auditing the mine suggested that, at the current rate, it would be depleted by 2018, just five years after generating its first substantial revenue (2013), during which time it would benefit from the national tax exemption scheme (Pioneer Status). When we peer more closely into the darker corners of the deal (legal and financial arrangements, interventions by large Chinese state-owned companies, production and workforce data, and technical assistance) and the returns for the federal government (low royalties, no budgetary revenue, and arsenic pollution), the Sokor investment demonstrates that, in certain particularly open political and economic configurations, Chinese investment can be a vector for introducing new industrial, commercial, and social norms into destination locations. The closeness of the relationships forged, and the careful construction of ties designed to last,⁵ show that, more broadly, the issue of respecting local norms regarding workers’ rights and basic freedoms in Southeast Asia is very often counterbalanced by the need to maintain good relations with China.

4. According to the CNMC IPO Finance Report, 2011, 126.

5. As shown, to return to our example, by the Kelantan government’s decision to officially appoint Professor Lim “chief adviser on Kelantan-China international trade.”

Chinese normative dynamics in Southeast Asia

Our analysis of China's influence on working conditions and basic rights and freedoms in Southeast Asia also extends to changes to domestic political and social norms and resistance to the new Chinese norms. We attempt to distinguish between these new norms and existing similarities in social norms resulting from the shared experience of globalization. The latter are in marked decline despite ASEAN's gradual formalization of a framework to ensure their recognition and protection. This fact supports our central hypothesis and allows us to clarify its validity.

Repression of Chinese workers, anticipated offshoring to Southeast Asia, and shared segmentation of the labor market

Chinese norms regarding workers' rights, union rights, and collective bargaining have become even stricter. In the view of sociologist Jenny Chan, Chinese authoritarianism, far from being static and homogenous, is highly dynamic. In particular, the relationship between the state and labor is becoming more repressive, leading to a rise in precarity against the background of an economic slowdown. Since 2017–18, labor advocacy groups, especially non-governmental organizations (NGOs), have fought repressive measures and crippling bureaucratic procedures: the authoritarian turn in the labor sphere has become almost impossible to avoid or subvert (Froissart *et al.* 2019; Franceschini 2018). In the industrial sector in which they are currently increasingly investing, Chinese multinationals are disseminating their labor standards throughout the Southeast Asian region. The Cambodian textile industry offers a preview of the consequences. Offshoring has turned textiles into Cambodia's leading industrial sector (700,000 workers, 16 percent of GDP, and 75 percent of exports in 2016). Around 90 percent of the industry's laborers work for international brands like Puma, Gap, Zara, Nike, and H&M. Developed and structured in the 1990s by investment from the US, the Cambodian textile sector now includes firms from China that play a role in determining salaries and norms regarding working conditions. Two types of offshoring are involved: US and European factories previously based in China and now shifting to Cambodia, and factories run by the Chinese subcontractors of European and US clothing brands. Offshoring is motivated by labor costs (around one-fifth of the average industrial wage in China) and by preferential trade arrangements. The relationship between Cambodia and China has strengthened to the point that China had become the largest foreign investor in Cambodia by the end of the 2000s. Ivan Franceschini, a sociologist who is an expert on labor in China and editor of the journal *Made in China*, is currently studying offshored factories in Phnom Penh. He has observed their harsh working conditions and, five years after

brutally suppressed protests, describes strategies of workers' resistance through waves of mass fainting at work, a poorly explained phenomenon that has similarities to the collective trances that affected the Malaysian semiconductor industry in the early 1970s.

Chinese multinationals bring their labor management norms with them. They enable the circulation of expatriates, Chinese workers, and management techniques. Cohorts of migrant workers accompany them to construction sites and infrastructure projects (in Vietnam and Laos). This practice, which has been shown but not yet thoroughly investigated, provokes strong criticism from local populations. Two new parallel fronts are opening up, with potentially major consequences for rights, living standards, and individual freedoms in Southeast Asia: the transmission of Chinese norms via production facilities, and a new Chinese policy regarding its "Chinese overseas," now identified as "sons and daughters of China" and key players in Xi Jinping's soft power strategy (Suryadinata 2017).

Finally, the segmentation of the labor market, a norm common to the Southeast Asian countries and China, bears its share of responsibility: compared to the early 2000s, there is now a sharper distinction between industrial employment and a second segment of the labor market characterized by poorer conditions. This increased segmentation operates between different categories depending on the country: foreign workers in Malaysia and Singapore (legal or illegal), and rural workers in cities or free-trade zones (in China, Vietnam, and Cambodia). By drawing on a workforce that has previously remained on the sidelines of the country's active industrial population, industrial activity thus helps to maintain a strong downward pressure on wages and even—in certain institutional conditions, described below—descends into abuses and violations of human rights. In this context, it should be recalled that Southeast Asia is particularly badly affected by human trafficking. At the intersection of human and social rights, the rights of foreigners and migration policies in ASEAN and within the ASEAN community have been the subject of debate for several years.

Going beyond acknowledgment of the deterioration of human rights

Less than fifteen years ago, Southeast Asia was on the verge of rapid development boosted by reinvigorated regional integration, and seemed to be undergoing what was described as a democratic transition: on the subject of human rights, the relativist rhetoric of Asian values was fading fast. From a strictly legal perspective, a regime was put in place that gave human rights greater protection. The ASEAN Charter (2007) affirmed the principle that member states must respect human rights and democratic principles and uphold the rule of law—while respecting

the independence of the other states and not interfering in their internal affairs. In 2009 ASEAN established the Intergovernmental Commission on Human Rights (AICHR), a unifying body for the region's countries that was joined by other bodies responsible for groups recognized as being particularly vulnerable: women and children (2010) and migrant workers (2007). The ASEAN Human Rights Declaration was adopted in 2012 (Phnom Penh), and the ASEAN Economic, Socio-Cultural, and Political-Security Community (2015) has set the protection and reinforcement of human rights as one of its primary objectives. But although the foundation of formal rights in the region has become more consolidated, at least until 2012, human rights violations are still numerous, if not even routine, particularly in relation to freedom of the press, freedom of expression and association, arrests, and detention without trial. Summary executions, disappearances, and forced displacements, including some on a massive scale, remain unpunished long after these crimes are committed (Dupouey 2018).

Various studies have tried to measure respect for human rights and fundamental freedoms, notably through the creation of indices. Although we should not rely too heavily on the rather shaky figures they produce, the overall findings of a trend reversal are more significant: after a gradual rise in the Freedom House index from the end of the 1990s, the year 2014 marked a turning point, with a decline in the index across the majority of the ASEAN nations (Gomes and Ramcharan 2014). Indonesia, Vietnam, the Philippines, Cambodia, and Myanmar saw further decline between 2016 and 2017, according to the World Justice Project's Rule of Law index, which tracks fundamental human rights (Dupouey 2018, 14). The human rights situation was also fairly bleak in Malaysia in this latter period, with the executive manipulating the legal system to its advantage. After an uncertain start, therefore, Chinese normative influence seems to have increased from 2013–14, in line with Xi Jinping's arrival in power and the launch of the BRI. Over the same period, several episodes involving the brutal repression of human rights organizations took place in China itself: even before the 2017 and 2018 crackdown on trade unionists and NGOs, in July 2015 hundreds of lawyers across the country were arrested and disappeared (Franceschini and Nesossi 2018).

In the second half of the 2010s, in a Southeast Asia ruled by governments mostly classed as authoritarian (Morgenbesser and Weiss 2018), China's exemplary economic trajectory offered governments a point of reference, or even support and endorsement, for following in its footsteps. The Chinese model gave the rulers of Southeast Asia a new resource for confronting challenges to the way they exercised power, whether in the form of foreign pressure (particularly expressed through conditionality) or domestic democratic pressure. Najib Razak's Malaysia, where the exceptional longevity of the conservative ruling party, the UMNO, matched that of

the CCP—to which it allied itself in a memorandum of understanding in 2010—provided an especially revealing example of this phenomenon between 2013 and 2018.

In the region's socialist countries, relations with China are embedded in a normative context that transcends bilateral relations and operates according to a principle of spatial but also political proximity. The question of religious pluralism is a critical one for the communist authorities in Vietnam and Laos, as it has been recently in China. The different approaches to the question permeate and hybridize with one another. Association, in the sense of a fundamental right, and associations understood as a space and tool for mobilization, may also serve as a means of promoting the socialist model (mass organizations in Vietnam and China) and as an economic sector. The process of drawing up the bill on associations in Vietnam which was launched in 2007 and concluded in 2016 without being promulgated provides an example of the conflict between the Chinese and European normative models. Nevertheless, many people saw the drafting of the bill as crucial. It was compared with the Chinese system of social management, whereby the state coordinates the activities of its mass organizations and trade unions, historically the link between the Party and the people. In Vietnam, these auxiliary groups serve to institutionalize social life, reinforcing state control and helping the government handle conflicts with civil society more effectively. Both authoritarian communist regimes conceptualize association(s) in a different way to mass organizations, but, at least in the Chinese case, the authorities are still more attracted to the idea of social and political control than to openness to freedom of association and expression. Nevertheless, some in Vietnam, in parliamentary debates and in particular higher up the chain, are attracted to the European democratic and liberal model of association, and in particular by the 1901 French law on associations.

Although these are not inevitable regressions, the normative dynamics outlined above must be interpreted carefully when it comes to how they are reflected in social and political effects. Alongside the Chinese normative vectors discussed here, social conflicts and mobilizations driven by trade unions or associations also play a role in the production of new social norms in Southeast Asia. Rural migrants in China suddenly acquired civil and social rights (of a secondary nature) when a more protective labor law was drafted in China. Likewise, certain categories of workers may benefit simultaneously from progress in various areas: wages, with the introduction of a minimum wage in Malaysia in 2014; dissemination of the norm of corporate social responsibility; and dissemination of the norm of decent work promoted by the International Labor Office (ILO), with an explicit program in Cambodia. In a sign of the vitality of the national scene, Pakatan Harapan achieved electoral victory in Malaysia in 2018 against China's interests and despite its explicit support for

the incumbent party. This election has been described as a democratic tsunami that opens the door to the return of the rule of law. It was immediately followed by the attempt by Prime Minister Mahathir to loosen the country's overly close links with China.

Conclusion

The mid-2010s saw unprecedented levels of intervention in the region by all the great powers, to the point that ASEAN, far from finding itself trapped in this dense network of foreign interests, might be seen to have actually benefited hugely from it, particularly in terms of its own integration (Cook 2014). Indeed, Southeast Asia has since risen to become the fourth largest net exporter and sixth largest global economy in 2017, and has strong prospects for future growth. The so-called “new generation” free trade agreements between the EU and Vietnam (2019), Singapore, Brunei, and Malaysia (still under negotiation) include social clauses that stipulate respect for ILO Conventions and a particularly ambitious range of fundamental rights and freedoms. In parallel to these bilateral negotiations with individual countries, however, the China-ASEAN strategic partnership is also making progress. In this context of normative rivalry, with the US having dropped out of the game at the end of 2016, the still recent period when EU, ILO, and World Bank discourses about human rights, social inclusion, decent work, and good governance seemed to be “naturally” gaining ground in Southeast Asia now feels rather a long time ago. Since 2015, the ASEAN economic community has served to formally unite a region that is characterized by an extremely uneven distribution of wealth and has been profoundly shaken by ongoing national political transitions, with some countries emerging into the age of capitalist globalization, and others undergoing structural transformations. Today, China and Europe are at odds over the fate and treatment of the Uyghurs, and in particular the justification for China's re-education camps. In this tense atmosphere, the countries that receive proportionately more aid and development investment from China (Cambodia, Laos, and Myanmar) have offered it their support in a letter to the United Nations signed by thirty-seven countries in response to expressions of concern from some on the international scene regarding the surveillance and detention of Uyghurs (July 10 and 12, 2019). Southeast Asia thus seems to be caught in the middle of power games from which it is emerging less united.

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