

ASEAN, Kuala Lumpur & Beijing - Malaysia's South China Sea Policy: Playing It Safe

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Before asking what the country should do, we should look at what it is doing and why.

As Malaysia chairs the Association of Southeast Asian Nations (ASEAN) this year, there is no shortage of commentary urging the country to 'do more' on the South China Sea. Malaysia, it is said, is after all not only a founding member of ASEAN but a claimant state in the South China Sea disputes that also has a good relationship with China. But as I've said and written both publicly and privately, it is wise to consider what Malaysia's current policy on the South China Sea is before asking it to change its stance or questioning whether and why it is or is not doing so.

So what is the current Malaysian government's South China Sea policy? Of course, there is no official public documentation of exactly what the country's stance is. One term often heard is 'quiet diplomacy,' which was praised by Chinese president Xi Jinping last year. But as I have argued elsewhere, most recently in a report for the Center for New American Security, Malaysia's position might be better summed up as 'playing it safe,' particularly under the current administration of Prime Minister Najib Razak. That is, Malaysia is pursuing a combination of diplomatic, economic, legal, and security initiatives to secure its interests as a claimant state while also being careful not to disrupt its bilateral relationship with China.

An analysis of this 'playing it safe' approach should begin with an appreciation of what Malaysia's interests are on the South China Sea issue. The first and most obvious one is preserving Malaysia's claims, which is not just essential to securing Malaysia's territorial integrity, but its prosperity as well because of some of the fields and platforms it uses to exploit hydrocarbons are within China's nine-dashed line.

But there are broader interests too. Malaysia is dedicated to cultivating a good relationship with Beijing beyond the South China issue not just because China is Malaysia's largest trading partner, but also because of the symbolism: the two countries share a "special relationship," with Malaysia being the first ASEAN state to normalize ties with China in 1974 under Najib's father, Tun Razak. Besides, China's treatment of Malaysia on the South China Sea issue has been quite mild relative to that of Vietnam or the Philippines, which is a product of various factors including geography. As a trading and maritime nation, Malaysia also has an interest in ensuring broader regional peace and stability and an open commons. Lastly, Malaysia also has an interest in the preservation of global norms and international law including the United Nations Convention on the Law of the Sea (UNCLOS) as they provide a common basis of understanding without resorting to "might makes right" approaches.

To secure these interests, Malaysia has adopted a 'playing it safe' approach and employed a variety of diplomatic, legal, economic and security initiatives. China's growing assertiveness in recent years, including increasing encroachments into Malaysian waters as well as Beijing's initial strident tone following the MH370 incident last year - quickly corrected - has led Malaysia to recalibrate its

outlook to a certain extent and has led some in the country to question the effectiveness of some of the four aforementioned components. But the evidence also seems to suggest that it continues to employ a 'play it safe' approach.

Diplomatically, Malaysia prefers to adroitly manage the South China Sea issue by communicating its concerns privately to China rather than publicly airing grievances, as Vietnam or the Philippines are wont to do. But it has also worked quietly behind the scenes to ensure ASEAN maintains a basic level of unity on the matter. Legally, the Malaysian government has not been shy about securing its claims as its joint submission to the UN with Vietnam in May 2009 illustrated, but it has thus far been unwilling to publicly support the Philippine case now pending with the arbitral tribunal at The Hague. Security-wise, as I've written previously, Malaysia has recently looked to advance relationships with countries like the United States and also boost its own capabilities, including by announcing plans for a new naval base in Bintulu, Sarawak, even if they are meant to address a wide variety of threats and the country is careful about how it deploys these capabilities against Beijing. Economically, Malaysia continues to maximize the economic benefits of oil and gas resources in the South China Sea, and for the most part China has not yet significantly disrupted those activities.

Of course, the Malaysian government may choose to revisit its overall approach in the South China Sea further down the line if there are major changes on the ground, including significant threats to its oil and gas interests. And there may be other events this year that could put Malaysia in an uncomfortable position, such as a potential ruling on the Philippine case. But thus far in its chairmanship, Malaysia has continued to strike a careful balance. Malaysian Foreign Minister Anifah Aman was not shy, for instance, about publicly announcing ASEAN's desire for an early conclusion of a Code of Conduct on the South China Sea and mentioning that there were concerns about China's ongoing reclamation efforts after the ASEAN Foreign Ministers' Retreat in Kota Kinabalu. At the same time, Malaysia has continued to do what is required to preserve its own claims, and has been working hard to boost its relationship with China even further, particularly in the economic domain. The art of playing it safe often involves walking a tightrope, but Malaysia is still determined to continue on this path as long as it can.

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P.S.

* The Diplomat. March 06, 2015:

<http://thediplomat.com/2015/03/malaysias-south-china-sea-policy-playing-it-safe/>