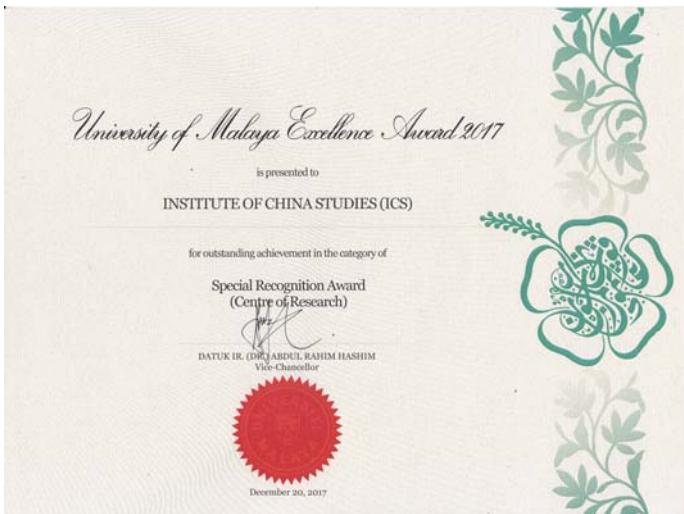




University Malaya's Excellence Award 2017



The Institute of China Studies (ICS) was given a Special Recognition Award as a Centre of Research by the University of Malaya during the UM Excellence Award 2017 presentation ceremony in December 2017. ICS was one of the two social science research centres that received this Excellence Award in 2017. This signifies the University's recognition of ICS's accomplishment. Datuk Professor Dr. Danny Wong, the Director of ICS, would like to thank the Vice Chancellor of the University of Malaya, Datuk Ir (Dr.) Abdul Rahim Hashim and the UM management for their support, and to all the research and administrative staff of ICS for their hard work and contribution.

ICS International Workshop “China and Southeast Asia during the Cold War”

On 26 September 2017, the Institute of China Studies (ICS) of the University of Malaya co-organized with the Cold War Research Centre of East China Normal University an International Workshop titled “China and Southeast Asia during the Cold War.” 14 speakers from Malaysia, China, Taiwan and Thailand presented their papers in this conference.



Prof. Danny Wong, and Prof. Shen with all presenters at the workshop

The keynote speaker for this Workshop was Professor Shen Zhihua. Professor Shen is a well-known and internationally recognized expert on the Korean War and Sino-Soviet Relations during the Cold War. In his keynote speech, Professor Shen discussed the relations between China and Southeast Asia during the Cold War, in particular China's involvement in the communist insurgencies in Southeast Asia. Professor Shen argued that during the era of Mao Zedong's leadership of China, the revolutionary worldview together with the traditional worldview of Chinese imperial history both shaped into a unique view of foreign policy that challenged the existing international order. It was only after China's joining of the United Nations in 1971 that China started to understand the modern and contemporary international relations better, and began the long process of adjusting its foreign policy. Professor Shen also

discussed the historical and archival materials, and pointed out that the Japanese and Southeast Asian archives remain relatively underutilized in the research of the Cold War history between China and Southeast Asia.

In the first panel, which focused on China and Southeast Asia, Dr Ngeow Chow Bing from ICS presented a paper that looks

into the joint military operations undertaken by the Chinese People's Liberation Army and the Burmese Tatmadaw (Armed Forces of Burma) in China-Burma border area in 1960-1961. The military operation was to clean out the remnant forces of the Kuomintang Army. It successfully ended Chiang Kai-shek's hope of opening up another front in his attempt to "recover the Mainland." This paper looks into the origin, process, and outcome of this unique military operation between China and Burma during the Cold War. The second paper delivered by Dr. Han Changqing from East China Normal University presented a paper that analyzed Thailand's policy towards Chirep (Chinese Representation in the United Nations). According to Han, at

(Continued on page 2)

“China and Southeast Asia during the Cold War”

.....Continue from page 1

first, Thailand government opposed to discuss the issue of Chirep in the UN General Assembly. With the change of the Cold War, Thailand tended to favour the admission of People's Republic of China into the United Nations. The changing pattern of confrontation between the United States and Soviet Union, changing of Thai relations with China as well as the United States, all of these had influenced on Thailand's attitude towards the issue. Dr Fan Baiyu from Shaanxi Normal University presented a paper on Sino-Singapore relations during the Cold War, focusing on the changing political and economic dynamics that shaped



Professor Shen Zhihua gave his keynote speech during the workshop.

Singapore's foreign policy. Dr Zhou

Taomo from Nanyang Technological University discussed the writings of Indonesian writer Ba Ren and his contribution to left-wing newspapers and bulletins. According to Zhou, Ba Ren believed that the shared grievances and aspirations of the oppressed working class would help the ethnic Chinese and the pribumi. The ultimate solution to the ethnic problem was for the ethnic Chinese to devote themselves, politically and economically, to Indonesia's struggle for national self-determination. The overarching theme of this paper is Ba Ren's dream of a cross-ethnic class alliance as an antidote to conflicts between the Chinese and the pribumi. Dr Kornphanat Tungkeunkunt from Thammasat University looked into Rediffusion radio station, a Chinese language broadcast that was introduced to Thailand in 1950s. She argues that the making of Rediffusion was a calculated move to control the Chinese and their mass media. As a state-controlled semi-private enterprise, Thai Rediffusion became a channel initiated by the Thai government for the Chinese in Thailand to fight against Communism during the Cold War.



Presenters in Panel 2: from left, Dr. Ngeow Chow Bing, Dr Lee Kam Hing, Dr. Hoo Chiew Ping, Dr.Yuan Shing-yen and Wuer Beimi

In the second panel, Professor Lee Kam Hing from New Era University College examined the changing image of China during the Cold War. Dr Hoo Chiew Ping from Universiti Kebangsaan Malaysia, using archival research and other secondary materials, in her presentation traced the evolution of Malaysia's relations with North Korea during the Cold War.

According to Hoo, under the leadership of the second Prime Minister Tun Abdul Razak, Malaysia undertook a reorientation of its foreign policy and started establishing ties with communist states. The paper analyzed Malaysia's objectives and motivations in recognizing North Korea, how Malaysia handled relations with South Korea in the process, and after the establishment of diplomatic relations, what were the major exchanges or issues between North Korea and Malaysia. It is established from this paper that Malaysia had throughout the Cold War years maintained her credibility as a neutral power in the eyes of North Korea, and this has contributed to Malaysia playing an important intermediary role and as such the diplomatic clout of Malaysia was enhanced during the post-Cold War years. Dr Yuan Shing-yen of National Quemoy University that focuses on the economic system of Kinmen, an outlying island of China but controlled by Taiwan, in the early period of the Cold War. Wuer Beimi from East China Normal University discussed China's trade relations with Malaya and Singapore during the Cold War.



Presenters in Panel 3: Dr. Peter Chang, Prof. Danny Wong, Dr. Lam Chee Keong, Dr. Ho Kee Chye and Dr. He Yanqing

The third panel focused on Cold War within Malaysia. Professor Danny Wong, Director of ICS, looked at a new genre of literature on Malayan Communist Party (MCP), focusing almost entirely on the exploits of former members of the Malayan Communist Party or their sympathizers. The emergence of these works, originally published in Hong Kong, China, and later, in Malaysia, provided views from the MCP's side for the first time, albeit probably forty years later. Dr Lam Chee Keong from Universiti Malaysia Sarawak presented a paper on the North Kalimantan Communist Revolt in Borneo. Dr. Ho Kee Chye from the Centre for Malaysian Chinese Studies presented a paper that analyzed the content of the broadcast of "Suara Revolusi Malaya", the main broadcast station of MCP. The paper discussed some of the implications of the radio broadcasts towards its comrades at Malaysia-southern Thailand border area, the left-wing movement in Malaysia and even the impacts to the Southeast Asian region. Finally, Dr He Yanqing from ICS, using Chinese materials, reexamined the ultimately failed talks in Baling between the Malaysian government and MCP . ♦



Persidangan Antarabangsa “Interaksi Dunia Melayu-China di Bawah Inisiatif Laluan Sutera”



Prof. Shaliza Ibrahim, flanked by Datuk Prof. Awang Sariyan and Dr. Ngeow Chow Bing and other presenters at the workshop

On 21 November, ICS organized an International Workshop on “Interactions between the Malay World and China under the Perspective of Maritime Silk Road,” which was sponsored by Hai-O Enterprise Berhad. Following a similar workshop held in 2016, this is the second time ICS has organized a workshop conducted in Malay language. The workshop gathered 10 scholars from Malaysia, China and Indonesia to present their working papers discussed about the implication of International Relations, Politics, Economics and cultural exchange after the implementation of BRI since 2013. The workshop was officiated by Prof. Shaliza Ibrahim, Associate Vice-Chancellor for Research and Innovation. Datuk Professor Dr Awang Sariyan from Beijing Foreign Studies University was invited as the keynote speaker for the workshop. In the Keynote speech, Professor Awang reviewed the historical and civilizational interactions between the two worlds and shared his experience in the teaching of Malay language in China today.

The first panel of the Workshop focuses on social-cultural interactions. Dr. Tuty Nur Mutia Enoch Muas from Universitas Indonesia presented a paper titled “Indonesia Menghadapi ‘OBOR’ dan ‘Abad Tiongkok’: Mengantisipasi Kerentanan Sosial-Budaya,” which she discussed from the social-cultural aspects Indonesian views of the Belt and Road Initiative of China. Ir. Azmi Abubakar from Museum Pustaka Peranakan Tionghoa in Indonesia and Profesor Dato’ Dr Teo Kok Seong from Universiti Kebangsaan Malaysia both discussed the cultural phenomenon of “peranakan” in the Malay-Indonesian world. Mr Yap Hon Lun Institute of Strategic Analysis & Policy Research (INSAP) presented a paper on Xiamen University Malaysia, discussing its origins, operations, future plans, and significance as a symbol of Malaysia-China friendship.

The following panels focused on the political, diplomatic, and economic engagements. Dr. Chin Chong Foh from Universiti Tunku Abdul Rahman presented a paper analyzing the newspaper reports on Malaysia-China relations during the

first decade of diplomatic ties. CDR. Ang Chin Hup from Institut Maritim Malaysia reviewed China’s maritime strategy and implications for ASEAN. Dr. Ling Tek Soon from ICS discussed the just concluded 19th Party Congress of the Communist Party of China and discussed how this will shape the Maritime Silk Road in the future. Mr Firdaos Rosli from the Institute of Strategic and International Studies (ISIS) Malaysia discussed Malaysia’s economic development and how participation in the Maritime Silk Road could present both opportunities and challenges. Dr. Johanes Herlijanto from Universitas Pelita Harapan in Indonesia presented a paper to review the ongoing infrastructure cooperation between China and Indonesia. Finally Mr. Tan Seng Keat from the Merdeka Center briefed the audience for the most updated data regarding Malaysian views of China.



The keynote speaker Prof. Awang Sariyan (middle) with the sponsor Mr. Tan Kai Hee (right), Executive Chairman of Hai-O Enterprise Berhad, who kindly sponsored the workshop

China and the South-South Cooperation -- A Malaysia Perspective

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Introduction

The South South Human Rights Forum recently held in Beijing is important in many ways. At the outset this presents a unique occasion to renew historical ties and reinforce old solidarity forged during the 1950s between the then newly independent states. Indeed, fifty years on, most have moved beyond the colonial past to shape our own national destiny. But the progress achieved varies markedly between member states.

In fact the South South countries have become ever more divergent economically, due to the uneven pace of growth. But as the two Chinese words representing crisis (危机Weiji) connote, in times of emergency there is opportunity. Indeed, this challenging circumstance should present itself as a contingency for betterment.

Now the framing of this South-South Cooperation in terms of human rights is expedient. The 1948 Universal Declaration of Human Rights was a watershed moment as it pertains to the affirmation of the human race as belonging to one human family. Anchored on the doctrine that each person, by virtue of being human, are entitled to a set of natural rights. And this compendium of civil, political, social, economic, and cultural rights, ought to be effectuated in order to sustain a dignified human existence. Indeed, there is not better way to build a community of common destiny than to work through the advancement of our universal human rights.

This Beijing led cooperation needs to be placed within the broader context of the PRC's other endeavors, and the Chinese dream is one. In 2013, President Xi Jinping exhorted young Chinese "to dare to dream, work assiduously to fulfill the dreams and contribute to the revitalization of the nation". This national aspiration has in recent months been framed, at least indirectly, within two time scheduled 'centenaries' goals. The first is to propel the PRC towards a full xiaokang society by 2021, coinciding with the 100th anniversary of the founding of the CCP. The second is to aim for becoming a "strong democratic, civilized, harmonious, and modern socialist country" by 2049, when the PRC hits the century mark.

In many ways, we are witnessing the metamorphosing of the China Dream into an Asian Dream. And there is no better illustration of this diffusion then the Belt and Road Initiative. Launched in 2013, this economic grandmaster plan has captured the attention and imagination of many across continental as well as maritime Asia.

Undoubtedly these are exciting times, as we embark upon the quest to realize our universal aspiration. These noble aspirations however will never come to pass without commitment and determination, as this will undoubtedly be a long and arduous venture, with many obstacles standing in the way of realizing these ideals.

1) "Building" A Community

According to the 'indivisibility' principle, the different categories of rights can only successfully exist in combination. That is to say, unless social, economic rights are given equal consideration, the assertions of civil and political rights will be futile. Therefore the rights to work, to education, health and housing ought to be one of the foundational entitlements of any people. This is the basic building block of any society and herein lies the BRI importance to the envisioned community of common destiny.

Essentially an infrastructure mega-project, the BRI is laying the groundwork of an epoch making Pan Asia economic zone that will positively impact close to a third of the world's population. And as with the rest of Asia, Malaysia cannot ignore the imprints of the BRI.

The overall optimism notwithstanding, the implementation of BRI blueprint will without question come up against by teething complications. While some these problems are pre-existing, others may be the unintended consequences of the BRI. Failure to address these difficulties could slow down if not impede our quest for a community of common destiny. And one of these concerns pertains to the job market.

Rights to Employment

A pillar of any robust economy is the capacity to generate employment. Joblessness has profound effect not only on a person's sense of self but broader social stability of families and communities. Therefore job security ought to be regarded as a fundamental human rights critical for maintaining social cohesion.

At the outset, China's enormous investment through the BRI will undoubtedly be a key generator of jobs. That said, critics point out that due to excess capacity back home, Chinese corporations have not maximize the utilization of Malaysia human as well as natural resources, choosing instead to recruit their own national workforce and import materials and equipments from the mainland. Therefore it is critical that BRI projects do in fact generate direct local employments as well as inject momentum into downstream supporting services and secondary industries. Equally important is to ensure the strategic and systemic transfer of technology. This will not merely create local hirings but equip the Malaysian labor force with the skills necessary to become integrated with and excel in a globalized economy.

Equitable Wealth Distribution

The uneven distribution of wealth has long been recognized as the weak link in the chain that binds a society. Inequality breeds resentment that if not contained can fracture the communal order. Hence in order to preserve social bond, it is vital that the gap between rich and poor is narrowed, if not eliminated. Putting specifically in human rights terms, poverty ought to be prevented, if not eradicated.

In many ways, we are witnessing the metamorphosing of the China Dream into an Asian Dream. And there is no better illustration of this diffusion then the Belt and Road Initiative.

Even as a developing, middle income nation, Malaysia is not immune from this predicament. She continues to face significant social economic disparities across the urban and rural divide, and to some extent, across ethnic lines. This is inducing wear and tear upon the country's social fabric. Thus striving for a more even spread of wealth continues to be a national priority.

Indeed, concerns been raised that some of China's investment may actually aggravate the disparity. The multibillion dollar Forest Gate City project has been cited as one example. An exclusive, self contained commercial cum residential resort like mega-project, critics warned that this could create a super-affluent enclave that is socially and economically disconnected from the rest of Malaysia. If proceeded as planned, this development will feed into and exasperate the prevailing perception of wealth inequality.

2) Governing A Community

Beyond bricks and mortals, societies are held together by the glue of culture, which is a composition of, among others, intangibles such as languages, arts, belief and value systems etc. Herein lies the second set of building block, namely, the softer ware of cultural heritages that enliven, color, and shape human civilization. Accordingly nurturing of these nonmaterial dimension of human existence is a vital part of sustaining a community of common destiny,

The Chinese civilization is of course renowned for its venerated traditions. And in recent decades the PRC has been retrieving and exporting these ancient assets as part of its modern soft power. These cultural exports include artifacts ranging from painting and sculptures, musics and dances, movies and drama, cuisine and educational initiatives. The worldwide establishment of the Confucius Institute is one illustration of the Chinese cultural and education outreach.

Beijing soft power campaign is driven chiefly by the need to ally trepidation over a rising China. Indicators are suggesting that this mission to garner international goodwill is yielding some results, the strengthening of Sino-Malaysia ties is a case in point. These effects are not confined to the international relations arena. They do trickle down to affect the domestic political and cultural dynamics of the recipient countries, Malaysia included.

Harmonious Society

Maintaining harmony between races and religions is an imperative of the times. And in multiracial, multireligious Malaysia, this is an ongoing challenge. While generally peaceable, the Malaysia experience is not without difficulties, as antagonism between the various communities do at times flare to the surface.

Now it remains to be seen whether China's increasing presence will mitigate or aggravate the delicate co-existence of Malaysia diverse constituents. If deployed judiciously and tactfully China's soft power could help stabilize this rich yet fragile communal order. Nevertheless there is also the risk of Beijing overasserting its sway, leading to an exasperation of the underlying fissures. Hence as China make inroads into countries with a diverse constituents such as Malaysia, need to tread these delicate terrain with care is one that cannot be overstated.

Ethical Governance

Another prerequisite of strong nationhood is good governance whereupon citizens are accorded a corpus of civil and political rights. These include, among others, the freedom of speech, freedom of press, freedom to fair trial, and freedom of mobility. They are the basic materials for molding a robust civil society and empowering constructive political activism.

Malaysia in the main has effectuated a relatively stable civil space for citizenry participation in the political process. But as with any functional democracies, the Malaysia model has its share of complications. The crux of the problem lies with the order and freedom dialectic: on the one hand how to maintain public order without unduly curtailing private freedom, and on the other hand how to celebrate individual liberty without undermining collective good? This requires acute discernment and delicate statecraft that most governments at times commit missteps, including Malaysia.

Of course the PRC is not immune from this dilemma either. Since the 1978 reform era, successive Chinese leaderships have chosen to negotiate this tension by prioritizing economics over civil and political development. While not without its international critics, this strategy did bring about the miraculous turnaround of China, within the span of four decades, from a poverty stricken country into an economic powerhouse. An phenomenal achievement that has become a model to emulate for many developing countries.

One other noteworthy feature of the China model is the Xi Administration ongoing unflinching campaign to eradicate graft within the party apparatus and state organs. As is the reality corruption has become the bane of good governance, affecting many countries across the globe. On this account, it is not amiss to make the case for another fundamental human rights, namely, every citizens' entitlement to a corruption free government.

Conclusion

World history moves in a cyclical alternates between periods of peace and war, prosperity and poverty, progress and regress. Today, there is heighten expectancy that we, at least in parts of Asia, are at the onset of an upward swing towards a season of increased opportunities and growth. Indeed the current quest to build a community of common destiny for humankind is underpin by this newfound optimism, one that is not entirely unfounded. That said, to bring this sanguine outlook to past requires the cooperation of many, beginning with local activism, national engagements, and reaching up to international collaborations. When each stakeholders do their parts then only can we commence the long but exciting process towards realizing our vision of a common destiny.♦

It is critical that BRI projects do in fact generate direct local employments as well as inject momentum into downstream supporting services and secondary industries. Equally important is to ensure the strategic and systemic transfer of technology.

WILL SOUTHEAST ASIA BENEFIT FROM CHINA'S RISING WAGES? DON'T HOLD YOUR BREATH

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Many, however, see opportunities for Southeast Asia as wages in (eastern) China rise and the Chinese government makes conscious efforts to move production away from low cost and value-added production upwards towards higher value-added goods and services.

Much has been written of the impact on Southeast Asia of China's economic slowdown and restructuring from an export-driven to a consumption-driven economy. The slowdown clearly has implications for countries that count China as a top trading partner – which includes most ASEAN countries. Some are of the view that this impact is negative for resource exporting countries (*Mazundaru*, 2016).

Many, however, see opportunities for Southeast Asia as wages in (eastern) China rise and the Chinese government makes conscious efforts to move production away from low cost and value-added production upwards towards higher value-added goods and services. Indeed, the media is awash with headlines like "US firms moving out of China" (*Dunalaon*, 2016). Thus a Thomson-Reuters (2016) article cited the President of the Canadian Manufacturing and Exporters Trade and Industry Association: "The companies that have gone to China simply for low cost are now finding that China is relatively more expensive, so they are going to other countries where costs are lower." Indonesia, Malaysia, Thailand and Vietnam have been singled out as beneficiaries (Lomas, 2017). Logical as it appears, how realistic is this claim?

As a reality check, it is important to remember that not all firms leveraging China's low labor cost have the same objectives. Multinationals that use China as a production platform for export to third countries are most likely to move, since cost, not location, is a primary concern for them. Adidas which announced plans to increase production in Southeast Asia is one such example (*Kunmakara*, 2015). There are also reports of Japanese companies moving from China to Southeast Asia not only to escape rising costs but also to spread geopolitical risks (Aoyama, 2015).

Other manufacturing establishments that seek to serve the huge and still growing China market, however, are unlikely to relocate (*Economist*, 2015; *Thomson Reuters*, 2016). Many understand that even as they have to raise prices to cover rising costs, Chinese middleclass incomes are also rising and consumers are willing to pay for quality. Moving out of China may reduce costs of production, but these have to be set against costs associated with restructuring of supply chains that originally end in China, with products now requiring shipment into China's large market. Even if Chinese policies regarding such imports remain benign, firms that have moved out face greater competitive challenges than firms that remain in China. Increasingly, the latter group of firms count many local Chinese firms with their deeper knowledge of the local markets. Nor will it be easy to move. Even with cheaper labor, no

country in Southeast Asia (Singapore aside), let alone India, has the physical infrastructure to match China's. China's 2016 Logistics Performance Index is ranked 26th globally, Malaysia's 32nd, Thailand's 45th, Indonesia's 63rd and Vietnam's 64th (<https://lpi.worldbank.org/international/global>).

A third group of companies are Chinese, made up of both state-owned/controlled and non-state enterprises. While these companies face the same rising costs as foreign-invested companies, they have the option of relocating their operations to the interior with its less developed infrastructure. This move has been supported by the government since its launch of the "Great Western Development Strategy". This strategy, also embedded in the 12th and 13th Development Plans, has seen the government providing preferential policies to the backward western region, in the form of taxation rates, land use rights and favorable bank loans, on top of heavy investment in transportation and physical infrastructure (Yu, 2012: i). While the Western region as a whole continues to suffer geographical disadvantages compared to the east, government incentives should compensate for at least a part of these disadvantages. It is also a mistake to believe the Western Region to be landlocked and to have no ocean access. Guangxi Autonomous Region, administratively a part of this region, not only has ocean access but is closest to ASEAN. With central, provincial and local government support, Nanning, the provincial capital, has become home to companies setting up there (*Wang, Li & Cheong*, 2017).

Another factor to consider is the drive for automation in production. With strong government support under the country's current Five Year Plan and the Made in China 2025 Technology Plan (US Chamber of Commerce, 2017), China intends to catch up with the world's leaders in the use of industrial robots South Korea, Japan, Germany and the US and take over global leadership in this area. In promoting this technology plan, *Knight* (2015) noted, "China is laying the groundwork for a robot revolution by planning to automate the work currently done by millions of low-paid workers." The specifics of what industries will be automated are not known. However, since



robots are less expensive than human labor, it may well be deployed even in currently labor intensive operations to offset the rise in wages. If this materializes, the rush to exit low value-added may not be quite as rapid. Major challenges to automation remain – not all tasks can be automated – and there are sceptics of China's ability to compete with the advanced West (Wadhwa, 2016). However, strong government support, arguably unique among countries worldwide, and a deep and still growing human resource pool, are factors that may have attracted companies like Google to locate artificial intelligence research in China (Reuters, 2017). And, from Knight's (2017) recounting of the latest developments in artificial intelligence in China, few should bet against its coming success.

All in all, then, any country in Southeast Asia anticipating a flood of FDI coming out of China to its shores will be disappointed. For various reasons, including rising labor costs in China, a number of multinationals may relocate or add production capacity to Southeast Asia. Other multinationals, for equally valid reasons, will elect to stay. As for Chinese enterprises, especially state-owned or controlled entities, these are likely to follow the governments directive to "go west".◆



Training to Thai local staff by Chinese technical staff.
Source: Courtesy of Xinhuanet

All in all, then, any country in Southeast Asia anticipating a flood of FDI coming out of China to its shores will be disappointed .

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International Workshop “Towards Sustainable Malaysia-China Relations: Economic and Political Dimensions”



(5th from left) Prof. Choong, Dr. Mao Wei, Prof. Danny Wong and Dr. Ngeow Chow Bing and all the paper presenters

Together with the Centre for Malaysia Studies of China-ASEAN Research Institute (CARI) at Guangxi University, ICS successfully organized an International Workshop on "Towards Sustainable Malaysia-China Relations: Economic and Political Dimensions" on 13 September 2017. The workshop was aim to provide an insights into the economic and political issues of Malaysia-China relations. This is the second time UM-ICS and CARI-Guangxi University jointly organized such workshop.

Consisting of four panels, the theme of the first panel was "Political Economy". In Dr Ngeow Chow Bing's (ICS) presentation, he discussed several major infrastructural projects undertaken by China's enterprises in Malaysia and how these projects fit into the Belt and Road Initiative. Mu Lin (Guangxi University) presented a paper used a global database to characterize the effect of bilateral relationship between China and Malaysia on the Malaysian economy quantitatively. She found out that China was the most important country among Malaysia's diplomatic countries which the diplomatic activity factor was the primary factor.

The second panel was titled "Finance and Banking". Lan Xiangyu (Guangxi University) pointed out that the role of Chinese corporations operating in ASEAN member countries was largely fulfilled through performing Corporate Social Responsibility (CSR) that guides the direct interaction with local people and the engagement in the development of local communities. Dr. Chan Sok Gee (University of Malaya) examined the important role of directors with Shahriah and Islamic education on the Islamic banks performance in Malaysia. Dr. Wan Marhaini Wan Ahmad (University of Malaya), by surveying the population of Muslims residing in Muslim concentrated cities in North-West China, she proved strong overall support to the Decomposed Theory of Planned Behaviour which was utilized for predicting and understanding Chinese Muslims' intention towards the future Islamic banking in China. She found out government supports was important in augmenting public confidence towards Islamic banking.

The third and fourth panel discussed the topic "International Trade and Investment". Dr. Cheong Kee Cheok (University of Malaya) reviewed the Malaysia's diplomatic relations with China, as well as Malaysia-China economic relations today including trade and investment and summarized some opportunities and challenges awaited Malaysia with heightened engagement with China. For example, in terms of trade, China had been and would continue to be a major source of Malaysia's export revenues. However, Malaysia's heavy dependence on electronics components that produced limited value added would increasingly be hostage to China's growing technological capability while its commodity exports are

vulnerable to China's economic restructuring and efforts to reduce dependence to fossil fuels. Prof. Choong Chee Keong's (Universiti Tunku Abdul Rahman) paper examined whether China's FDI crowds-in or crowds-out domestic investment in Malaysia for the period of 1990-2015. His findings provided some implications on the effect of China's FDI on the domestic investment and also highlighted the role of domestic financial system in enhancing the absorptive capability of Malaysia in benefiting more from China's FDI. Prof. Luo Chuanyu's (Guangxi University) paper pointed out that due to the differences in the level of economic development, the rule of law and national cultural traditions of Southeast Asian countries, the overseas investment of Chinese enterprises faced great risks. In order to avoid the risks, Chinese enterprises should be familiar with local policies, laws and regulations to avoid policy and legal risks and learn to integrate into the local community is also necessary to avoid operational risks. Dr. Li Hao (Guangxi University) explored the influencing factors on bilateral investment between China and Malaysia, combined with policy recommendations for the further development under B&R. According to his empirical analysis, he concluded that market, export, nominal exchange rate and exchange students were playing a very important role in promoting China's direct investment in Malaysia. But the number of tourists was not as critical as it's been expected in terms of affecting bilateral FDI. ◆



Prof. Danny Wong, the Director of ICS presenting a token of appreciation to Dr. Mao Wei, the Director of Malaysian Studies, CARI

International Seminar

“The Revival of Religiosity and Its Impact on 21st Century China”



On 4th December 2017, at the Vistana Hotel, ICS hosted an International Seminar entitled “The Revival of Religiosity and Its Impact on China Today.” This event was funded by Vistana Hotel Kuala Lumpur and explored the status of religions in China under three key themes (Religion and State, Religion and Society, Religion and International Relations), and from three diverse perspectives (Chinese Religion, Islam, and Christianity). The seminar was officiated by Prof. Noorsaadah Abdul Rahman, Deputy of Vice Chancellor (Research and Innovation).

The keynote speaker of this seminar was Professor Dato' Dr. Osman Bakar (University Brunei Darussalam). The title of his talk was “China’s Post-Modern Civilizational



Prof. Dato' Dr. Osman Bakar

Transformation: The Religious Dimension and Its Implication for Intercultural Dialogue.” In this keynote speech, Professor Osman Bakar observed that the postmodern era in the West began at about the same time as the rise of Communist rule in China under the leadership of Mao Zedong. Viewed as ideas and thoughts, postmodernism and Communism have common epistemological roots in the modern West. Interestingly, from the ideological point of view, while the West was

leaving modernity behind for a new epoch of thought known as postmodernity, China was still bound to the Newtonian scientific worldview that defined the modern mind-set, which postmodernism has rejected as being no longer in conformity with new realities in the physical world that science itself has revealed. Professor Osman Bakar also contended that after nearly three decades of Mao's rule that included a decade of the infamous Cultural Revolution, not only was the country's traditional socio-economic life structurally transformed, but its cultural and intellectual tradition largely destroyed as well, including the important religious dimension.

The first panel featured Chinese Religions. Professor Bai Tongdong (Fudan University) presented a paper on “Cultivating Care Through Family -- The Confucian Path to Modernity and Transcendence.” According to Bai, Christianity and Confucianism (and perhaps Islam) emphasize the care for strangers. The fact that this sentiment is now a mainstream moral value may have something to do with people's yearning for bonding in a large, well-connected society of strangers. For the Confucians, this compassion for

others is best cultivated within the family, and through this familial based development, humankind can then transcend the here and now, and be led to the eternal and universal. Professor Fan Ruiping (City University of Hong Kong) presented a paper titled “A Confucian Conception of the Common Good for China.” This presentation argues that China should reconstruct a proper conception of the common good based on its own Confucian tradition. This conception should differ from the liberal conception, namely that of social justice in terms of a few thin goods such as liberties, rights, opportunity, and income, since the overlapping consensus of the Chinese are not such liberal beliefs. Professor Ni Peimin's (Beijing Normal University) paper is “As-if-ism” -- A Model of Confucian Spirituality.” This paper argues that Confucianism does not fit into standard categorizations; neither theism, atheism, skepticism or agnosticism. Drawing on Confucius' expression of “sacrificing to the spirits as if the spirits were present” (Analects, 3.12), Confucian spirituality might be called an “as-if-ism.” The emphasis of this “as-if” approach is not whether beliefs are true or false; rather it focuses on the way of life and the practical implications of beliefs. Dr. Yam Kah Kean (University of Malaya) presented a paper on “Whither the Fate of Daoism in China Today?” in which his paper aims to elaborate the fate of Daoism from the late Qing Dynasty period to the modern days, focusing on issues pertaining to institutional order, clergy training, restoration of sacred worship places, and re-adaptation of doctrine.



Prof. Noorsaadah together with Dr. Ngeow presenting a token of appreciation to Mr. Adrian Ooi, representative of Vistana Hotel, KL

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The second panel focused on the Islamic tradition in China. Dr. Ma Haiyun (Frostburg State University) presented a paper on "New Challenges to Islam and Muslims of China: From Diet to Rights." Professor Ma reviewed some incidents involving insensitivities towards the Muslim ethnic minorities in China, and analyzed the current state of affairs between the Chinese government and Islam, within the broader context of the rise of China as a global power, heightened Han nationalism, and the economic and political challenges faced along the frontier. Professor Wang Yujie (Renmin University, Beijing) presented a paper on "Domestic Migration of Chinese Muslims: Some Reflections," which discussed the phenomenon of Chinese Muslim migration, including their motivational factors and the problems faced. Professor James Frankel (Chinese University of Hong Kong) reviewed the global Chinese -Islamic Relations, focusing on China's relations with several important Muslim powers in the Middle East. Dr. Haslina Ibrahim (International Islamic University of Malaysia), using the Islamic jurisprudence concept, presented a paper on "Intercultural Discourse and Engagements as Part of Fiqh of Minorities (Fiqh al-Aqalliyyat): The Case of Muslims in China."

The third panel involved the Christianity. Professor Huang Yuqin (East China University of Science and Technology) presented a paper on "The Rise of Foreign-Educated Chinese Christian Returnees as a New Religious Force in Shanghai." Drawn upon information gained from in-depth interviews and participant observation among Chinese Christian Communities in the UK and Germany, and among foreign-educated Christian returnees in Shanghai, the paper examines the complex global-local dynamics during these returnees' resettlement in the local Christian community in

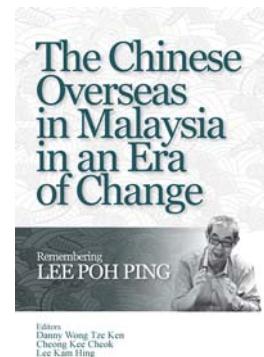
Shanghai. Dr. Gerda Wielander (Westminster University) presented a paper on "Rejecting the Civil Society Paradigm – Chinese Christian Values and China's Hegemonic Discourses." This paper argues that the civil society and civic community paradigms as formulated by Habermas and Putnam are inappropriate frameworks to analyse the relationship between "the church" and the Chinese state. Professor Philip Wickeri (HKSKH Ming Hua Theological College) presented a paper on "The Sinicization of Christianity in China: The Political and Ecclesial Impact." Sinicization means religious believers should positively relate themselves to Chinese culture, the Chinese state and contemporary society. It is designed to strengthen the Chineseness of religion and inhibit "foreign infiltration" in the government's view. Wickeri discussed the background and conditions of religious sinicization, particularly with regard to Christianity. Finally, Dr. Peter Chang of ICS presented a paper on "The Growth of Chinese Christianity and The Remaking of World Christianity." In the presentation Dr. Chang argued that despite exceptional numerical growth, it is doubtful Christianity in China will ever become truly Chinese. This is due to fundamental differences between the Chinese and Christian religious worldview. The ancient Chinese practices an ethos that readily condones religious syncretism. By contrast, Christianity regards the intermixing of belief systems an abomination. And Christians in China has largely maintained this exclusive stance, shunning efforts to syncretize. Therefore, despite a long history dating back to the Tang dynasty, Christianity never became assimilated into the native Chinese religious landscape, unlike Buddhism. ◆

Book Launch and Academic Dialogue Session in Honour of Professor Dr. Lee Poh Ping



ICS organized a book launch and academic dialogue session in honour of the Late Professor Lee Poh Ping on 13th December, 2017. In the book launching, Professor Kevin Hewison, the chief editor of *Journal of Contemporary Asia*, gave his introductory remarks on the special issue entitled *Malaysia and China in a Changing Region: Essays in Honour of Professor Lee Poh Ping*. Following his presentation, Datuk Professor Dr. Danny Wong Tze Ken made an introduction of the book entitled *The Overseas Chinese in Malaysia in an Era of Change: In Memory of Lee Poh Ping*. The book which is a collection of the research works by Prof. Lee Poh Ping is going to be published by Universiti Malaya Press in 2018. In the subsequent academic dialogue session on Malaysia-China Economic Relations, Prof. Dr. Tham Siew Yean and Dr. Kuik Cheng Chwee presented a paper on Changing Dimensions of Trade and Investment Relations between Malaysia and China.

The joint presentation analysed the political and economic logics for China's growing economic presence in Malaysia. Dr. Zhang Miao discussed the evolving role of the ethnic Chinese in China's economic engagement with Malaysia. She argued while the recent arrival of Chinese capital in Malaysia offered business opportunities, domestic business environment facing local Chinese business community has not been fundamentally improved. Based on sufficient evidence drawn from in-depth case studies, Dr. Li Ran shared her understanding on the controversy surrounding the ongoing steel projects funded by the state-owned-enterprises from China. The wife of the late Prof. Lee, Dato Majid Khan, colleagues and friends attended the session. ◆



ICS-EAIR Seminar “The Modern Origins of China’s South China Sea Claims”



Mr. Bill Hayton

Mr Bill Hayton is a well-known journalist and historian who has written on Vietnam and the South China Sea dispute. In his seminar on 5th October, Hayton presented his research into the origins of China's South China Sea claims. Hayton argued that in contrast to the official view of the Chinese government, the South China Sea claims of China was fairly modern, dating back to late Qing and the Republican eras, with many official

documents showing the Chinese government's ignorance and conflicting position regarding the islands in the South China Sea. According to Hayton, there is no real historical evidence backing up China's claims that it is the only sovereign country exercising effective control over these islands since ancient history. ♦



ICS In-House Roundtable: A Conversation with David Martin Jones on Sino-UK Relationship and the Brexit Factor

On Wednesday, 20th December, 2017, David Martin Jones, from the War Studies Department, Kings College London, visited the Institute of China Studies for a conversation on the Brexit Factors and its impact on the Sino-UK relationship. As is the case, a post Brexit Britain is casting her gaze far and wide, including towards China for new economic opportunities. With the anticipated strengthening of trade ties, what are the broader geopolitical, military, and cultural implications that will emanate from the cozying up of the Sino-UK relationship. Could the PRC be the new best friend for a post-Brexit Britain? Professor Jones offered some insightful perspectives on these changes and issues. The roundtable ended with a brief discussion on how these developments would affect Malaysia. ♦



Professor David Martin Jones

ICS Seminar “China’s Diplomacy towards Southeast Asia”



STITUTE OF CHINA STUDIES

马来亚大学中国研究所



Dr. Ngeow, the Deputy Director of ICS presenting a token of appreciation to Dr. Tang Chong

On 1st November 2017, Dr. Tang Chong, an associate professor from the School of International Relations at Jinan University, discussed the changing phases of China's diplomacy towards Southeast Asia, from Maoist period to the reform and opening up era. Dr Tang pointed out that many concepts of China's foreign policy discourse are ambiguous and difficult for foreigners to understand, and China needed to come up with better concepts and terms to ensure a better understanding of China's foreign policy abroad . ♦

Visit by Delegation of Chinese Academy of Social Sciences



A high-level delegation of the Chinese Academy of Social Sciences (CASS) visited ICS on 19 October. The delegation was led by Dr Li Xiangyang, the Director-General of the National Institute of International Strategy at CASS. Other members of the delegation included Dr Wang Yuzhu, Dr Sheng Minghui, Dr Zhou Feiteng, Dr Fang Lijie, Dr Yuan Yuan, Dr Chen Yongyuan, and Mr Hu Moran. This visit was part of the week-long program of CASS to visit important think tanks in Malaysia, including Institute of Strategic and International Studies (ISIS)-Malaysia and Malaysian Institute of Maritime Affairs (MIMA). Dr Ngeow Chow Bing of ICS led the discussion with the CASS delegation, discussing many issues pertaining to regional politics and economics. ♦

Visit by Delegation from Shandong University

A delegation from Shandong University visited Institute of China Studies on 5 December 2017. They were Prof. Tong Xinghua, Vice-President, Prof. Cao Xiangqiang, Executive Dean of School of Political Science and Public Administration, Dr. Sun Fengshou, Director of Department of International Affairs and Ms Zhou Shuo, Program Manager of Department of International Affairs while Dr. Li Ran and Dr. Fan Pik Shy received them. In their discussion, they explored potential collaboration in China studies, as well as cooperation in scholar exchange and joint conference. Since University of Malaya and Shandong University signed a Memorandum of Understanding in 2016, ICS was expected to undertake a major role in promoting and strengthening the collaboration between the two institutions. ♦



Representatives of Shandong University and member of ICS

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The new issue of the International Journal of China Studies (Volume 8, Number 3) was published in December 2017. The issue features 5 research articles and 1 book review. Among the feature articles are:

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