Domestic politics and policy making toward China in East Asian countries

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ABSTRACT
This paper examines what kind of political, institutional arrangements and the behavior of political actors under these arrangements become the stabilizing or destabilizing factors of a country’s diplomatic balancing between the United States and China. Specifically, I describe the domestic politics of Japan, South Korea, Indonesia, Vietnam, and Singapore in terms of their responses to the Belt and Road Initiative (BRI) promoted by the Xi Jinping administration. The analysis reveals the following points. First, in all of these countries, the growing presence of China has increased the number of stakeholders in policymaking toward China, and domestic politics regarding policymaking toward China have become more contentious. Second, as a result, each country faces the risk of internalizing its foreign policy toward China, especially on issues related to sovereignty and domestic corruption, thereby destabilizing previously balanced diplomacy between the United States and China. Third, in dealing with such risks, countries with winner-takes-all presidential systems (e.g., South Korea and Indonesia) face difficulties in controlling the internalization of diplomacy, while countries with institutional frameworks that can control destabilizing factors, such as public opinion and corruption (e.g., Japan, Vietnam, and Singapore) are characterized by the relative ease with which they can maintain balanced diplomacy.

KEYWORDS
The belt and road initiative (BRI); domestic politics; East Asian countries

1 Introduction
Today, East Asian countries face a common diplomatic challenge: how to protect their sovereignty and maximize their national interests in the face of a rising China, that is exerting increasingly great economic, political, and military influence on the regional and global order with its large-scale and far-reaching Belt and Road Initiative (BRI). In addition, with the strategic competition between the U.S. and China becoming apparent to the extent that even a bifurcation of the world is being discussed since 2018, all countries are faced with the question of how to maintain and develop an autonomous diplomacy while keeping a balance between these two powers.

What this paper examines is the question of how domestic politics become the stabilizing or destabilizing factors of a country’s diplomatic balancing between the United States and China. Of course, it is not only a country’s domestic politics that...
define its foreign policy, including its policy toward China. Economic dependence on China and geographic proximity to it can also be important independent variables that influence foreign policy formulation toward China. However, since the factors of economic relations and public opinion are dealt with in separate papers included in this special issue, this paper limits its discussion to the impact of domestic politics on policymaking toward China.

What this paper specifically analyzes in terms of “domestic politics” are the institutional arrangements and the interactions of actors within the system. As Hussain argues, “the scope of the head of government in making decisions is first and foremost defined by the political system where he is operating”. This means that a leader’s foreign policy decisions are defined by “the power vested in his post and the importance of political and public consensus in the state in question.” Therefore, this paper analyzes both the institutional arrangement that determines the allocation of authority in a country’s foreign policy formulation and the interactions of various actors in forming a consensus. In fact, as China’s presence increases in each country, the decision-making processes regarding policies toward China are becoming increasingly contentious among the various stakeholders involved. This paper focuses not only on the political leaders but also on the following actors: parliament, political parties, politicians, bureaucratic apparatuses, the military, social organizations, interest groups, local governments, the media, public opinion, etc.

The case that this paper analyzes is the domestic politics of five countries, namely Japan, South Korea, Indonesia, Vietnam, and Singapore, regarding their responses to China’s BRI. Why these nations? Because they have maintained a similar diplomatic stance between the U.S. and China, pursuing deeper economic ties with China through BRI while trying to contain China’s expansion by supporting the U.S. presence in East Asia on the security front. On the other hand, there are differences in the political systems of these five countries: Japan has a one-party dominated system with a parliamentary cabinet system, South Korea and Indonesia have presidential systems, Vietnam has a one-party dictatorship under the Communist Party, and Singapore has a de facto one-party dictatorship under a parliamentary cabinet system. The domestic politics of the actors within these different systems also have different aspects. In this paper, I will compare and contrast the institutions and actors in each country and the contexts in which they have influenced the formation of policy toward the BRI, and to extract the stabilizing and destabilizing factors that have influenced policy toward China.

There are not many previous studies that have attempted to make an international comparison of foreign policy decision-making processes by focusing on the domestic politics of each country. Among them, however, the study by Margaret and Charles Hermann is one of the most frequently referenced. It classifies the ultimate decision units of twenty-five nations into three types, namely predominant leaders, single groups, and multiple autonomous actors, each of which exists in one of several conditions ranging

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1 Hussain, “Effect of Domestic Politics.”
2 MITSUI & CO. GLOBAL STRATEGIC STUDIES INSTITUTE’s report, “ASEAN on the 50th Anniversary of its Formation – Between the U.S. and China” (April 13 2017) lumps Vietnam, Singapore, and Indonesia into the same group in its classification of the diplomatic stances of ASEAN member states, and points out that “these nations have continued to be wary of China’s southward expansion. They prefer Japan to engage the U.S. in East Asia through the U.S.-Japan alliance, and the U.S. contains China in terms of security.” https://www.mitsui.com/mgssi/ja/report/detail/__icsFiles/afieldfile/2017/08/24/170413.
from a self-contained unit to an externally influenceable unit. They conclude that self-contained units engage in more extreme foreign policy behavior than externally influenceable units and that single group decision units tend to show more extreme foreign policy behavior than those comprised of multiple autonomous actors. Based on their conclusions, the balanced diplomacy between the U.S. and China by the five selected countries covered in this paper would be likely to fail if the ultimate decision units were self-contained or unitary, and likely to succeed if they were externally influenceable or pluralistic. However, can such a view really be true?

As for foreign policy continuity, Wen Zha examines the generally accepted view that the personalization of foreign policy decisions leads to diplomatic discontinuity, based on a comparative study of the Philippines’ and Thailand’s policies toward China. She concludes that the degree of economic dependence on major power(s), along with the personalization of policy-making, are important variables that affect the continuity of the foreign policy of small, politically unstable countries. Based on Zha’s conclusion, it can be inferred that balanced diplomacy between the U.S. and China has a tendency to become unstable when a single leader (e.g., the president) holds significant diplomatic authority in a country with strong economic ties to China. However, this conclusion is drawn based on the limited cases of the Philippines and Thailand, and the hypothesis needs to be tested through analyses of more cases.

In describing the domestic politics of the five countries in response to the BRI, this paper primarily relies on the articles on each country’s case in this special issue, as well as think tank reports, newspapers and journals.

2 Belt and road initiative (BRI) and the responses of five countries

The BRI, which Xi Jinping launched in 2013, is an initiative that comprises the “Land Silk Road Economic Belt (One Belt),” which runs from China by land through Central Asian nations and Russia to Europe, and the “21st Century Maritime Silk Road (One Road),” which runs from China’s coast by sea to Europe via the Strait of Malacca and the Suez Canal, to promote cooperation and the development of the surrounding regions. It aims to meet the region’s infrastructure needs, eliminate domestic overcapacity, manage foreign exchange reserves efficiently, and promote South-South cooperation with Asian and African nations in order to increase China’s influence over them and secure energy resource procurements and transportation routes. The first BRI international cooperation summit forum was held in Beijing in May 2017, attended by the heads of state of 29 nations and government delegations from 130 nations. The second forum was held in April 2019, attended by the UN Secretary-General and leaders from 37 nations and delegations from over 150 nations. However, some aspects of the BRI have been criticized by the United States and other nations, including concerns that China’s infrastructure exports are causing recipient countries to take on excessive debt, threatening their sovereignty, and fueling corruption.

The following is an overview of the five countries’ responses to the BRI, with a focus on domestic politics.

3Hermann and Hermann, “Who Makes Foreign Policy”.
4Zha, “Personalized Foreign Policy Decision-Making”.
2.1 Japan

Japan’s response to BRI was slow. The Japanese government decided not to become a founding member of the AIIB (the Asian Infrastructure Investment Bank) that was initially seen as a funding source for BRI, and the United States had lobbied allies not to join. Japan thought it should observe whether this Chinese-led bank would properly operate and abide by the established lending rules of the international financial agencies for development such as the World Bank and the Asian Development Bank.

There was also a strong sense of caution about the overlapping of BRI with China’s maritime military strategy. In this regard, Prime Minister Shinzo Abe proposed the “Free and Open Indo-Pacific (FOIP)” strategy at the Tokyo International Conference on African Development (TICAD) in August 2016. In addition to linking the dynamic economies of the two continents, Asia and Africa, one objective of FOIP was to create a regional order that respected the rule of law, freedom of navigation, and free trade in the marine region encompassing the Indian and Pacific Oceans, free from force and coercion. In August 2017, President Trump, in his speech to the APEC conference in Vietnam, emphasized that FOIP had become America’s new Asian strategy as well.

On the other hand, there was a consistent trend within the Liberal Democratic Party (LDP) and in the business circles to promote Japan’s involvement in the BRI to deepen economic ties with China. This trend was led by the “Nikai Faction” in the LDP, centering on Toshihiro Nikai.\(^5\) The Nikai faction has inherited the personal connections in China that originated in the Tanaka faction led by Kakuei Tanaka, a former prime minister that normalized diplomatic relations with China in 1972. Nikai himself has been promoting economic exchanges with China as chairman of the All Nippon Travel Agents Association. He also has close ties with the Ministry of Economy, Trade and Industry and business circles.

Japan-China relations dipped to a very low level in 2012–13 when the two countries clashed over the Senkaku Islands and Prime Minister Shinzo Abe’s visit to the Yasukuni Shrine. They began to improve with the “four-point agreement” between the two nations in November 2014,\(^6\) when the first Japan-China summit in almost three years was held on the sidelines of the APEC meeting in Beijing. Following this, in May 2015, Nikai, who was then Chairman of the LDP General Council, visited China with more than 3,000 Japanese, including tourism operators, who were welcomed by Xi Jinping at the Great Hall of the People.

The Japanese government sent a delegation of about 50 people led by Takaya Imai (Secretary to the Prime Minister), Yoshifumi Matsumura (State Minister of Economy, Trade and Industry), Toshihiro Nikai (Secretary-General of the LDP), and Sadayuki Sakakibara (Chairman of the Federation of Economic Organizations, Keidanren) to the first BRI international cooperation summit forum in May 2017. At that time, Abe

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\(^5\)Factions (habatsu) are groups organized based on similar political orientation and personal connections. They have exercised significant influences over the LDP’s presidential elections, distribution of key posts in the party, and selection of cabinet members. Members of the LDP have relied on factions as an important unit for acquiring the human and financial resources necessary for parliamentary activities.

\(^6\)Adhere to the spirit of the four fundamental documents executed between Japan and China and develop a strategic relationship of mutual benefit. 2. Overcome political difficulties that affect the relationship between the two nations while keeping the spirit of facing up to history and looking toward the future. 3. Prevent the deterioration of tensions in the East China Sea area, including the Senkaku Islands, and develop a crisis management mechanism through dialogues and consultations. 4. Resume political, diplomatic, and security dialogues via diverse channels and build a mutual trust relationship.
entrusted Nikai with a personal letter that stated that he was willing to cooperate with the BRI. From this time on, Japan began to show its willingness to cooperate with the BRI under certain conditions. In June 2017, Prime Minister Abe made clear Japan’s stance that the cooperation between the two nations was possible if the following four conditions were met: (1) openness, (2) transparency, (3) economic viability, and (4) financial sustainability. During the same month, the Japanese Chamber of Commerce and Industry in China established a BRI Liaison Council. Then, a joint proposal was formulated during the sixth meeting of the Japan-China Ruling Party Exchange Council in August. Following this, a large delegation led by the business community was dispatched to China in November 2017 to propose a joint research system and the establishment of a window for cooperation on the BRI. In May 2018, Prime Minister Li Keqiang visited Japan. He agreed to set up a public-private consultation body to strengthen economic cooperation in third countries. Toshihiro Nikai attended again the second BRI international cooperation summit forum in April 2019, this time with Hiroaki Nakanishi (Chairman of Keidanren), Yutaka Nagasawa (Chairman of the National Federation of Agricultural Cooperative Associations), and Akihiro Horisaka (Vice Chairman of the Japan Association of Travel Agents) and held talks with Xi Jinping on April 24. On the occasion of Prime Minister Abe’s visit to China in October of the same year, 52 projects for third-country cooperation (total project value of $20 billion) were agreed upon, including the redevelopment of industrial park in Thailand (Nihon Keizai Shim bun, October 272,018). After the above-mentioned arrangements, the Japanese government incorporated the Japan-China Infrastructure Development Cooperation in Third Countries into its Infrastructure System Export Strategy in June 2019.

On the other hand, some in the LDP are cautious about such moves. The Conference for Japan’s Dignity and National Interest, a voluntary group of conservative lawmakers from the LDP met in the Diet on November 132,019. During the meeting, they put together a resolution opposing President Xi Jinping’s planned state visit to Japan in spring 2020 unless China stops government vessels intrusions into the waters around the Senkaku Islands and its crackdown on Hong Kong citizens. Furthermore, when China implemented the “Hong Kong National Security Law” on June 302,020, LDP’s Foreign Affairs Division put together a draft condemnation resolution and tried to submit it to Chief Cabinet Secretary Yoshihide Suga. When Nikai objected to this attempt, the Foreign Affairs Division held a closed-door joint meeting with the Research Commission on Foreign Affairs on July 6, inviting other conservative lawmakers to attend in order to give itself an advantage in drafting the condemnation resolution. Discussions at the meeting were contentious, but in the end, a compromise was sought by Nikai, Fumio Kishida, Chairman of the Policy Research Council, and other LDP top leaders, and the wording of the resolution was restrained to “As the Foreign Affairs Division, we have no choice but to request the cancellation of the state visit.”

As described above, debates on the BRI and overall diplomacy with China have developed within the LDP, which has held power relatively steadily as a catch-all party under the parliamentary cabinet system. The debates have not fitted into the framework of party politics in the absence of strong opposition parties that could replace the LDP. In the postwar Japanese political climate, diplomacy is unlikely to be a crucial issue in elections. Cooperation between factions within the LDP, economic agencies, and business circles is still alive and well. They are trying to use the BRI framework to tap into the
Chinese market of 1.4 billion people. On the other hand, conservative lawmakers within the party have created a trend of hawkishness toward China, encompassing not only traditional “pro-American conservatives” who prioritize the alliance with the United States, but also nationalists supported by growing public antipathy toward China due to the Senkaku Islands dispute and history issues. Importantly, however, even when conflicting views or policies are raised, it is relatively easy to find a middle ground through informal discussions between factions or the leaders within the party.

2.2 South Korea

Due to its unique experience as one of two nations on a divided peninsula, South Korea’s approach to foreign policy since the 1970s has been divided between conservatives and progressives based on their stance toward North Korea. The conservatives have a support base in Gyeongsang Province, southeast Korea. In recent years, they have been represented by the Hannala Party (1997–), Saenuri Party (2012–), Liberty Korea Party (2017–), and then Future Integration Party (2020). Their core beliefs are the following: 1. North Korea is an “adversary force” since the Korean War, and South Korea will not make concessions to North Korea; 2. Based on the U.S.-South Korea security alliance, the two nations jointly seek to control the situation on the Korean Peninsula.

In contrast, the progressives have been represented by the Minjoo Party, and then by the Democratic Party in recent years, with a support base in Jeolla Province, southwest Korea. The gist of their opinions is as follows: 1. We should draw North Korea into negotiations with South Korea to achieve inter-Korean cooperation; 2. Priority is given to building a community with North Korea, with which we share ethnic ties, over the alliance with the United States.

The fierce political struggle between the conservatives and the progressives is so deep-rooted that it has been dubbed as the “South-South Conflict.” They find it impossible to engage in dialogue or compromise. As Jaeho Hwang writes in this special issue, “(i)t is not easy for moderate politicians to gain a footing between these two forces.”

This rift has defined South Korea’s foreign policy, including its engagement with the BRI. The former Park Geun-hye administration of the Hanara Party (2013–2017) initially expected China to play a positive role in its policy toward North Korea and strove to build a good relationship with Beijing. South Korea pursued the establishment of the Northeast Asia Development Bank (NEADB) to ease tensions between the North and the South, develop North Korea’s infrastructure, and expand economic cooperation. In September 2015, Park Geun-hye met with Prime Minister Li Keqiang in Beijing, where she stated that the NEADB and the AIIB were complementary to each other, and agreed with Li to work together to launch these institutions. They also reached a consensus on linking the “Eurasia Initiative” that the Park administration was focusing on and the BRI that the Xi Jinping administration was promoting. However, following the nuclear test carried out by North Korea in September 2016, when the Park administration decided to deploy the ground-based missile defense system (THAAD) pushed by the United States, it became the target of sanctions by China. As a result, the percentage of South Koreans who have an unfavorable view of China increased from 37% in 2015 to 61% in 2017.7

On May 9 2017, a presidential election was held, and Moon Jae-in of the Democratic Party was elected. For the first BRI international cooperation summit forum in May 2017,

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7https://www.pewresearch.org/global/2020/10/06/unfavorable-views-of-china-reach-historic-highs-in-many-countries/. 
the Chinese government did not extend an invitation to South Korea due to their dispute over the THAAD deployment. However, China’s stance softened when Moon Jae-in, who had distanced himself from the previous administration on the THAAD issue, became President. The Democratic Party of Korea, which had just regained power, hastily sent a delegation to the forum.

Moon Jae-in vigorously investigated the Park Geun-hye administration’s scandals and rescinded every one of her policies. Soon after taking office, Moon called for a dialogue with North Korea in the so-called New Berlin Declaration. It seemed to have paid off, culminating in the Panmunjom Declaration on April 272,018. However, the Moon administration’s policy toward North Korea came to a standstill when North Korea began to show its desire for equal dialogue with the United States to secure international recognition of its regime while its nuclear and missile development was already in its final stage. This showed that South Korea could not be the decider on North-South relations, even if it could play a role of catalyst in North Korea’s attempts to communicate with the United States. After all, the Moon administration, which could not fulfill its policy on North Korea by itself, had no choice but to rely on the United States and China to make a breakthrough on the North Korean problem.

In other words, the Moon administration was forced, albeit unwillingly, to follow similar policies to those of the Park administration in developing its approach to North Korea through relations with the US and China. Specifically, in its relations with the U.S., it implemented the THAAD deployment, which had been agreed upon by the Park administration. In its relations with China, it had to return to the stance of waiting for an environment to be created in which South Korea could implement its own independent policy toward North Korea, while hoping that China would moderate North Korea’s hardline stance toward the outside world. Within this policy framework, the Moon administration tried to secure its own identity by emphasizing that the Northeast Asia Railroad Community Initiative, which it had launched, could be integrated with China’s BRI. In the Liaoning Daily in September 2018, the Liaoning Province in China introduced a “Liaoning BRI Comprehensive Zone Construction Plan” for the development of the “Dandong Special Zone,” which included the construction of a railway connecting Dandong on the China-Korea border to South Korea via North Korea. In December 2019, Moon participated in the South Korea-China-Japan Business Summit held in Chengdu, China. During a meeting with Li Keqiang, Moon requested China’s support for the Northeast Asian Railroad Community Initiative through the linkage of the North and South by rail and road. On the North Korean issue, Moon received an assurance from Xi Jinping that China would push for new impetus in the dialogue on the Korean Peninsula.

As mentioned above, in the face of limited options in its policy toward North Korea, balancing policies toward the United States and China is an inevitable consequence of the South Korean government’s pragmatic decision regardless of party affiliation. On the other hand, if we take into account the fact that Korean society is divided over the most important issue of how to deal with the division of the peninsula, and that the president, who is directly elected by a population starkly split into two camps, presides over the State Council and has a great deal of authority in foreign and domestic affairs, the foreign policies of the country tend to be greatly affected by the results of the presidential election. China, anticipating such fluctuations in South Korean politics, has been trying
to sway the conservative political parties, as symbolized by the sanctions against THAAD deployment. Korea’s diplomatic maneuvering between the U.S. and China is subject to these risks.

2.3 Indonesia

It was during his visit to Jakarta in October 2013 that Xi Jinping unveiled the maritime “One Road” part of the BRI to the international community. In his speech to the Indonesian parliament, Xi Jinping stated that China and ASEAN were “sharing the same destiny.” To strengthen China’s ties with ASEAN, he advocated the establishment of the AIIB, the development of maritime cooperation with ASEAN, the joint-development of “One Road” for the 21st century, and the institutionalization of the China-ASEAN defense ministers meeting to discuss comprehensive security issues.

President Yudhoyono responded positively and emphasized the importance of strengthening relations with China. Indonesia still lacks the infrastructure necessary for economic development. Chinese money was thus an attractive funding source. Yudhoyono, who had been pushing for various cooperation agreements with China since he took office in 2004, signed a “Comprehensive Strategic Partnership Agreement” on the occasion of Xi’s visit to Jakarta. The agreement covered the following five key areas: politics, defense, and security; economy; ocean, space, and science & technology; culture; and international and regional cooperation. Both nations also confirmed their cooperation toward the adoption of the ASEAN-China Code of Conduct for the South China Sea. Furthermore, 21 other cooperation agreements (with a total value of approx. $28.2 billion) were signed, including the construction of a monorail in Jakarta.

Indonesia’s diplomacy is said to have developed steadily under the Yudhoyono administration of the Democratic Party, which lasted for a decade. Yudhoyono, who had a career as an elite military officer and was well versed in international security issues, sought to build an “Indo-Pacific” paradigm centered on ASEAN while maintaining a balance between the U.S. and China. He took over Indonesia’s previous “free and independent foreign policy principles” under the slogans of “dynamic equilibrium,” “all-round diplomacy,” and “a Million Friends, Zero Enemies.” In order to implement these initiatives, he set up a diplomatic unit led by the foreign affairs spokesman Dino Patti Djalal inside the Presidential Office. This aimed at making the Presidential Office take the lead in planning foreign policy strategy and setting the agenda, while coordinating technical aspects with the Ministry of Foreign Affairs. In addition, the Yudhoyono administration made serious efforts to strengthen defense capabilities with its “Minimum Essential Force (MEF)” strategy and to build multilateral foreign cooperation in defense in order to draw lessons from the U.S. arms embargo resulting from the East Timor issue. This also contributed to making Indonesian diplomacy more balanced between the US and China. Under this regime, a comprehensive partnership agreement with the United States was concluded in September 2010. The Yudhoyono administration signed similar strategic partnership agreements with Japan (November 2006), South Korea (December 2006), India (January 2011) and others. On the other hand, the administration had been procuring weapons from China.

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8 Honna, “Indonesia Jokowi Seiken,” 80–81.
since 2006 and strengthened defense cooperation with China under the 2013 comprehensive partnership agreement.¹⁹

In October 2014, Joko Widodo, a member of the Democratic Party of Struggle, was inaugurated as President. Previously he had been the governor of Jakarta, and had no experience in diplomacy. However, the diplomatic unit in the Presidential Office, led by Rizal Sukma (director of the Center for Strategic and International Studies (CSIS)), inherited the network of contacts from the Yudhoyono administration.¹⁰

The new government set out the “global maritime nexus” as its new diplomatic vision, focusing on maritime defense, maritime diplomacy, maritime resource development, maritime infrastructure development, and maritime culture. Under this initiative, a five-year plan was launched to invest approx. Rp 700 trillion in developing the shipping industry. To make up for the lack of investment funds, the Joko administration tried to attract Chinese money by repeatedly claiming that Indonesia’s maritime transport plan is complementary to China’s BRI. At a meeting with Xi Jinping during his visit to Beijing in November 2014 and at the meeting between the two leaders during the G-20 Summit in September 2016, Joko spoke highly of the BRI, and said it was consistent with the direction of Indonesia that aimed for infrastructure development as a primary policy goal. In October 2015, he signed a construction agreement with China for the Jakarta-Bandung High Speed Rail (JBHSR) link.¹¹ As a result, China overtook Japan and became Indonesia’s second-biggest source of foreign direct investment in 2017.

However, such development has become a destabilizing factor in Indonesian politics. First, it has raised nationalistic and anti-Chinese sentiments among the Indonesian public. Although the longstanding policy of political and cultural discrimination against the Chinese people under the Suharto regime was scrapped by the Wahid administration, there is still a deep-rooted antipathy in Indonesian society toward China and the Chinese people. Moreover, in recent years, the Chinese Fisheries Law Enforcement Command (FLEC) made frequent provocations against the Indonesian navy off the coast of the Natuna Islands in Riau province.¹² This further stirred up anti-Chinese sentiments among the people and became a topic that the opposition parties used to gain popular support in general and local elections. For example, when President Joko announced the goal of raising the number of Chinese tourists to 10 million by 2019, false information spread via the Internet that the government planned to take in a large number of Chinese migrant workers. Following the successful bid for the Jakarta-Bandung High Speed Rail (JBHSR) link by China, rumors also circulated that only Chinese companies would make profits from the project.

Secondly, corruption linked to foreign capital, including Chinese capital, is rampant especially at the local level. The decentralization of power since democratization has exacerbated corruption in local governments, which have gained more discretionary power in terms of infrastructure construction and resource development. The situation

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¹⁹Shuto, “Indonesia No Tai-chu Seisaku,” 60–61. Evi Fitriani writes in this special issue: “This dramatic change reflected a rational choice by Indonesian military elites and their acknowledgment of the enhancement of Chinese military developments while also reflecting their frustrations with sanctions and arrogance stemming from the US and other Western nations”.

¹⁰Honna, “Indonesia Jokou Seiken,” 83.

¹¹The JBHSR is 40% owned by China Railway International.

¹²Ippanzaidanhojin Nihon Chusho-gata Zosen Kogyokai and Ippanzaidanhojin Nihon Senpakuigijutsu Kenkyukyokai, *Indonesia Ni Okeru Kaiyo-kokka Kousou*, 12–13.
worsened when subsidies to the local governments were increased under the Joko administration.

In November 2019, Sofyan Basir, former president director of the state-owned power company PLN, was sentenced to five years in prison and fined Rp 200 million for his alleged involvement in a bribery case related to the US$900 million thermal power plant project in Riau (https://www.thejakartapost.com/news/2019/11/04/breaking-ex-pln-chief-sofyan-basir-walks-free-in-riau-project-graft-trial.html). It was the first case in which the KPK (the Indonesian Corruption Eradication Commission) uncovered corruption in the coal power sector, which had been dependent on foreign investment. In this case, anti-graft campaigners insisted that the KPK should delve into the involvement of China Huadian Engineering Co., Ltd., a project partner (https://chinadialogue.net/en/energy/11375-corruption-and-coal-dug-up-in-indonesia/). People’s dissatisfaction with corruption has been growing, especially after the People’s Congress (Dewan Perwakilan Rakyat) adopted a new Penal Code to crack down on social activists to “maintain public order” and a new corruption law that reduces the KPK’s powers at the end of September 2019, leading to student-led protests in Jakarta and other major cities. On September 24, tens of thousands of people participated in a demonstration in Jakarta, where some demonstrators clashed with police and hundreds of people were reportedly injured. In response to the series of protests, President Joko decided to postpone deliberations on four bills, including the Penal Code, and announced that he would begin considering the withdrawal of the revised KPK law.

In response to such developments, the second Joko administration inaugurated in 2019 was forced to shift toward balancing China by diversifying foreign investment sources. One of the manifestations of this shift was President Joko’s refusal to reappoint Rini Soemarno as the Minister of State-Owned Enterprises. Rini had been a key cabinet member of the administration in its first term, with very strong ties to China. Furthermore, at a cabinet meeting on May 292,020, President Joko instructed that Japan be encouraged to participate in the Jakarta-Bandung High Speed Rail (JBHSR) link construction project. It was said that Rini had worked behind the scene to secure the order for China.

As mentioned above, Indonesia has followed the principle of free and independent diplomacy. However, the influence of those factors that hinder rational foreign policy decisions, such as the use of nationalism in political disputes and the corruption caused by collusion between politicians, bureaucrats, and business, is increasing due to the growing demand for infrastructure and the influx of Chinese capital.

2.4 Vietnam

The Vietnamese government has consistently expressed its support for economic cooperation with China, which in 2004 proposed the framework of “Two Corridors, One Belt” to link the two countries. The idea was to promote the integrated economic advancement of the two countries through the development of transportation infrastructure connecting the “Two Corridors” (① Kunming – Lao Cay – Hanoi – Hai Phong – Quang Ninh, ② Nanning – Lang Son – Hanoi – Hai Phong – Quang Ninh) and “One Belt” (the sea area from China’s southern tip to Hai Phong facing the Gulf of Tonkin).

Subsequently, the Xi Jinping administration launched the BRI, and the “Two Corridors, One Belt” have been incorporated in it. In their joint statements during their mutual summit visits in 2015, 2016, and 2017, the two countries declared that
they would promote cooperation by linking the “Two Corridors, One Belt” framework with the BRI. The benefits to Vietnam of expanding transportation routes to and from China would be significant. Moreover, the BRI is one of the most promising options as a framework for obtaining capital to build the infrastructure needed for development.

However, according to the analysis by Shoji, while expressing support for the BRI in its official documents, Vietnam has continued to be extremely reluctant to actually implement specific infrastructure development projects. This is due to deep concerns that China’s economic influence could extend to the realm of politics and security. Reportedly, the construction of the bridge connecting the Chinese city of Dongxing and the Vietnamese city of Mongkay (opened in March 2019), which was loudly promoted on the Chinese side as part of the BRI, has received little press coverage on the Vietnamese side.\(^\text{13}\) Do Thanh Hai writes in this special issue that “Vietnam’s participation in China’s BRI has been rather shallow, as compared to its Southeast Asian neighbors such as Laos, Cambodia, Malaysia and even Indonesia.”

This balancing diplomacy of Vietnam is symbolized by the following points. First, it sets out reservations for its participation in the BRI. At the first BRI high-level forum for international cooperation in May 2017, President Tran Dai Quang presented in his speech the following three conditions for the cooperation under the BRI framework: (1) being consistent with the UN’s “2030 Agenda for Sustainable Development”; (2) based on proper assessments of the economic impact, impact of debt, and fiscal soundness; and (3) based on consent, equality, spontaneity, transparency, openness, mutual respect, and reciprocity in accordance with the UN Charter and international law. Second, cooperation with other nations, such as the United States, Japan, and India, is enhanced. According to Do, Vietnam does not see the rise of China as an imminent threat. Vietnam “has tried to resist China’s excessive assertiveness, using various channels to protect its interests while accepting China’s reign as a power in the region.”\(^\text{14}\)

One of the factors that have allowed such a balance to be maintained is probably the one-party regime of the Communist Party. Despite various points of contention, the commonality of having maintained a one-party dictatorship within a market economy seems to have worked as a stabilizer to a certain degree between the two nations.\(^\text{15}\)

In fact, in Vietnam’s diplomacy with China, the authoritarian feature of one-party rule is thought to ensure the centralization of policy formation and the continuity that comes with it.\(^\text{16}\) For example, during the period of the anti-corruption campaign and concentration of power in Xi Jinping’s hands in China, Vietnam also saw a massive anti-corruption campaign and concentration of power in the hands of Nguyen Phu Trong, General Secretary of the Communist Party. In this process, Prime Minister Dung was forced to retire at the 12th Party Congress in 2016 (https://www.reuters.com/article/us-vietnam-politics-trong-idUSKBN2A006T). Furthermore, when Xi Jinping tightened

\(^\text{13}\)Shoji, “Betonamu-No ‘Ittai-Ichirô’ Taiou,” 1.
\(^\text{14}\)Do, “Vetonamu,” 66.
\(^\text{15}\)According to Do Thanh Hai, the commonality in the efforts to defend communist rule has become less and less important in defining China- Vietnam relationship, and economic pragmatism has become increasingly influential (see Do’s paper in this issue).
\(^\text{16}\)According to Do Thanh Hai, Vietnam’s one-party dictatorship differs from China’s in terms of institutions, and within the Vietnamese Communist Party, there is a certain amount of policy debate between conservative ideologues and nationalist pragmatists, showing signs of factional politics. In addition, the fact that the Central Committee plays an important role in policy-making and has the power to veto the Politburo’s recommendations has contributed to a certain degree to revitalizing policy debates, including those over foreign policies.
control of speech in China, the same was done in Vietnam. Such measures contributed to the concentration of power and enabled a limited number of leaders, led by the General Secretary, to adopt consistent diplomatic policies based on a long-term strategy, avoiding political confrontation and social prodding over the highly sensitive issue of how to deal with China.

On the other hand, the Vietnamese Communist Party is facing a difficult challenge in its policy toward China, namely the rise of nationalism, which is deeply tied to anti-Chinese sentiments. Originally, there was a deep-seated antipathy among the Vietnamese people toward China, with which they fought a war in 1979. According to Do, positive evaluations of China increased as the China-Vietnam relationship improved during the decade from 1991 to 2001. However, since 2009, when China became more aggressive in the South China Sea, anti-China sentiments have spread again among the people. In 2014, China installed an oil rig in the sea area near the Paracel Islands and began drilling. In response, the Vietnamese Government sent maritime police vessels to the area to protest and disseminated the information to arouse public opinion both at home and abroad, which further boosted anti-China sentiments. In June 2018, massive public protests took place in Hanoi, Ho Chi Minh City, and other parts of the country over the bill on special economic zones. At issue was a clause allowing foreign companies to lease land for up to 99 years in three government-designated key special economic zones (Van Don in the northern province of Quang Ninh, Bac Van Phong in the central province of Khanh Hoa, and Phu Quoc Island in the southern province of Kien Giang). The clause led to speculations that the Chinese would take over Vietnamese land, and caused fierce opposition to the government both inside and outside of parliament. The state-run media also published articles on devastation in the special economic zones in Africa and Sri Lanka where China had invested in development, adding to people’s anxiety. In the end, the government withdrew the bill and the parliament voted to indefinitely suspend the debate on the bill. Prime Minister Phuc stated that even if he were to re-submit the bill in the future, he would delete the clause on ultra-long term lending of 99 years.

As mentioned above, Vietnam’s situation is similar to that of Indonesia in that it has pursued an autonomous diplomacy between the major powers, and in that it has been facing the fires of corruption, anti-Chinese nationalism, and other factors that link diplomacy closely with internal affairs. However, because of the one-party system, the Communist Party is able to control the expression of people’s dissatisfaction by controlling speech and to strictly crack down on corruption, thereby avoiding to some extent the use of these destabilizing factors as tools of political struggle.

2.5 Singapore

Singapore has seen the BRI as an excellent opportunity to develop itself as a financial center and a communication hub for the networks connecting the lands and seas of the East Asian region, and has taken a stance of full cooperation. In particular, the China-Singapore (Chongqing) Demonstration Project on Strategic Connectivity initiative, which is positioned as part of the BRI, has gathered attention as a venue for cooperation.

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17 Do, "Vietnam," 50.
between the two nations. The project involves the construction of a new land and sea transportation route, i.e., the New International Land-Sea Trade Corridor (ILSTC), used for transporting goods by rail from the Chinese city of Chongqing to the port of Qinzhou in the Guangxi Zhuang Autonomous Region, and from there to Southeast Asia by sea. Singapore-funded logistics parks are under development in Chongqing, the route’s starting point, and in Nanning, a transit point, anticipating their expanding functions as logistics bases. In September 2015, PSA, a Singaporean government-owned port management company, established a joint venture, “Beibu Gulf-PSA International Container Terminal (BPCT),” together with Pacific International Lines (PIL), Singapore’s largest shipping company, and Guangxi Beibu Gulf Port Group, to be engaged in the operation of some terminals at Qinzhou Port.

Building on these achievements, Singapore signed a memorandum of understanding with China on April 8, 2018, to expand cooperation in the markets and infrastructure construction in third countries in relation to the BRI. In October of the same year, the Enterprise Singapore and the Monetary Authority of Singapore announced the establishment of Infrastructure Asia, which will assist emerging Asian economies in planning and financing infrastructure projects. The purpose of Singapore’s establishment of this organization was to provide a mechanism for introducing experts in finance and law to verify the validity of plans, and to serve as a hub for undertaking BRI-related contracts (Nihon Keizai Shimbun, October 252,018).

As mentioned above, Singapore has sought to make the most of the BRI framework to establish itself as a financial and transportation hub in the East Asian region. Unlike other emerging Southeast Asian countries, Singapore, which has a complementary relationship with China as an investor in infrastructure, does not perceive any threat from BRI.

Besides, Singapore has consistently been under the de facto one-party rule of the People’s Action Party, which assured the continuity of its autonomous diplomacy. In order to administer Singapore, where 74% of the population is of Chinese descent, as a state autonomous from China, the first Prime Minister Lee Kuan Yew chose to make English one of the official languages of Singapore to dilute the influence of Chinese culture. At the same time, he implemented an equidistant diplomacy between China and Taiwan and an omnidirectional diplomacy between China and the United States.

Singapore has conducted military exercises in Taiwan almost every year since 1975. It also signed an agreement with the U.S. for the use of its own ports and military facilities by the U.S. military following the withdrawal of U.S. troops from the Philippines in 1990. In 1998, Singapore allowed U.S. aircraft carriers and battleships to call at its naval base to make repairs and resupply. Moreover, in 2005, it signed a “Strategic Framework Agreement for a Closer Cooperation Partnership in Defense and Security” with the United States. In 2012, the two nations began a regular strategic dialogue to demonstrate to the international community that they are mutually important security partners. At the same time, Singapore signed an “Agreement on Defense Exchange and Security Cooperation” with China in January 2008. Under this agreement, defense policy dialogs between defense officials of the two countries have been held annually.

According to Lam Peng Er, Singapore and China have four state-level projects in the mainland: Suzhou Industrial Project, Tianjin Eco-city, Chongqing Connectivity and Sino-Singapore Guangzhou Knowledge City (see Lam’s paper in this issue).
Lee Kuan Yew died in March 2015 at the age of 92. His successors, Goh Chok Tong and his eldest son, Lee Hsien Loong, continued with the tradition of equidistant diplomacy. However, China’s hardline stance in the South China Sea has prompted Singapore to shift toward a more US-oriented security policy. In December 2015, the defense ministers of Singapore and the United States held a meeting and agreed to strengthen defense cooperation. In a joint statement, it was announced that one U.S. P8 anti-submarine patrol aircraft would be temporarily deployed in Singapore. This was intended as a deterrent toward China, which has been building artificial islands in the South China Sea. Against this trend in Singapore, on November 232,016, nine Terrex armored vehicles used by the Singapore National Army for the military exercise in Taiwan were seized by Hong Kong customs on their way back to Singapore. On November 28, a spokesman for China’s Foreign Ministry said: “The Chinese side has lodged representations with the Singaporean side, asking them to act in strict accordance with relevant laws of the Hong Kong SAR and cooperate with the SAR government to properly deal with follow-up matters. The Chinese side is firmly opposed to any forms of official interaction between Taiwan and countries that have diplomatic relations with us, military exchanges and cooperation included” (https://www.fmprc.gov.cn/nanhai/eng/fyrbt_1/t1419412.htm). This incident raised anti-Chinese sentiments among the Singaporeans.

However, under one-party rule, such public sentiments do not have a significant impact on foreign policies in Singapore. The continuation of one-party dictatorship has prevented the politicization of diplomacy by excluding actors other than the People’s Action Party, such as the military, bureaucracy, mass media, business groups, and trade unions from politics.19

As mentioned above, Singapore has been described as “bandwagoning economically and soft balancing politically and militarily” in the face of China’s rise. While welcoming the BRI and trying to draw maximum economic benefits from it, the nation has secured its diplomatic autonomy by supporting the strategic dominance of the United States on the security front. What has made such diplomacy possible is the authority of the leader, Lee Kuan Yew, and the authoritarian one-party rule of the People’s Action Party, which has stayed in power to this day.

3 Concluding thoughts

What becomes clear from the above rough comparison of the domestic politics of the five countries’ responses to the BRI is that all of these countries are pursuing balanced diplomacy between the United States and China, but as the stakeholders involved in the BRI have become more diverse, foreign policy decisions have come to involve more contentious domestic politics. Diverse actors, including political parties, factions within political parties, bureaucratic organizations, interest groups, local leaders, the military, the media, and public opinion, are all trying to increase their influence on the policy-making process with their own interests and beliefs. In particular, when issues related to national sovereignty and national unity escalate in terms of the country’s relations with

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19 Lam Peng Er writes that the consequence of perennial one-party dominance is that the military, bureaucracy, mass media, labor unions, business corporations and ethnic clan associations have rarely voiced any public criticism of the PAP’s approach toward Beijing (see Lam’s paper in this issue).
the United States and with China, domestic politics tend to be combative, leading to balanced diplomacy facing the risk of destabilization. Also, when the links between the influx of Chinese money and domestic corruption cases become apparent, diplomacy with China tends to become internalized and destabilized.

On the other hand, if we look at the institutional arrangements that control these destabilizing factors, the five countries are in different situations. In countries such as South Korea and Indonesia, where the president, who has considerable authority to formulate foreign policy, is elected in a direct election, divisions within the population over identity and interests often lead to fierce political strife under a winner-takes-all political system, making diplomatic policies difficult to maintain when there is a change in government. In contrast, countries such as Japan, Vietnam, and Singapore, while different in the extent of the space they allow for public discourse and the activities of social actors due to the degree of social freedom, share a common feature in that the interests of various actors are consolidated and coordinated to some extent within a single political party in the formation of foreign policy, and because policymakers are not directly elected by the people, foreign policy is not easily influenced by trends in public opinion.

Based on the above observations, it can be said that countries with a certain degree of self-contained or unitary ultimate decision units may, on the one hand, lead to extreme diplomacy, as Margaret and Charles Hermann conclude; but on the other hand, they may bring stability to balanced diplomacy by restraining the internalization of diplomacy. As for Zha’s argument that the personalization of diplomacy leads to a discontinuity of diplomacy given close economic ties with China, based on the case analysis of the five countries, the dividing line between having continuity or discontinuity seems to be whether or not a winner-takes-all presidential system is adopted or not. In order for small and medium-sized countries to stably pursue balanced diplomacy between the U.S. and China, it is necessary to ensure a certain level of democratic space for discussion and accountability, as well as to build an institutional framework to avoid the internalization of diplomacy.

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