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THE ASEAN FACTOR IN DEVELOPMENT OF MALAYSIA'S FOREIGN POLICY STRATEGY TOWARDS THE UNITED STATES AND CHINA

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**Research design**

*Research context*

The period after the end of the Cold War was marked by the formation of a new political and economic architecture, the emergence of new centers of power and the constant expansion of the tools and role of small and middle powers. Despite the limited capabilities, small and middle powers are becoming more important actors and are increasingly participating in the processes of agenda setting, establishing rules of game and international regimes. It is facilitated mainly by regional integration trade blocks which provide states with the necessary institutional and economic resources to effectively project their influence, including in relations with great powers.

The circumstances described above can be directly related to ASEAN, since it is an Association of small and middle powers, whose membership enables the states to maximize the strategic benefits of cooperation with larger partners, namely, the United States and China, and at the same time hedge their risks in the face of heightened tensions between Washington and Beijing.

In this case, Malaysia’s experience as one of ASEAN’s founding states and the most influential members of the Association seems to be necessary for analysis. Putrajaya\(^1\) is one of the primary beneficiaries of the ASEAN membership and the strengthening of great-power competition between the United States and China owing to the implementation and continuous improvement of a range of foreign policy strategies. This assertion has a quantitative (GDP growth, increase in export volumes) and a qualitative dimension, which covers strengthening the negotiating position and extending the political influence.

In this study, foreign policy strategy is regarded as not only a set of fundamental documents regulating the development of key areas and mechanisms for implementing foreign policy, but also the process of its implementation itself. A similar definition is reflected in the works of structural realism representatives – K. Waltz and S. Walt, as well as neoclassical realism ones – R. Schweller and C.C. Kuik. Moreover, it is essential to note that the mechanisms and features of the implementation of small and middle powers foreign policy strategies can differ from the goal-setting and tools prescribed in public documents.

For Russia, the issues above are relevant due to the need to intensify the «Pivot to the East» policy and build a long-term strategy for interaction with partners in the EAEU, SCO and

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\(^1\) Putrajaya has been the administrative capital of Malaysia since 1999. Therefore, it is most often used as the capital of the country in legal acts and speeches of Malaysia’s officials. When describing the period until 1999, Kuala Lumpur will be used in this paper to name Malaysia’s capital.
CSTO, as well as for practical implementation of Greater Eurasia concept, strengthening cooperation with the macroregion’s small and middle powers and employing existing institutional mechanisms to mitigate the sanctions’ impact.

Statement of research problem

A comprehensive analysis of the characteristics of Malaysia’s foreign policy towards the United States and China, while considering the ASEAN factor at the present stage, will expand the existing theoretical and empirical base on the development and implementation of small and middle powers foreign policy strategies with respect to larger partners and assess the importance of regional integration trade blocks as a tool of advancing strategic interests. This is the main research problem.

Literature review

In recent years, more researchers have begun to study the problem of strengthening the great-power competition of the United States and China in the Asia-Pacific region. Among Russian scientists, this problem received the greatest coverage in the studies of S. Karaganov (Karaganov, 2018, p. 87) A. Voskresensky (Voskresensky et al., 2019, p. 207) S. Luzyanin (Luzyanin, 2018, p. 223-227), A. Lukin (Lukin, 2019, p. 27-30), M. Bratersky (Bratersky & Suslov, 2014, p. 14-17; Bratersky & Kutyrev, 2019, p. 230-232), D. Suslov (Bratersky & Suslov, 2014, p. 14-17; Suslov, 2020, p. 42-47). The experts focus on expanding the tools and scope of competition between Washington and Beijing, as well as on its impact on the security architecture in the Asia-Pacific region. Most scholars agree that after D. Trump came to power in the United States, we are witnessing a serious increase in conflict potential between the parties, which has already resulted in transition to direct containment of China.

Many foreign scholars, such as A. Cafruny (Cafruny, 2018, p. 14-17), A. Krickovic (Krickovic, 2017, p. 312-315), A. Tellis (Tellis, 2020, p. 12-13), P. Saha (Saha, 2020, p. 18-20), K. He (He & Li, 2020, p. 3-4), share this viewpoint. In their opinion, the rapid rise of China and the growth of its capabilities, coupled with increased domestic political pressure in the United States, are forcing D. Trump to pursue a more proactive and offensive policy towards China and abandon the elements of China’s engagement that were inherent in B. Obama’s foreign policy strategy.

Of great importance for the dissertation research is the analysis of papers devoted to the ASEAN’s centrality in improving the Asia-Pacific security architecture, the viability of ASEAN-centric multilateral platforms, as well as identifying the merits and limitations of the «ASEAN

Particular attention should be paid to Malaysian authors’ works on the formation and subsequent transformation of Malaysia’s foreign policy during the reign of M. Mohamad (1983-2003, 2018-February 2020) and the sixth Prime Minister Najib Razak (2009-2018).

The most significant contribution to the analytical support of these processes was made by Cheng-Chwee Kuik, a professor at the National University of Malaysia. His studies greatly stimulated the academic and expert discussion on Putrajaya’s foreign policy planning. In Kuik’s paper «The essence of hedging: Malaysia and Singapore’s respond to a rising China», the author applies the neoclassical realism approach to a comparative analysis of Malaysia and Singapore’s foreign policy strategy vis-à-vis China and the United States (Kuik, 2008, p. 168-170). He concludes that Malaysia, unlike Singapore, does not consider China a challenge to its strategic interests due to a common position on the most sensitive foreign policy topics for Beijing (the Taiwan and South China Sea issues, the U.S.-China relations).

The problem of Malaysia’s bilateral relations with key partners in the period from the 1990s to the 2000s was studied by K. Dhillon (Dhillon, 2009, p. 152-170), J. Saravananmuttu (Saravananmuttu, 1996, p. 7-9), D. Guo Xiong Han (Han, 2017, p. 294-297), J. Chin and J. Dosch (Chin & Dosch, 2015, p. 150-175). The authors stress that the promotion of the «Look East» policy in the 1990s became an integral part of «Vision 2020» – a new strategy for Malaysia’s socio-economic transformation, proposed in 1991 by Mahathir Mohamad. In this regard, in Malaysia’s political circles, strengthening active cooperation with China was seen as a valuable asset that Kuala Lumpur needed for the country’s comprehensive modernization and bringing its economic capabilities beyond the regional framework.

A number of other researchers, such as K. Khalid (Khalid, 2009, p. 439-442), Z.H. Ahmad (Ahmad, 1988, p. 262-264), A. Muhamad (Muhamad, 2008, p. 211-215), M. Othman (Othman & Othman, 2013, p. 562), K. Balakrishnan (Balakrishnan, 2009, p. 113), M. Ben Muda (Muda, 2008, p. 128), A. Selat (Selat, 2006, p. 19-21), unanimously agree on the leading role of
Prime Minister Mahathir Mohamad in normalizing the economic and diplomatic dialogue with China. At the same time, they acknowledge that China, as the most active actor in the South China Sea dispute, was perceived in Malaysian political circles as one of the critical challenges to the country’s national security.

Despite the deployment of Russia’s «Pivot to the East» policy and the growing interest of Russian diplomacy in Southeast Asia, Malaysia’s bilateral and multilateral cooperation with leading world actors has not received the corresponding analytical study among Russian experts yet. Nevertheless, it is worth noting that some authors actively study Malaysia’s foreign policy strategy. In particular, these issues are addressed in the articles of V. Tsyganov (Tsyganov, 2010, p. 178-183), S. Goncharenko (Goncharenko, 1995, p. 48), E. Islamov (Islamov, 2010, p. 84-88), A. Lagunov (Lagunov, 2011, p. 47-49), L. Pakhomova (Pakhomova, 2007, p. 234-240; 2009, p. 113-118), E. Kochetkova (Kochetkova, 2018, p. 73), V. Dovgopol (Dovgopol, 2011, p. 106), L. Efimova (Efimova, 2008, p. 112).

There is no consensus on the effectiveness of the Malaysian political establishment in relation to the United States and China and the role of ASEAN in these processes. However, researches acknowledge a significant degree of continuity of Razak and Mohamad in terms of fundamental approaches to interaction with the great powers.

When analyzing the studies of Russian researchers, who specialize in the analysis of Malaysian foreign policy, V. Urlyapov’s works should be particularly noted. He conducts the most in-depth analysis of the origins of Malaysia’s foreign policy, an assessment of the dynamics of Putrajaya’s interstate interaction with the leading powers of the Asia-Pacific region – China, the U.S. and Japan during the reign of three prime ministers in Malaysia: Mahathir Mohamad (1981-2003, 2018 – February 2020), Abdullah Ahmad Badawi (2003-2009) and Najib Tun Razak (2009-2018). Nevertheless, in Urlyapov’s studies, limited attention is paid to the problem of competition among domestic political groups in Malaysia, the role of the ethnic Chinese diaspora in lobbying for economic projects in the country, as well as the analysis of Malaysia’s decision-making system and key doctrinal documents (Urlyapov, 2010, p. 210-213; 2014, p. 63-65; 2015; 39-45).

The analysis proves that there is no shortage of modern foreign and domestic studies of integration processes in the Asia-Pacific region, the problem of ensuring regional security, the intensification of rivalry between the United States and China, ASEAN’s place in the Asia-Pacific geoeconomic and geopolitical space and the evolution of Malaysia’s foreign policy directions under N. Razak and M. Mohamad.

However, few studies provide a comprehensive analysis of the features of the transformation of Malaysia’s strategy towards great powers, taking into account internal and
external factors, as well as revealing the importance of ASEAN for Putrajaya’s foreign policy planning. Moreover, in domestic literature, this problem has not yet been considered in this context yet.

Thus, the research was designed to fill this gap and contribute to the theoretical understanding of the small and middle powers foreign policy strategies vis-à-vis key centers of power, considering the significance of the regional trade blocks on Malaysia’s example.

Research question

What role does Malaysia’s membership in ASEAN play in the development and implementation of Putrajaya’s foreign policy strategy towards the United States and China at the present stage?

Aims and objectives

The study aims to identify the significance of the ASEAN in the formation and implementation of Malaysia’s foreign policy strategy towards the United States and China.

To this end, the following objectives were set:

• Justify the use of neoclassical realism as a theoretical approach in the analysis of small and middle powers’ foreign policy;
• To identify the modern approaches to the analysis of foreign policy strategies of small and middle powers vis-à-vis great powers;
• To determine the features of the small and middle powers’ participation in regional trade blocks and integration initiatives from neoclassical realism perspective;
• To reveal the particularity of competition between the USA and China in Southeast Asia;
• To determine the effectiveness of ASEAN as a tool to ensure the Malaysia’s security in Southeast Asia;
• To identify the ASEAN’s role in promoting Malaysia’s economic interests;
• To identify the key areas of Malaysia’s modern foreign policy strategy;
• To highlight the features of Malaysia’s policy towards the United States from 2009 to 2019;
• To analyze the main directions of the Malaysian policy towards China from 2009 to 2019;
• To identify the factors that determine the unique features of Malaysia’s foreign policy strategy towards the United States and China;
• To compare the significance of the ASEAN factor with other factors affecting the development and implementation of Malaysia’s foreign policy strategy towards the United States and China.

_Hypotheses_

The hypothesis of this study is the assertion that, against the background of the exacerbation of U.S.-China contradictions and internal political transformations in Malaysia in the period from 2009 to 2019 there was an increase in the importance of ASEAN as an instrument for the implementation of Putrajaya’s strategic directions.

The first is to prevent bandwagoning with Washington or Beijing and to preserve foreign policy maneuver.

The second is the use of ASEAN-centric formats by Malaysian ruling elites to obtain economic benefits from the United States and the PRC in order to legitimize power.

_Scope and limitations of research_

The dissertation study covers the reign of the former Prime Minister of Malaysia, Najib Tun Razak (2009-2018) and the subsequent triumph of the opposition Alliance of Hope party led by Mahathir Mohamad in 2018, which caused a shift in the country’s foreign policy. The research does not cover the period after the resignation of M. Mohamad from the prime minister’s post in February 2020 and installation on February 29, 2020 of M. Yassin, the former Minister of Home Affairs.

The chosen scope of the study is dictated by the fact that it was with the advent of Najib Razak Malaysia established strategic relationships with the United States and China, as well as significant changes happened in the Malaysia’s political life happened, begetting the «Chinese tsunami» phenomenon².

Nevertheless, for a more comprehensive analysis of the foreign policy planning evolution and identifying continuity elements and, conversely, the structural transformation of Malaysia’s foreign policy strategic directions, the research also covers a period from the 15th to the 20th century.

_Methodology_

² The “Chinese tsunami” refers to a fundamental change in the voting model of ethnic Chinese residents. The active support for the opposition from this ethnic group, in no small degree, entailed the defeat at the 2018 General Elections of the National Front coalition party that had been ruling throughout the country’s history.
Despite the broad field of theoretical concepts and approaches, the use of neoclassical realism’s basic principles seems to be the most justified for the research. On the one hand, the intensification of great power competition, the emergence of new challenges and the overall transformation of the world order presupposes use of structural realism. On the other hand, the ongoing changes highlight the importance of domestic policy analysis. Thus, it is neoclassical realism that comprehensively considers the relationship between systemic external and internal political factors that form the main directions and mechanisms for building Malaysia’s relations with the United States and China.

In this context, particular importance in the research is given to the consideration of Malaysia’s domestic political situation, comparison of historical heritage factor, national ideology, ethnoreligious factor, and the role of ruling groups in the formation and implementation of Malaysia’s foreign policy. In this case, the works of the representative of neoclassical realism S. Lobell are of high theoretical significance.

As an auxiliary theoretical toolkit, the study uses the basic ideas and hypotheses in the framework of the power elite of C. Mills and the corporate community of G. Domhoff. They contribute to a deeper understanding of the domestic political process of developing and implementing Malaysia’s foreign policy strategies.

*Methods*

The research methodology is divided into several units to expand the empirical base of the study and prove the validity of the conclusions drawn.

First, a systematic approach allows careful consideration of the features of the formation of Malaysia’s foreign policy strategy towards the United States and China, taking into account the importance of Putrajaya’s membership in ASEAN and key domestic political factors.

Secondly, the study used the method of summary data (analysis of the regulatory framework), in particular, legal acts of Malaysia and its agreements with third countries, which became the basis for the subsequent formulation of the hypothesis and key conclusions in the research.

Thirdly, the historical-descriptive and historical-comparative methods play an essential role in this study, since the paper describes the evolution of Malaysian foreign policy during the reign of Najib Razak and Mahathir Mohamad, as well as identifies the main differences in terms of diplomatic rhetoric and specific decisions and highlights the elements of continuity in relation to the fundamental foreign policy principles of the country.
Fourthly, the paper analyzes the speeches, statements and comments of Malaysian officials. Such method also serves as an effective way to study the Malaysian political establishment representatives’ perceptions of the external elements, for example, the security challenges and threats, the phenomenon of free trade and the participation of Malaysia in large-scale trade-economic initiatives and projects such as TPP, RCEP and CPTPP.

Fifthly, due to a discrepancy between the official discourse and specific foreign policy decisions, a case-study is used in the research as an example of Malaysia’s interaction with ASEAN.

The South China Sea issue was chosen as a case study that reflects Malaysia’s desire to discuss this issue in a bilateral format with China, which runs counter to the Association’s posture. Besides, the paper examines the problems of terrorism, ethnoreligious conflict in Myanmar and piracy in the straits of Malacca and Singapore, which also expose the ASEAN’s structural constraints, namely the inability to ensure security in Southeast Asia.

Finally, the analysis of secondary data (the results of sociological surveys on the level of Malaysians’ trust in the USA, China, Indo-Pacific Region, ASEAN and others) and the statistical data on bilateral trade between Malaysia and its key partners, defense spending and the degree of the tariff protection within ASEAN was used as a way of collecting information.

Selection of empirical data

The study’s source base encompasses six main groups of sources, including state and international documents, speeches of officials, Parliament of Malaysia hearings and debates, statistical data, results of opinion polls and personal structured interviews.

The first group of sources consists of state and international documents. State documents include the Federal Constitution of Malaysia, the fundamental documents in the field of foreign policy planning (Foreign Policy Strategic Plan 2016-2020) and the socio-economic transformation of Malaysia («Vision 2020»), key documents in ensuring defense and security (National Defense Policy 2011, National Security Council Bill 2015, Defense White Paper of 2019, etc.) and other materials. An analysis of this group of sources led to a conclusion that Malaysia’s political establishment at the official level assigns ASEAN a central role in the formation and implementation of Malaysian foreign policy and also highlights non-alignment, pragmatism and multilateralism as basic foreign policy principles.

International documents cover a wide range of treaties, declarations and agreements. The ASEAN regulatory framework, in particular, the Declaration of Zone of Peace, Freedom and

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3 Reference to sources are provided in the order they are mentioned in the text of the dissertation.
Neutrality (ZOPFAN), the ASEAN Charter, the ASEAN Vision 2020, and the ASEAN Community Vision 2025, Bangkok Declaration on the ASEAN establishment of 1967, seems to be the most important for the dissertation research. Their detailed examination revealed a high degree of synchronization between the fundamental principles, norms and values, as well as the key areas and mechanisms of the foreign policy implementation foreign policy promoted by Malaysia and the Association.

*The second group* of sources includes formal presentations and official speeches of Malaysian political establishment, which enabled the thorough analysis of the features of the formation of the Malaysian foreign policy towards the great powers, main directions of the Southeast Asian integration processes’ development and the aspects of ensuring security within the Association.

*The third group* of sources consists of Parliament of Malaysia hearings and debates. An analysis of the Malaysian deputies’ speeches helps to reveal Putrajaya’s posture on the interaction between Malaysia and the United States and China, as well as the ASEAN factor in the implementation of the country’s foreign policy strategies. In this context, it must be noted that the tone of statements and rhetoric of the ruling groups and opposition during parliamentary hearings and debates on the most sensitive issues for Malaysia significantly differs from the official political discourse. In this case, speeches in the Parliament of Malaysia serve as an alternative agenda for those who are responsible for developing the country’s foreign policy. This is especially characteristic of the influence on Malaysia’s foreign policy implementation of such large-scale multilateral initiatives and projects as Indo-Pacific Region, CPTPP, RCEP and ASEAN-centric mechanisms.

*The fourth group* includes statistics by 1) national ministries, departments and agencies, such as the Malaysia External Trade Development Corporation (MATRADE), the Malaysian Investment Development Authority (MIDA), the United States Agency for International Development (USAID), etc.; 2) international institutions, in particular, the World Bank (WB), Asian Development Bank (ADB), United Nations Conference on Trade and Development (UNCTAD), Trade Map, China Global Investment Tracker, ASEAN statistics. An analysis of this type of source enabled tracing the dynamics of trade between Malaysia and regional partners and evaluating the effectiveness of integration in Southeast Asia and the degree of fulfillment of obligations undertaken within the ASEAN framework.

*The fifth group* covers the results of opinion polls conducted by Asia-Pacific leading research centers. It is especially worth highlighting the results of surveys of such institutions as the Merdeka Center, ERIA, ISEAS, Black Box, and the Australian Strategic Policy Institute. The obtained data reflect the dynamics of the level of support from the citizens of Malaysia and other
ASEAN member states in relation to national governments, the Association, leading world players (USA and China), as well as key multilateral initiatives - “Belt and Road”, Indo-Pacific region.

The sixth group of sources comprises personal structured interviews with leading Malaysian experts. Interviews were conducted during an internship at the Institute for Strategic and International Studies (ISIS), the leading research center in Malaysia, during the fall semester of 2018. Based on the results of thirty interviews, the main features of the implementation of the Malaysian foreign policy process in relation to ASEAN, the USA and China were identified. In most cases, the opinions presented differ significantly from the official position of the country, especially regarding the assessment of the ASEAN effectiveness as a tool to promote Malaysia’s national interests.

Original scholarly research contributions to the subject field

Specific elements of scientific novelty include:

1. An intervening variable of a new category – a regional-institutional factor for the analysis of Malaysia's foreign policy towards the United States and China is introduced and tested in the study;

2. The neoclassical realism’s key foreign policy strategies of small and middle powers, namely balancing, bandwagoning and hedging, were reconsidered and the main structural limitations of the existing approaches were identified;

3. New universal terms which have not yet been applied to the analysis of foreign policy strategies of small and middle powers were introduced and conceptualized;

4. New factors in the formation of the Malaysia’s foreign policy strategy, such as the promotion of the Indo-Pacific region strategy and the trade war between the United States and China, were systematized;

5. A comparison of internal and external factors was conducted. It was determined which combination of factors currently has a more significant impact on the development and implementation of Malaysia’s foreign policy strategy towards the United States and China.

Applied results of the research

The experience, the main features and mechanisms of the formation and implementation of small and middle powers foreign policy strategies with respect to larger partners, for instance, the interaction of Malaysia with the United States and China, can be applied by Russian
government bodies such as the Ministry of Economic Development of the Russian Federation in implementing the Russian «Pivot to the East» policy and strengthening cooperation with Southeast Asian states. It is especially crucial due to the need to fill in the practical content of the roadmap for the development of the strategic partnership between Russia and ASEAN, adopted in 2018. When implementing the strategy for developing cooperation between Russia and the EAEU partners, it is essential to consider Malaysia’s experience of cooperation within the ASEAN framework, because the Union member states, except for Russia, belong to the small and middle powers category that for many years have pursued a policy of active balancing between the leading centers of power.

The analysis also revealed a wide range of tools to strengthen ASEAN’s interaction with the outside world, in particular, the formation of dialogue partnerships and the FTA plus format, which can become a guideline for Russia and other EAEU member states in building the Union’s foreign economic strategy.

Similarly, the experience of the Association in the formation and promotion of the ASEAN Political-Security Community, the features of interstate cooperation on «high politics» issues, considering this format’s major achievements and shortcomings, including ones in the field of non-traditional security threats, can be used by Russian specialized agencies in building a dialogue between Russia and its partners in the Collective Security Treaty Organization, the Shanghai Cooperation Organization, ASEAN and other countries as part of the formation of the Greater Eurasia concept.

Finally, the main ideas and conclusions formulated in the research can be applied when conducting lectures and seminars within the existing courses at the Faculty of World Economy and International Affairs of the Higher School of Economics, and also when developing programs for new academic disciplines. For example, they can be used during the Faculty course for first-year master students «Contemporary International Relations in the Asia-Pacific Region: an Advanced Course». The study results can form the basis of expert seminars on the economic and political development of non-Western centers of power, worthwhile launching on the Faculty’s basis.

The summary of the findings and conclusions

The study of the features of the formation of the Malaysian foreign policy strategy in relation to the United States and China and the identification of the importance of ASEAN in this process has led to the following conclusions.
There are two major approaches to the analysis of «small» and «middle» power terms. The first one is based on quantitative indicators, such as the country’s GDP, population, natural and other economic resources. The second approach grounds on the qualitative characteristics of the states, their ability to pursue a proactive foreign policy, namely, to participate in the rules of the game, as well as regional and international regimes formation.

Besides, the status of a «small» or «middle» power is not identical to the countries’ passive role on the world stage and does not always correlate with the material resources for projecting their influence. On the contrary, it is often the small and middle powers that most actively show political will and effectively use their limited diplomatic and economic resources to advance their own agenda in regional and global processes.

Concerning the analysis of Malaysia’s role in the regional processes, the study proved that even before gaining independence and the official establishment of ASEAN, Malaysia actively participated in all key political, institutional, economic and socio-cultural development processes of Southeast Asia. Thus, Kuala Lumpur’s role has traditionally embraced the formation of the agenda, modes and rules of the game.

Hence, in this research’s framework, based on the concepts presented above, it seems reasonable to classify Malaysia as a middle power that influences the formation of regional economic and political architecture. Malaysia’s active role in a number of multilateral institutions and initiatives, such as ASEAN-centric dialogue platforms, the Organization of Islamic Cooperation, APEC, RCEP and some others, proves it.

The study also notes that the period 1990-2000-s was marked by the formation of Malaysia as a full-fledged middle power, pursuing a proactive foreign policy and exerting a systemic influence on regional economic and political processes. As case studies, the work brings the important role of Malaysia in the formation of APEC and consolidating the central role of ASEAN in projects of economic regionalism in the APR, promoting large-scale trade and economic initiatives (East Asian Economic Caucus) and institutional building. Examples of the latter are the launch of the ASEAN Regional Forum, the ASEAN + 3 format, the East Asia Summit, as well as a significant role in the formation and further advancement of the ASEAN Community.

The first chapter of the dissertation sets the main analytical framework. Neoclassical realism was chosen as a theoretical approach, which is dictated by the need to compare the significance of the structural factor (independent variable) and internal factors (intervening variables) in the implementation of Malaysia's foreign policy / strategy towards the United States and China (dependent variable). An intervening variable of a new category (factor of regional
integration association) was introduced in the work due to the significant role of ASEAN in Putrajaya's foreign policy behavior.

The second chapter of the dissertation is focused on the analysis of the regional context and the external factors’ influence on the development and implementation of Malaysia’s foreign policy strategies towards the USA and China.

The paper notes that over the past twenty years, the intensification of the U.S.-China rivalry on a number of strategic issues has remained the critical systemic factor affecting ASEAN long-term development. Among steady trends, one can also highlight the constant expansion of the directions and instruments of great power competition, from intensifying the both parties’ policies in the South China Sea and strengthening military-technical cooperation with ASEAN member states to launching competing formats in the field of economy and security and unleashing a trade war. The latter is not directed against the Association’s members, being an instrument of bilateral struggle. However, given the USA and China’s economic and political influence in the subregion, it seems reasonable to relate the factor of trade contradictions between the great powers to ASEAN’s small and middle powers’ strategies of adjusting to the new conditions.

Regarding the importance of the ASEAN factor to Malaysian foreign policy development and implementation, two key areas were considered: ensuring national security and promoting Malaysia’s economic interests.

As a result, the study proved that at the present stage, Putrajaya does not consider ASEAN a guarantee of ensuring national security and an instrument for resolving territorial disputes and other conflicts. The ASEAN’s limited effectiveness confirms this fact in addressing such sensitive issues for Malaysia as terrorism in Southeast Asia, the South China Sea issue, the ethnoreligious conflict in Myanmar and piracy in the Malacca and Singapore Straits.

Nowadays, Malaysia perceives the Association as an additional institutional platform that allows enhancing Putrajaya’s dialogue with Washington and Beijing, as well as an instrument to raise the status of a responsible middle power and to increase the influence of Malaysia on the world arena by projecting national priorities and fundamental foreign policy principles.

The study also revealed structural limitations of the integration processes within ASEAN, such as weak institutional mechanisms, low levels of intra-regional trade, a high number of different barriers, including non-tariff ones, the presence of protectionist sentiments in member states, significant differentiation in terms of socio-economic development and others. Contrary to these concerns, ASEAN has proven to be highly effective in advancing Malaysia’s economic interests. In addition to direct economic benefits – GDP growth and increased exports to third-country markets, primarily due to the ASEAN plus FTA network, Malaysia’s membership in the
Association enables Putrajaya to strengthen its negotiating position with larger countries and increase its political weight on the world stage. It also allows testing institutional mechanisms in trade negotiations within the ASEAN framework, which Malaysia further applies in a bilateral format with its foreign partners.

Finally, the third chapter of the dissertation research is focused on the development and implementation of Malaysia’s foreign policy strategies. To this end, an analysis of national strategic documents in the field of foreign policy was conducted, which led to the conclusion that in all the Malaysian strategic documents adopted since 2009, ASEAN is proclaimed to be the cornerstone of Malaysia’s foreign policy. Meanwhile, throughout the post-colonial history of Malaysia, regardless of the change of administration in Kuala Lumpur / Putrajaya, all the prime ministers, as well as other representatives of the Malaysian power elite, admitted the leading role of the Association in the formulation and implementation of the country’s foreign policy.

Analysis of the Malaysia-USA relations from 2009 to 2019 led to the following conclusions. Despite the periodic «offenses» against the United States by Malaysian political leaders and dissatisfaction with the U.S. administration’s policy of protecting human rights and promoting democratic institutions, Washington remains one of Malaysia’s key foreign policy partners. It is particularly evident in the military-technical sphere, which continues to be the leading area of bilateral cooperation, which is reflected in Malaysia’s strategic documents.

At the same time, Malaysia’s posture on the military-technical cooperation with the United States differs considerably from the Philippines and Thailand, official allies of the United States. Putrajaya supports a limited American presence in the region and seeks to prevent a significant increase in the U.S. political influence in ensuring security in the region. The policy of non-alignment and the inclination to maintain a neutral position on security issues largely determines Malaysia’s refusal to deploy American or any other foreign bases on its territory and Putrajaya’s reluctance to support the concept of the Indo-Pacific region promoted by the United States.

Concerning cooperation with China, another strategic partner of Malaysia, the following should be noted. Throughout the period from 2009 to 2019, Putrajaya has consistently strengthened bilateral cooperation, despite the territorial dispute in the South China Sea and the revision of agreements under the Belt and Road initiative. Of course, in many respects, the application of the elements of «quiet diplomacy» on security issues, primarily the SCS issue, is associated with glaring asymmetries in terms of the combined potential of both countries, as well as China’s importance from the Malaysia’s economic development perspective.
Instead, Malaysia relies on institutional binding and balancing for profit, which means developing a regulatory, economic and institutional framework that helps to prevent Chinese dominance in Southeast Asia.

A separate dissertation section was devoted to internal factors affecting the development and implementation of Malaysia’s foreign policy strategies towards United States and China. The specific results of the study include the following.

Firstly, while elaborating on a model for interaction with Washington and Beijing, the ruling group is guided by pragmatic considerations to maximize the economic and security to legitimize the political regime. In this regard, ASEAN continues to fulfill a crucial instrumental function, contributing to the implementation of Malaysia’s proactive foreign policy strategy.

Secondly, in addition to pragmatic considerations, adherence to underlying foreign policy principles and concepts, in particular, kerajian (empire, state), nama (prestige, status) and Pelanduk jinaka (the wily Malay mousedeer) is of great importance in the Malaysia's strategy formation. These traditional concepts emphasize the inclination of the Malaysia’s ruling group to pursue a balanced and multi-vector foreign policy, avoiding dependence, and use limited resources to maximize the strategic benefits of cooperation with larger partners and projecting Malaysia’s influence on the world stage.

Thirdly, the ethnoreligious factor, particularly, Muslim majority and several pro-Chinese political parties and business diasporas, also has an impact on the implementation of Malaysia’s foreign policy strategy with respect to the United States and China. In this case, it is rather about making or adjusting specific decisions under the pressure of an ethnoreligious factor taken by one or another politician in relation to Washington and Beijing, but not about a full-fledged revision of the foreign policy, which is unlikely in the case of Malaysia due to the circumstances described above.

Finally, in the paper, a comparison of all the external and internal factors that determine the particularities of Malaysia’s foreign policy towards the United States and China was conducted. The results of the study proved that over the past twenty years, the ASEAN factor has begun to play a more critical role in the formulation and implementation of Malaysia’s foreign policy strategies, which is dictated by the increase in strategic benefits that Putrajaya derives from interacting with Washington and Beijing due to ASEAN-centric formats and mechanisms.

In this regard, the theoretical and empirical basis presented in this research allowed to fulfill all the tasks and to verify the hypothesis of the dissertation, as well as to justify the increasing importance of the factor of regional trade blocks to the small and middle powers’ foreign policy using the example of Malaysia’s membership in ASEAN.
In the foreseeable future, ASEAN will probably continue to be one of the key instruments for realizing Malaysia's strategic interests with respect to the United States and China. At the same time, the depth of integration within ASEAN and the effects produced for Putrajaya will directly depend on the efficiency and proactiveness of the Association itself, which in recent years has experienced difficulties in this direction.

Statements to be defended

1. The main feature of the country’s modern foreign policy is the incorporation of the traditional Malaysian concept of comprehensive security – Kesban – into all the strategic documents. The ruling group of the country equals political stability, economic progress and social harmony, which logically corresponds with this concept. It directly follows from Malaysia’s strategic position, its historical heritage, namely, the struggle against colonialism and the communist insurgent movement within the country, Malaysia’s membership in ASEAN and increased tension in Southeast Asia and the Asia-Pacific region as a whole;

2. Under the influence of new factors, the tendency of personification of Malaysian foreign policy has strengthened, while the role of the traditional bureaucracy in foreign policy planning, such as the Ministry of Foreign Affairs, has continued to decline. Today, the Ministry’s role encompasses to a great extent the technical functions and implementation of the course elaborated by a limited circle within the power elite;

3. Malaysia does not see ASEAN as a guarantor of national security and an effective mechanism for resolving territorial and other conflicts. Instead, Malaysia regards it as a platform for enhancing Putrajaya’s interaction with Washington and Beijing, as well as an instrument to strengthen the status of a responsible middle power and increase the importance of Malaysia on the world arena by projecting national priorities and fundamental foreign policy principles;

4. Despite the underdevelopment of integration processes within ASEAN, the Association has proven to be highly effective in advancing Malaysia’s economic interests. In addition to direct economic benefits, such as GDP growth and increased exports to third-country markets through ASEAN-centric FTA plus formats, Malaysia’s membership in ASEAN provides Putrajaya with a bargaining chip vis-à-vis larger partners. It also allows testing

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4 Its name is a combination of two Malay words – “Keselamatan” (security) and “Pembangunan” (development).
5 A more detailed analysis of the personified nature of Malaysia’s foreign policy and the role of the Ministry of Foreign Affairs is presented in Section 3.4. dissertation research.
6 FTA plus trade agreements require a deeper integration. In addition to trade and service liberalization, such agreements often cover harmonizing non-tariff barriers and standards in the field of investment, the protection of intellectual property rights, the creation of dispute settlement mechanisms and migration issues.
institutional mechanisms during negotiations on the ASEAN FTA, which Malaysia has successfully applied at the bilateral level;

5. In the context of the aggravation of trade wars, protectionism and the crisis of the multilateral trade disputes settlement mechanisms, ASEAN is becoming a significant mechanism for hedging the risks of increasing Malaysia’s vulnerability to the United States and China and improving the resilience of the national economy;

6. Malaysia considers the United States as a leading security partner. At the same time, Malaysia’s position regarding military-technical cooperation with Washington for many years has been different from Thailand or the Philippines’ one. Putrajaya advocates a limited U.S. military presence in the region and seeks to prevent a significant increase in Washington’s political influence. To a great extent, this circumstance is dictated by the domestic political factor. Ethnic Malays, who compose about 70% of the country’s population, sharply criticize the U.S. foreign policy and the Western value system as a whole;

7. Malaysia’s institutional binding policy towards China implies developing a regulatory, economic and institutional framework to prevent Chinese dominance in Southeast Asia. In this regard, binding is both a process and a goal. The goal is to create a comprehensive interdependence with China, as a result of which it will become unprofitable for Beijing to implement an offensive policy towards Putrajaya.

8. The presence of a large Chinese business lobby and pro-Chinese political parties in Malaysia has significantly contributed to leveling the «Chinese threat» discourse and deepening interaction between Putrajaya and Beijing.

List of publications relevant to the thesis


Work approbation

The main provisions and conclusions of the study were tested during the preparation of materials and the teaching courses to undergraduate and graduate students of the National Research University Higher School of Economics: “Introduction to Regional Studies”, “Theory of International Relations”, “Contemporary International Relations in the Asia Pacific Region: an Advanced Course”, “Introduction to International Relations”.

In addition, the results of the study were tested in the framework of Russian and international scientific and practical conferences, as well as in foreign internships:

- The 2nd Annual International Workshop for Young Academic Elites, East China Normal University (Shanghai, 15.11.2015). Report «Trans-Pacific Partnership: Opportunities and Challenges for China»;
- IV All-Russian Student Scientific Conference «Russia in the Global World: New Challenges and Opportunities», St. Petersburg State University (St. Petersburg, 25.03.2016). Report “Features of Russian Policy in Southeast Asia: the Factor of the South China Sea”;
- The Second Scientific-practical Conference «Power and Violence in Non-Western Societies: Actual Problems of Research» (Moscow, 26.05.2016). Report «Features of the domestic political situation in Malaysia»;
«The Asia-Pacific Region – a New Center of Global Politics and World Economy?», IMEMO (Moscow, 27.05.2016). Report «Transformation of Malaysian Foreign Policy»;


ISA International Conference (Hong Kong, 15.06.2017). Report «Features of the formation of the Malaysia’s foreign policy strategy in relation to the USA and China»;


A series of seminars, expert discussions, round tables on the features of the formation of Malaysia's foreign policy strategy for great powers, Institute for Strategic and International Studies of Malaysia (ISIS) (Kuala Lumpur, 12.11.2018). Report «Malaysia’s balancing strategy between the USA and China»;

A series of seminars, expert discussions, round tables on the current state of mega-regional trade agreement and regional security architecture in the Asia-Pacific and Engineering and Technology (Tokyo, Kyoto, Japan, 02-09.12.2018). Report «RCEP and TPP in the economic regionalism in the Asia-Pacific Region»;

An expert discussion with the delegation of the Diplomatic Academy of Vietnam on the development of the situation in the South China Sea, the current situation in the Asia-Pacific region and the role of the American and Chinese factors in these processes, RIAC (Moscow, 26.06.2019). Report «The South China Sea Issue in Relations within ASEAN»;

A round table within the framework of the Network of a New Generation of Political Experts on the Current State of Security in Northeast and Southeast Asia, RIAC (Moscow, 28.06.2019). Report «Security Threats in Southeast Asia: Case of the South China Sea»;

Joint conference of the Association for International Studies and the Korean Association for International Studies «Regionalist Perspectives on World Order: Challenges and

- A round table on Malaysia as part of the ASEAN Academic Days, Moscow State Institute of International Relations, Ministry of Foreign Affairs of the Russian Federation (Moscow, 10.10.2019). Report «The Development of relations between Malaysia and the U.S. and China after the 2018 General Elections».

**Bibliography list**


