

Between US and China, pressure builds for Malaysia

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A cold battle for influence has been brewing among two global superpowers and Malaysia, like its neighbours, is caught in the middle. Where does this road take us to?

As a China state-owned power group inked a deal to buy ailing 1Malaysia Development Berhad (1MDB)'s power assets in late November, the first foreign entity to be allowed to fully own Malaysian power plants, talk surfaced elsewhere of Chinese interest to participate in the proposed high-speed rail (HSR) project linking Kuala Lumpur and Singapore, estimated to be worth at least RM40 billion.

In the context of international relations, this represents China's push to assert its dominance in the region against that of the United States, whose president Barack Obama created a bit of history by being the first in office to visit Malaysia not once but twice in two years, nearly half a century after the last US president was in town.

To be sure, Malaysia is not alone. China is pushing to making its presence increasingly felt across the region, both through softer means as well aggressive assertion vis-a-vis its artificial island-building activities on contested South China Sea waters, which had seen protests from surrounding nations including Malaysia.

These territorial disputes are in turn [fuelling fears among Southeast Asians](#), Malaysians included, of a potential military conflict breaking out, according to a survey published by Washington, DC-based Pew Research Center in July 2014.

Among Malaysians, the survey found that 66% of respondents think war may break out, although it may be too soon to foretell such escalations at the moment.

In the meantime, the US is pushing for a massive Trans-Pacific Partnership among a dozen nations, with the finalised text of what is essentially a massive free-trade agreement released to the public in early November after ten long years of back and forth negotiations – although Malaysia only joined talks five years ago while other nations joined later.

It is a significant deal if ratified by all 12 negotiating nations – such a deal would free up commerce in about 40% of the world's economy and may present some bulwark

against rising Chinese influence. Already some of our neighbours such as Thailand, Indonesia and the Philippines, not part of the current 12 TPP nations, are expressing potential interest in joining.

This perhaps partially explains why China is promoting the Regional Comprehensive Economic Partnership (RCEP), which is a similar concept proposed to encompass 16 nations of 3.4 billion people in total. RCEP, if it becomes reality, would beat TPP to the top spot as the biggest such bloc in the world.

The rivalry between the US and China will only heighten from here onwards, short of a spectacular back-down from either side in acknowledgement of the other's superior influence – which is unlikely. And that ultimately means the smaller nations caught in the middle, such as Malaysia, may eventually be forced to choose which side of the line in the sand they are on.

But are we prepared to make that choice? Can we afford to make that choice?

Malaysia's eventual dilemma may not be as bad as its neighbours who have higher risk of actual military confrontation breaking out such as Vietnam. At the same time, however, it is there.

An interesting occurrence in November when Malaysia granted Kota Kinabalu port access to the Chinese Navy is worth looking at. Giving port access, of course, is a routine affair and on its own should not be too deeply read.

However, the move came roughly a month after granting port access to the US. This represents a microcosm of how Malaysia is managing the dual fronts of diplomacy involving each global superpower: keeping relationships intact amid a backdrop of disputes (territorial, with China) and conflict (with US vis-a-vis perceived warming towards China).

It's a juggling act but one wonders whether we can keep juggling forever. As both sides press for more and more, it will become harder and harder to keep both pleased. And when the breaking point is nigh, the question in the air is what consequences may follow our answer to the ultimate question of which side we are on.

As the Malay saying goes, “gajah sama gajah berjuang, pelanduk mati di tengah-tengah”, which roughly translates to as elephants fight, the mouse deer dies in the middle. Pray we navigate our way to better fortunes when that moment comes.

GRRRRR!!!

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