The Belt Road Initiatives, Identity Politics, and The Making of Southeast Asian Identity

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[Abstract]

The Chinese Belt Road initiatives in the Southeast Asian countries marked a new chapter in the development of China political influence on this region. This article looks at the initiative from the cultural dimension and aims to place its narrative as the entry point to understand the use of identity politics in Asian countries that target the Chinese diaspora. This topic relates to the primordial sentiments of Southeast Asian nations amid massive Chinese investment in the region. The issue of Chinese investments under the Belt Road Initiative corridor has a relationship with the formation of anti-Chinese discourse and anti-communist in some Southeast Asian countries. We took the cases of Indonesian and Malaysian elections to observe the use of identity politics and anti-Chinese political discourse in Southeast Asia. In both cases, a common issue emerged, that of the strengthening both Islamic and indigenous sensibilities. The establishment of ASEAN during the Cold War may be seen then as an anti-thesis to emerging Chinese power. However, anti-Chinese and anti-communism sentiments were not enough to unite the forces of the nations of Southeast Asia. We have concluded that brotherhood, mutual prosperity, and anti-neo-colonialism are yet to be fostered completely to make

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a distinct ASEAN identity.

Keywords: Belt Road Initiative (BRI), anti-Chinese sentiments, politics of identity, Southeast Asia

I. Introduction

According to Chinese President Xi Jinping, the Belt Road Initiatives (BRI) is a strategy to create stability around China, by promoting a regional economic integration by means of accelerating infrastructure and connectivity (Cai 2017: 3). Since it was launched in 2013, the initiative has been a main subject in social sciences research, though most of those studies only look at its economic and economico-political aspects. We may mention here the study of Sarker et al. (2018: 633), which says that the BRI has been facing a geo-political challenge, as partner countries are frequently mired in political instability, economic turmoil, corruption, and inefficient public service which are very likely to impede projects. Another study, this time by Chaisse and Matsushita (2018: 184), indicates that the true motive of the BRI is to absorb middle class consumption of developing countries and reduce export dependency to Western countries. China intends to expand its economic and political development model over most parts of the world.

Lu et al. (2018: 44) note that countries connected to the BRI lines usually experience trade increase because of the improvement of infrastructure. Meanwhile, Chen et al. (2018: 12-13) consider the BRI as having increased China's export since 2014, though its trade war with the US tends to adversely affect it. Jusoh (2018: 15) explains that the initiatives in helping ASEAN countries in terms of infrastructure through the BRI tend to compromise bilateral trade balance with China. Chan (2017: 68) maintains that China has intervened in infrastructure development in Southeast Asia to improve connectivity, and expects that the efforts shall have positive implications on integrated trade.

Meanwhile, studies on the Chinese diaspora and anti-Chinese sentiments in Southeast Asia often use sociological or political perspectives but ignore economic aspects of the problem.¹ As may be seen, anti-Chinese sentiments are shaped by economic contexts like the rise of Chinese economy through the BRI. Setijadi (2017: 1-2), for example, infers that the Ahok case, where a politician Basuki Tjahaja Purnama [also known as "Ahok"] was sentenced to jail term for committing religious blasphemy days before the Jakarta gubernatorial elections is proof the reality of anti-Chinese sentiments. This is also reflected in the study of Tjhia (2017: 22-23) about Chinese Indonesians pursuing their studies in the Netherlands. Before Ahok lost the elections in 2017, the students were proud of their Indonesian identity. However, after his loss, they began feeling displaced, disheartened by the strong anti-Chinese sentiments that reminds them of the atmosphere of the May 1998 riots.

The doctoral thesis of Eifert (2012: 244) on the Chinese-Indonesian conflict points out that the May 1998 riots was a transformative moment where the conflict erupted and had manifested from national to local levels. Zuidweg (2018: 39-40) believes that the Ahok case indicates a de-secularisation process within Indonesian society. In some instances, conservative Muslims were reported to resort to religious threats to dissuade people from voting for Ahok. Stefani (2018: 46) believes that the said elections have extensive national implications. Most Ahok supporters were from predominantly non-Muslim provinces, while non-supporters came from Muslim-dominated provinces, such as Aceh and West Sumatera.

Considering the previous studies, this article aims at fill the gap on BRI studies, which cover mainly economic perspectives, as well as on identity politics in Indonesia which ignore inherent politico-economic dimensions. Primarily, we ask about how the rise of Chinese economy through the BRI relate with the resurfacing of anti-Chinese sentiments in Southeast Asia, particularly in Malaysia

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¹ I use the term Tionghoa for refering to Chinese descents who live in Indonesia. This term is interchangeable with Chinese ethnic people of Indonesia, i.e. those Indonesians who are of Chinese ethnic. While the concept of Indonesian-Chinese referst to Chinese descents (Effendi 2018: 1). "Tionghoa" is a category which is separate todistinct from Chinese people and other ethnics ethnic groups in Indonesia (Thaniago 2017: 60).

and Indonesia. In addition, we also explore the role of identity politics (anti-Chinese and anti-Communist politics) in the making of Southeast Asian identity.

II. Belt Road Initiative in Indonesia and Malaysia

When China launched the BRI, it aimed to develop trade routes to Europe consisting of two segments-the Silk Road Economic Belt and the Twenty-first Century Maritime Silk Road. The first constitutes a land transportation network that connects the underdeveloped hinterlands of China to Europe, crossing over Central Asia and South China (Chai 2017: 2). Chinese populist movements supported the initiatives because of their disappointment with the economic order created by the World Bank. Countries showed their support and participation in the initiatives (Lehmanbrown 2018: 11-12). Among them was Indonesia, which under President Joko Widodo envisions infrastructure development planning, with a global maritime fulcrum that intersects with the BRI (Tenggara strategic, 2018: 11). BRI is important for continuing Trans-Pacific Partnership initiatives which proved to have failed in the past (Chaisse and Matsushita 2018: 181). As Indonesia cannot let itself be dependent on the World Trade Organization (WTO), it found in China intersecting interests. China offered access to global market facilitated by connectivity, and Indonesia needed financial resources for its infrastructure (Hadrianto 2017). Indonesian government estimates that it requires USD 450 billion financing between 2014 to 2019 (Connely 2016: 7).

Malaysia practically shares the same needs. Like Indonesia, it is a fast-growing economy with a predominantly Muslim population. It had also fostered close economic relations with China. It also shares with Indonesia linkage to the Twenty-first Century Maritime Silk Road.

Between 2017 and 2018, Indonesia has nine infrastructure projects financed by China with the value of USD 25 billion. Those projects include developments in the Jakarta-Bandung rapid railway, a hydroelectric plant in North Kalimantan, a smelter in West

Kalimantan, and a power plant in Bali. The table below shows these projects borne of Indonesian-Chinese cooperation:

<Table 1> Indonesia-China cooperation's in 2017-2018

No.	Projects	Value (USD billions)	Year
1.	Aluminium Corporation of China Ltd (Chinalco), PT Antam Tbk. PT Inalum collaborates in developing aluminum smelter in the Mempawah district, West Kalimantan	1.5 - 1.8	2017
2.	PT KS ORKA investments in the developing geothermal energy	1.1	2017
3.	Jakarta-Bandung Rapid Railway Development	Suspended	2018
4.	Prevention of Doubly Estimated Tax	No figure	2018
5.	Kayan Water Power Plant project, North Kalimantan	rth 2.0	
6.	Development of dimethyl ether coal conversion to gas	0.7	2018
7.	Investment agreement for a joint venture for the development of Kayan Hydroelectric Plant	17.8	2018
8.	Investment agreement for a joint venture for a Power Plant in Bali	, , , , , , , , , , , , , , , , , , ,	
9.	Steel smelter development	1.2	2018

Source: Adam (2018)

The Indonesian government also offered agreed with China to put up three infrastructure megaprojects—the integrated economic corridor, connectivity, industry, and tourism hub in North Sumatera, including the development of Kuala Tanjung port facilities and road access from Medan to Sibolga; improving infrastructure in Bitung-Manado-Gorontalo by developing road access, railway lines, sea and airports; investment cooperation for energy infrastructure and the development of a power plant in North Kalimantan (Adam 2018).

Malaysia is among the Southeast Asian countries that accept many infrastructure project investments from China. Chinese investments in Malaysia cover a variety of sectors—transport infrastructure, power, tourism, and recreation—all scattered among Malaysia's seven states of Penang, Selangor, Melaka, Johor, Sarawak, Pahang, and Kuala Lumpur. Under Prime Minister Najib Razak, the East Coast Railway Link (ECRL) was to be developed by China Communications Construction Co. (CCCC) and to link the east coast of the peninsula to the strategic sea transport routes west of Malaka Strait. It consists of a 688 km road development and requires a MYR 20 billion investment. Two other projects are also in the pipeline in the Malay Peninsula and Sabah, 600 km and 662 km in length, respectively, costing MYR 2.3 billion (Syafina 2018).

<Table 2> China's investments in Malaysia

		2	
States	Projects	Companies	Value (in MYR Billion)
Penang	Penang Undersea Tunnel	China Railway Construction Corporation	3.7
	Penang Second Bridge	China Harbour and Engineering Corporation	4.5
Selangor	East Coast Railway Link	China Communication and Construction Company	5.5
	Xiamen University in Malaysia	Sinohydro Investment	1.3
	Edra Power Holding	China General Nuclear Power Group	10.0
Melaka	Melaka Gateway	Power China International	15.0
Johor	City Forest	Country Garden	105.0
	Other developments	Various Companies	26.0
Sarawak	Bakun Dam	Power China International	7.5
Pahang	Kauntan Port and Malaysia-China Kuantan Industrial Park	Guangxi Beibu Gulf International Port Group	8.0
Kuala Lumpur	TRX Signature Tower	China State Construction Engineering Corporation	3.5
	Four Seasons Hotel	China Railway Construction Corporation	2.5
	Total		242.0

Source: Todd & Slattery (2018: 5)

Problem is, five years into Jokowi's administration, BRI implementation has become stagnant in Indonesia, unlike in Pakistan, Malaysia and the Philippines (Tenggara strategic 2018: 11), where China has invested USD 55 billion, 30 billion and 13 billion, respectively (Suropati 2018). As China has committed to invest USD 5 billion for the Jakarta-Bandung rapid railway development, Indonesia tends to veer away from it, having cancelled, for instance some other BRI projects because of the exorbitant interest rates. However, there are more political reasons for this. In Indonesian social media, anti-Chinese sentiments are heightening brought about primarily by the intensification of Chinese presence (Bharat 2018).

BRI projects in Indonesia consist of USD 23.3 billion investments signed in Beijing on April 13, 2018. These were supposed to build a hydroelectric plant in Bulungan, North Kalimantan, as well as a coal processing plant, a power plant, and a steel smelter facility in Bali. It however provoked a negative comment from the West and their allies in Indonesia. Widodo generally welcomes Chinese investments, but the deployment of Chinese workers in the projects tends to spark an outrage from conservative and nationalist groups (Strangio 2017). Indonesia also takes foreign on compromising its relations with China, like renaming a part of the South Chinese Sea into North Natuna Sea (Verbeek 2018: 8). With the emergence of anti-communist and anti-Chinese sentiments, Indonesia-China relations remain complicated, even to the point of postponing the Jakarta-Bandung rapid railway project (Scherpen 2018).

In Malaysia, current Prime Minister Mahathir Mohamad reviewed some RMY 22 billion Chinese projects, including the east coast railway links. Mahathir and opposition parties won the 2018 general election, partly by denouncing Najib for a patron-client relations with China and his role in the anomalous 1Malaysia Development Berhad [IMDB] scandal, which also involved the BRI (Majid in CARI 2018: 5). Mahathir from then on accused China of securing its influence over Malaysia through an infrastructure-financing scheme where borrower countries are unlikely to repay their loans, and consequently warns of Chinese colonialism (Fook 2018: 5; Bharat 2018).

Considered closely, China will lose a lot if it just orients towards the Indian Ocean through Rakhine-Myanmar. Nevertheless, in political terms, the postponed projects of BRI in Indonesia and Malaysia indicate ideological, political and economic alliances from inside and outside the countries coming together against China. It is therefore essential to examine who these rivals are.

II. Chinese and Japanese Investments in Southeast Asia

A country's foreign debt is among many indicators of foreign dependence. Indonesia's debt to China in 2016 amounts to USD 1,035 billion, with private debt reaching USD 13,815 billion. Despite this, Chinese loan to Indonesia is still lower than some other countries. Japanese loan to Indonesia amounts to USD 14,634 billion, while the French and German amount to USD 2,446 and USD 1,882 billion, respectively. The almost insignificant loans still make relations sensitive. Presidential Decree No. 20/2018 which eases requirements for the employment of foreign workers creates widespread opposition from Widodo's staunches critics conservative Muslims and trade unionists (Zi 2018: 6). The Chinese are the third largest number of foreign workers in Indonesia, after the Japanese and South Korean. In 2007, they consist of 13.07% or 4,301 workers of the total number of the workforce. It increased to 28.85% or 24,804 in 2017 (Adam 2018).

Aversion against China is significant in understanding Indonesian national politics. Scherpen (2018) takes for example the case of the dismissal of the Resort Police Chief of Ketapang named Sunario from the National Police after he cooperated with the establishment of a joint police station in the locality with Public Security Bureau of Suzhou, China, in July 2018. China has a number of business interests in Indonesia, but is likely to ignore public perception shaped by national and religious fervor.

A number of ASEAN countries re-evaluated their support for the BRI due to concerns regarding debt servicing and China's continued territorial aggression. China's supposed rivals, Japan and India, are now capitalizing on the situation and promoting their presence in the region. Meanwhile, confronting China may cause an economic war for countries in the region. The region has to contend that it lies at the heart of the BRI where connectivity and development are being fostered (Khemlani 2018).

In the past two years, BRI has been challenged in the region. Malaysia is now leading the opposition as it postponed the development of the railway lines connecting Kuala Lumpur to Singapore. Meanwhile, Thailand attempts to convince its neighboring countries to establish a regional infrastructure fund for the Mekong area to reduce dependence to Chinese investments. China's rivals are now taking advantage, with Japan increasing investments and trade deals. On the other hand, Indonesia and India have forged a joint project of developing a port in Sabang, Aceh, close to Malacca Strait corridor (Khemlani 2018).

Japan need not compete with China (Wijaya and Osaki 2018) as it could promote the narrative of "Asia's dream" to counter the "Chinese dream." Japanese Prime Minister Shinzo Abe maintains that Japan may participate in the BRI on the condition that it is carried out with good governance, transparency, and fairness. Japan has also initiated its own lines and belts within a concept of partnership for developing quality infrastructure. It also introduced an initiative for an Indo-Pacific Funds with Australia. Such strategies geopolitically aimed at countering China's influence also value US relations. Despite their political differences, China and Japan may actually share the burden of funding infrastructure in Asia since there are financial gaps that need to be filled.

Wan (2018) says that Japan has invested much more in ASEAN than China. For years, it was second only to the European Union. In 2016, Japan invested USD 11,536 millions in ASEAN, while China's investment in the region grew steadily with its USD 9,799 million investments. Meanwhile, Chinese investments in Laos, Cambodia, and Myanmar have exceeded those of Japan. Most of Chinese investments were on developing infrastructure along these Mekong countries. China is slowly catching up.

China and Japan's Investments to ASEAN(millions of dollars) 30000 25000 20000 15000 10000 5000 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 China Japan

<Figure 1> Chinese and Japanese Investments in ASEAN

Source: Wan (2018)

Data from Bloomberg shows that Japanese investments in infrastructure are higher than China in each Southeast Asian country. In Indonesia for example, Japanese investments amount to USD 53.16 billion while the Chinese only invested USD 45 billion. In Malaysia, Chinese investments reached USD 47 billion, much greater than those of the US, which only consisted of USD 10.88 billion. In total, Japanese investments to the ten ASEAN countries including Timor Leste were pegged at USD 230 billion. China's were at USD 155 billion. In the whole of Southeast Asia, Japan has 237 infrastructure projects while China has 191 (Allegado 2018).

<Table 3> Chinese and Japanese Investments since 2000

<u> </u>							
Countries	Chinese Investment		Japan Investment				
	Items	Value	Items	Value			
Indonesia	46	45.01	47	53.16			
Malaysia	30	47.27	16	10.88			
The Philippines	7	3.18	28	33.54			
Singapore	12	3.30	23	19.71			
Thailand	5	8.49	22	7.92			
Vietnam	30	29.26	84	100.34			

Source: Alegado (2018).

Although Japan has forged cooperation with China for the BRI, it still seems to feel threatened. Floating an alternative for the BRI, Japan supported the development of smart cities in Asia. It has provided assistance for ten ASEAN countries to implement the framework of developing 26 smart and environmentally friendly cities. A key feature of the program is the use of artificial intelligence and network devices for solving problems such as traffic jams and energy conservation, the technology and funding of which will be provided by Japan (Sakaguchi 2019). In this vision, Southeast Asia has been turned into a battlefield, with Japan collaborating with the US and Australia, and signing on July 30, 2018 an infrastructure investment scheme for Asian and Pacific countries amounting to USD 760 billion (Pearlman 2018).

Fisher and Carlsen (2018) argue that China has shown its capacity to challenge US dominance in Asia based on the shifts in trade value and orientation. In their analysis, they point to three categories of the relations of Asian countries to China and the US in recent years. The first, Japan, South Korea, and Taiwan, attempt to challenge Chinese dominance in the trade sector. The second, composed of Laos, Cambodia, Malaysia, Bangladesh, Nepal, Ceylon, and Pakistan, tend to be favourable to China. The third includes countries orienting themselves to both China and the US. Negara and Suryadinata (2018: 3) report that that in 2016, the total value of Indonesia-China trade activities was at 17% of the total Indonesian trade value with foreign countries. Meanwhile, Japan's was only at 10%. In the same year, Indonesian trade deficit with China was at USD 14 billion, while surpluses with Japan and the US were incurred, respectively, at USD 3.1 billion and USD 8.7 billion.

IV. Anti-Chinese Sentiment And Identity Politics

To put simply, BRI has resurrected anti-Chinese sentiments in the region, feeding suspicion as China expands in terms of investments, infrastructure support, and migration (Connely 2016: 11). In Indonesia, the World Chinese Entrepreneurs Convention held in Bali in 2015 was perceived to be a platform for economic domination.

This suspicion has extended to politics, and are said to shape public perception of electoral figures (Herlijanto 2017).

Zi (2018: 4-5) points out that as the BRI increased Chinese presence in Indonesia, concerns about the growing political clout of Indonesian Chinese surfaced, igniting anti-Chinese sentiment. This was observable in the Jakarta gubernatorial elections in 2017, where Ahok was defeated after religious and racial issues were hurled at him. He rose from the ranks but was of Chinese descent and Protestant (Hui 2018: 4) – a double minority. When Widodo won the presidency, he became acting governor of Jakarta. He was the first Christian to hold the position, and like Widodo waged campaigned for professionalism in efficiency in governance. He was known to be frank and no-nonesense and often clashed with many in the bureaucracy (Verbeek 2018: 54). When he ran for governor, he was supported by the ruling party PDI-P (Indonesian Democratic Party of Struggle). His opponents were former education minister Anies Baswedan, a Hadramist; and Agus Harimurti Yudhoyono, son of the former president Susilo Bambang Yudhoyono (Ismail 2016; Setijadi 2017).

Setijadi (2017b) describes the defeat of Ahok as surprisng, as six months prior to the polls, surveys indicate satisfaction over Ahok's performance as the acting Jakarta governor between 2014 and 2016. The elections became a way for parties affected by Ahok's policies to get back at him. These include the urban poor who were expelled them from riverbank slum areas. His opponents capitalized on issues against him to wage a religion-based populist movement supported by figures such as Prabowo, Abu Rizal Bakrie, Anis Baswedan, and Sandiaga Uno (McCharty 2017: 1).

Identity politics on and offline was an important factor in Ahok's defeat (Hui 2018: 3-4). Four months before the first round of elections, a number of Islamic mass organizations coordinated by the FPI (*Front Pembela Islam*, Islam Defenders Front) mounted a series of mass actions protesting Ahok's supposed blasphemous act in a speech in Kepulauan Seribu in October 2016. He was believed to have been convincing people not to follow the *Al Maidah* or the imperative for Muslims to only vote for Muslim leaders. The protest

wave known as the *Aksi Bela Islam* (Defending Islam Action) pressed the police to pursue the case, and came in three waves. The one that took place in December 2, 2016, known as the 212 action, was attended by thousands of Muslims (Lim 2017: 5-7; Duile 2017: 255-256). This severely affected Ahok's campaign. He was defeated by Baswedan.

After his defeat, Ahok was brought to court for religious blasphemy and sentenced to a two-year imprisonment. The movement that put him to jail created an atmosphere of anxiety over discrimination and racial violence reminiscent of the 1998 protests. The moderate Islamic organizations, such as Nahdlatul Ulama and Muhammadiyah, which were larger in number, refused to support the movement (McCharty 2017). However, they were unsuccessful to prevent the explosion of unfortunate incidents. For its part, the national government responded by pressuring the conservative Muslim movement to support government policies.

Ahok's defeat and eventual prosecution may be attributed to the displacement of Muslim conservative groups in governance. Yudhoyono gave a larger role to the MUI (*Majelis Ulama Indonesia*, Indonesian Council of Islamic Scholars) in determining religious policies. In addition, the MUI was assigned to KH Maruf Amin, and the Religious Affairs Ministry to Suryadharma Ali, two conservative figures who ignored the persecution of the Ahmadiyah community (Scherpen 2017).

Deployment of identity politics in such political actions is worrying as it may plant seeds of intolerance that will someday grow into radicalism (Ismail 2016). Setijadi (2017) notes that the anti-Ahok campaign created s discourse which pose that votes for Ahok were votes against Islam. The 2017 Jakarta gubernatorial elections was then an ideological clash between conservative Islam and pluralism, which largely utilized social media in disseminating fake news and hate speech, as well as anti-Chinese sentiments. When Baswedan, visited the headquarters of FPI, it was obvious that Muslim conservatives won the race and even had resurrected old anti-Chinese prejudice.

In practice, identity politics can legitimize persecution against

minorities. Such may be seen in what Trisakti (2017) reports about the second Aksi Bela Islam on November 4, 2016, where protesters shouted, "Crush the Chinese!" Even FPI leader Riziek Shihab, retorted in a speech: "would you accept an infidel as governor [of Jakarta]?" During the campaign, posters were circulated containing admonitions like "It is forbidden to pick an infidel leader" and "Muslims who vote for an infidel [Ahok] … do not deserve a funeral prayer."

Shen (2017) relates that intolerance and radicalism in Indonesia has sent a chilling effect on the wellbeing of Indonesian Chinese. Some also consider the assault against Ahok as part of attacks against Widodo by conservative Muslims (Verbeek 2018: 58). The smear campaign hurled against Ahok is reminiscent of anti-Chinese sentiments during the times of the Netherlands Indies (Shen 2017). The attitude is yet to change, and today, religious conservatism is adding fuel to the anger. Indonesian Chinese once again feel the threat they have experienced in the past. It doesn't help that the government has also yet to resolve institutional racism (Connely 2016: 11; Ismail 2016; Setijadi 2017) which could be traced back to past regimes where the Chinese may have been allowed to speak their languages, publish newspapers, maintain schools and cultural expressions, but still suffer state discrimination (Trisakti 2017). Suharto once forbade the Chinese any form of cultural and political expression, a policy implemented by the Dutch colonial government.

Amy Freedman traces the racial sentiments against Chinese people in Indonesia to the disintegrative politics of Suharto, which ran an assimilationist policy that gave non-native identity to the Chinese. The government provided a small number of Chinese people with various investment facilities where they became very successful. When the Suharto government collapsed in 1998, the Chinese became the target of widespread hatred.

While President Bacharudin Jusuf Habibie issued a presidential decree No. 26/1998, which made illegal the use of native and non-native terms in business and official government policies, and President Abdurrahman Wahid revoked presidential decree No.

14/1967 that banned Chinese cultural and traditional practices, discrimination never dissipated (Ju Lan 2009). Ju Lan agrees with Purdey (2005: 23) that this is because the loyalty of Indonesian-Chinese has always been held in contempt and that China has been perceived to be controlling Indonesian economy (Turner and Allen 2007: 119; Verbeek 2018: 54). The May 1998 riots that eventually restored democracy may have enabled the Chinese to participate in nation-building. Unfortunately, Indonesia seems to be not ready. The elections of 2017 prove this (Herlijanto 2016). The Indonesian-Chinese, despite their great contributions to economy, will always be suspected of disloyalty and domination. This occurs in the name of upholding the spirit of the national struggle (Nugroho 2016).

V. Anti-Chinese Sentiments and The Future of Southeast Asia

Indonesia and Malaysia have similar experiences of anti-Chinese sentiments. As predominantly Muslim countries, they however differ in handling these. Malaysia politically privileges Malay people, while Indonesia *de jure* does not discriminate any ethnic-group. Anti-Chinese identity politics in the two countries involve political contestation, economic gaps, and religious difference (Weng 2016).

The displacement of United Malays National Organization (UMNO) from dominance in Malaysia prompted a rise in opposition for the multiracial Democratic Action Party (DAP). Meawhile, in Indonesia, the surge of Ahok's popularity threatened the local elite.

In both countries, the economic disparity between the native majority and the Chinese has also been prevalent. However, the anti-Ahok and anti-DAP sentiments may be linked to their progressive stance and preference for meritocracy policies, even if it meant the eviction of informal settlers. The disappointment in the economic policies of both also heightens anti-Chinese sentiments, and was made more serious by opposition from the religious sector. In this situation suspicion sowed everywhere creates volatility. In Malaysia Muslim progressive political party *Partai Amanah* was once labelled a DAP agent, while *Nahdlatul Ulama* was stigmatized as too friendly to Chinese. Hoaxes about DAP wanting to form a

Christian state alarmed the population, and many believed that Ahok wanted to Christianize all of Jakarta.

The *Strait Times* on September 23, 2017 reported that opposition to Chinese investments in Malaysia seriously disturbed the Malay-Chinese sector. *Malaysiakini* quotes Najib as saying that "the members of the opposition are attacking us because we bring in Chinese investments" (September 22). He continues: "That's a very good reason for all of us not to support the opposition because they are not telling us what's good for Malaysia and the Chinese community." There was much to lose in this situation as China, through the BRI, was willing to purchase Malaysian palm oil at USD 25.7, as well as other Malaysian agricultural commodities. The party Barisan Nasional campaigned for a more moderate attitude towards all ethnic groups. This brought in a lot of investments for (Seng 2009: 5).

Barisan Nasional lost the 2018 Malaysian elections because of anti-Chinese sentiments. The party Pakatan Keadilan built on a campaign that promised an economy independent from China, along with its critique of corruption involving officials of the Barisan Nasional. The intensity of these sentiments in Indonesia and Malaysia were studied by Weng (2016).

The 2019 Indonesian Presidential Elections also witnessed aversion for Chinese investments. It carried over accusations against Widodo, who was perceived to be pro-China, when he first ran in 2014 (Hughes 2018: 5; Zi 2018: 6). Widodo's closeness to Chinese businessmen supporting his infrastructure and connectivity programs earned the ire of his critics.

The World Bank reports that Indonesia still needs some USD 1.5 billion in financial aid for infrastructure. During his administration, Widodo announced the need for USD 327 million, and only had USD 15 million from the national budget and USD 45.7 million from state owned businesses. The government had to find other and he invited China to invest, within the framework of the BRI (Priyandita 2018).

In October 22, 2018, Luhut Panjaitan, Indonesian delegate for

the BRI and Maritime Coordinating Minister, went to Beijing to discuss the BRI infrastructure projects in behalf of Widodo. The visit was used by Widodo's opponent as a means to discredit the Chinese. Aside from threats that any agreement with China will be reviewed once the opposition unseats Widodo, rumors about the infiltration of millions of Chinese workers in Indonesia (Connely 2016: 12), as well as China's "debt trap" in various projects abroad, circulated in the news and social media. The banner project Jakarta-Bandung Rapid Railway project was also criticized for being impractical, leading to its cancellation (Priyandita 2018).

Widodo proactively responded by proposing a number of requirements for accepting BRI projects in the framework of Global Maritime Fulcrum. These include the use of environment-friendly technology and the deployment of the local labor force. This however did not deter critics and forces from opposition in circulating hoaxes over social media. Unlike Najib, Widodo overcame the surge anti-Chinese sentiments and won 55% of the total votes, enough to defeat his opponent (*Komisi Pemilihan Umum* 2019).

It is easy for some ultra-nationalists the world over to turn the Chinese into scapegoats for their economic woes. Economic gaps are usually utilized to create hate for the Chinese who usually belong to the upper class. In Indonesia, economic gaps worsened from 0.30 in 2000 to 49.3 in 2016. In 2019, only 1% holds 49.3% of Indonesian national wealth, which most likely include the Chinese. This is true in many Southeast Asian countries, including in Malaysia, which however privileges to Muslims in economic activities (Ward 2017).

Historically, China prefers to deal with neighbors by fostering loyalty and providing financial subsidies than maintaining stability along frontier areas. China today continues to use the strategy of old Chinese emperors. Some Chinese banks offer big loans for developing infrastructures, which for some countries are quite difficult to accept. China pushes on by influencing the political and business elite, further eliciting opposition (A2 Global Risk 2017).

Clearly, anti-Chinese sentiments are resurfacing because of the BRI. However, either anti-Chinese or anti-Communist sentiments

borne of the Cold War era are difficult platforms for creating a common Southeast Asian identity. Both reinforce insularity and prevent openness to other cultures. It is simply unproductive, at a time when globalization is at work everywhere and dialogue is necessary more than ever. Southeast Asian nations must focus on cooperation and tap into the potential of economic, cultural and political partnerships with China.

Indonesia and Malaysia are at a geopolitical and geostrategic position to benefit from cooperation with the Chinese. Victor King (2003:3) mentions that from first of the millenium, Southeast Asia has been shaped by various civilizations and cultures, including India and China. This region should be a melting pot of cultures and anti-Chinese sentiments has no place for this multicultural setting.

VI. Conclusion

From the exposition above, we may infer the following: *First,* the rise of China's economy and its BRI has no direct impact on the rise of identity politics in Indonesia and Malaysia. However, indirectly, Chinese investments create social-economic and political contexts for the surge of anti-Chinese sentiments. The BRI has become a symbol of the rise of the Chinese in the modern world. This is often utilized by parties of interest to provoke said sentiments.

Second, identity politics in general, and anti-Chinese and anti-Communist sentiments in particular, no longer serve as base for shaping a common Southeast Asian identity. They may have worked in the Cold War era, but today, reinforce religious and ethnic bias that lead to radicalism.

In spite of being an arena of economic and political contestations of global powers, Southeast Asia in social and cultural terms is still a common house that provides shelter and platforms of expressions for all cultures. This region is a melting pot for great cultural powers such as China, the West, India, and the Middle East. The mobilization of identity politics is not likely to build a common

platform in forming the Southeast Asian societies; it inversely reaffirms national or ethnic primordial sentiments at local levels. We must develop a Southeast Asia that is open and all-embracing.

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