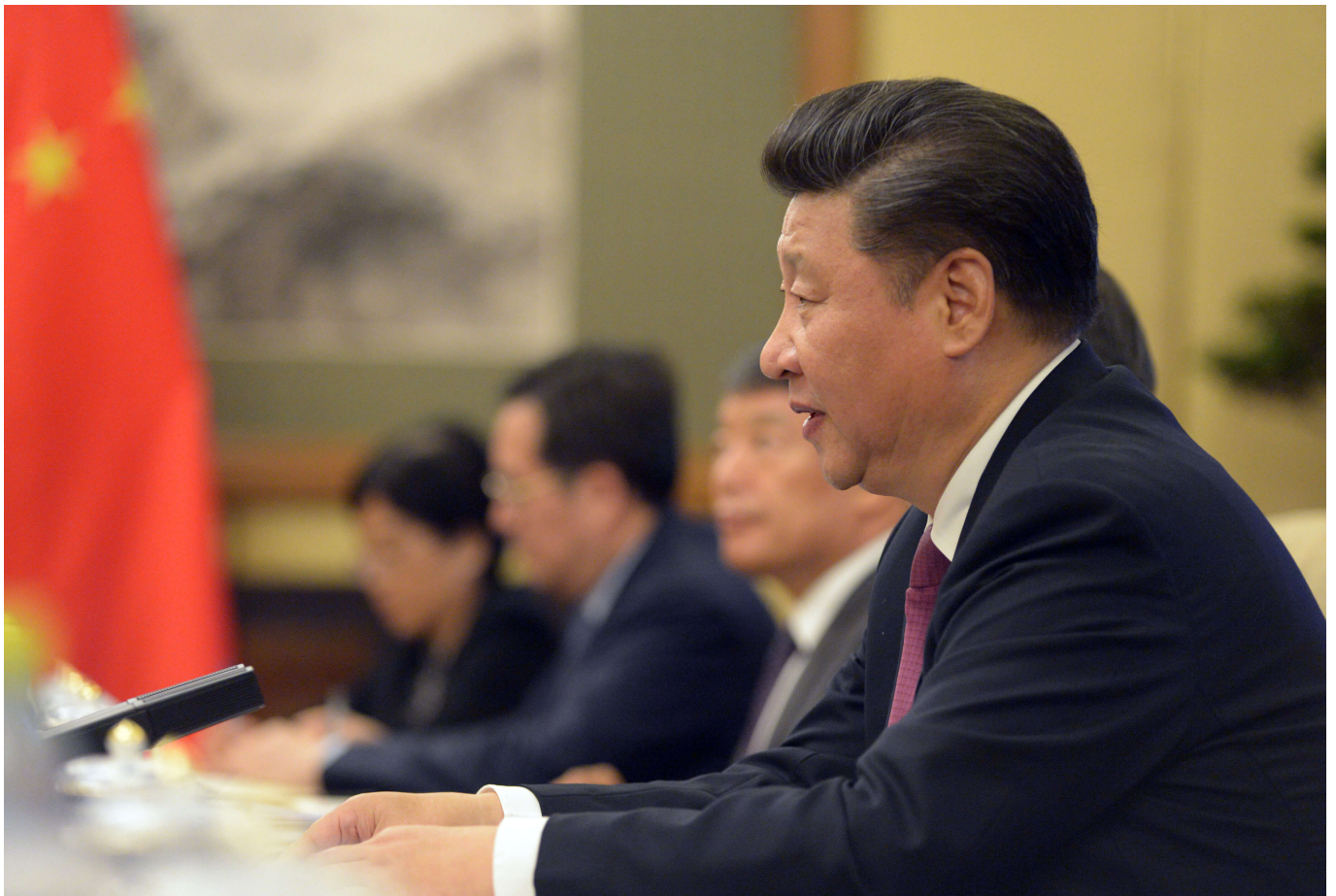




By: *Tomorrow's Affairs Staff*

China consolidates its influence in Southeast Asia



The **trip** of Chinese President Xi Jinping to three Southeast Asian countries was a significant step for Beijing towards consolidating its dominance in its immediate neighbourhood.

At a time when the Donald Trump administration is raising trade barriers, imposing tariffs (up to 49% on goods from Cambodia and 145% on Chinese goods) and signalling a retreat from its former role as guarantor of security in the Indo-Pacific region, China is clearly signalling that if the US pulls out, Beijing will fill the vacuum.

And not with weapons, but with treaties, loans, and the construction of harbours, railways and communication networks.

During his visits to Vietnam, Malaysia and Cambodia last week, Xi Jinping **signed** no fewer than 108 agreements worth around \$22 billion.

Around 40 agreements were concluded with Vietnam, with a focus on railway infrastructure and digital technologies, such as cooperation in the field of artificial intelligence.

China and Malaysia signed 31 agreements during Xi's visit, focusing on industrial zones, energy transfers and digital infrastructure, including a memorandum of understanding for joint laboratories in emerging technologies.

With Cambodia, China has signed 37 agreements, focusing on resources, tourism and strategic projects, such as the Funan Techo Canal, for which five major agreements were **signed**.

Increasing economic dependence

The mechanisms are more important than the figures themselves. The projects offered by China are part of a package that includes Chinese contractors, financing by the Export-Import Bank of China (Exim Bank) and conditions that shift most of the risk to

partner countries.

This model has been used for years in Africa and Central Asia as part of the Belt and Road project and has often caused major headaches for users, leaving many over-indebted.

The 180 km long Funan Techo Canal in Cambodia, which connects Phnom Penh with the coast, is of particular importance

The 180 km long Funan Techo Canal in Cambodia, which connects Phnom Penh with the coast, is of particular **importance**. This canal, designed for the passage of ships weighing up to 5,000 tonnes, has the potential to be used for military purposes, reduce Cambodia's dependence on Vietnamese and Thai ports, and provide a direct link to China's areas of interest zones in the South China Sea.

Vietnam has expressed concern about the environmental and cross-border consequences, which points to possible regional tensions.

Xi offers an ideological alternative

During his visit, Xi Jinping spoke very openly about China's political interests in the region. In Cambodia, he **spoke** in favour of an "independent development path" and condemned "the interference of foreign powers in the internal affairs of sovereign states."

This message is a direct signal that China will protect authoritarian or hybrid regimes in return for political loyalty and economic access. Such a pact is evident not only with Cambodian Prime Minister Hun Manet but also with Malaysian leader Anwar Ibrahim, who has been criticised by the West for restricting media freedom and civil society.

A cultural forum on Islam and Confucianism was organised in Malaysia—a "soft power"

operation aimed at neutralising criticism regarding the oppression of the Muslim Uighur minority in China.

Beijing is not just offering money and technology

Beijing is not just offering money and technology—it is also offering an ideological alternative to the liberal-democratic model and positioning itself as a partner that asks no questions about domestic politics.

While the West is focusing on Ukraine and the economic war with the USA, China is gradually changing the regional security framework.

Rounding off China's military influence

The agreements signed during the tour point to the establishment of a parainstitutional security network comparable to that of the US through NATO but without formal rules.

Maritime affairs management was **agreed** with Vietnam, which could lead to joint patrols. A memorandum of understanding was signed with Malaysia for the Global Security Initiative, which also includes police training and data exchange. In Cambodia, although no specific security protocols were mentioned, the general co-operation indicates an expansion of Chinese influence in the security sector.

Particular emphasis is being placed on digital connectivity. China is offering to develop 5G networks, fibre optic cables, and national cybersecurity centres in exchange for access to data and infrastructural influence.



Maritime affairs management was agreed with Vietnam, which could lead to joint patrols - Vietnamese Navy

In Malaysia, the opening of a regional data processing centre by the Chinese company Huawei has been **announced**, which will enable the monitoring of digital flows in the Malay Archipelago.

This is not solely a matter of technological advancement but also a matter of sovereignty – nations are becoming increasingly dependent on Chinese digital solutions, paving the way for a new form of soft influence and control.

Based on previous patterns of Chinese foreign policy, Beijing can expect to institutionalise a new model of cooperation with the region over the next 12–18 months. This timetable is based on three key indicators:

Previous Chinese infrastructure and diplomatic mechanisms (such as the Asian Infrastructure Investment Bank - AIIB and the China-Pakistan Economic Corridor - CPEC) have been implemented within one to one and a half years.

Budget cycles and the political agenda in Malaysia and Cambodia require the agreement to be finalised before the end of 2025.

Several agreements from April 2025 contain a six-month deadline for the formation of joint enforcement bodies.

This means that China could establish a more formalised framework for cooperation by the end of 2026, possibly through a regional platform similar to the Forum on China-Africa

Cooperation (FOCAC). This would cement Southeast Asia as China's sphere of influence, with permanent infrastructure and political pacts.

The West has the next move in the Indo-Pacific

If this tour is a signal, then the message is clear: Southeast Asia is becoming an indisputable Chinese sphere of influence. The West must respond with a concrete alternative, not just promises about values and human rights.

Therefore, the US and the EU should offer competitive infrastructure projects through mechanisms such as the Partnership for Global Infrastructure and Investment (PGII), with more transparent terms than the Chinese model.

The West must invest in the development of 5G and cybersecurity solutions to reduce the region's dependence on Chinese technologies.

Instead of insisting on democratic reforms, the West should take a more pragmatic approach

There is also a need to strengthen multilateral security initiatives such as AUKUS or the Quad involving ASEAN countries that can cushion China's influence.

Instead of insisting on democratic reforms, the West should take a more pragmatic approach and offer support to regimes in return for strategic co-operation.

Xi Jinping has not come to negotiate - he has come to confirm the fact: China is no longer offering co-operation in Southeast Asia; it is imposing conditions.

This tour is just the beginning of a broader strategy with which Beijing is trying to redefine the regional order. As China builds a web of economic, security, and digital

connections, the West faces a choice: either they find a way to counter this wave, or Southeast Asia becomes a permanent part of China's sphere of influence. The next 12 to 18 months will be decisive for the future of the region.