



# Delhi Policy Group

Advancing India's Rise as a Leading Power

## EAST ASIA EXPLORER

### APRIL 2025

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Volume III, Issue 4



**Delhi Policy Group**

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*The views expressed in this publication are those of the authors and should not be attributed to the Delhi Policy Group as an Institution.*

### Cover Image:

Chinese President Xi Jinping met with Vietnamese Prime Minister Pham Minh Chinh at the headquarters of the Communist Party of Viet Nam (CPV) Central Committee during his diplomatic tour to Southeast Asia, on April 14, 2025.

Source: [Ministry of Foreign Affairs of the People's Republic of China](#)

India launched 'Operation Brahma' to provide necessary support including Search and Rescue (SAR), humanitarian aid, disaster relief and medical assistance, following the devastating earthquake that struck Myanmar on March 28, 2025. Source: [X/@DrSJaishankar](#)

Chinese President Xi Jinping held talks with Malaysian Prime Minister Anwar Ibrahim at the Prime Minister's official residence in Putrajaya, on April 16, 2025. Source: [Ministry of Foreign Affairs of the People's Republic of China](#)

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## Myanmar Developments

by

Dr. V.S Seshadri

### Earthquake devastation

The devastating earthquake measuring 7.7 on the Richter scale that struck the central parts of Myanmar on March 28, 2025 further aggravated the humanitarian crisis facing the country, already affected substantially by the ongoing four year old civil and ethnic strife following the military takeover on February 1, 2021. Over 3700 people were killed by the deadly quake and another 4800 were injured. Some 129 people were also reported missing. The real toll perhaps may be higher considering the challenges in data collection, verification and processing as also due to possible under reporting.

The worst affected parts from the earthquake were the towns along the vertical line running from Mandalay, the second most populated town and closest to the epicentre of the quake. Damage to buildings, residential dwellings, hospitals, schools, pagodas, roads, bridges and other infrastructure was extensive particularly in Mandalay, the capital Nay Pyi Taw, Sagaing, Bago and parts of Shan state.

Following the earthquake, several countries sent emergency teams to assist Myanmar in search and rescue operations and for providing medical assistance. Substantial emergency relief supplies were in particular rushed in by Myanmar's immediate neighbors including India, China and the ASEAN countries as well as other western donors, the Russian Federation and UN agencies.

The Myanmar military declared a 20-day ceasefire on April 2 following similar moves by rebel ethnic groups and the exiled National Unity Government (NUG) group. This is even as reports continued about air strikes by the military.

### India's rapid response

India's Prime Minister Narendra Modi spoke on the phone<sup>1</sup> to the Chairman of the State Administration Council (SAC) of Myanmar, Senior General Min Aung Hlaing, on March 29 conveying his deep condolences on the loss of

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<sup>1</sup> [https://www.pmindia.gov.in/en/news\\_updates/pm-speaks-with-senior-general-h-e-min-aung-hlaing-of-myanmar-amid-earthquake-tragedy/?comment=disable](https://www.pmindia.gov.in/en/news_updates/pm-speaks-with-senior-general-h-e-min-aung-hlaing-of-myanmar-amid-earthquake-tragedy/?comment=disable)

lives in the disaster. As a close friend and neighbour of Myanmar he also expressed solidarity with the people of Myanmar and assured that disaster relief materials, humanitarian assistance and search and rescue teams were being expeditiously dispatched to the affected areas as part of 'Operation Brahma'.

Under the 'Operation Brahma', India was the First Responder and provided relief supplies<sup>2</sup>, which were both airlifted and sent on board naval ships. Around 750 metric tonnes of assistance was extended including essential medicines, foodgrains, ready to eat meals, tents, blankets, gensets, rapidly deployable surgical and medical shelters, water sanitation and hygiene services and 20 pre-fabricated office/residential structures.

A para field hospital was also set up in Mandalay with 127 army personnel. The 200-bed hospital successfully provided treatment to 2519 patients during the two weeks of its operation following the disaster. Humanitarian assistance comprising of a 80-member NDRF Heavy Urban Search and Rescue team of specialists was also deployed.

### **PM Modi meeting with Senior General Min Aung Hlaing**

PM Modi also had a meeting<sup>3</sup> with Senior General Min Aung Hlaing on the sidelines of the BIMSTEC Summit held in Bangkok on April 4, 2025. During the meeting, the situation in the aftermath of the earthquake came up for discussion. The Senior General expressed his deep gratitude for India's assistance efforts.

PM Modi also underlined the importance of early restoration of a democratic process in Myanmar through inclusive and credible elections, adding that India supported efforts aimed at fostering trust and advancing a Myanmar-owned and Myanmar-led transition towards a peaceful, stable and democratic future. Alluding to the human cost of the ongoing ethnic violence in Myanmar, PM Modi underlined there was no military solution to the conflict and stressed that enduring peace can only be achieved through an inclusive dialogue.

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<sup>2</sup> <https://www.mea.gov.in/press-releases.htm?dtl/39421/Operation+Brahma++Support+to+Myanmar+continues+April+16+2025>

<sup>3</sup> <https://www.mea.gov.in/press-releases.htm?dtl/39368/Prime+Ministers+meeting+with+Sr+Gen+Min+Aung+Hlaing+Chairman+of+State+Administration+Council+on+the+sidelines+of+the+BIMSTEC+Summit+April+04+2025>

According to Myanmar media reports about the meeting, the two sides frankly exchanged views including on 'preparations to hold a free and fair multi-party general elections in coming December'.

### **Quad statement on the earthquake**

The QUAD comprising Australia, India, Japan and the United States issued a joint statement<sup>4</sup> on April 4 on the earthquake which noted that the four partners had so far committed humanitarian assistance estimated at a combined value of US\$ 20 million and delivering relief supplies and deploying emergency medical teams and supporting humanitarian partners working in Myanmar. The statement also welcomed recent commitments to temporary partial ceasefires and called on all parties to implement and extend and broaden these measures to provide a safe and conducive environment to facilitate delivery of assistance throughout Myanmar.

### **PM of Thailand also meets with Myanmar Senior General Min Aung Hlaing**

PM of Thailand M. Paethongtarn Shinawatra also met<sup>5</sup> with Senior General Min Aung Hlaing of Myanmar on April 4 in Bangkok on the sidelines of the BIMSTEC summit. She offered her condolences over the significant loss of life and damage to the properties caused by the earthquake. She also expressed Thailand's readiness to provide both immediate humanitarian assistance and long-term support for recovery efforts. The two leaders further discussed bilateral cooperation in a number of areas including increasing coordination to promote security and border trade, combating transnational crimes particularly related to online scams and drug trafficking, mitigating haze pollution and agriculture promotion. Press releases by either side did not indicate if the internal situation in Myanmar came up for discussion.

### **Malaysian PM Anwar meets Senior General Min Aung Hlaing**

The ASEAN chair, Malaysian PM Anwar Ibrahim, met with Senior General Min Aung Hlaing on April 18 in Bangkok. This was the first such meeting between the ASEAN chair and the Myanmar military leader, after ASEAN had started the practice of not inviting Myanmar military leaders for political level

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<sup>4</sup> [https://www.mea.gov.in/bilateral-documents.htm?dtl/39334/Joint\\_Statement\\_by\\_Quad\\_Partners\\_on\\_Myanmar\\_Earthquake\\_Response\\_April\\_04\\_2025](https://www.mea.gov.in/bilateral-documents.htm?dtl/39334/Joint_Statement_by_Quad_Partners_on_Myanmar_Earthquake_Response_April_04_2025)

<sup>5</sup> <https://www.mfa.go.th/en/content/th-mm-pm-2025-en?page=5d5bd3cb15e39c306002a9ac&menu=5d5bd3cb15e39c306002a9ad>

meetings, following the coup in February 2021. The meeting was apparently arranged and hosted by former Thai PM Thaksin Shinawatra (who is also the father of present Thai PM) in his capacity as an adviser to the ASEAN chair. He is also reported to have been present during the meeting.

PM Anwar described his meeting with the Senior General as 'frank and constructive' with a focus on urgent humanitarian needs of the quake affected people of Myanmar, including the immediate deployment of a field hospital. He reportedly insisted<sup>6</sup> on the need for a ceasefire in disaster zones and unfettered access for aid workers, especially in contested territories held by ethnic armed organizations (EAOs) and People's Defense Forces (PDFs). He stressed the importance of restoring normalcy in Myanmar and welcomed the recent political gesture aimed at easing tensions including the release of some political detainees on April 17. He encouraged all parties to engage seriously in the interest of Myanmar's stability and the wellbeing of its people. Malaysia has taken the stand that while the ASEAN continues to uphold the 5-point consensus as the main framework of engagement, the meeting with the Senior General was held on humanitarian grounds. In his press briefing PM Anwar reportedly also stated "This assistance does not confer recognition. It reflects our concern for the people of Myanmar,"

Interestingly, PM Anwar also held an online meeting, while in Bangkok, with the PM of Myanmar's civilian and exiled National Unity Government, Mahn Winn Khaing Than, on April 18<sup>7</sup> which again was the first such publicised meeting even as there have been series of informal contacts. The NUG said in a statement that during the meeting discussions were held on issues related to enhancing relations with the ASEAN chair and the ASEAN member states and the effective delivery and distribution of humanitarian assistance to the people of Myanmar.

### **Myanmar rebel group MNDAA hands back Lashio to the military**

In another significant development, the rebel Kokang group, whose army outfit is called Myanmar National Democratic Alliance Army (MNDAA), handed back the control of the north eastern strategic town of Lashio, which used to be the headquarters of the military's North Eastern Regional Command, to the Myanmar military on April 22 under a ceasefire orchestrated by China. The MNDAA had seized control of the town in August 2024 as part of Operation 1027 that began in October 2023, a joint mission

<sup>6</sup> <https://asiatimes.com/2025/04/anwars-highly-calculated-handshake-with-min-aung-hlaing/>

<sup>7</sup> <https://www.irrawaddy.com/news/asia/malaysian-pm-holds-talks-with-myanmar-nug-prime-minister.html>



that the MNDAA launched along with the Ta'ang National Liberation Army (TNLA) and the Arakan Army, termed as 'the Three Brotherhood Alliance'. But it came under pressure from China in recent months to hand over the territory back to the Myanmar military. It was however not clear if the handover was only of the town itself or the entire township area surrounding it.

Reports noted<sup>8</sup> that as part of meetings to finalise the handover details, the MNDAA and the Myanmar military representatives were joined in by China's Ministry for Foreign Affairs' representative for Asia, Deng Xijun, in Lashio. China's foreign ministry spokesperson Guo Jiakun told a regular news conference<sup>9</sup> in Beijing on April 22 that "China has recently sent a ceasefire monitoring group to Lashio to oversee the ceasefire between Tatmadaw and the MNDAA and witnessed the smooth handover of the urban areas of Lashio,"

Some analysts have observed that this shows the extent of dependence of the Myanmar military on China on getting a territory back that it could not defend on its own. There is also now speculation that China may begin putting pressure on TNLA next towards handing back some of the territories it captured along the Myanmar-China border trade route in the northern Shan state. All this also means that China's dominant influence in the country will rise further for fulfilling its own economic and strategic ambitions that the military may now find extremely difficult to restrain.

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<sup>8</sup> <https://www.irrawaddy.com/news/myanmar-china-watch/chinese-envoy-in-lashio-to-broker-return-of-myanmar-military.html>

<sup>9</sup> [https://www.fmprc.gov.cn/mfa\\_eng/xw/fyrbt/202504/t20250422\\_11601566.html](https://www.fmprc.gov.cn/mfa_eng/xw/fyrbt/202504/t20250422_11601566.html)



## Xi Jinping tries to rally Vietnam's support against Trump's America

by

Pradeep Taneja

Xi Jinping, General Secretary of the Communist Party of China, who is also concurrently President of the People's Republic of China, was in Vietnam on 14-15 April as part of a three-nation Southeast Asian tour. This was Xi's second visit to the country in less than eighteen months. Vietnam spared no effort in ensuring the powerful leader of China was accorded a grand welcome, with the President of Vietnam, Luong Cuong, personally welcoming Xi at Noi Bai International Airport. But do not let the fanfare of the visit deceive you because serious differences remain between the two communist-ruled states.

This visit came against the backdrop of an escalating tariff war being waged by President Trump against much of the world. China and Vietnam are among the countries worst affected by these punitive tariffs, although Vietnam received a 90-day reprieve along with most other countries while China still faces 145 per cent tariffs on its exports to the United States.

Given that much of the world's attention has been focused on the Trump tariffs, it was not surprising that the international media coverage of Xi's visit focused on the apparent show of unity by the leaders of the two countries. The Chinese leader was clearly determined to push the message that his country was a force for stability in the region at a time when the world's most powerful country was bent on creating chaos and economic volatility. Xi told his hosts that they should stand up against "unilateral bullying" by America, without naming it.

Numerous agreements were signed between the two countries to demonstrate that China was a serious player in the region and Xi's earlier call for building a 'community of shared destiny' was not just a hollow slogan. It was also meant to remind the Vietnamese people that the future of Vietnam as well as the rest of Southeast Asia is closely tied to that of China. The United States, on the other hand, was a trouble-maker and nothing good is likely to come out of Vietnam's upgraded security partnership with the US.

The 45 agreements signed during the Xi visit focused on enhancing supply chain cooperation, artificial intelligence and infrastructure development including railway projects. China will pay for the feasibility studies for two new rail lines and provide loans for the construction of a new railway linking northern Vietnam to China. In other words, China would play to its strengths to further integrate Vietnam with its economy and draw it into its strategic orbit.

In recent years, Vietnam has emerged as China's [largest trading partner](#) in Southeast Asia, with their bilateral trade doubling between 2017 and 2024. When American politicians started talking about economic “decoupling” with China about a decade ago, many companies—including Chinese firms—began to shift production to Vietnam. Severe supply chain disruptions caused by China's harsh lockdowns during Covid-19 also prompted many foreign companies to develop a China+1 manufacturing strategy to avoid future disruptions and delays to production. But many of the components for Vietnam-based manufacturers still come from China, highlighting the nature of economic interdependence between the two countries and China's huge trade surplus with Vietnam.

While China is important for Vietnam's manufacturing industry, the United States is Vietnam's largest export market. It [exported](#) goods worth USD 142 billion to the United States in 2024, accounting for a third of its Gross Domestic Product. This partly explains why Vietnamese leaders were reluctant to echo Xi Jinping's words and call out America's “unilateral bullying”. Unlike China's tit-for-tat response to Trump's tariffs, Vietnam has been more conciliatory in its approach. It still hopes to reach an agreement with its former foe on tariffs and other trade-related issues.

There are also other reasons why Vietnam does not want to be pulled into China's orbit at the expense of its relations with the United States. Over the years, Vietnamese leaders and diplomats have become quite skilled at maintaining a delicate balance between China and the United States. They want to maintain mutually beneficial relations with both the superpowers but do not want to have to choose between the two.

Despite the two communist parties having a common interest in cooperating with each other to maintain their monopoly on political power in their respective countries, there is a deep-seated distrust of China in Vietnam based on historical memory and maritime disputes in the South China Sea. China claims almost all of South China Sea, where Vietnam has its own territorial claims and occupies some important land features. China has taken some strong coercive measures in the past to prevent Vietnam from drilling for oil in the South China Sea and the [Chinese Coast Guard routinely harasses](#) Vietnamese fishermen.

Xi Jinping also talked about joint maritime law enforcement during his visit to Vietnam. In fact, Chinese and Vietnamese coast guards have been conducting joint patrols in the Beibu Gulf since 2006. But these are largely a part of confidence building measures. Vietnam is unlikely to be lulled into complacency when it comes to defending its maritime claims and will remain watchful of China's behaviour in the South China Sea.

Like China, Vietnam has also been carrying out its own land reclamation activities in the South China Sea. According to Chinese researchers, Vietnam has expanded the size of the Barque Canada Reef nearly ten times since 2022 through land reclamation. Known in mandarin as Bǎi Jiǎo and Bãi Thuyền Chài in Vietnamese,

the Barque Canada Reef has been in Vietnamese control since the 1980s. A Chinese foreign ministry spokesman [said](#) in February this year that the reef was “part of China’s territory”.

Although things have been relatively calm in the South China Sea over the past few years, China could reignite the tensions with Vietnam at a time of its choosing. It is no surprise, therefore, that Xi Jinping’s calls for unity against the United States were met with polite silence in Hanoi.

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## Will China Win the Trade War against the United States through Regional Diplomacy?

by

Jayantika Rao T.V.

Following “Liberation Day” on April 2, United States President Donald Trump announced tariffs on all of Washington's trade partners, and imposed the most severe penalties on China. China responded to what it perceived as the United States’ “bullying tactics” by condemning these actions and labelling them as “unilateralism and protectionism.” These developments launched a tariff war between the two nations. President Trump has threatened to impose tariffs as high as 145 percent on all Chinese goods, while Beijing’s retaliatory tariffs on US imports have reached as high as 125 percent. Remarkably, the Trump administration appeared to underestimate China's capacity for a strong response. It seemed to believe that the leadership in China would be eager to negotiate a trade agreement to avoid economic distress that could destabilise Chinese society and threaten the Communist Party's monopoly on power.<sup>10</sup> However, instead of capitulating, China effectively leveraged the impact of the tariffs on other dissatisfied trade partners to its advantage, a factor that the Trump administration had seemingly overlooked.

Nearly two weeks after the tariffs were announced, Chinese President Xi Jinping embarked on a highly publicized tour of Southeast Asia, visiting Vietnam, Malaysia, and Cambodia from April 14 to April 18. While the trip had been planned months in advance, it came at a crucial time, allowing President Xi to position himself as a defender of free trade and a proponent of a rules-based international order.

Following President Xi’s tour, Politburo member Wang Yi articulated that, during this period of crisis, the global community longs for stability and direction. He emphasised the necessity of advocating for universally beneficial and inclusive economic globalization, jointly safeguarding the multilateral trading system, opposing the practices of unilateralism and protectionism, and constructing an open world economy; a commitment that China says it intends to uphold.

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<sup>10</sup> Liu, Zongyuan Zoe. “How China Armed Itself for the Trade War”. Foreign Affairs, April 29, 2025. <https://www.foreignaffairs.com/china/how-china-armed-itself-trade-war>

Moreover, just days prior to President Xi's departure, China convened a Central Conference on Work Related to Neighboring Countries on April 9. This meeting clarified China's strategic emphasis on strengthening relationships with neighbouring states to enhance development, security, and regional influence. Key objectives included the establishment of a "high-level connectivity network", the strengthening of cooperation in industrial and supply chains, and the maintenance of regional stability.<sup>11</sup> Southeast Asia has long been a focal point of China's foreign policy, and President Xi's tour represented a significant diplomatic effort to solidify China's influence in the region in the wake of the US tariff announcement

### The Strategic and Geopolitical Context

The undeniable reality is that President Xi's visit, although scheduled months in advance, coincided with a crucial period during which Southeast Asian nations were addressing the looming threat of tariffs and striving to negotiate agreements aimed at alleviating the impact of these tariffs. This timing was particularly advantageous for the realisation of Xi's strategic objectives, as Southeast Asia is poised to be significantly impacted by the ongoing trade tensions.

Many economies in the region, notably Vietnam and Cambodia, are heavily dependent on exports to the United States. The imposition of tariffs across Southeast Asian countries has reached concerning levels, with Cambodia facing a tariff rate of 49 percent, Malaysia at 24 percent, and Vietnam encountering a rate of 46 percent. Such tariffs are expected to have a substantial negative impact on their economic growth trajectories and may undermine diplomatic relations with the United States. Despite the announcement of a 90-day pause on tariff increases, the measures disproportionately affect developing countries such as Cambodia, which export low-cost goods to the United States. Analysts have indicated that President Trump's intent in imposing these tariffs is not to establish reciprocal tariffs; instead, it is aimed at correcting perceived trade imbalances.<sup>12</sup> However, the consequence for many Southeast Asian nations

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<sup>11</sup> "The Central Conference on Work Related to Neighboring Countries Held in Beijing Xi Jinping Delivers Important Speech". Ministry of Foreign Affairs of the People's Republic of China, April 09, 2025.

[https://www.mfa.gov.cn/mfa\\_eng/xw/zyxw/202504/t20250410\\_11592755.html#:~:text=It%20was%20made%20clear%20at,advocated%20for%20the%20building%20of](https://www.mfa.gov.cn/mfa_eng/xw/zyxw/202504/t20250410_11592755.html#:~:text=It%20was%20made%20clear%20at,advocated%20for%20the%20building%20of)

<sup>12</sup> An, Kevin Chen Xian. "Unpacking Trump's Tariff Strategy and Its Implications for Southeast Asia". RSIS, April 16, 2025. <https://rsis.edu.sg/rsis-publication/idss/ip25051-unpacking-trumps-tariff-strategy-and-its-implications-for-southeast-asia/>

will likely be the adverse repercussions for their economies and development prospects.

Malaysia, as the current chair of ASEAN, has openly promoted "Inclusivity and Sustainability" and has been vocal in emphasising that the tariffs imposed by President Trump are an affront to everything the world has worked towards since the end of the Second World War. In a rare statement, the Prime Minister of Malaysia, Anwar, said, "Malaysia, as ASEAN chair, will lead efforts to present a united regional front, maintain open and resilient supply chains, and ensure ASEAN's collective voice is heard clearly and firmly on the international stage." The undoubted reality is that for ASEAN, the tariffs imposed on them were a US assault on the prevailing trading order.

### **President Xi's Visit Advances Ties with Malaysia & Cambodia**

Malaysia was the second stop on President Xi's three-country tour of Southeast Asia, which also marked his first foreign visit of the year. Before arriving in Malaysia, President Xi published an essay entitled 'May the Ship of China-Malaysia Friendship Sail Toward an Even Brighter Future'<sup>13</sup> where he proposed that the two countries "must strengthen mutual cooperation in international and regional affairs, and champion the Five Principles of Peaceful Coexistence and the Bandung Spirit". He also highlighted the need to uphold the multilateral trading system, ensure the stability of global industrial and supply chains, and maintain an international environment characterised by openness and cooperation.

Malaysian Prime Minister Anwar Ibrahim was receptive to China's messaging. In a speech delivered during the state dinner in honour of President Xi's visit, although Prime Minister Anwar refrained from directly criticising the US, it was clear that he was pointing out the shortcomings of United States' recent actions. He remarked that "some nations" have abandoned "the principle of shared responsibility", while "China's global initiatives offer a new lease on hope"<sup>14</sup>. He further stated that the rules-based order has cracked with dialogue yielding to demands, and tariffs being imposed without restraint, and instead of the language of cooperation, there

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<sup>13</sup> "May the Ship of China-Malaysia Friendship Sail Toward an Even Brighter Future". Ministry of Foreign Affairs of the People's Republic of China, April 15, 2025.

[https://www.fmprc.gov.cn/eng/xw/zyxw/202504/t20250415\\_11594970.html](https://www.fmprc.gov.cn/eng/xw/zyxw/202504/t20250415_11594970.html)

<sup>14</sup> "Speech By The Honourable Dato' Seri Anwar Ibrahim Prime Minister Of Malaysia". Ministry of Foreign Affairs of Malaysia, April 16, 2025.

<https://www.kln.gov.my/web/guest/-/speech-by-the-honourable-dato-seri-anwar-ibrahim-prime-minister-of-malaysia-at-the-state-banquet-in-honour-of-his-excellency-xi-jinping-president-of-t>

is increasing "threats and coercion" with "market access being weaponised"<sup>15</sup>. During his speech, he clearly stated "China has been a rational, strong and reliable partner".

Analysing the outcomes of the visit reveals that there were no tangible deliverables, as no major economic agreements or new Belt and Road projects were established. Following the bilateral talks, up to 31 Memorandums of Understanding (MOUs) were signed, and a joint statement was released. However, the most significant aspect of the 56-point joint statement was the ninth point, which indicated that both countries would create a "Joint Foreign and Defense Dialogue Mechanism"<sup>16</sup>. This mechanism is intended to enhance high-level strategic communication and reinforce platforms for political and security cooperation. The establishment of this two-plus-two mechanism represents a noteworthy development in bilateral relations, signalling a greater alignment between the two countries than previously observed.

In addressing the South China Sea issue, Malaysia, as a claimant, bases its claims in international law, particularly in the provisions outlined in the 1982 United Nations Convention on the Law of the Sea (UNCLOS), which was reiterated in the joint statement. The statement also noted that progress has been made with the initiation of the Bilateral Dialogue on the Management of Maritime Issues in the South China Sea, which was launched in October 2024. This dialogue aims to manage disputes and explore opportunities for maritime cooperation.

Thus, while the visit did not result in any significant agreements, Malaysia-China relations have reached the highest level in their history. However, this does not mean that Malaysia will completely align itself with China. Viewing the visit in such black-and-white terms is misguided. Looking at Malaysia's history, it will continue to engage with its long-standing partners while also deepening its relationship with China.

For Malaysia, like many other nations, the unilateral imposition of tariffs by the United States will increase distrust towards the US thereby creating a vacuum that will allow China to expand its strategic influence in the region. Malaysia, along with several other countries, sent its ministers to the United States to discuss a trade deal to protect its export interests; however, it is evident that US-Malaysian relations will suffer as a result. Furthermore, as the

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<sup>15</sup> Ibid.

<sup>16</sup> "Joint Statement Between the People's Republic of China and Malaysia on Building a High-level Strategic China-Malaysia Community with a Shared Future". Ministry of Foreign Affairs of the People's Republic of China, April 17, 2025.  
[https://www.fmprc.gov.cn/eng/xw/zyxw/202504/t20250417\\_11595814.html](https://www.fmprc.gov.cn/eng/xw/zyxw/202504/t20250417_11595814.html)



ASEAN Chair, Malaysia has made it clear that its goal is to promote multilateralism and free trade, and picking a side in the tariff conflict is not an option for the country. Like many others, Malaysia will continue to hedge its position between the two countries while prioritizing its own national interests.

Following the visit to Malaysia, President Xi Jinping travelled to Cambodia on April 17. Cambodia has long been aligned with Beijing. Similar to his visit to Malaysia, President Xi released an essay emphasising his vision for China-Cambodia relations and highlighted that the visit would strengthen “ironclad friendship” between the two countries. The visit resulted in over 30 bilateral cooperation documents, ranging from industrial and supply chain cooperation, artificial intelligence, development assistance, customs inspection and quarantine, public health and media.

The most significant outcome was the signing of a public-private partnership contract to fund Cambodia’s ambitious US\$ 1.2 billion deal known as the Funan Techo Canal project, which was launched last year but faced delays shortly after groundbreaking.<sup>17</sup> The project aims to boost trade efficiency by linking a branch of the Mekong River near Phnom Penh to a port on the Gulf of Thailand.<sup>18</sup> Notably, unlike previous instances in which China provided substantial aid packages, such support was absent in this case. This shift reflects a recalibration in the relationship between China and Cambodia, indicating a mutual effort to cultivate a more equitable partnership and transition away from the traditional donor-recipient dynamic, with a renewed emphasis on trade and investment growth.

President Xi's visit to Cambodia has reinforced a historic partnership. The adoption of the “All-Weather Cambodia-China Community of Shared Future in the New Era” positions Cambodia among a select group of China's most trusted partners, including Russia. This move indicates Beijing's intention to institutionalise long-term cooperation across various domains. Concurrently, Cambodian Prime Minister Hun Manet used the occasion to highlight the continuity of his father and predecessor Hun Sen's foreign policy, emphasising the Cambodian People's Party's belief that maintaining

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<sup>17</sup> Cheang, Sopheng and Grant Peck. “China’s leader ends Southeast Asia tour touting Beijing’s reliability vs. US tariff threats”. AP World News, April 18, 2025.  
<https://apnews.com/article/china-xi-cambodia-vietnam-malaysia-304a9e862460312dcb778da721579124>

<sup>18</sup> Pandey, Rahul. “Xi Jinping’s Tour Highlights Southeast Asia as the Frontline of the Global China-US Competition”. The Diplomat, April 21, 2025.  
<https://thediplomat.com/2025/04/xi-jinpings-tour-highlights-southeast-asia-as-the-frontline-of-the-global-china-us-competition/>

strong ties with Beijing is crucial for Cambodia's development and regime stability.<sup>19</sup>

That said, while President Xi's tour in Southeast Asia deepened ties with the three countries, with some countries gaining more than others, one of the major takeaways was President Xi's clear emphasis on China being presented as a reliable partner for the region that would stand against external confrontation. By positioning Cambodia as a "all-weather" partner, Beijing is attempting to signal how far Beijing is willing to go for a trusted partner – offering them privileged economic access, infrastructure and political support.

## Conclusion

In light of the potential disruption to global free trade, China capitalised on the opportunity presented by its diplomatic tour of Southeast Asia. In its efforts to counter the tariffs imposed by the United States, China positioned itself not only as a strategic partner to the three nations it visited, but also as a trustworthy ally in the broader region, underscoring its commitment to multilateralism and free trade principles.

Southeast Asian countries, which have been significantly affected by the retaliatory tariffs, face a pressing need to devise a viable path forward, particularly as the 90-day deadline approaches amidst uncertainty regarding the Trump administration's next moves. And China showed up in such circumstances clearly aiming to seize the advantage from the United States. Unfortunately, President Trump's gambit is likely to strengthen China's geopolitical position, embolden Beijing militarily, and diminish both the United States' global standing and its economy, especially in Southeast Asia.

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<sup>19</sup> Lim, Chhay. "With Xi Jinping Visit, Cambodia Doubles Down on China Ties". *The Diplomat*, April 22, 2025. <https://thediplomat.com/2025/04/with-xi-jinping-visit-cambodia-doubles-down-on-china-ties/>



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