



Universiteit
Leiden
The Netherlands

Digital Networks or Silk Traps? Analyzing American diplomatic pressures against Chinese technology in Malaysia

Bertoli, Stefano

Citation

Bertoli, S. (2024). *Digital Networks or Silk Traps?: Analyzing American diplomatic pressures against Chinese technology in Malaysia*.

Version: Not Applicable (or Unknown)

License: [License to inclusion and publication of a Bachelor or Master Thesis, 2023](#)

Downloaded from: <https://hdl.handle.net/1887/3809006>

Note: To cite this publication please use the final published version (if applicable).



Universiteit
Leiden

Digital Networks or Silk Traps?

Analyzing American diplomatic pressures against Chinese technology in Malaysia

Master Thesis

Stefano Bertoli

MA Asian Studies: Politics, Society, and Economy

Supervisor: Dr. Lindsay Black

Second Reader: Dr. Jue Wang

Wordcount: 14,647

Table of Contents

Abstract.....	4
1. Introduction.....	4
2. Societal and Academic Relevance	7
3. Research Methods	8
3.1. Methodology.....	8
3.2. Case Selection	10
4. Theoretical Framework	11
5. Literature Review and Research Question	14
6. Washington’s Diplomatic Campaign Against the DSR	19
7. Malaysia and the DSR	22
8. Case studies of US diplomatic pressures against Chinese tech in Malaysia	24
8.1. The Ericsson-Huawei Case	24
8.2. Undersea Cables and the SeaMeWe6 Case	26
8.3 Semiconductors	31
8.3.1. The Chip Wars Reach Malaysia	33
8.3.2. Penang’s Semiconductor Hub	35
9. The Indo-Pacific Economic Framework	40
10. Conclusion	46
Bibliography	48

Digital Networks or Silk Traps? Analyzing American diplomatic pressures against Chinese technology in Malaysia

Stefano Bertoli

Abstract

“Technology is the engine that powers superpowers.”¹ As China has risen to contest American hegemony in Asia, the US has sought to slow down its development in the increasingly securitized technology sector and prepares to wrestle for the control of the contested Indo-Pacific region. In this context, China’s Digital Silk Road (DSR) is seen by many experts as its attempt to achieve both self-sufficiency and a leading global position in technology and digital norm-setting. Washington, on its side, has pressured allied states to reject Chinese technology investments on the grounds of risks for both the security of recipient countries and their relations with the US. Literature on the DSR has often been limited to a descriptive role of its projects, while others have argued it provides and expands a model of digital authoritarianism for developing countries. This thesis aims to bridge the gap in understanding between the DSR and American perceptions of its geopolitical position in the Indo-Pacific through an analysis of the latter’s pressures on a regional actor to reject the Chinese investments in the digital sphere – Malaysia. By analyzing Malaysia’s responses to Washington’s diplomatic offensive, this thesis argues that current US engagement is ineffective in swaying middle powers from welcoming deeper technological cooperation with Beijing. Based on the current interests of Malaysia and other countries in the region, economic considerations would constitute a much more efficient framework of action for the US, while appeals to political ties and national security are less likely to yield the results Washington seeks.

Keywords: US-China tech rivalry, Digital Silk Road, Malaysia, Indo-Pacific Economic Framework, containment, hedging.

1. Introduction

Since the start of Trump administration’s trade war with Beijing in 2018, technology has been at the very center of US-China great power competition. Four years of Joe Biden at the head

¹ Schmidt, Eric. Foreword to *US-China technological “decoupling”: A strategy and policy framework*, by Jon Bateman, ix-xi. Washington: Carnegie Endowment for International Peace, 2022.

of the White House indicate that this will increasingly be the case, as superiority in advanced technology has become a strategic priority in Washington that transcends domestic partisan divisions. Ever-tightening restrictions by the US seek to maintain its traditional dominance in the interlinked high-tech and digital sectors and supply chains, targeting industries ranging from telecommunications and semiconductors to electric vehicles and AI technologies. Given the highly complex and specialized nature of modern global value chains, these efforts often have to include US allies, whose coordination with Washington's restrictions are necessary if the latter is to ensure their effectiveness.²

After a widespread US diplomatic campaign against Chinese tech champions Huawei and ZTE convinced its closest allies in Asia and Europe to abandon 'strategically risky' partnerships with Chinese providers, the Indo-Pacific has emerged as the latest and more disputed region for US-PRC tech competition. In fact, the Indo-Pacific has become increasingly contested overall, with economic, military, and diplomatic tensions contributing to straining great power relations as both Beijing and Washington aim strengthen ties with the region.³ While China is known to have amply overtaken the US as their main trading partner, many countries still see American presence as a necessary counterbalance and security guarantee. Bent on maintaining as high a degree of independence and agency as possible, many Southeast Asian countries have continued to proclaim their traditional neutrality in the contest, instead prioritizing economic development. However, the last few years have seen both Beijing and Washington intensifying their efforts to gather explicit support or even form direct alliances against their respective competitor, making the waters of neutrality increasingly difficult to navigate.⁴

This thesis takes this context as the point of departure for the analysis of Sino-American technology competition in Malaysia, a neutral country that is becoming crucial to the opposing interests of both great powers. Malaysia has been a major beneficiary of the Digital Silk Road (DSR) – Chinas' project to export technology and digital standards across the Belt

² Lee, Ji-Young, Eugeniu Han, and Keren Zhu. "Decoupling from China: how US Asian allies responded to the Huawei ban." *Australian Journal of International Affairs* 76, no. 5 (2022): 486

³ He, Kai, and Mingjiang Li. "Understanding the dynamics of the Indo-Pacific: US-China strategic competition, regional actors, and beyond." *International Affairs* 96, no. 1 (2020): 2.

⁴ Khoo, Nicholas. "Great power Rivalry and Southeast Asian agency: Southeast Asia in an Era of US-China strategic competition." *Political Science* 74, no. 2-3 (2022): 141; William Choong, "Chinese-U.S. Split Is Forcing Singapore to Choose Sides", *Foreign Policy*, July 14, 2021, <https://foreignpolicy.com/2021/07/14/singapore-china-us-southeast-asia-asean-geopolitics/>

and Road Initiative, as well as to power Beijing's ascent as a global technological leader.⁵ This grand initiative has been widely targeted and criticized by Washington for allegedly enabling espionage, authoritarianism, and an erosion of the International Liberal Order (ILO) – as well as curtailing US supremacy.⁶ In 2022, the Biden administration launched the Indo-Pacific Economic Framework (IPEF), whose focus on digital trade can be seen as a direct response to the influence of the DSR, as will be shown in this thesis. The IPEF seeks to present regional countries like Malaysia with alternatives to Chinese technology suppliers, which have been establishing themselves in Southeast Asia even before the advent of the DSR.

More importantly, Washington has set out to continue its campaign against the DSR beyond its network of close alliances through diplomatic pressures meant to convince recipients of Chinese technology of its security risks and political consequences. While it first experienced the tip of the iceberg of such pressures already in 2019, when the Trump administration began its offensive against Huawei, Malaysia has more recently come to face the brunt of American lobbying against deepening Sino-Malaysian technology cooperation. Through a methodological combination of process tracing and preference attainment, this thesis sets out to identify and examine such pressures, gauging their effectiveness, or lack thereof, in swaying Kuala Lumpur's position on engagement with Chinese and American critical technologies. Therefore, it seeks to answer the following research question: have US diplomatic pressures to convince Malaysia to stop using Chinese technology and abandon cooperation with DSR projects been effective?

To do so, this thesis will proceed as follows. After explaining the methodology and theoretical framework, it will present a literature review of the DSR, with a focus on the project's impact on relevant areas of the Indo-Pacific. Section 5 will provide a short overview of Washington's diplomatic campaign against Chinese technology within its main alliance networks, offering a point of departure for the exploration of its modus operandi and effectiveness. Section 6 will overview the extent of Malaysia's cooperation with the DSR, showcasing the importance of the project for Malaysia's development ambitions. The next section will start the analysis of US pressures towards Kuala Lumpur, which will be divided in three case studies of technologies with particular geopolitical significance in US-China

⁵ Wang Yamei, "Full text of President Xi's speech at opening of Belt and Road forum", *Xinhua News*, May 14, 2017, http://www.xinhuanet.com/english/2017-05/14/c_136282982.htm

⁶ Heidbrink, Christiane, and Conrad Becker. "Framing the Digital Silk Road's (De) Securitisation." *Journal of Current Chinese Affairs* 52, no. 2 (2023): 320.

competition: 5G networks, undersea communications cables, and semiconductors. Section 8 will then explore the IPEF as the most prominent alternative to Chinese options offered by Washington to Indo-Pacific economies, and the way it has been received in Malaysia. Finally, the conclusion will recapitulate the reasons why American diplomatic engagement with Kuala Lumpur has seen very limited success.

2. Societal and academic relevance

That of China and the US is the most important and consequential rivalry of the 21st century. Having cemented their respective position regarding the strategic importance of technology, the two superpowers are in the midst of a technological arms race that has been noted as the core component of what analysts have called a ‘New Cold War’, also characterized by the decoupling of sensitive global supply chains and straining of diplomatic relations.⁷ The level of success initiatives like the DSR are able to garner in the face of tightening US restrictions is therefore critical to how Beijing and Washington perceive power relative to each other. This has important consequences in the field of power transition theories, as well as on how the PRC behaves in its quest for parity with the US – which concerns all of its regional neighbors. Moreover, it is important to note that the increasingly popular and sophisticated use of technology by global superpowers has resulted in a blurring of the lines between digital, commercial, and military competition, which is a catalyst for greater mutual distrust across the board.⁸ Through the DSR, Chinese authorities have also expressed a desire to reform the structure of global digital governance, which has spurred many researchers to argue that one of its goals is to beget an alternative paradigm that is beneficial to authoritarian governments and threatens the US-led ILO.⁹

The academic relevance of this thesis lies in its additions to the literatures in US-China technology relations, geopolitical competition in the Indo-Pacific, and hedging strategies by neutral countries. It seeks to fill the apparent gap in the understanding of the interplay between the DSR project and the intensification of both Sino-American digital competition

⁷ Niall Ferguson, “The New Cold War? It’s With China, and It Has Already Begun”, *The New York Times*, December 2, 2019, <https://www.nytimes.com/2019/12/02/opinion/china-cold-war.html>

⁸ Ams, Shama. "Blurred lines: the convergence of military and civilian uses of AI & data use and its impact on liberal democracy." *International Politics* 60, no. 4 (2023): 880.

⁹ Gao, Xinchuchu. "An attractive alternative? China’s approach to cyber governance and its implications for the Western model." *The International Spectator* 57, no. 3 (2022): 15-30; Segal, Adam. "China’s alternative cyber governance regime." *Council on Foreign Relations* (2020): 1-8.

and US engagement with the Indo-Pacific region. Through the case of Malaysia, it reveals the increasing assertiveness of American diplomatic pressures in the securitized technology sector with neutral countries – instead of just with its traditional sphere of alliances – but also the increased ability of middle powers in Southeast Asia to use their agency by hedging their neutrality. By applying the framework of the Theory of Trade Expectations (Section 4) to this case, this thesis also makes a contribution to power transition debates by observing how relevant Chinese actors, ranging from CCP elites to tech executives, are reacting as they see prospects of future prosperity decline as a result of increased US pressures and restrictions in middle countries.

Existing literature on the DSR has mainly focused on the empirical aspects of the project, highlighting its varied digital infrastructure projects. A few have gone beyond this timid approach, by analyzing real and potential consequences on cyber and military security, as well as global digital governance.¹⁰ None have detailed the power struggles involved in Sino-American technological competition by researching US diplomatic pressures coupled with economic incentives on Southeast Asian countries. The IPEF, launched in 2022, and the intensifying diplomatic engagement with Malaysia analyzed in this thesis, offer a window into the effectiveness of such carrot-and-stick approach to neutral powers in the Indo-Pacific, as well as the way such countries hedge their neutrality in the technology sector. The case studies explored here also offer important insights about the continuation of the decoupling process that has recently underscored Sino-American relations, and points to this process involving more and more countries in regions that Washington and Beijing consider key to their strategic interests.

3. Research Methods

3.1 Methodology

To answer the research questions posed in this thesis, the methodology used will consist of a combination of process-tracing and the preference attainment method, which will contribute to a sound assessment of US influence in altering Malaysia's behavior towards cooperation

¹⁰ Marcus, Michelle. "Combatting the seen and unseen threats of China's Digital Silk Road." Network for Strategic Analysis, Queen's University (2022); Van Der Lugt, Sanne. "Exploring the political, economic, and social implications of the Digital Silk Road into East Africa." *Global Perspectives on China's Belt and Road Initiative* (2021): 315.

with China in strategic components of the technology sector. Because of the difficulties in measuring political influence, the academic literature generally agrees that using a combination of methods will yield the best results.¹¹

Process-tracing is the most widely used method for measuring political and interest group influence. It is characterized by the systematic examination of selected evidence, which focuses on identifying causal processes: an attempt to “uncover the steps by which causes affect outcomes.”¹² In this thesis, this method is used to ascertain Washington’s preferences in outcomes of Sino-Malaysian digital relations, their efforts to affect such outcomes through political pressures and economic engagement, and the outcomes themselves. It is appropriate, here, to clarify what is meant when talking about ‘Washington’. This term, as used throughout this thesis, refers to the core of relevant American foreign policymaking: the White House, members of Congress, relevant government agencies (such as the US Trade and Development Administration and the departments of Defense and Commerce, among others), and US diplomats involved in Malaysia. The term ‘Beijing’ similarly refers to PRC leaders, politicians, and government bodies, but also to state-owned companies, which play a large role in US-China technology competition and are indeed often directly targeted by US sanctions. As will become clear, the interests of Chinese private tech companies more often than not converge with those of the CCP – which is much less the case with US firms and policymakers. The material analyzed is thus largely a combination of official policy documents, statements from diplomats and policymakers, and journalistic evidence detailing relevant events, tied together by temporal coincidence to establish causality.

The preference attainment method, on the other hand, is a simple tool of comparison between the actual outcomes of political processes – in this case, the exertion of diplomatic pressure and economic engagement – and the ideally desired outcomes by actors involved. The idea driving this method is that “the distance between an outcome and the ideal point of an actor reflects the influence of this actor.”¹³ In this thesis, the degree of difference between Washington’s desired outcome, and the actual outcome – in the form of either Malaysia’s behaviour towards cooperation with China or political statements shaping such behaviours –

¹¹ Tsui, Josephine, and Brian Lucas. "Methodologies for measuring influence." *GSDRC Applied Knowledge Services prepared for DFID. UK, London* (2013); Siar, Sheila. "The challenges and approaches of measuring research impact and influence on public policy making." *Public Administration and Policy* 26, no. 2 (2023): 169-183.

¹² Dür, Andreas. "Measuring interest group influence in the EU: A note on methodology." *European Union Politics* 9, no. 4 (2008): 562.

¹³ *Ibid*, 567.

is thus taken as a measure of Washington's influence. Given the intense securitization of and strategic decoupling in the technology sector, preference attainment can often be observed through absolute terms throughout this thesis. That is, either Kuala Lumpur excluded Chinese tech in strategic sectors or it did not.

3.2. Case Selection

The selection of Malaysia as the main object of research is an important choice for this thesis' considerations on the importance of the DSR, the effectiveness or US pressures, and the consequences of hedging neutrality for Indo-Pacific geopolitics. The DSR spans four continents and sees Chinese tech firms involved in projects with dozens of countries. In narrowing the scope of this thesis, the Southeast Asian region was first selected. Southeast Asia is one of the world's fastest growing regions in terms of economic output, and the fastest growing in the digital sector, which is a key driver of its overall development and is set to continue to grow faster rate than the region's GDP.¹⁴ Its established manufacturing strength and relatively educated population are strong pull factors for global tech companies. The intersection of Chinese and American geopolitical interests in this region, with Beijing's efforts to expand its power-projection capabilities in the South China Sea (SCS) and Washington pivoting again to the region under Biden's Indo-Pacific strategy, point to Southeast Asia as the main theater for great power competition between the two.

The scope further narrows with the selection of Malaysia as the country used in this thesis to understand the intensification of technology competition in the global stage. Espousing what has come to be seen as the Southeast Asian template, Malaysia has a strengthening and quickly developing economy, especially in the digital sector. It has a complex, though not hostile, relationship with the PRC. It hosts a significant Chinese community, and China is its largest trading partner (the US is its third). However, Kuala Lumpur has a low-intensity territorial dispute with China in the SCS and has voiced concerns over Beijing's assertiveness

¹⁴ Sheila Chiang, "Southeast Asia's digital economy – from e-commerce to online media – is set to hit \$218 billion in 2023, report shows," *CNBC*, November 1, 2023, <https://www.cnbc.com/2023/11/01/southeast-asias-digital-economy-is-set-to-hit-218-billion-in-2023.html#:~:text=Southeast%20Asia's%20digital%20economies%20are%20set%20to%20reach%20%24218%20billion,Temasek%20and%20Bain%20%26%20Company%20revealed>; Sapna Chadha, "How Southeast Asia can become a \$1 trillion digital economy," *World Economic Forum*, December 12, 2023, <https://www.weforum.org/agenda/2023/12/how-southeast-asia-can-become-trillion-digital-economy/>

in the region.¹⁵ Unlike other Asia-Pacific countries like the Philippines, South Korea, or Thailand, Malaysia is not part of security treaties with the US, but it is mentioned in the White House's 2022 Indo-Pacific strategy document as one of several "leading regional partners" with which relations are being strengthened.¹⁶ Malaysia therefore offers a case of a country 'on the fence' about Sino-American tensions, with clear interests to maintain positive relations with both. Its thriving digital environment is attractive to both Chinese and American tech companies, but strategic decoupling in this sector indicates that digital investments from these two countries follow a zero-sum logic in which coexistence within another country's digital markets is barred on the grounds of security concerns. Malaysia has thus emerged as a proxy field for Sino-American tech decoupling and competition in digital policy, but also as a potential 'winner' of such competition thanks to increased investments.¹⁷

4. Theoretical Framework

This thesis seeks to give insights into the interaction of commercial relations, security perceptions, and great power competition. As such, it has identified the Theory of Trade Expectations (TTE) as a useful theoretical framework for the analysis of how Malaysia's responses to Washington's pressures affect Sino-American mutual perceptions in the Indo-Pacific. Developed by interdependence-focused political scientist Dale C. Copeland in the 1990s, the TTE aims to explain the interplay between economic interdependence and war, merging the epistemological strengths of Realist and Liberal schools of International Relations (IR). Copeland describes it as a "dynamic realist theory of great power politics".¹⁸ Departing from the liberal and classical realist insights in interdependence, the TTE focuses on the expectations of future trade as a deciding factor when considering aggression, where negative perceptions of future trade overshadow the importance of current interdependence or

¹⁵ "Malaysia rejects new China map claiming entire South China Sea", *Al Jazeera*, August 31, 2023.

<https://www.aljazeera.com/news/2023/8/31/malaysia-rejects-new-china-map-claiming-entire-south-china-sea>

¹⁶ White House. *Indo-Pacific Strategy of the United States*. Washington, DC: White House (2022), 8.

¹⁷ Mercedes Ruehl, "Malaysia: the surprise winner from US-China chip wars", *Financial Times*, March 11, 2024, <https://www.ft.com/content/4e0017e8-fb48-4d48-8410-968e3de687bf>

¹⁸ Copeland, Dale C. "Economic Interdependence and the Future of US-China Relations." In *A World Safe for Commerce*, edited by Bridget Flannery-McCoy, Alena Chekanov (Princeton, NJ: Princeton University Press, 2024), 387.

lack thereof. “Falling expectations of the future commercial environment can cause leaders to shift to more hardline policies to avert a decline in power.”¹⁹

This theory gives a framework for understanding the policies that hegemonic superpowers pursue in order to secure their dominant position, as well as those that a rising superpower, a ‘challenger’, pursues in order to secure its rise and avoid being suffocated by the hegemon’s actions. This logic is very much present in US-China competition at the geopolitical and economic levels, and has been accompanied by containment rhetoric that matches it, by both sides.²⁰ This containment, both real and perceived, has become deeply embedded in the race for technological superiority. Through the DSR, Southeast Asian countries, among others, present China with an opportunity to reduce the effectiveness of US containment measures in the tech sector, but American pressures in the region seek to close this door. Using the TTE, this thesis will analyze the consequences of the Sino-American contest for Malaysian support.

Contributing to power-transition debates, the TTE gives important insights into the dynamic that the two superpowers are currently on – in which US views of Beijing as a threat to its global leadership position and imposition of restrictions on China’s tech sector are met by the latter’s deep strategic concerns that its long-term growth will be stunted. There are two critical resources that China depends on imports from outside its borders: oil and semiconductors.²¹ After decades of being a net oil exporter, three quarters of Chinese oil consumption is nowadays imported, and 80% of it travels through the Strait of Malacca, between Malaysia and Indonesia.²² This alone already warrants Beijing’s concern for its ties with Malaysia, especially as Washington leaves little room for interpretation of its Indo-Pacific strategy as a way to contain China in the region. Regarding semiconductors, Malaysia is, as is explored in this thesis (section 7.3), also set to play a large role for China’s needs as the former rises in importance in the supply chains of advanced chips. The success of the DSR in Malaysia relative to American pressures is thus analyzed in this thesis as an aspect of

¹⁹ Copeland, Dale C. “Foundations of Dynamic Realist Theory”, In *A World Safe for Commerce*, edited by Bridget Flannery-McCoy, Alena Chekanov (Princeton, NJ: Princeton University Press, 2024), 15.

²⁰ Xinhua, “Reinvestigation: What, if anything, has U.S. gained from its trade war with China?”, *Xinhua News*, March 29, 2024, <https://english.news.cn/northamerica/20240329/5584c578bdf4dcea5f14b8ed7e69625/c.html>; David Pierson and Olivia Wang, “China Feels Boxed In by the U.S. but Has Few Ways to Push Back”, *New York Times*, April 12, 2024, <https://www.nytimes.com/2024/04/12/world/asia/china-us-biden-japan.html>

²¹ Copeland, “The Future of US-China Relations” 389.

²² Syed Fazl-e-Haider, “Will Pakistan's Gwadar port resolve China's Malacca dilemma?”, *ThinkChina*, November 30, 2023, <https://www.thinkchina.sg/politics/will-pakistans-gwadar-port-resolve-chinas-malacca-dilemma>

Beijing's perceptions of resource security in key sectors, following the logic of the TTE. This logic is exacerbated as both China and the US attempt to draw Southeast Asia closer to them, often trying to push regional powers to make a choice between the two.²³

In this context, an important concept brought up by Copeland's dynamic realist theory is that of 'realms' of great power connection to the outside world. A great power's first realm is made up of the trade and investments it carries with the countries and regions where it has strong political and military ties, and a strong relative advantage to a rival great power. The third realm involves a great power's economic ties to the rival's homeland and sphere of influence – that is, the rival's first realm.²⁴

The second realm “includes states that are either politically neutral in the great power competition or which [...] seek to trade freely with all the great powers in a particular system.”²⁵ For the reasons elucidated in the methodology section, Malaysia is treated here as part of both China's and the US's second realm. Both Beijing and Washington aspire to turn second-realm economic ties into closer alliances,²⁶ “but the existence of the other superpower makes such an effort both difficult and potentially escalatory”.²⁷ This realm is where great powers seek to grow their spheres of economic influence and inevitably encounter and compete with one another, leading their adversaries to react. China has in the last few decades become the largest trading partner in Southeast Asia, dislodging the US's historical economic dominance, Washington, in the midst of an effort to persuade the world to abandon ‘strategic’ Chinese tech, is attempting to stifle Beijing's strengthening regional connections, feeding into the core of the TTE – perceptions of long-term economic security. Especially since Washington and much of the West are already blocking critical technology trade between it and China, Beijing is likely to see a serious threat to its presence in Southeast Asia as existential, since it needs a thriving technology sector to sustain growth and thus legitimacy and internal stability. The TTE will prove to be a useful analytical tool for this thesis, not only because of its ability to explain important aspects of Sino-American perceptions, but also

²³ Stromseth, Jonathan. *Don't make us choose: Southeast Asia in the throes of US-China rivalry*. Washington, DC: Brookings Institution, 2019.

²⁴ Copeland, “Foundations of Dynamic Realist Theory”, 24.

²⁵ Ibid.

²⁶ Bhagyashree Garekar, “In highly politicised America, pressure will grow on Singapore to pick a side in US-China conflict”, *The Straits Times*, May 13, 2024, <https://www.straitstimes.com/singapore/politics/in-highly-politicised-america-pressure-will-grow-on-singapore-to-pick-a-side-in-us-china-conflict>; Rod McGuirk, “Malaysia's prime minister resists US pressure and says Malaysians don't have a problem with China”, *AP News*, March 4, 2024, <https://apnews.com/article/malaysia-china-australia-anwar-ibrahim-b4d75a8423b5265bec1a05d69231965f>

²⁷ Copeland, “Foundations of Dynamic Realist Theory”, 24.

because Malaysia, in its quest to foster regional stability and economic growth, shows to be constrained by the logics of dynamic realism in the way it responds to Washington's pressures.

Copeland's 1996 paper first delineating the TTE proved highly influential, being cited in academic works more than 800 times. Paradoxically, very few academic works have been produced using the TTE as a theoretical framework. Economists Peterson and Rudloff tested the theory through the analysis of half a century of Preferential Trade Agreements (PTAs), attesting the credibility of this theory by proving that the signing of PTAs leads to pacifying effects before they come into force due to the improvement of future expectations of trade, while in-force PTAs stop having this effect when accounting for other factors.²⁸ An Indonesian IR journal published a paper on Brunei's relations with China, arguing that Brunei is deferring to China's SCS claims because of its extremely positive expectations of trade with Beijing.²⁹ Renowned political scientist Jack Snyder offered a major review of Copeland's article, praising its "major theoretical contributions and its impressive historical research", and arguing it "deserves to play a major role in reshaping [the IR] research program."³⁰ However, Snyder also thought some of the case studies analyzed set "too low a bar for the reasonableness of trade expectations that warrant decisions for war."³¹

This thesis makes several contributions to TTE literature. Firstly, it tackles great power relations more directly than previous publications, targeting the intended research object of the theory. Copeland himself had overviewed China-US relations through this lens, but he did so in 2003 and without presenting specific case studies, which limited his paper's reach.³² Secondly, it integrates the concept of the secondary realm, which is highly relevant to great power competition but has not been used in previous works. Southeast Asia best embodies this concept in Sino-American relations. Finally, by analyzing Malaysia's responses to American pressures, it incorporates an understudied variable to TTE literature – the agency of middle powers caught up in the fray of hegemonic competition. Through this inclusion, this

²⁸ Peterson, Timothy M., and Peter Rudloff. "Preferential trade agreements and trade expectations theory." *International Interactions* 41, no. 1 (2015): 61-83.

²⁹ Lailah, Fariyah Nishfah, and Asra Virgianita. "The Causes of The United States Launching A Trade War Against The People's Republic of China (PRC) in 2018." *Hasanuddin Journal of Strategic and International Studies (HJSIS)* 2, no. 1 (2023): 11-20.

³⁰ Snyder, Jack. "Trade expectations and great power conflict—A review essay." *International Security* 40, no. 3 (2015): 196.

³¹ *Ibid*, 180.

³² Copeland, Dale. "economic interdependence and the future of us-chinese relations." *International Relations Theory and the Asia-Pacific* (2003): 323-352.

thesis enriches literature on the TTE and seeks to promote further research in the field. This theoretical framework will thus be used throughout the analysis of this thesis' case studies.

5. Literature Review and Research Question

The Digital Silk Road (DSR) was formally launched by a 2015 white paper published by the PRC's State Council. This document and other official government positions called to "advance the construction of cross-border optical cables [...], improve international communications connectivity, and create an Information Silk Road", promoting digital links between Asia, Europa, and Africa.³³ Soon after, President Xi Jinping delineated its core objective – that of turning China into a global leader in science and technology by 2030.³⁴ Making use of the rapidly advancing Belt and Road Initiative (BRI) and official government support, as well as widespread participation by Chinese tech giants, the DSR has expanded throughout the globe, reaching Memoranda of Understanding (MoU) with more than twenty countries – but many more cooperate with China in DSR-related projects in the digital sphere.³⁵

The project has been especially successful in developing regions. African countries, for example, already in 2020 received more ICT funding from the DSR than from "all multilateral agencies and leading democracies combined."³⁶ In the Indo-Pacific, the DSR has contributed to a veritable reorganization of the regional digital ecosystem by facilitating cheap, high quality technology imports by countries in the midst of a boom in digitalization of the economy.³⁷ Western dominance in tech markets has been strongly challenged by the success of Chinese firms supported by DSR sponsorship, and the US has seen its share of

³³ State Council of the People's Republic of China, "Full text: Action plan on the Belt and Road Initiative", March 30, 2015, https://english.www.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm.

³⁴ Wang Yamei, "Full text of President Xi's speech at opening of Belt and Road forum", *Xinhua News*, May 14, 2017, http://www.xinhuanet.com/english/2017-05/14/c_136282982.htm

³⁵ Joshua Kurlantzick, "Assessing China's Digital Silk Road Initiative", *Council on Foreign Relations*, December 18, 2020, <https://www.cfr.org/china-digital-silk-road/>

³⁶ Ibid.

³⁷ Patil, Sameer, and Prithvi Gupta, "The Digital Silk Road in the Indo-Pacific: Mapping China's Vision for Global Tech Expansion." *Observer Research Foundation*, (2024): 18; Marc Mealy et al., "Southeast Asia's Digital Economy Projected To Hit US\$100 Billion In Revenue In 2023", *US-ASEAN Business Council*, November 28, 2023, <https://www.usasean.org/article/southeast-asias-digital-economy-projected-hit-us100-billion-revenue-2023#:~:text=Southeast%20Asia's%20digital%20economy%20is,to%20reach%20US%24218%20billion.>

global high tech exports fall from 21% in 2007 to 9.4% in 2021, while China's rose from 20% to 33.4% in the same period.³⁸

As noted by political economists Hong Liu and Guanie Lim, although the DSR is Beijing-driven strategy, its "operation and success (or failure) depends fundamentally upon the engagement with and response from countries alongside" it.³⁹ This is a geopolitical vulnerability that the US, in its interest to slow down Chinese technology development, can attempt to exploit through diplomatic pressures and by offering alternatives that appear more attractive for political or economic reasons – or a combination of the two. This aspect of US-China tech competition remains, however, thoroughly understudied. While Washington's diplomatic pressures on *allied* countries have been widely recorded and analyzed – especially through what has been dubbed the 'war on Huawei'⁴⁰ – the undertaking of such efforts on neutral countries has been largely neglected. This offers several avenues for highly consequential research, as exploring American diplomatic pressures in the tech sector on countries that are *not* otherwise tied to the US is likely to provide a better gauge of the effectiveness of such pressures. While countries directly under its alliance umbrella have heavy political incentives to defer to Washington, even in matters not directly tied to security, neutral countries are less affected by this specific constraint.

An extensive analysis of the current DSR literature reveals a discrepancy between the research so far undertaken and the geopolitical fault-lines arising in the Indo-Pacific region. A vast portion of the literature is overwhelmingly descriptive, focusing on the – by all means, extremely interesting – hard and soft infrastructure projects that were born from, or adopted the label of, the DSR. The points of general consensus are often rather unidimensional empirical observations – that the DSR increases cross-border data flows, that Chinese companies and digital governance are in competition with the US', or that Beijing seeks to strengthen and safeguard its technological capabilities.⁴¹ Authors have often have pointed out that the technologies employed throughout the project have immense potential for elevating

³⁸ Patil, Gupta, "The Digital Silk Road in the Indo-Pacific", 18.

³⁹ Liu, Hong, and Guanie Lim. "The political economy of a rising China in Southeast Asia: Malaysia's response to the Belt and Road Initiative." In *China's New Global Strategy*, pp. 158-173. Routledge, 2020.

⁴⁰ Zhang, Yongjin. "'Barbarising' China in American trade war discourse: the assault on Huawei." *Third World Quarterly* 42, no. 7 (2021): 1436-1454; "America's war on Huawei nears its endgame", *The Economist*, June 16, 2020, <https://www.economist.com/briefing/2020/07/16/americas-war-on-huawei-nears-its-endgame>.

⁴¹ Taidong, Zhou, and Xue Qi. "The digital silk road and southeast Asian countries." *The Fourth Industrial Revolution and the Future of Work: Implications for* (2020): 156. Eguegu, Ovigwe. "The Digital Silk Road: Connecting Africa with New Norms of Digital Development." *Asia Policy* 29, no. 3 (2022): 31; Keane, Michael, and Haiqing Yu. "A digital empire in the making: China's outbound digital platforms." *International Journal of Communication* 13 (2019): 4624-4641.

the digital economies of participating countries and increasing regional connectivity, but also for posing enhanced security risks and leading to dependence to Beijing.⁴²

Most of the initial surge in Western academia regarding the DSR was based on a 2018 article by author Hong Shen, who provided an influential article elucidating the roles of a ‘digital silk road’ in CCP policy discourse, and Chinese technology companies in its dissemination.⁴³ Writing for the Pacific Forum, Clayton Cheney argued that the technologies that Hong mentioned as part of the DSR, including artificial intelligence, nanotechnology, and big data, are conducive to Beijing’s exportation of political illiberalism, and the erosion of democratic values and human rights worldwide. Through the DSR, China seeks to carve “illiberal spheres of influence” around the world, Cheney said.⁴⁴

Though to a lesser degree than the wider BRI, the DSR has also been argued to lead to debt traps for developing countries. Michelle Marcus, of the Network of Strategic Analysis, alleged that “even if China is not explicitly creating debt traps through asset seizure”, DSR contracts regularly allow for Beijing to terminate their partnership depending on a recipient country’s hypothetical change of policy (assumedly, towards China), “leaving borrowing countries in precarious positions”.⁴⁵ DSR contracts would also promote or even force recipient countries into bilaterally supporting the PRC in sensitive international policy issues, thus following the debt-trap diplomacy logic.⁴⁶

However, literature on the effects of the initiative in Southeast Asia notes a largely positive symbiotic relationship between the region’s ambitions for quick digital development and the DSR’s investments. Barry Naughton’s 2020 study of Alibaba’s ‘City Brain’ project in Kuala Lumpur noted the firm’s success in integrating its ‘smart city’ program – based on similar projects instated in dozens of Chinese cities – with its preexistent e-commerce and logistics activities. Naughton argued that Chinese companies “are purveying an attractive business model” that not only keeps at bay potential backlash against the CCP in Southeast Asia, but had also insofar eclipsed American and Japanese efforts in the region.⁴⁷ Erik Baark, of the

⁴² Triolo, Paul, Kevin Allison, Clarise Brown, and Kelsey Broderick. "The digital silk road: expanding China's digital footprint." *Eurasia Group* 8 (2020): 12.

⁴³ Shen, Hong. "Building a digital silk road? Situating the internet in China's belt and road initiative." *International Journal of Communication* 12 (2018): 2684.

⁴⁴ Cheney, Clayton. "China's Digital Silk Road: strategic technological competition and exporting political illiberalism." *Issues & Insights* 19 (2019): 16-17

⁴⁵ Marcus, Michelle. "Combating the seen and unseen threats of China's Digital Silk Road." *Network for Strategic Analysis, Queen's Iniversity* (2022): 3.

⁴⁶ *Ibid.*

⁴⁷ Naughton, B., 2020. Chinese industrial policy and the digital silk road. *Asia Policy*, 15(1), pp.23-40.

Hong Kong University of Science and Technology, similarly posits that “internationalization strategies for digital service industries in China” have contributed to the burgeoning of a more seamless and integrated Asian digital economy.⁴⁸

According to Zhixin Chen, of the University of Western Australia, further cooperation between China’s tech firms and Southeast Asian nations has been encouraged by Southeast Asian nations’ post-pandemic recovery through the ASEAN Digital Masterplan 2025.⁴⁹ Chen argues that, in its important contributions to shaping the digital health ecosystem in ASEAN countries, the DSR has become a centerpiece in China’s use of digital health as a part of its “political effort to reconcile the much-scrutinized security issues and the global demand for digital connectivity”.⁵⁰

Only a very limited number of authors have had anything to say about the consequences of Sino-American technological competition within a context of hegemonic rivalry and almost none have done so in an Indo-Pacific geographical setting.⁵¹ Analyses on DSR projects in Southeast Asia do exist, but they shy away from providing an explanation of what the wider consequences of the initiative for Sino-American relations (and their respective relations with regional powers) are.⁵²

Acknowledging the way Beijing’s and Washington’s interests have recently come to clash in the Indo-Pacific, with both claiming overlapping spheres of influence in the East and South China Seas, this thesis seeks to go beyond the existing literature by exploring the interplay between Chinese and American foreign policy forces in the region through the DSR. It looks at how effective the DSR has been in Malaysia in light of Washington’s efforts to pressure recipient countries to reject Chinese technology and digital infrastructure and to instead opt for what the US perceives and advertises as socially and geopolitically safer alternatives – Western-sourced products and services. To do so, the research presented seeks to answer the following research question: have US diplomatic pressures to convince Malaysia to stop using Chinese technology and abandon cooperation with DSR projects been effective?

⁴⁸ Baark, Erik. "China’s Digital Silk Road: Innovation in a New Geopolitical Environment." *East Asian Policy* 16, no. 01 (2024): 35.

⁴⁹ Chen, Zhixin. "The Geopolitics of Public Health and China’s Digital Silk Road in Asia." *Asiascape: Digital Asia* 10, no. 1-2 (2023): 125.

⁵⁰ Chen, “The Geopolitics of Public Health”, 121.

⁵¹ Ambalov, Vitaly, and Irina Heim. "Investments in the digital Silk Road." *Kazakhstan's Diversification from the Natural Resources Sector: Strategic and Economic Opportunities* (2020): 111-149; Paulo, Mireia. "China–Europe investment cooperation: A digital silk road." *The Belt & Road Initiative in the Global Arena: Chinese and European Perspectives* (2018): 177-204.

⁵² Patil, Sameer, and Prithvi Gupta, “The Digital Silk Road in the Indo-Pacific: Mapping China’s Vision for Global Tech Expansion.” *Observer Research Foundation*, 2024.

Responding to this question will provide enhanced understanding of the factors that move Washington's decisions in its engagement with China, which has been subject to ebbs and flows since the normalization of their relations.⁵³ The Theory of Trade Expectations (TTE), which underpins the theoretical framework of this thesis (see below), will help explain how mutual perceptions, expectations of future access to resources, and spheres of influence come into play through the DSR and reactions to it in Southeast Asia.

This thesis argues that, unlike across much of its network of more economically developed close allies, Washington's pressures have so far yielded poor results in convincing Malaysia to abandon acceptance of, and cooperation with, China in the technology sector – economic logic and the pursuit of further development towers over security concerns. If they want to stay competitive in Malaysia and the wider array of non-aligned countries in the Indo-Pacific, results suggest that the West's digital policymaking and tech firms ought to focus on appearing commercially attractive first, and politically safer second. On a geopolitical level, the TTE indicates that the DSR's relative success and durability is actually conducive to a more stable balance of power in the Indo-Pacific than a situation in which Washington is successful in dislodging Beijing's position in Southeast Asia's digital technology markets.

6. Washington's diplomatic campaign against the DSR

To understand the way the US is pressuring and engaging with Malaysia – a country in Washington's secondary realm – to abandon digital infrastructure and technology cooperation projects from and with China, it is useful to give a short overview of how it has first approached these issues with countries in its first realm: “countries and regions in which it has a clear political [...] advantage over other great powers”⁵⁴ or countries that are signatories to military alliances with the US. Two main blocs of countries come to mind. On one hand we find NATO and, more narrowly, the democracies of Western Europe. On the other hand, there are the developed Asia-Pacific countries that have official military ties with the US – Japan, South Korea, Australia, and New Zealand.

⁵³ Medeiros, Evan S. "The changing fundamentals of US-China relations." *The Washington Quarterly* 42, no. 3 (2019): 93-119.

⁵⁴ Copeland, Dale C. "Foundations of Dynamic Realist Theory." In *A World Safe for Commerce*, edited by Bridget Flannery-McCoy, Alena Chekanov (Princeton, NJ: Princeton University Press, 2024), 22-24.

Huawei, the biggest digital technologies conglomerate in China, has often been cited as a proxy in US-PRC competition in the technology sector and wider trade disputes.⁵⁵ The tech giant has been the target of both the bulk of American criticisms – which have ranged from lack of consumer data protection to espionage and direct collusion with the CCP – and diplomatic pressures to allied countries to reject its investments and undo existing partnerships in which it is involved. Such pressures, spearheaded by former US President Donald Trump and Secretary of State Mike Pompeo, saw their determined beginning in 2019.⁵⁶ They stressed the importance for US allies to decouple from Huawei, lest Washington “reevaluate its military presence in the countries that use [its] equipment”.⁵⁷ Among American Indo-Pacific allies, Australia was ahead of the curve: already in 2018 it had established a new Security of Critical Infrastructure Act and blocked Huawei from making a bid in its national broadband on the grounds of national security concerns.⁵⁸

South Korea’s much more muted response seemed to be influenced by its geographic proximity to China and desire to balance relations with Beijing, and sought to minimize Chinese retaliations for a Huawei ban. While the official government directive highlighted the ability of South Korean tech companies to make independent decisions on the matter, Seoul quietly removed or replaced much of the Huawei equipment used by its military and invited domestic companies to do the same.⁵⁹ Similarly constrained by its aversion to unnecessarily irritate Beijing, Japan’s response to the Huawei ban combined “decisiveness in action with ambiguity in words”.⁶⁰ While avoiding the public approach to banning Chinese technology companies characteristic of Washington and Canberra, Tokyo effectively banned both Huawei and ZTE from operating in national digital infrastructure projects and offered domestic firms economic incentives and expertise to replace Huawei products and services

⁵⁵ Lee, Ji-Young, Eugeniu Han, and Keren Zhu. "Decoupling from China: how US Asian allies responded to the Huawei ban." *Australian Journal of International Affairs* 76, no. 5 (2022): 486; Christie, Øystein Soknes, Jo Jakobsen, and Tor Georg Jakobsen. "The US Way or Huawei? An analysis of the positioning of secondary states in the US-China rivalry." *Journal of Chinese Political Science* 29, no. 1 (2024): 77-108.

⁵⁶ David E. Sanger et al., “In 5G Race With China, U.S. Pushes Allies to Fight Huawei”, *New York Times*, January 26, 2019, <https://www.nytimes.com/2019/01/26/us/politics/huawei-china-us-5g-technology.html?module=inline>

⁵⁷ Lee, “Decoupling from China”: 491.

⁵⁸ Strategic Comments. Australia, Huawei and 5G 25 (28) (October 2019): x–xii.

⁵⁹ Lee, “Decoupling from China”: 494; Park Eun-Jee, “Huawei hints at continued partnership with LG Uplus”, *Korea JoongAng Daily*, December 21, 2023, <https://koreajoongangdaily.joins.com/news/2023-12-21/business/industry/Huawei-hints-at-more-partnership-with-LG-Uplus-calls-it-important-global-client/1941305>

⁶⁰ Lee, “Decoupling from China”: 498.

with Western counterparts. Informed by pre-existing logics of diversification of supply chains away from China, Japan welcomed a ban on Huawei but sought to maintain a low profile.⁶¹

On the NATO front, US officials tried to convince their allies of the necessity of banning Huawei from participating in telecom networks, as it risked jeopardizing the safety of intelligence sharing between Washington and NATO allies.⁶² While a 2019 NATO report titled *Huawei, 5G, and China as a Security Threat* failed to find evidence of strategic risks linked to technology coming from the Chinese goliath,⁶³ NATO countries have since been progressively limiting their cooperation with it – arguably evidence that US pressures have had the desired effect. The UK, Poland, France, and Sweden have all imposed varying degrees of a ban on Huawei, as has Romania most recently in March 2024.⁶⁴ Germany, which for years hedged its bets on the Shenzhen-based conglomerate – not without angering American diplomats⁶⁵ – has embraced a policy of de-risking from China, and is nearing the decision to ban Huawei and ZTE from its core networks.⁶⁶

Responses of US allies to alleged security threats posed by Chinese tech have come at different times and with differing degrees of intensity, prompting some authors to argue that their considerations were independent from Washington’s pressures. It is true that most countries within the US’s first realm have undergone their own assessments of risks associated with Huawei, ZTE, and other Chinese tech companies. However, two things are certain. Firstly, it was the White House’s very public outcry during Trump’s administration that prompted these assessments. Australia was the only country to ban Chinese digital networks in its domestic grid before the US, but it did not embark on a campaign of public reproach like the one initiated by Trump and Pompeo, instead limiting itself to share its concerns with its counterparts in Washington. Up until that point, US allies in Europe and Asia alike were welcoming of investments from and mergers with Chinese technology firms,

⁶¹ Lee, “Decoupling from China”, 498-500.

⁶² Patrick Wintour, “Europe divided on Huawei as US pressure to drop company grows”, *The Guardian*, July 13, 2020, <https://www.theguardian.com/technology/2020/jul/13/europe-divided-on-huawei-as-us-pressure-to-drop-company-grows>

⁶³ Kaska, K., Beckvard, H., & Minárik, T. “Huawei, 5G, and China as a security threat.” *NATO Cooperative Cyber Defence Centre of Excellence* (2019).

⁶⁴ Aadil Brar, “NATO Member Deals Blow to China”, *Newsweek*, March 4, 2024, <https://www.newsweek.com/china-romania-huawei-5g-equipment-ban-1875446>

⁶⁵ Michelle Kosinski, “US ambassador to Germany receives threats”, *CNN*, March 15, 2019, <https://edition.cnn.com/2019/03/14/politics/us-envoy-germany-grenell-death-threats/index.html>

⁶⁶ Michael Nienaber, “Germany Closing In on Huawei 5G Ban as Digital Ministry Resists”, *Bloomberg*, May 17, 2024, <https://www.bloomberg.com/news/articles/2024-05-17/germany-closing-in-on-huawei-5g-ban-as-digital-ministry-resists>

which were finding significant success in their foreign ventures.⁶⁷ Secondly, US allies' assessments never found actual wrongdoings nor "evidence of serious technological vulnerabilities"⁶⁸ on the part of these firms, instead highlighting risks associated with their alleged collusion with the CCP, forwarded by Washington. This reinforces the idea that America's position on Huawei and ZTE, and the diplomatic pressures it exerted based on it, proved highly consequential to its allies' decisions to ban them – a political decision, first and foremost.

Having achieved a relative degree of success in either convincing or extorting its allies into reviewing their relationship with Chinese technology, securing its first realm from perceived strategic dangers posed by it, Washington has more recently sought to influence countries in the second realm. This is especially true in Southeast Asia, a region that the Biden administration, as will be shown in Section 8, has placed renewed foreign policy attention on. What has unfolded is a true battle for the digital future of the Indo-Pacific region, with zero-sum logic dominating strategic thinking on both sides of the dispute. Malaysia, the object of research of this thesis, provides an excellent yet hitherto unexplored case of these dynamics.

7. Malaysia and the DSR

Malaysia has been a major beneficiary of BRI investments across Southeast Asia. Kuala Lumpur's signing of an MoU with the DSR in 2017 has contributed to a significant boost to the number of Chinese tech companies present in Malaysia, which have followed the steps of ZTE's and Alibaba's successful strides in the country through cloud infrastructure, broadband technologies, and digital free trade zones.⁶⁹ Among others, Huawei, Hikvision, Baidu, Dianping, and WeChat have become an integral part of Malaysia's domestic technology ecosystem, both at the government and consumer levels.⁷⁰ The long-term presence of some of

⁶⁷ Pepermans, Astrid. "The Huawei Case and What It Reveals About Europe's Trade Policy." *European Foreign Affairs Review* 21, no. 4 (2016): 547; River Davis, "Japan Plans National Champion to Challenge Huawei", *The Wall Street Journal*, June 25, 2020, <https://www.wsj.com/articles/japan-plans-national-champion-to-challenge-huawei-11593091392>

⁶⁸ Kaska, et al., "Huawei, 5G, and China as a security threat", 19.

⁶⁹ Paul Mah, "Alibaba Cloud begins operations in Malaysia" *Data Center Dynamics*, October 30, 2017, <https://www.datacenterdynamics.com/en/news/alibaba-cloud-begins-operations-in-malaysia/>; Naughton, Barry. "Chinese industrial policy and the digital silk road." *Asia Policy* 15, no. 1 (2020): 35; Patil, Sameer, and Prithvi Gupta, "The Digital Silk Road in the Indo-Pacific: Mapping China's Vision for Global Tech Expansion." *Observer Research Foundation*, (2024): 6.

⁷⁰ Ilaria Carrozza, Giacomo Bruni, "China's Digital Silk Road and Malaysia's Technological Neutrality", *The Diplomat*, August 22, 2023, <https://thediplomat.com/2023/08/chinas-digital-silk-road-and-malaysias-technological-neutrality/>

these firms, even before the advent of the DSR, has led to the establishment of mutual trust between them and the local government and telcos, acting as a strong base for continued cooperation. ZTE and Huawei in particular – US exports control lists’ most wanted – have been successful in aligning with Kuala Lumpur’s economic, social, and ethnic goals (even when it involved discriminating against ethnic Chinese in the country), and became major suppliers for state-owned Telekom Malaysia.⁷¹

One of the most important kind of projects exported by Chinese technology companies through the DSR, mentioned by Xi Jinping in his speech announcing the initiative, is the ‘smart city’. Smart cities use ICT, digital technologies, and data analysis, integrating them with “physical devices connected to the Internet of Things network to optimize the efficiency of different operations and services and connect to citizens”.⁷² Activity related to smart cities, such as pollution control and traffic management, need tech infrastructure and software that observes, tracks, and analyses it: across the DSR, this is mainly provided by Alibaba, Baidu, Didi, Huawei, HikVision, and Tencent.⁷³

In 2019, following the template used in Hangzhou, Kuala Lumpur became the first city outside of China to host an Alibaba Cloud smart city project with the goal of improving traffic conditions through “real-time data collection and integration of traffic and emergency-response data from hundreds of traffic cameras and other sources”.⁷⁴ Despite there being no evidence of US pressures against Chinese smart-city technology in Kuala Lumpur directly, Washington has for years issued warnings about smart city projects based on those present in Chinese cities and using their technology. Nearly all of the firms involved in Kuala Lumpur’s smart city development are in Washington’s entity list as involved in “activities contrary to the national security or foreign policy interests of the United States.”⁷⁵ However, an apparent lack of substantive data that could inform policy on how to mitigate the security challenges posed by Chinese smart city technologies has led to relative immobility by US policymakers.

⁷¹ Malcomson, Scott. "Balancing prosperity and security along the Digital Silk Road." *Adelphi Series* 60, no. 487-489 (2020): 148.

⁷² Malek Caline, “A decade of opportunity awaits Arab countries”, *Arab News*, December 27, 2019, <https://www.arabnews.com/node/1604671/middle-east>

⁷³ Naughton, Barry. "Chinese industrial policy and the digital silk road." *Asia Policy* 15, no. 1 (2020): 31.

⁷⁴ Carney, Richard W. “Chinese Exports of Digital Technologies and Standards.” In *China’s Chance to Lead: Acquiring Global Influence via Infrastructure Development and Digitalization*, 307. *Business and Public Policy*. Cambridge: Cambridge University Press, 2023.

⁷⁵ Bateman, Jon. "US-China technological “decoupling”: A strategy and policy framework." (2022). <https://carnegieendowment.org/research/2022/04/us-china-technological-decoupling-a-strategy-and-policy-framework?lang=en>

They have nevertheless “become more cognizant” of these challenges and aware that Washington cannot afford to concede to its competitor in this sector.⁷⁶

When exposed to initial diplomatic pressures to abandon cooperation with Huawei amid the Trump administration’s campaign against the Chinese tech giant in 2019, Malaysia’s former Prime Minister Mahathir Mohammad was quick to snub them. He was not concerned about the possibility of Huawei conducting espionage in his country: “What is there to spy on in Malaysia?”, he said sarcastically.⁷⁷ Suggesting American hypocrisy, Mahathir declared Kuala Lumpur would use Huawei as much as it saw fit, commending the firm’s investments in the country and the benefits for domestic long-term development. This first contact would prove to act as a template for Malaysian attitudes towards the US-China tech war, with security concerns playing a secondary role and economic development concerns being prioritized by the Southeast Asian nation.

In very recent times, Malaysia has started to more directly feel diplomatic pressures from Washington related to DSR-leading companies.

8. Case studies of US diplomatic pressures against Chinese tech in Malaysia

8.1. The Ericsson-Huawei case

In May 2023, envoys from the US and the EU sent a letter to the Malaysian government after the latter decided to review a decision to award Swedish tech firm Ericsson a contract to build the largest 5G network in the country. In the letter, the diplomats issued a warning about the national security dangers of allowing Huawei to participate in the country’s new network, which the Chinese giant had insistently lobbied to play a role in.⁷⁸ Now former US ambassador to Malaysia Brian McFeeters said he abided by official positions in Washington when he advised Kuala Lumpur to not allow “untrusted suppliers in any part of the network”.⁷⁹ McFeeters also echoed former US National Security Council official for cyber

⁷⁶ Atha, Katherine, Jason Callahan, John Chen, Jessica Drun, Kieran Green, Brian Lafferty, Joe McReynolds, James Mulvenon, Benjamin Rosen, and Emily Walz. *China's Smart Cities Development*. SOS International LLC (2020), 113.

⁷⁷ Ng Min Shen, “Malaysia to use Huawei tech ‘as much as possible’, says Dr M amid US ban”, *The Malaysian Reserve*, May 31, 2019, <https://themalaysianreserve.com/2019/05/31/malaysia-to-use-huawei-tech-as-much-as-possible-says-dr-m-amid-us-ban/>

⁷⁸ Mercedes Ruehl, “EU and US warn Malaysia of ‘national security’ risk in Huawei’s bid for 5G role”, *Financial Times*, May 2, 2023, <https://www.ft.com/content/3da9a1bd-a49c-46f4-acc2-60333e55eaaa>;

⁷⁹ Ibid.

security policy Amit Mital when he tried to poke at Malaysia’s sensitivities regarding development and economic growth, arguing that the deployment of Huawei across its 5G grid would undermine the country’s digital competitiveness and growth, and “harm [the country’s] business-friendly image internationally.”⁸⁰ This might be seen as Washington’s slowly evolving realization that appeals to normative aspects of the digital divide between the Western and the Chinese model – including national security concerns – are unlikely to have an effect across neutral countries in Southeast Asia. However, if economic logics are to become the focus of American diplomatic pressures, China enjoys a significant head start in the soft power struggle for the region, as it is its main trading partner and exporter of technology.

In fact, Washington might actually be hurting its own position by attempting to pit second-realm countries in Southeast Asia, which have traditionally thrived by hedging their neutrality, against their northern neighbor. In February 2024, Malaysian PM Anwar bin Ibrahim accused US foreign policy in general of ‘China-phobia’ and strongly denied what he viewed as suggestions, by US vice-president Kamala Harris, of Kuala Lumpur cozying up to the PRC.⁸¹ Shortly after, Anwar reiterated his displeasure at American pressures for his country to antagonize China, saying “they should not preclude us from being friendly to one of our important neighbors”.⁸² He later added that attempts to curb Beijing’s rise in its own backyard are destined to be counterproductive, as they would be seen as a denial of its legitimate place in the global arena: “the obstacles that have been placed against China’s economic and technological advancement will only further accentuate such grievances”.⁸³

This echoes, and therefore shows an understanding of, Beijing’s position on the matter. Already in 2021, Zhao Lijian, spokesperson for the Chinese Ministry of Foreign Affairs, had decried U.S. efforts on digital trade in Asia as part of a plot to “gang up against China and contain its development and obstruct the common development of countries in the region.”⁸⁴

⁸⁰ Ruehl, “EU and US warn Malaysia of ‘national security’ risk”, <https://www.ft.com/content/3da9a1bd-a49c-46f4-acc2-60333e55eaaa>; Mercedes Ruehl, “Huawei fights for role in Malaysia’s 5G rollout”, *Financial Times*, March 6, 2023, <https://www.ft.com/content/fb50c363-4a6d-4e32-a144-1fea48c34226>

⁸¹ Mercedes Ruehl, “Malaysia’s prime minister decries ‘China-phobia’ among US and western allies”, *Financial Times*, February 25, 2024, <https://www.ft.com/content/929541ce-32fc-4f5f-9b9e-714b62f6e712>.

⁸² Rod McGuirk, “Malaysia’s prime minister resists US pressure and says Malaysians don’t have a problem with China”, *AP News*, March 4, 2024, <https://apnews.com/article/malaysia-china-australia-anwar-ibrahim-b4d75a8423b5265bec1a05d69231965f>

⁸³ “Trying to contain China will only fuel its grievances, says Malaysian PM Anwar”, *The Straits Times*, March 7, 2024, <https://www.straitstimes.com/asia/trying-to-contain-china-will-only-fuel-its-grievances-says-malaysian-pm>

⁸⁴ Natalegawa, Andreyka, and Gregory B. Poling. *Indo-Pacific Economic Framework & Digital Trade in Southeast Asia*. Center for Strategic and International Studies (2022); 13.

Anwar's words also closely mirror important assumptions of the TTE – namely, that negative perceptions of the future commercial environment is a catalyst for increased assertiveness in a great power. As posited by Copeland, fears of economic decline, which can foster domestic instability, make it likelier for leaders to expand in the present to hedge against future downturns – if necessary, by force.⁸⁵

Differing from Washington's approach, however, Beijing's policy of seeking what it has traditionally called 'win-win cooperation' seems to be leading to more effective results throughout countries with a neutral alignment in the arena of great power competition. Chinese leaders know what buttons to press in the Global South, and Malaysia proves to be a case in point. As in the case of the leaders of many other developing countries, Anwar, who is at the head of a precarious coalition government, has placed the boosting and modernizing of his country's economy as his utmost policy priority.⁸⁶ That is an effort for which he needs the help of hefty foreign investments, and China, ridden with industrial overcapacity, is eager to satisfy such needs. In April 2023, Anwar's trip to Hainan's Boao Forum for Asia saw him meet repeatedly with Xi Jinping and secure a record \$35.6 billion investment destined to Malaysia's industrial sectors – and change his mind over Huawei's participation in his country's 5G network plan that prompted American diplomatic pressures the next month.⁸⁷ Showcasing his understanding of Southeast Asian countries' interests in maximizing economic conditions necessary to quick development while hedging their neutrality, Xi made a point to emphasize the need to "reject a Cold War mentality" – that same mentality Kuala Lumpur wishes Washington would not try to impose on it.⁸⁸

On June 15, 2023, Malaysia's communications and digital minister Fahmi Fazdil, who had been heavily involved in Kuala Lumpur's 5G network selection process, spoke at Global Tech Day, a forum organized by US media company Politico. There, he had voiced his country's reluctance to blindly follow American pushbacks against Chinese technology, adding that Beijing "is an important trading partner" and that Malaysia "adhere[s] to a free market policy."⁸⁹ Following the example of its neighbor Singapore, by far the most developed

⁸⁵ Copeland, "Foundations of Dynamic Realist Theory", 15.

⁸⁶ Ruehl, "Malaysia's prime minister decries 'China-phobia'", <https://www.ft.com/content/929541ce-32fc-4f5f-9b9e-714b62f6e712>

⁸⁷ Ibid.

⁸⁸ Riyaz ul Khaliq and Islamuddin Sajid, "China's Xi discusses Asian 'independence' with Malaysian, Singaporean premiers", April 1, 2023, <https://www.aa.com.tr/en/asia-pacific/china-s-xi-discusses-asian-independence-with-malaysian-singaporean-premiers/2860813>

⁸⁹ Mark Scott and Brendan Bordelon, "Countries push back against US's anti-China tech policy", *Politico*, June 15, 2023, <https://www.politico.eu/article/countries-push-back-against-uss-anti-china-tech-policy/>

nation in Southeast Asia, Kuala Lumpur's goal is to grow rich through an open doors approach, which welcomes cooperation with Beijing – especially given the latter's central role in the country's FDI influx and technology development. Unless it can prove the existence of a tangible danger to Malaysia's security – and one that is actually perceived as outweighing the benefits of economic growth, a near-herculean task – Washington's engagement with Malaysia in the field of digital infrastructure seems unlikely to be effective. That is, as long as prices are uncompetitive with that of Chinese firms encouraged by centralized DSR support. As the following case study suggests, an approach that marries diplomatic pressures with economic incentives might be the key to open avenues for success.

8.2. Undersea cables and the SeaMeWe6 case

Despite their longstanding strategic significance, submarine cables have only in recent years come to the forefront of great power competition, under the frame of US-China tensions – due in large part to their potential for the implementation and development of 5G networks.⁹⁰ The DSR has been responsible for a significant stimulus in Chinese firms' activities related to the laying down of submarine cables, which have experienced quick growth since 2015.⁹¹ Huawei Marine was Beijing's national champion in the field and rapidly posed a threat to traditional Western dominance in the sector at the same time as US information and technology giants like Microsoft and Google stepped up investments.⁹² As Huawei saw their ventures in the US's first realm frustrated by Washington's diplomatic campaign, affiliated Huawei Marine sold a controlling stake to HengTongOptic-ElectricCo, another Chinese technology firm, rebranding as HMN Tech, and hoping to attract less attention from American policymakers.⁹³ China hawks in Washington, however, were coming to the realization that submarine cables were an important aspect of the tech war that needed to be granted higher priority in national security considerations.⁹⁴ After all, these cables carry much of the world's electronic messages, both civilian and military.

⁹⁰ McGeachy, Hilary. "The changing strategic significance of submarine cables: old technology, new concerns." *Australian Journal of International Affairs* 76, no. 2 (2022): 161.

⁹¹ *Ibid*, 162.

⁹² *Ibid*, 166.

⁹³ "Huawei Marine Networks Rebrands as HMN Technologies", *HMN Tech*, December 3rd, 2019, <https://www.hmntech.com/enPressReleases/37764.jhtml>

⁹⁴ Nadia Schadlow and Brayden Helwig; "Protecting undersea cables must be made a national security priority", *Defense News*, July 1, 2020, <https://www.defensenews.com/opinion/commentary/2020/07/01/protecting-undersea-cables-must-be-made-a-national-security-priority/>; Burdette, Lane. "Leveraging Submarine Cables for

Against this backdrop, one of the clearest examples of Washington’s involvement in US technology policy in the Indo-Pacific came in 2022, in the arena of undersea cables – after years of behind-the-scenes work at the highest level of American foreign policymaking.

In 2020, HMN was selected to manufacture the South East Asia–Middle East–Western Europe 6 (SeaMeWe6) fiber optic cable, one of the world’s most advanced and geopolitically important given the rise of data as a key strategic asset. Thanks to support from Beijing in the form of “hefty subsidies”, HMN had managed to outbid competing companies for the contract, more than halving the costs of New Jersey-based SubCom’s initial proposal.⁹⁵ The SeaMeWe6 consortium, made up of the 18 countries that the cable is set to connect – including Malaysia – had thus agreed to award the contract to the Chinese firm. By then, however, Washington’s geopolitical concerns related to a project of this magnitude had started to materialize. The same logic that had led it to prompt its allies to review their relationship with Huawei and ZTE infrastructure now drove its decision to try and disrupt HMN’s role in SeaMeWe6, which would have cemented the Chinese firm “as the world’s fastest-rising subsea cable builder, and extend[ed] the global reach of the three [state-owned] Chinese telecom firms that had intended to invest in it”⁹⁶: China Telecom, China Mobile Limited and China Unicom.

To this end, the US government set up Team Telecom. This interagency task force, run by the US Department of Justice’s National Security Division, was to promptly exert pressures over the members of the SeaMeWe6 consortium, employing a “combination of incentives and warnings of sanctions” in order to convince them of the downsides of choosing HMN as the main supplier for the project.⁹⁷ This represented the continuation of the logic that has dominated Washington’s thinking on strategic decoupling from Beijing since the beginning of the tech war – Chinese companies have been “routinely blocked from international subsea cable projects involving US investment” amid fears of espionage.⁹⁸ Part of the Clean Network Initiative, unveiled by the Trump administration in 2020, set out to formally address such concerns, stating the White House’s commitment

Political Gain: US Responses to Chinese Strategy." *Journal of Public & International Affairs* (2021); Sherman, Justin. "Cyber Defense across the Ocean Floor." *Atlantic Council* (2021).

⁹⁵ Brock, Joe. "US and China wage war beneath the waves—over internet cables." *Reuters, Special Report*, March 24, 2023, <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>

⁹⁶ Brock, “US and China wage war”, <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>

⁹⁷ Noor, Elina. "Entangled: Southeast Asia and the Geopolitics of Undersea Cables." (2024): 5-6.

⁹⁸ Anna Gross et al., “How the US is pushing China out of the internet’s plumbing”, *Financial Times*, June 13, 2023, <https://ig.ft.com/subsea-cables/>.

To ensure the undersea cables connecting our country to the global internet are not subverted for intelligence gathering by the PRC at hyper scale [and to] work with foreign partners to ensure that undersea cables around the world aren't similarly subject to compromise.⁹⁹

Team Telecom's and other US diplomats' pressures towards the SeaMeWe6 consortium, as well as Biden's digital aspect of his Indo-Pacific strategy as a whole, can be seen as the next step – convincing other countries to ditch China-made undersea cables, even when these do not directly connect with US infrastructure.

In six of the countries involved in the project, including Malaysia and Singapore, American ambassadors wrote to national telecom firms. Similarly to the modus operandi in the Ericsson-Huawei case of 2023, their letters highlighted the security risks involved in allowing HMN control of the SeaMeWe6 cable, but also urged them to re-evaluate SubCom's offer, which represented “an important opportunity to enhance commercial and security cooperation with the United States”¹⁰⁰. Simultaneously, senior diplomats coordinated with the US Department of Commerce (USDOC) to leverage the threat of sanctions against HMN in the consortium's decision-making process. Such sanctions would put all of their investments in this project at severe risk, they cautioned, given that the telecoms' largest likely customers in bandwidth sales – American tech firms – would be banned from using a Beijing-sponsored cable, highlighting the zero-sum logic of favoring one country's tech over the other's.¹⁰¹ Reuters reported that an unidentified senior telecom executive from the cable consortium found a meeting with a Washington diplomat and US digital trade representative to be particularly convincing: “They said we'd go bankrupt. It was a persuasive argument,” he said.¹⁰²

Indeed, the USDOC corroborated diplomatic warnings shortly after. In December 2021, it added HMN and dozens more to the Chinese Military Industrial Complex List in December 2021, citing its alleged “intention to acquire American technology to help modernize China's People's Liberation Army”.¹⁰³ Parting from the by then traditional attitude towards Chinese tech giants, characterized by criticism campaigns, the SeaMeWe6 project thus saw more of a

⁹⁹ U.S. State Department, *The Clean Network* [Online], 2021. <https://2017-2021.state.gov/the-clean-network/>.

¹⁰⁰ Joe Brock, “U.S. and China wage war beneath the waves – over internet cables”, *Reuters*, March 24, 2023, <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>.

¹⁰¹ Ibid.

¹⁰² Ibid.

¹⁰³ Terry M. Frederic, “U.S. Expands Sanctions Targeting Chinese Technology Companies”, *Kelley Drye*, December 24, 2021, <https://www.kelleydrye.com/viewpoints/blogs/trade-and-manufacturing-monitor/u-s-expands-sanctions-targeting-chinese-technology-companies>.

carrot-and-stick approach by Washington. To complement diplomatic pressures, SubCom received subsidies that allowed it to bring down its initial offer of \$1.5 billion to a best and final one of \$600 million.¹⁰⁴ HMN's offer, which by then had reached \$475 million, was still more attractive to the consortium, but geopolitical considerations and the risk of the countries and domestic telecoms getting tangled in US sanctions now were seen as outweighing the benefit of these savings, and SubCom was selected as the project's main contractor.¹⁰⁵

To countries like Malaysia, this is a win. Kuala Lumpur secured a connection to a super-fast speed cable that links it with other economies across the Indian Ocean and beyond, and benefited from the great-power bidding wars by saving (together with the rest of the consortium member countries) \$900 million – the difference between SubCom's first and last offer. Regional stability and budget-friendly economic development were in line with this decision, confirming the country's priorities. Moreover, the SeaMeWe6 case presented an opportunity for the country's telecom industry too – as China Telecom and China Mobile withdrew, Telekom Malaysia was granted shares of the contract.¹⁰⁶ No information is available on whether promises of this commercial opportunity had a dent on Malaysia's decision to support SubCom's bid. The fact that US diplomats and USDOC agents met with members of the consortium and telecom representatives – and given Telekom Malaysia's direct ties to the government in Kuala Lumpur – suggests that the interplay of commercial concessions and political lobbying is much more effective than diplomatic pressures alone. This interplay – made possible by the direct support and subsidization of an American firm by the US government¹⁰⁷ – should thus be taken as a template for further successful action in Malaysia in the arena of technological competition with China. It could be argued that a similar logic should drive much of Washington's engagement with neutral countries in the Indo-Pacific, given that many such countries in the secondary realm exhibit similar economic development and political interests, and are caught in the same fray of great power competition (e.g. Vietnam, Indonesia).

A balance needs to be found, nevertheless, between American engagement in the region and avoiding the kind of actions that lead to spirals of tension with China as presented in the TTE.

¹⁰⁴ Brock, "US and China wage war", <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>.

¹⁰⁵ Ibid.

¹⁰⁶ Atul Aneja, "In the battle for data, China and US fight to control undersea cables", *India Narrative*, April 1, 2023, <https://www.indianarrative.com/world-news/in-the-battle-for-data-china-and-us-fight-to-control-undersea-cables-126945.html>

¹⁰⁷ Brock, "US and China wage war", <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>.

In early 2023, as SubCom began laying the prestigious cable connecting Southeast Asia to Europe via Africa and the Middle East, Chinese Foreign Minister Qin Gang warned that Washington's policy of "containment and suppression" towards Beijing was steadily driving the two towards a path of confrontation and conflict.¹⁰⁸ While the PRC has criticized US interference between its tech companies and Washington's allied blocs, starting with the 2019 campaign against Huawei, attempting to block China's connections to its second realm is a newer development in US-China relations – the kind that impacts whether "a great power will be peaceful or hostile".¹⁰⁹ Beijing has, since its militarization of the South China Sea, been more emphatic on claiming the area around this body of water as a region in which to legitimately assert its influence. As official remarks like that of Qin Gang demonstrate, commercial cooperation in the technology sector is bound to be seen as central to China's ability to pursue this goal, further developing its ties with Southeast Asian countries. That is especially the case as the region experiences a boom in the demand for digital services, with tech giants from both the US and China already battling over its digital and cloud markets.¹¹⁰

Beijing, which has been intensifying its digital investments in Southeast Asia under the banner of the DSR, will inevitably seek not be deprived of what it sees as its 'fair share' of the market. As posited by dynamic realist theory, it is natural for Chinese leaders to react increasingly assertively to what they perceive as a step too far in Washington's campaign to slow down their technological development. This nature of these exchanges is, of course, mutually reinforcing. On June 4, 2024, US ambassador to China Nicholas Burns defended that it is China's highly aggressive attitude that drives American technology restrictions towards it. "We have to expect those technologies will be militarised, and we do not intend to be number two," said Burns, adding that he was worried about China "bullying" its neighbours.¹¹¹ Fully embodying the security dilemma of the TTE, exchanges like these contribute to creating a spiral of hostility and mistrust that negatively impact future expectations of trade in a crucial – trade which China needs to allow its technology industry to thrive and to meet its great power ambitions. In fact, it has been recently reported that

¹⁰⁸ Kelly Ng, "Suppressing China won't make America great - Chinese Foreign Minister Qin Gang", *BBC News*, March 7th, 2023, <https://www.bbc.com/news/world-asia-china-64871808>

¹⁰⁹ Copeland, "Foundations of Dynamic Realist Theory", 30.

¹¹⁰ Akito Tanaka, "US and Chinese tech juggernauts battle over ASEAN clouds", *Nikkei Asia*, August 18, 2021, <https://asia.nikkei.com/Business/Technology/US-and-Chinese-tech-juggernauts-battle-over-ASEAN-clouds>

¹¹¹ Mark Magnier, "'Bullying' China spurs US to limit advanced tech exports: American ambassador", *South China Morning Post*, June 7, 2024, <https://www.scmp.com/news/china/diplomacy/article/3265694/bullying-china-spurs-us-limit-advanced-tech-exports-american-ambassador>

“geopolitical tensions have begun to affect the flow of global data due to an expected sharp fall in new undersea cables linking China with the rest of the world.”¹¹²

Faced with these concerns, PRC leadership, which strives for technological self-sufficiency and parity with the US, thus sees its expectations of future growth stifled by American attempts to contain it. The next section will explore how competition in another sector critical to Beijing’s expectations of long-term power and security has spilled over into Malaysia, and how it has prompted Chinese condemnation at the highest level of government.

8.3. Semiconductors

Advanced semiconductors have become a major target of Washington’s foreign policy goal of attempting to slow down China’s technological development in sectors deemed critical to American superiority.¹¹³ After Trump banned the sale of several semiconductor manufacturing materials to Chinese firms and subsidiaries – with the same severity as the sale of nuclear and chemical weapons components¹¹⁴ – Washington’s next move was to once again get its allies on the same page. In 2020, the US convinced Dutch semiconductor company ASML to stop supplying Chinese tech firms with extreme ultraviolet lithography machines – necessary to make the most advanced semiconductors in the world. In 2022-23, Biden went a step further and got ASML to stop exporting the machines that contribute to lower-level chips as well, and has recently further stepped up the pressure. In mid-April 2024, Biden administration representatives met with ASML executives to expand the list of Chinese fabs the Dutch company should not sell any of its equipment to, mirroring pressures to Japanese, Taiwanese, and South Korean firms.¹¹⁵

¹¹² Kentaro Takeda, “More subsea cables bypass China as Sino-U.S. tensions grow”, *Asia Nikkei*, May 11, 2024, <https://asia.nikkei.com/Spotlight/Datawatch/More-subsea-cables-bypass-China-as-Sino-U.S.-tensions-grow>

¹¹³ The White House, “Remarks by National Security Advisor Jake Sullivan at the Special Competitive Studies Project Global Emerging Technologies Summit,” September 16, 2022, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/09/16/remarks-by-national-security-advisor-jake-sullivan-at-the-special-competitive-studies-project-global-emerging-technologies-summit/>

¹¹⁴ “Export Administration Regulations: Amendments to General Prohibition Three (Foreign-Produced Direct Product Rule) and the Entity List,” Commerce Department, 85 Fed. Reg. 29,849 (March 19, 2020), <https://www.federalregister.gov/documents/2020/05/19/2020-10856/export-administration-regulations-amendments-to-general-prohibition-three-foreign-produced-direct>.

¹¹⁵ Jeff Pao, “US pushes ASML to deny maintenance in China”, *Asia Times*, April 9, 2024, <https://asiatimes.com/2024/04/us-pushes-asml-to-deny-maintenance-in-china/>; “The U.S. government pushes the Netherlands, Japan, Germany, and South Korea to extend existing chip-making export bans, but faces resistance”, *Pamir Consulting LLC*, May 16, 2024, <https://pamirlc.com/blog/us-government-pushes-to-extend-chip-making-export-bans>.

Washington has recently institutionalized this semiconductor containment of China through the CHIPS Act and the Chips4 Alliance. The former includes a \$40 billion budget for domestic firms to increase and improve semiconductor manufacturing capacity within the US, while the latter sees America partner up with the aforementioned Asian democracies to create a semiconductor supply chain that is exclusive to its members and is secure to US interests. They both, however, aim to help Washington “maintain its position as an innovation leader, [bracing against] Chinese industrialist policies”¹¹⁶, and “curb the semiconductor development in mainland China.”¹¹⁷

These measures are definitely having an effect on Chinese perceptions of long-term prosperity in the technology sector. Only a few days before the US undersecretary of commerce met with ASML directors in April, Xi Jinping had a phone conversation with President Biden. He warned that Washington’s several sanctions in the semiconductor sector, designed “to suppress China’s trade and technology development [are] creating risks” that Beijing cannot afford to simply stand idle by.¹¹⁸ These assertions once again directly embody a core logic of the TTE – when expectations for the future commercial environment decline, leaders can feel forced to adopt more hardline policies to prevent a perceived decline in their power. China is already two generations behind the US in semiconductors technology, and the prospect of permanently lagging behind its main competitor, which can easily block its economic and geopolitical ambitions (for which the most advanced semiconductors are needed) will make it more likely to embark on high-risk high-reward aggressive strategy, like trying to seize Taiwan’s advanced fabs.

8.3.1. The chip wars reach Malaysia

Malaysia is becoming an increasingly significant piece in this dispute’s chessboard, which many analysts have called the ‘chip wars.’¹¹⁹ China – both the CCP and the country’s tech

¹¹⁶ Corrado, J. “Strengthening the Indo-Pacific Chip Supply Chain: Opportunities and Obstacles for a Tech Alliance”. In *Indo-Pacific Strategies and Foreign Policy Challenges* (Routledge, 2023); 98.

¹¹⁷ Zhou, Binglei. "The Impact of the US Chip Act and the Chip4 Alliance, and China How to Respond It." *Transactions on Social Science, Education and Humanities Research* 1 (2023): 407.

¹¹⁸ Michael Schuman, “China Is Losing the Chip War”, *The Atlantic*, June 6, 2024, https://www.theatlantic.com/international/archive/2024/06/china-microchip-technology-competition/678612/?utm_source=reddit&utm_medium=social&utm_campaign=the-atlantic&utm_content=edit-promo

¹¹⁹ Frank Umbach, “The escalating chip war between China and the West”, *GIS Reports*, April 29, 2024, <https://www.gisreportsonline.com/r/escalating-chip-war/>; Miller, Chris. *Chip war: the fight for the world's most critical technology*. Simon and Schuster, 2022.

firms – have increasingly looked at Southeast Asia as a hub that supports its chip ambitions. Malaysia has for decades been an important link in the chain of semiconductor manufacturing for the industry’s firms of the world – namely at lower-level packaging, assembly, and testing processes known as back-end semiconductor manufacturing.¹²⁰ Now, while making known its intentions of maintaining neutrality amid great power competition, Kuala Lumpur senses the chip wars present an opportunity to move up the value chain. On May 28, 2024, President Anwar announced a New National Semiconductor Strategy, which includes a \$107 billion investment to train sixty thousand skilled workers and erect at least ten “local semiconductor firms in design and advanced packaging” – parts of the supply chain which Malaysia has not been active in before.¹²¹ In promoting domestic economic development Anwar had also made public a federal Semiconductor Strategic Plan (SSP) to set up one hundred new companies, related to the semiconductor industry, with a \$200 million revenue or higher.¹²² Once again, the Malaysian president touted the country’s neutrality in the global chip wars, inviting firms worldwide to its safe haven away from the consequences of US sanctions against China in the sector.

However, moving up the value chain risks inviting further diplomatic and economic pressures from Washington. Among other American tech titans, Nvidia, Intel, and Microsoft have flocked to reap the benefits of Malaysia’s welcoming tech environment. Their Chinese counterparts have also diversified some of their facilities to the Southeast Asian nation, as have South Korean and Taiwanese firms. Dato' Seri Wong, Malaysia’s Semiconductor Industry Association president, has called his country China’s ‘plus one’.¹²³ As firms from geopolitical opponents come in contact with the same Malaysian tech firms domestically, and as the latter improve their capabilities to move to the front-end side of the semiconductor supply chain, new strategic risks come to the forefront for Washington. In 2022, the CHIPS Act presented a new set of export controls which bar American chip firms from supplying several components to China or Chinese firms, including “made anywhere in the world with

¹²⁰ Rasiah, Rajah, and Siu Hong Wong. "Industrial upgrading in the semiconductor industry in East Asia." *Innovation and Development* 11, no. 2-3 (2021): 415.

¹²¹ Lionel Lim, “Malaysia’s prime minister touts the country as a ‘neutral and non-aligned’ home for chip companies amid U.S.-China tensions”, *Fortune*, May 29, 2024, <https://fortune.com/asia/2024/05/29/malaysia-prime-minister-anwar-ibrahim-touts-country-neutral-nonaligned-home-chip-companies-semiconductors-us-china/>.

¹²² “Bid to be global semiconductor hub”, *The Star*, May 29, 2024, <https://www.thestar.com.my/news/nation/2024/05/29/bid-to-be-global-semiconductor-hub>.

¹²³ Sheila Chiang, “TECH Malaysia emerges as a hotspot for semiconductor firms amid U.S.-China chip tensions”

US equipment.”¹²⁴ Talking about the subsidies for domestic firms included in the Act, Commerce Secretary Gina Raimondo addressed Congress and highlighted the crucial importance of making sure that “not a penny of this helps China to get ahead of us”.¹²⁵

Washington has recently shown its willingness to restrict the contact between players of the Malaysian semiconductor industry and its political opponents. On May 1 of this year, US sanctions related to the Russo-Ukrainian war hit Jatronics Sdn, a chip manufacturer based in Kuala Lumpur, for the alleged supply of critical electronic components to Russia’s military.¹²⁶ In an environment where Malaysian firms are the recipients of heavy investments by both American and Chinese technology giants, they could act as the link for a technology transfer between them. Avoiding that is Washington’s top priority. There is not yet any evidence of Washington preparing sanctions for Malaysian semiconductor firms, nor of the latter allowing Chinese firms to access American technology they would otherwise be locked out of, but the Jatronics case proves that Kuala Lumpur must be ready to assess this possibility in the near future. Meanwhile, once again resisting Washington’s pressures, Malaysian diplomats responded to US sanctions by claiming that, while the country follows international standards, it does not recognize sanctions by individual countries – instead, it will only pay heed to sanctions coordinated by the United Nations.¹²⁷

8.3.2. Penang’s semiconductor hub

Much of the semiconductor frenzy has taken place in Malaysia’s Penang state, whose decades-long role in the low-end part of the supply chain earned it the title of ‘Silicon Valley of the East’. Now, investment in higher sections of the supply chain is booming – the state

¹²⁴ US Bureau of Industry and Security. 2022. Commerce implements new export controls on advanced computing and semiconductor manufacturing items to the People’s Republic of China (PRC). US Department of Commerce. <https://www.bis.doc.gov/index.php/documents/about-bis/newsroom/press-releases/3158-2022-10-07-bis-press-release-advanced-computing-and-semiconductor-manufacturing-controls-final/file>. Stephen Nellis, Karen Freifeld and Alexandra Alper, “U.S. aims to hobble China’s chip industry with sweeping new export rules”, *Reuters*, October 10, 2022, [https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/#:~:text=Oct%2010%20\(Reuters\)%20%2D%20The,Beijing's%20technological%20and%20military%20advances](https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/#:~:text=Oct%2010%20(Reuters)%20%2D%20The,Beijing's%20technological%20and%20military%20advances).

¹²⁵ Nellis et al, “U.S aims to hobble China’s chip industry”.

¹²⁶ FMT Reporters, “US slaps sanctions on Malaysian semiconductor firm”, *Free Malaysia Today*, June 3, 2024, <https://www.freemalaysiatoday.com/category/nation/2024/06/03/us-slaps-sanctions-on-malaysian-semiconductor-firm/>.

¹²⁷ Farik Zolkepli and Justin Zack, “Malaysia only recognises sanctions imposed by UN Security Council, says Saifuddin”, *The Star*, May 9, 2024, <https://www.thestar.com.my/news/nation/2024/05/09/malaysia-only-recognises-sanctions-imposed-by-un-security-council-says-saifuddin>.

received more FDI in 2023 than in the previous seven years combined.¹²⁸ Much of this investment comes from global companies hedging against the risk of further restrictions coming from Washington. According to InvestPenang, the number of Chinese tech companies in Penang has increased from 16 to 55 in the years since the Trump-era restrictions, and they are often partnering with local firms – with an “explosion” of activity from the mainland in the last 18 months – which should temporarily help them avoid some US tariffs.¹²⁹

China, which for decades was the primary destination of outsourced semiconductor assembly and testing (OSAT) investment, now looks to countries like Malaysia to fulfil its semiconductor ambitions. The latter’s role in the global supply chain, quickly gaining magnitude, is replacing China as an OSAT destination and is thus key to Beijing’s ambitions to be self-sufficient in chip manufacturing, as “the CCP plans to invest more than \$118 billion in the [...] industry” over the next few years.¹³⁰ Kuala Lumpur is more than eager to act as the world’s chip hub, neutral to all geopolitical considerations – the economic gains, both current and potential, are key to the current government’s credibility on its promises to deliver economic development.¹³¹ It may still find it complicated to escape the tentacles of great power competition, no matter which way it flaunts its neutrality.

Penang’s packaging hub itself is already under pressure by Washington’s campaign to curb Beijing’s access to advanced chips. As US leaders in the industry have recently flocked to Penang – chipmaker Micron announced a \$1 billion investment in October 2023, Intel is building a chip factory as part of a wider \$7 billion investment, among many others¹³² – lawmakers in Washington have already drafted the first steps to hamper Chinese firms from making gains out of joint ventures in Penang. In November 2023, for example, Malaysian sources reported that 18 US congressmen targeted RISC-V – an advanced chip technology that Shanghai-based StarFive Technology has become a serious competitor in – as a field

¹²⁸ Mercedes Ruehl, “Malaysia: the surprise winner from US-China chip wars”, *Financial Times*, March 11, 2024, <https://www.ft.com/content/4e0017e8-fb48-4d48-8410-968e3de687bf>.

¹²⁹ Ibid; Mercedes Ruehl, “Chinese companies seek assurances from Malaysia on avoiding US tariffs”, *Financial Times*, June 25, 2024, <https://www.ft.com/content/427af82a-8291-4ada-a598-7f7de66ec2cb>

¹³⁰ Arati Shroff, “Made in China 2025 disappears in name only”, *Indo-Pacific Defense Forum*, March 23, 2020, <https://ipdefenseforum.com/2020/03/made-in-china-2025-disappears-in-name-only/>

¹³¹ Norman Goh, “Anwar struggles to boost Malaysian economy a year after victory”, *Nikkei Asia*, November 21, 2023, <https://asia.nikkei.com/Spotlight/Asia-Insight/Anwar-struggles-to-boost-Malaysian-economy-a-year-after-victory>

¹³² Ruehl, “Malaysia’s prime minister decries ‘China-phobia’”; Dashveenjit Kaur, “Intel is building its largest 3D chip packaging facility in Malaysia”, *Tech Wire Asia*, August 2, 2023, <https://techwireasia.com/08/2023/why-is-intel-building-largest-3d-chip-packaging-facility-in-malaysia/#:~:text=By%20Dashveenjit%20Kaur,-Intel%20is%20building%20a%20factory%20in%20Penang%2C%20Malaysia%2C%20and%20it,a%20US%247%20billion%20expansion.>

where American firms should be banned from international cooperation in.¹³³ The considerations came after StarFive announced a \$53 million investment on its first design center outside of China in Penang and as Chinese firms were finding opportunities to partner with both local and American firms in the same state.¹³⁴ This once again proves that the drive to isolate China technologically is a deeply political project and not an economic one driven by firms in the industry, which actually see their profits being cut by the measures of their own country's government.

While President Anwar does not want to see his country turn into the latest fighting pit for aggressive US and PRC industrial policies, some American journalists, think-tanks, and government bodies have recently contributed to Malaysia rising the ranks of importance for Washington's considerations. Among others, they cited the needs to diversify in order to maintain a "dominant position in the industry and secure supply for military applications", to decouple from Chinese suppliers, and to reduce reliance on Taiwan's semiconductor industry.¹³⁵ The latter is particularly important to geopolitical calculations in the Indo-Pacific region. In a November 2023 report, the USDOC-affiliated US International Trade Administration found exposure to manufacturing disruptions in Taiwan to be potentially ruinous for the price of chips for US firms – as much as a 60% increase in costs for downstream producers, a loss that domestic production would be completely unable to replace.¹³⁶ Then, in April 2024, the USDOC published a document on Malaysia's burgeoning semiconductor hub, mentioning Kuala Lumpur's SSP as "an ideal platform for U.S. firms seeking to expand their global presence, access new markets, and drive innovation".¹³⁷

¹³³ "US reviews risks of China's use of RISC-V chip technology", *Free Malaysia Today*, April 24, 2024, <https://www.freemalaysiatoday.com/category/business/2024/04/24/us-reviews-risks-of-chinas-use-of-risc-v-chip-technology/>

¹³⁴ "China's StarFive Technology to invest RM250m to set up design centre in Penang", *Malay Mail*, February 19, 2022, <https://www.malaymail.com/news/malaysia/2022/02/19/chinas-starfive-technology-to-invest-rm250m-to-set-up-design-centre-in-pena/2042581>; Rühl, "Malaysia: the surprise winner".

¹³⁵ Jeffrey D. Bean, "The United States and Japan's Semiconductor Supply Chain Diversification Efforts Should Include Southeast Asia", *Asia Pacific Bulletin*, East-West Center, May 6, 2020, <https://www.eastwestcenter.org/publications/the-united-states-and-japan%E2%80%99s-semiconductor-supply-chain-diversification-efforts-should>; Chin Hsueh, "ASEAN Holds the Key to Reducing US Dependence on Taiwan's Chip Industry", *The Diplomat*, December 1, 2023, <https://thediplomat.com/2023/12/asean-holds-the-key-to-reducing-us-dependence-on-taiwans-chip-industry/#:~:text=Economy%20%7C%20Southeast%20Asia-,ASEAN%20Holds%20the%20Key%20to%20Reducing%20US%20Dependence%20on%20Taiwan's,Asia%20is%20a%20promising%20alternative>; Jones, Lin, et al. "US Exposure to the Taiwanese Semiconductor Industry." *US International Trade Commission*, 2023.

¹³⁶ Jones et al. "U.S. Exposure to the Taiwanese Semiconductor Industry": 2.

¹³⁷ US International Trade Administration, "Malaysia Semiconductors," *US Department of Commerce*, April 25, 2024, <https://www.trade.gov/market-intelligence/malaysia-semiconductors>

Showing signs of decoupling-induced anxiety, President Anwar has “urged Washington to abandon protectionism and respect competitiveness” in Penang.¹³⁸ If prior official American engagement with foreign semiconductor companies is anything to go for, however – as briefed in Section 7.3.1 – protectionist policies are exactly what Anwar can expect from the US as Malaysia’s semiconductor industry develops – and it is developing quickly. Kuala Lumpur’s SSP aims to break the country into the cutting-edge technology sector of the chip industry, with two front-end fabs, one of them in Penang, having secured foreign investment already.¹³⁹ Such developments will invite additional scrutiny from Washington, however, and Anwar is aware.

In June 2024, he tried to get ahead of politically motivated disruptions to his country’s economy by making another important declaration of commercial neutrality. In an interview with the South China Morning Post, he reiterated that his country would ignore American sanctions that were supposed to affect firms not directly under American authority. “[They] can impose sanctions if they involve American companies. It’s fair. But they can’t impose everything on us,” Anwar said.¹⁴⁰ Malaysian chip firms would instead be free to seek partnerships with any foreign clients, including both American and Chinese firms simultaneously, which make the bulk of tech investment in the region. Anwar specified that this policy would not change regardless of rising pressures from Washington – which he expects. “[The US] say: you also have investments in China, you are exporting to China. Yes, if it is our product or some other foreign product [manufactured in Malaysia], we are free to do what we like,” he was reported saying.¹⁴¹

Despite these comments, and the fact that no direct sanctions have so far been directed at Kuala Lumpur-Beijing cooperation in the sector, Chinese officials and tech representatives are worried about the future of their tech engagement with Malaysia. On June 25th, it was reported that “dozens” of mainland tech executives had been convening with high-ranking

¹³⁸ “Malaysian PM urges US to abandon protectionism, respect competitiveness”, *Borneo Bulletin*, May 27, 2024, <https://borneobulletin.com.bn/malaysian-pm-urges-us-to-abandon-protectionism-respect-competitiveness/>

¹³⁹ Joseph Sipalan and Hadi Azmi, “Malaysia welcomes US firms, not sanctions, amid chips push. ‘We have an edge’: Anwar”, *South China Morning Post*, June 16, 2024, <https://www.scmp.com/week-asia/politics/article/3266609/malaysia-welcomes-us-firms-not-sanctions-amid-chips-push-we-have-edge-anwar>.

¹⁴⁰ Sipalan and Azmi, “Malaysia welcomes US firms” <https://www.scmp.com/week-asia/politics/article/3266609/malaysia-welcomes-us-firms-not-sanctions-amid-chips-push-we-have-edge-anwar>

¹⁴¹ Ibid.

government representatives in Malaysia to try and secure guarantees of being able to circumvent US restrictions by shifting manufacturing to the Southeast Asian nation.¹⁴² Across several meetings, delegates from semiconductor firms asked local officials to lobby American policymaking bodies to convince them not to impose tariffs on Chinese products manufactured in Malaysia. Remarkably, Chinese semiconductor executives were reported to have been meeting with government officials for months, asking two crucial questions: whether they could “legally sell goods to the US” through their operations in Malaysia and whether they would be able to “access sophisticated US chips.”¹⁴³

These developments point to two important conclusions about the way semiconductors, and Malaysia’s role in the industry, are perceived within Beijing’s strategic considerations.

Firstly, Penang’s industrial facilities provide Malaysia with an advantageous environment for chip production that make it an ideal destination for Chinese companies seeking to circumvent Washington’s hefty and increasing restrictions, but also to ensure continued growth and development of self-reliance in China’s domestic sector. This is in line with grand initiatives like ‘Made in China 2025’ (MIC25), which resolves to halve dependence on American semiconductors by said year and aims for complete independence from the US by 2030.¹⁴⁴ Through MIC25, China had already become the global leader in semiconductor equipment acquisitions, “a strong indicator of future production capacity”¹⁴⁵, but Chinese engagement with Malaysia has turned the latter into a central piece of the chessboard for Beijing’s ambitions in this key industry.

Secondly, Penang, teeming with activity by the en masse arrival of both US and PRC companies, is also key to Chinese efforts to access American semiconductor technology, which is generally seen as superior. Even though the desire to access US tech might seem counterintuitive to self-reliance efforts in the industry, this should be seen as complementary

¹⁴² Ruehl, “Chinese companies seek assurances”, <https://www.ft.com/content/427af82a-8291-4ada-a598-7f7de66ec2cb>

¹⁴³ Ibid.

¹⁴⁴ Bean, “The United States and Japan’s Semiconductor Supply Chain”, <https://www.eastwestcenter.org/publications/the-united-states-and-japan%E2%80%99s-semiconductor-supply-chain-diversification-efforts-should>

¹⁴⁵ David Faith and Ben Noon, “Next U.S.-China chip battle will require more than export controls”, *Asia Nikkei*, May 10, 2024, <https://asia.nikkei.com/Opinion/Next-U.S.-China-chip-battle-will-require-more-than-export-controls>

to domestic efforts. Being able to access such tech, without necessarily getting tied to it commercially, would allow for faster development of China's firms in the sector, thus promoting self-reliance when accompanied by the substantial subsidies Beijing has provided for years. As the most advanced American chip companies set up in Penang, however, Kuala Lumpur's insistence on commercial and political neutrality is set to soon bring the bulk of Washington's regulatory machine, as feared by the Chinese officials and tech executives mentioned above. Responding to whether they should be worried, Malaysian executive councilor Lee Ting Han "told them the answer is no for now, but [...] the US could suddenly change its policies. We have no control over that," he said.¹⁴⁶

Bringing it back to the theoretical framework of the TTE, Beijing therefore finds the future of a sector that is critical to its geopolitical ambitions to be veiled by a thick fog of uncertainty that depends on the way Washington will decide to move in the Indo-Pacific region. It is hard to overstate the importance of semiconductors for these ambitions, as they not only have commercial and strategic dimensions – given the weight of the chip industry in global trade and their multiple military applications – but are also an important facet of Beijing's plan of national rejuvenation.¹⁴⁷ Emerging as a global tech leader and a self-sufficient chip superpower is key to this plan, which Xi Jinping has strongly advanced since 2015 as China's way to reclaim regional hegemony and a central position in the global stage. This means that Xi's reputation and legitimacy, as well as that of the CCP, will be affected by the outcome of the chip wars. Washington's attempts to curb Beijing's cooperation with Malaysia in Penang would therefore be a significant blow to China's expectations of prosperity and power relative to its main competitor. According to dynamic realist theory, this will only exacerbate tensions between the US and the PRC. The evidence reviewed in this section points to the fact that Chinese actors involved in tech policy, ranging from the top levels of government to tech executives, do see American pressures to Malaysia, and the wider Indo-Pacific region, as threatening to China's long-term commercial security and power status. The TTE indicates that such developments heighten the likelihood of Beijing acting increasingly aggressive in

¹⁴⁶ Ruehl, "Chinese companies seek assurances", <https://www.ft.com/content/427af82a-8291-4ada-a598-7f7de66ec2cb>

¹⁴⁷ Kania, Elsa B. "China's drive for innovation within a world of profound changes." *Asia Policy* 16, no. 2 (2021): 18, 28.

its backyard, with the most logical target of such aggression being Taiwan given, among other factors, the island nation's leading position in semiconductor technology.

The success of Washington's policy in Malaysia, and the way the country will respond to the former's calls to obstruct China in the tech sector will also depend on what the US is able to offer. The Biden administration has recently made efforts to repropose itself as the partner of choice in Southeast Asia in order to counter, and offer more structured alternatives to, Chinese presence in the region. The most noteworthy of such efforts is encapsulated by the Indo-Pacific Economic Framework – the research object of the following section.

9. The Indo-Pacific Economic Framework

The Indo-Pacific Economic Framework (IPEF) was announced by the White House through the publishing of the US's first Indo-Pacific Strategy in February 2022. The IPEF has been widely regarded as the US's response to China's increasing prominence in Southeast Asia and the Asia-Pacific region, as well as a continuation of the US's understanding of the area's importance to its national interests that formally began with Obama's Pivot.¹⁴⁸ What the literature has overlooked, however, is the role that the DSR has had in framing Washington's newest shift to the Indo-Pacific region, especially in the field of technology and infrastructure engagement. Observing the connections between the advice formulated by authoritative think tanks within Washington's policy-making circles and the subsequent US policy considerations effected in the Indo-Pacific strategy, their influence appears clear.

In September 2018, at the peak of the initial wave of academic publications on the DSR, the Washington DC-based Center for a New American Security (CNAS) published *Power Play*, addressing China's BRI. In this report, authors Daniel Kliman and Abigail Grace argued that the nascent DSR had "the potential to compromise the networks of U.S. allies and partners, [complicating] operational security at forward U.S. bases" and allied military interoperability.¹⁴⁹ The very next year, US diplomats started pressuring their allies to abandon

¹⁴⁸ Tung, Nguyen Cong. "Uneasy embrace: Vietnam's responses to the US Free and Open Indo-Pacific strategy amid US–China rivalry." *The Pacific Review* 35, no. 5 (2022): 884; Wadhwa, Anil. "The Search for Alternatives in the Indo-Pacific: The Blue Dot Network and the Resilient Supply Chain Initiative." In *The Indo-Pacific Theatre*, pp. 223. Routledge India, 2022; Zhu, Zhiqun. "US–China Rivalry in the Indo-Pacific: The Harding Way or the Harder Way." In *The Indo-Pacific Theatre*, pp.126. Routledge India, 2022.

¹⁴⁹ Kliman, Daniel, and Abigail Grace. "Power Play." *Center for a New American Security* (2018): 9.

cooperation with Chinese digital infrastructure providers in the way Section 5 of this thesis summarized. Kliman's and Grace's policy recommendations notably included advancing a compelling international development agenda, developing "a counternarrative to China's Belt and Road," and expanding US digital outreach while offering high quality alternatives in the Indo-Pacific.¹⁵⁰ In May 2021, another CNAS report more directly targeted what it perceived as a need to promote a liberal digital order in the Indo-Pacific. It warned about the risk of the US "losing ground in the competition to shape Asia's digital future".¹⁵¹ Recommendations were even more decidedly targeted to counter the DSR, considered to be the main cause of this risk. They included intensifying diplomatic engagement on digital affairs, "in both bilateral and multilateral settings", creating a consensus on digital infrastructure security for the region, and encouraging Indo-Pacific middle powers to "invest in trusted and secure technologies and digital infrastructure".¹⁵²

On top of confirming Washington's view of Southeast Asia as an area of hegemonic contention between China and the US (both countries' second realm), these recommendations mirror the promises made in Biden's 2022 Indo-Pacific strategy paper – and explain the recent surge in diplomatic pressures towards countries like Malaysia. The White House strategy outlines a deepening of its traditional alliances in the region and relationships with 'regional partners', including Malaysia. On the digital front, it declares:

[The US] will promote secure and trustworthy digital infrastructure, particularly cloud and telecommunications vendor diversity [...]. We will also deepen shared resilience in critical government and infrastructure networks, while building new regional initiatives to improve collective cybersecurity and rapidly respond to cyber incidents.¹⁵³

The most striking confirmation of a direct pathway between CNAS recommendations and the Biden's Indo-Pacific policy is seen in the focus on open radio access networks (OpenRAN) systems. OpenRAN "allows operators to choose from multiple vendors, rather than having to depend on a sole vendor for hardware and software"¹⁵⁴ and might be the solution to Chinese dominance in regional 5G networks by promoting competition, said the CNAS report. The White House paper then adopted the same position, reiterating Washington's commitment to

¹⁵⁰ Kliman, "Power Play", 2.

¹⁵¹ Curtis, Lisa, Joshua Fitt, and Jacob Stokes. *Advancing a Liberal Digital Order in the Indo-Pacific*. Center for a New American Security, 2022: 1

¹⁵² Ibid: 1, 2.

¹⁵³ The White House, *Indo-Pacific Strategy of the United States*, February 2022, 17, <https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>

¹⁵⁴ Curtis et al., *Advancing a Liberal Digital Order*, 3.

the promotion of ‘trustworthy’ cloud and telecommunications infrastructure, “including through innovative network architectures such as OpenRAN.”¹⁵⁵ Ever since, government agencies like the US Trade and Development Agency (USTDA) and the US Agency for International Development (USAID), as well as the Defense and Commerce departments, have been active in promoting OpenRAN across the Indo-Pacific. In his diplomatic ventures in the region, Biden himself has been championing the technology.¹⁵⁶ The fact that another Washington-affiliated think tank, Brookings Institution, dubbed it ‘Huawei-killer’ surely elicited excitement in US officials bent on crippling the Chinese tech giant.¹⁵⁷

However, as seen with the 2023 Ericsson-Huawei case, such calls to diversify national networks ended up being completely counterproductive to US interests in Malaysia. Multi-supplier diversity was supposed to *end* reliance on Chinese end-to-end systems, playing to Western strengths in software and supporting economic development based in Western technology. Instead, it provided Kuala Lumpur with a further rationalization of its decision to allow Huawei in the hitherto fully Ericsson-supplied 5G network, and put domestic telcos in a position to negotiate costs by pitting foreign companies against each other. Not that such a rationalization was strictly necessary; the domestic focus remains that of securing cheap, fast economic development and modernization through high-quality infrastructure. Huawei’s perceived trustworthiness due to its long-term presence in the region, as well as its affordability, provided both.

The 2024 diplomatic remarks by Malaysian representatives explored in this thesis further indicate that the US has so far failed to promote its technology goals in Malaysia – if anything, it has made negative gains, as Chinese tech has further entrenched itself in the country. After all, what exactly has the US-led IPEF offered Kuala Lumpur in return for abandoning ‘strategically risky’ Chinese options?

In May 2022, Malaysia became one of the twelve regional countries to become part of the IPEF, one of the main goals of which is to secure innovation – “especially the transformations afoot in clean energy, digital, and technology sectors”.¹⁵⁸ Nevertheless, as the

¹⁵⁵ The White House, *Indo-Pacific Strategy of the United States*, February 2022, 17,

<https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>

¹⁵⁶ Eva Dou, “Trump dreamt of a ‘Huawei killer.’ Biden is trying to unleash it”, *The Washington Post*, February 12, 2024, <https://www.washingtonpost.com/technology/2024/02/12/oran-biden-china-huawei-technology/>

¹⁵⁷ Wheeler, Tom, and David Simpson. *5G is Smart, Now Let's Make it Secure*. Brookings, 2022: 8-9.

¹⁵⁸ The White House, “FACT SHEET: In Asia, President Biden and a Dozen Indo-Pacific Partners Launch the Indo-Pacific Economic Framework for Prosperity”, May 23, 2022, <https://www.whitehouse.gov/briefing->

International Institute for Security Studies has put it, “the initiative has yielded little of substance thus far”.¹⁵⁹ The IPEF, as an executive initiative that lacks the formalities and therefore assurances of a multilateral trade agreement, does not offer expanded market access and can be scratched by the next administration – a particularly likely eventuality if Trump made it back into the White House, given his track record. It is no surprise then that former Malaysian trade minister Azmin Ali called the IPEF merely “a good beginning”, instead highlighting China’s more immediate security in providing investments.¹⁶⁰

In November 2023, Malaysia signed an IPEF agreement relating to supply chain resilience, and in June 2024, two agreements on clean and fair economy.¹⁶¹ As noted elsewhere, such agreements can serve as more direct communication channels between relevant US and Malaysian authorities in the semiconductor industry, “integrat[ing] key resources for chip production” and promoting regulatory coordination.¹⁶² They can be seen as steps forward for US-Malaysia relations and Trade minister Tengku Zafrul said he saw “great synergies among the IPEF agreements and Malaysia's [...] National Semiconductor Strategy”.¹⁶³ Also in November 2023, the USTDA announced a plan for the development of another undersea fiber optic cable system set to connect Malaysia, Indonesia, and the Philippines to the US, and in May 2024 it revealed the funding of a smart city command center for Sepang District, a “key economic hub” in the Southeast Asian nation.¹⁶⁴ Neither of the projects, however, has yet passed the ‘feasibility study’ stage.

More importantly, none of these projects prompt Kuala Lumpur to rethink their deep relationship with Chinese technology in any way. In fact, they lag behind ongoing initiatives

[room/statements-releases/2022/05/23/fact-sheet-in-asia-president-biden-and-a-dozen-indo-pacific-partners-launch-the-indo-pacific-economic-framework-for-prosperity/](https://www.iiss.org/en/online-analysis/online-analysis/2023/05/anwars-trip-to-china-and-the-direction-of-malysias-foreign-policy/)

¹⁵⁹ Bryan Chang, “Anwar’s trip to China and the direction of Malaysia’s foreign policy”, *International Institute for Strategic Studies*, May 15, 2023, <https://www.iiss.org/en/online-analysis/online-analysis/2023/05/anwars-trip-to-china-and-the-direction-of-malysias-foreign-policy/>

¹⁶⁰ David Lauder, “Malaysia touts trade access as U.S. Indo-Pacific plan only a 'good beginning' -trade chief”, *Reuters*, May 14, 2022, <https://ca.style.yahoo.com/finance/news/malaysia-touts-trade-access-u-220344237.html>

¹⁶¹ Subramanian Birruntha, “Malaysia signs three agreements at US-led 15-member IPEF ministerial-level meeting”, *New Straits Times*, June 6, 2024, <https://www.nst.com.my/business/corporate/2024/06/1060199/malaysia-signs-three-agreements-us-led-15-member-ipef-ministerial>

¹⁶² Chin Hsueh, “Why Malaysia – once Silicon Valley of the East – is set to strike back”, *South China Morning Post*, February 20, 2024, <https://www.scmp.com/comment/opinion/asia/article/3252547/why-malaysia-once-silicon-valley-east-set-strike-back>

¹⁶³ Ibid.

¹⁶⁴ USTDA, “FACT SHEET: Strengthening APEC Infrastructure”, November 16, 2023, <https://www.ustda.gov/fact-sheet-strengthening-apec-infrastructure/>; USTDA, “FACT SHEET: USTDA Announces New Support for Indo-Pacific Partner Priorities”, May 21, 2024, <https://www.ustda.gov/fact-sheet-ustda-announces-new-support-for-indo-pacific-partner-priorities/>

by Beijing aimed at deepening technology cooperation with Malaysia, which profit from the longstanding Chinese presence in the country introduced in Section 6 and include both private and official partnerships. An example of the former is the increased cooperation between chip design firms like Xfusion and Tongfu Microelectronics and Malaysian packaging companies to produce advanced graphics processing units – which Biden placed significant restrictions on – key to “fuel artificial intelligence breakthroughs [and] power supercomputers and military applications”.¹⁶⁵ The most prominent example of the latter, on the other hand, is the two countries’ Joint Statement on deepening their Comprehensive Strategic Partnership signed in June 2024. Aside from reiterating their mutual pledges to the BRI, the Statement highlights shared ventures on technological innovation and overall development as some of its foci. Almost as if to taunt Washington in its failure to prevent Huawei to access Kuala Lumpur’s 5G networks, Beijing stated its appreciation “for providing open and fair opportunities for Chinese enterprises to participate in the construction of Malaysia’s 5G network.”¹⁶⁶

Moreover, the exclusion of China from US supply chain initiatives prompts a worried frown from countries like Malaysia, whose supply chains are China-centered. As ascertained, Kuala Lumpur sees quick development as a priority, and ‘de-risking’ away from Beijing, as many US allies are doing, appears as something that the country simply cannot afford at the time. That is especially the case if it believes that, following dynamic realist logic – which PM Anwar Ibrahim has shown he abides by – cutting China off from vital trade will make it more aggressive in the Indo-Pacific, therefore reducing prosperity for the region. In the latest DSR Forum this April, Chinese People’s Political Consultative Conference vice-chairman Wang Yong said that cooperation through the DSR seeks to “advance technological sharing and oppose technological blockades”, highlighting the centrality of the project in circumventing obstacles posed by Washington.¹⁶⁷

¹⁶⁵ “China-Malaysia chip industry partnership ‘natural progression in semiconductor ecosystem’”, *Global Times*, December 19, 2023, <https://www.globaltimes.cn/page/202312/1303913.shtml>; Jim Pollard, “Chinese Chip Designers Hiring Malaysian Firms to Assemble GPUs”, *Asia Financial*, December 18, 2023, <https://www.asiafinancial.com/chinese-chip-designers-hiring-malaysian-firms-to-assembly-gpus>

¹⁶⁶ Ministry of Foreign Affairs Malaysia, “Joint Statement between the People’s Republic of China and Malaysia on Deepening the Comprehensive Strategic Partnership towards China-Malaysia Community with a Shared Future”, June 20, 2024, <https://www.kln.gov.my/web/guest/-/joint-statement-between-the-people-s-republic-of-china-and-malaysia-on-deepening-the-comprehensive-strategic-partnership-towards-china-malaysia-commun>

¹⁶⁷ Ben Jiang, “Officials promote China-led cyber governance to Belt and Road members during the Digital Silk Road forum in Xian”, *South China Morning Post*, April 16, 2024, <https://www.scmp.com/tech/tech-trends/article/3259176/officials-promote-china-led-cyber-governance-belt-and-road-members-during-digital-silk-road-forum>

Indo-Pacific economies, all of which maintain extensive economic ties to China, will be sensitive to this narrative. At its announcement, most were happy to see the IPEF as a sign of U.S. reengagement with economic rulemaking but were also nervous about its implicit role in strategic competition with China. Recent evidence has shown that such worries are growing. A revealing April 2024 report by the ASEAN Studies Center and the ISEAS Yusof Ishak Institute published data on how Southeast Asian nations perceived the IPEF. Positive sentiment declined, while unsure and negative perceptions increased. Around 45% of the respondents in the latter group cited lack of greater market access and undesired adjustments costs, while the remaining 55% argued that the IPEF would complicate its country's relations with Beijing, those of Beijing and Washington, or contribute to the overall destabilization of the region.¹⁶⁸ Malaysia itself appeared to be one of countries displaying most uncertainty over the IPEF, with a sharp increase in this attitude since 2022.¹⁶⁹ These considerations once again mirror the TTE's illustration of what happens when a superpower aims to push neutral states into its first realm: "the existence of the other superpower makes such an effort both difficult and potentially escalatory"¹⁷⁰ – which Southeast Asian nations show to be increasingly concerned about.

10. Conclusion

Under the Biden administration, the US has gotten tougher on the Chinese technology sector and reprioritized the Indo-Pacific as an area of strategic priority. Due to its ties with both Beijing and the Washington, Southeast Asia has emerged as a key area representing an overlap of these two US strategic interests. This thesis has analyzed Malaysia's role in this geopolitically consequential overlap. A few conclusions can be drawn.

Firstly, as shown by the actions and discourse of Malaysian leaders, Washington's diplomatic pressures in Kuala Lumpur are so far ineffective at prompting the latter to ditch cooperation with Chinese technology. The factors affecting Malaysian decisions in this regard are largely economic, but also tied to their sensitivities towards Beijing's expectations of the future economic environment. This latter aspect is far from purely the result of empathy. China is Malaysia's top trading partner and sponsor of its digital development, and it is also the only

¹⁶⁸ Seah, S. et al., "The State of Southeast Asia: 2024 Survey Report", Singapore: *ISEAS - Yusof Ishak Institute* (2024); 28, 30.

¹⁶⁹ *Ibid*, 28.

¹⁷⁰ Copeland, "Foundations of Dynamic Realist Theory", 24.

country, aside from the US, capable of significantly destabilizing the region and its future prosperity, which Kuala Lumpur is interested in fostering.

Secondly, though more evidence is needed, the SeaMeWe6 case offers initial proof that coupling economic incentives with diplomacy is a more effective way for Washington to engage with the Indo-Pacific if it wants to become competitive against Chinese investments in the region. At the time, such incentives are only possible through heavy subsidies, however, so a potential solution might be to fully embrace what the US perceives as the Chinese approach – heavily subsidizing Western tech providers to allow them to undercut China’s and act as beach heads for further expansion.

Thirdly, Chinese technology firms, which are deeply entrenched in Malaysia’s digital ecosystem, enjoy relative social and political trust due to their continued presence in the country and are thus in a good position to meet Malaysian economic development goals, driven by digitalization. In contrast, the US’s IPEF does not offer much in the way of newer or better alternatives to Chinese technology in Malaysia. Despite providing a starting position on structured cooperation with Kuala Lumpur, the IPEF does not yet show to have the potential to dislodge its main competitor, the DSR, and is already under duress as Southeast Asian nations, including Malaysia, express doubts regarding its high costs of entry and disruption of the regional status quo.

Fourth and finally, however, the evidence put forward in this thesis points to the fact that Washington’s increased diplomatic engagement with Malaysia and the wider Indo-Pacific region in the technology sector is a source of anxiety for Beijing. This includes a wide variety of actors involved, from tech executives all the way to Xi Jinping himself, who perceive American policies as an increasingly tightening noose on China, threatening its long-term commercial security and power status.

As Malaysia’s technology industry further develops and modernizes, especially in the geopolitically crucial semiconductor sector, Washington’s diplomatic and economic pressures are only going to intensify. Penang State’s industrial tech environment and welcoming of both Chinese and American firms is sure to exacerbate the US’s concerns. Malaysia already supplies more than a quarter of all chips imported to America.¹⁷¹ As it moves up the supply

¹⁷¹ Joseph Sipalan and Hadi Azmi, “Malaysia welcomes US firms, not sanctions, amid chips push. ‘We have an edge’: Anwar”, *South China Morning Post*, June 16, 2024, <https://www.scmp.com/week-asia/politics/article/3266609/malaysia-welcomes-us-firms-not-sanctions-amid-chips-push-we-have-edge-anwar>.

chain and US firms keep flocking to Penang, it has the potential to become a crucial node for both the US's and China's chip supply chains, prompting intensified disputes between the two. Malaysia will have the opportunity to elevate its domestic capabilities in high-end chip manufacturing and promote economic growth, but it will have to find a different way to balance its relations with the two great powers – or it will be forced to make a difficult choice.

Bibliography

- Aadil Brar, "NATO Member Deals Blow to China", *Newsweek*, March 4, 2024, <https://www.newsweek.com/china-romania-huawei-5g-equipment-ban-1875446>
- Akito Tanaka, "US and Chinese tech juggernauts battle over ASEAN clouds", *Nikkei Asia*, August 18, 2021, <https://asia.nikkei.com/Business/Technology/US-and-Chinese-tech-juggernauts-battle-over-ASEAN-clouds>
- Ambalov, Vitaly, and Irina Heim. "Investments in the digital Silk Road." *Kazakhstan's Diversification from the Natural Resources Sector: Strategic and Economic Opportunities* (2020): 111-149.
- "America's war on Huawei nears its endgame", *The Economist*, June 16, 2020, <https://www.economist.com/briefing/2020/07/16/americas-war-on-huawei-nears-its-endgame>.
- Ams, Shama. "Blurred lines: the convergence of military and civilian uses of AI & data use and its impact on liberal democracy." *International Politics* 60, no. 4 (2023): 880.
- Anna Gross et al., "How the US is pushing China out of the internet's plumbing", *Financial Times*, June 13, 2023, <https://ig.ft.com/subsea-cables/>.
- Arati Shroff, "Made in China 2025 disappears in name only", *Indo-Pacific Defense Forum*, March 23, 2020, <https://ipdefenseforum.com/2020/03/made-in-china-2025-disappears-in-name-only/>
- Atha, Katherine, Jason Callahan, John Chen, Jessica Drun, Kieran Green, Brian Lafferty, Joe McReynolds, James Mulvenon, Benjamin Rosen, and Emily Walz. *China's Smart Cities Development*. SOS International LLC (2020), 113.
- Atul Aneja, "In the battle for data, China and US fight to control undersea cables", *India Narrative*, April 1, 2023, <https://www.indianarrative.com/world-news/in-the-battle-for-data-china-and-us-fight-to-control-undersea-cables-126945.html>
- Baark, Erik. "China's Digital Silk Road: Innovation in a New Geopolitical Environment." *East Asian Policy* 16, no. 01 (2024): 35.
- Bateman, Jon. "US-China technological "decoupling": A strategy and policy framework." (2022). <https://carnegieendowment.org/research/2022/04/us-china-technological-decoupling-a-strategy-and-policy-framework?lang=en>
- Ben Jiang, "Officials promote China-led cyber governance to Belt and Road members during the Digital Silk Road forum in Xian", *South China Morning Post*, April 16, 2024, <https://www.scmp.com/tech/tech-trends/article/3259176/officials-promote-china-led-cyber-governance-belt-and-road-members-during-digital-silk-road-forum>
- Bhagyashree Garekar, "In highly politicised America, pressure will grow on Singapore to pick a side in US-China conflict", *The Straits Times*, May 13, 2024, <https://www.straitstimes.com/singapore/politics/in-highly-politicised-america-pressure-will-grow-on-singapore-to-pick-a-side-in-us-china-conflict>;
- "Bid to be global semiconductor hub", *The Star*, May 29, 2024, <https://www.thestar.com.my/news/nation/2024/05/29/bid-to-be-global-semiconductor-hub>.
- Brock, Joe. "US and China wage war beneath the waves—over internet cables." *Reuters, Special Report*, March 24, 2023, <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>
- Bryan Chang, "Anwar's trip to China and the direction of Malaysia's foreign policy", *International Institute for Strategic Studies*, May 15, 2023, <https://www.iiss.org/en/online-analysis/online-analysis/2023/05/anwars-trip-to-china-and-the-direction-of-malaysias-foreign-policy/>
- Burdette, Lane. "Leveraging Submarine Cables for Political Gain: US Responses to Chinese Strategy." *Journal of Public & International Affairs* (2021).

- Carney, Richard W. "Chinese Exports of Digital Technologies and Standards." In *China's Chance to Lead: Acquiring Global Influence via Infrastructure Development and Digitalization*, 307. *Business and Public Policy*. Cambridge: Cambridge University Press, 2023.
- Chen, Zhixin. "The Geopolitics of Public Health and China's Digital Silk Road in Asia." *Asiascape: Digital Asia* 10, no. 1-2 (2023): 125.
- Cheney, Clayton. "China's Digital Silk Road: strategic technological competition and exporting political illiberalism." *Issues & Insights* 19 (2019): 16-17
- Chin Hsueh, "ASEAN Holds the Key to Reducing US Dependence on Taiwan's Chip Industry", *The Diplomat*, December 1, 2023, <https://thediplomat.com/2023/12/asean-holds-the-key-to-reducing-us-dependence-on-taiwans-chip-industry/#:~:text=Economy%20%7C%20Southeast%20Asia-,ASEAN%20Holds%20the%20Key%20to%20Reducing%20US%20Dependence%20on%20Taiwan's,Asia%20is%20a%20promising%20alternative;>
- Chin Hsueh, "Why Malaysia – once Silicon Valley of the East – is set to strike back", *South China Morning Post*, February 20, 2024, <https://www.scmp.com/comment/opinion/asia/article/3252547/why-malaysia-once-silicon-valley-east-set-strike-back>
- "China's StarFive Technology to invest RM250m to set up design centre in Penang", *Malay Mail*, February 19, 2022, <https://www.malaymail.com/news/malaysia/2022/02/19/chinas-starfive-technology-to-invest-rm250m-to-set-up-design-centre-in-pena/2042581>.
- "China-Malaysia chip industry partnership 'natural progression in semiconductor ecosystem'", *Global Times*, December 19, 2023, <https://www.globaltimes.cn/page/202312/1303913.shtml>.
- Christie, Øystein Soknes, Jo Jakobsen, and Tor Georg Jakobsen. "The US Way or Huawei? An analysis of the positioning of secondary states in the US-China rivalry." *Journal of Chinese Political Science* 29, no. 1 (2024): 77-108.
- Copeland, Dale C. "Economic Interdependence and the Future of US-China Relations." In *A World Safe for Commerce*, edited by Bridget Flannery-McCoy, Alena Chekanov (Princeton, NJ: Princeton University Press, 2024), 387.
- Copeland, Dale C. "Foundations of Dynamic Realist Theory." In *A World Safe for Commerce*, edited by Bridget Flannery-McCoy, Alena Chekanov (Princeton, NJ: Princeton University Press, 2024), 22-24.
- Copeland, Dale C. "Foundations of Dynamic Realist Theory", In *A World Safe for Commerce*, edited by Bridget Flannery-McCoy, Alena Chekanov (Princeton, NJ: Princeton University Press, 2024), 15.
- Copeland, Dale. "economic interdependence and the future of us-chinese relations." *International Relations Theory and the Asia-Pacific* (2003): 323-352.
- Corrado, J. "Strengthening the Indo-Pacific Chip Supply Chain: Opportunities and Obstacles for a Tech Alliance". In *Indo-Pacific Strategies and Foreign Policy Challenges* (Routledge, 2023); 98.
- Curtis, Lisa, Joshua Fitt, and Jacob Stokes. *Advancing a Liberal Digital Order in the Indo-Pacific*. Center for a New American Security, 2022: 1
- Dashveenjit Kaur, "Intel is building its largest 3D chip packaging facility in Malaysia", *Tech Wire Asia*, August 2, 2023, <https://techwireasia.com/08/2023/why-is-intel-building-largest-3d-chip-packaging-facility-in-malaysia/#:~:text=By%20Dashveenjit%20Kaur-,Intel%20is%20building%20a%20factory%20in%20Penang%2C%20Malaysia%2C%20and%20it,a%20US%247%20billion%20expansion.>
- David E. Sanger et al., "In 5G Race With China, U.S. Pushes Allies to Fight Huawei", *New York Times*, January 26, 2019, <https://www.nytimes.com/2019/01/26/us/politics/huawei-china-us-5g-technology.html?module=inline>
- David Faith and Ben Noon, "Next U.S.-China chip battle will require more than export controls", *Asia Nikkei*, May 10, 2024, <https://asia.nikkei.com/Opinion/Next-U.S.-China-chip-battle-will-require-more-than-export-controls>

- David Lauder, "Malaysia touts trade access as U.S. Indo-Pacific plan only a 'good beginning' -trade chief", *Reuters*, May 14, 2022, <https://ca.style.yahoo.com/finance/news/malaysia-touts-trade-access-u-220344237.html>
- Dür, Andreas. "Measuring interest group influence in the EU: A note on methodology." *European Union Politics* 9, no. 4 (2008): 562.
- Eguegu, Ovigwe. "The Digital Silk Road: Connecting Africa with New Norms of Digital Development." *Asia Policy* 29, no. 3 (2022): 31;
- Eva Dou, "Trump dreamt of a 'Huawei killer.' Biden is trying to unleash it", *The Washington Post*, February 12, 2024, <https://www.washingtonpost.com/technology/2024/02/12/oran-biden-china-huawei-technology/>
- "Export Administration Regulations: Amendments to General Prohibition Three (Foreign-Produced Direct Product Rule) and the Entity List," Commerce Department, 85 Fed. Reg. 29,849 (March 19, 2020), <https://www.federalregister.gov/documents/2020/05/19/2020-10856/export-administration-regulations-amendments-to-general-prohibition-three-foreign-produced-direct>.
- Farik Zolkepli and Justin Zack, "Malaysia only recognises sanctions imposed by UN Security Council, says Saifuddin", *The Star*, May 9, 2024, <https://www.thestar.com.my/news/nation/2024/05/09/malaysia-only-recognises-sanctions-imposed-by-un-security-council-says-saifuddin>.
- FMT Reporters, "US slaps sanctions on Malaysian semiconductor firm", *Free Malaysia Today*, June 3, 2024, <https://www.freemalaysiatoday.com/category/nation/2024/06/03/us-slaps-sanctions-on-malaysian-semiconductor-firm/>.
- Frank Umbach, "The escalating chip war between China and the West", *GIS Reports*, April 29, 2024, <https://www.gisreportsonline.com/r/escalating-chip-war/>;
- Gao, Xinchuchu. "An attractive alternative? China's approach to cyber governance and its implications for the Western model." *The International Spectator* 57, no. 3 (2022): 15-30,
- He, Kai, and Mingjiang Li. "Understanding the dynamics of the Indo-Pacific: US–China strategic competition, regional actors, and beyond." *International Affairs* 96, no. 1 (2020): 1-7.
- Heidbrink, Christiane, and Conrad Becker. "Framing the Digital Silk Road's (De) Securitisation." *Journal of Current Chinese Affairs* 52, no. 2 (2023): 320.
- "Huawei Marine Networks Rebrands as HMN Technologies", *HMN Tech*, December 3rd, 2019, <https://www.hmntechnology.com/enPressReleases/37764.jhtml>
- Ilaria Carrozza, Giacomo Bruni, "China's Digital Silk Road and Malaysia's Technological Neutrality", *The Diplomat*, August 22, 2023, <https://thediplomat.com/2023/08/chinas-digital-silk-road-and-malaysias-technological-neutrality/>
- Jeff Pao, "US pushes ASML to deny maintenance in China", *Asia Times*, April 9, 2024, <https://asiatimes.com/2024/04/us-pushes-asml-to-deny-maintenance-in-china/>;
- Jeffrey D. Bean, "The United States and Japan's Semiconductor Supply Chain Diversification Efforts Should Include Southeast Asia", *Asia Pacific Bulletin*, East-West Center, May 6, 2020, <https://www.eastwestcenter.org/publications/the-united-states-and-japan%E2%80%99s-semiconductor-supply-chain-diversification-efforts-should>.
- Jim Pollard, "Chinese Chip Designers Hiring Malaysian Firms to Assemble GPUs", *Asia Financial*, December 18, 2023, <https://www.asiafinancial.com/chinese-chip-designers-hiring-malaysian-firms-to-assembly-gpus>
- Joe Brock, "U.S. and China wage war beneath the waves – over internet cables", *Reuters*, March 24, 2023, <https://www.reuters.com/investigates/special-report/us-china-tech-cables/>.
- Jones, Lin, et al. "US Exposure to the Taiwanese Semiconductor Industry." *US International Trade Commission*, 2023.

- Joseph Sipalan and Hadi Azmi, "Malaysia welcomes US firms, not sanctions, amid chips push. 'We have an edge': Anwar", *South China Morning Post*, June 16, 2024, <https://www.scmp.com/week-asia/politics/article/3266609/malaysia-welcomes-us-firms-not-sanctions-amid-chips-push-we-have-edge-anwar>.
- Joshua Kurlantzick, "Assessing China's Digital Silk Road Initiative", *Council on Foreign Relations*, December 18, 2020, <https://www.cfr.org/china-digital-silk-road/>
- Kania, Elsa B. "China's drive for innovation within a world of profound changes." *Asia Policy* 16, no. 2 (2021): 18, 28.
- Kaska, K., Beckvard, H., & Minárik, T. "Huawei, 5G, and China as a security threat." *NATO Cooperative Cyber Defence Centre of Excellence* (2019).
- Keane, Michael, and Haiqing Yu. "A digital empire in the making: China's outbound digital platforms." *International Journal of Communication* 13 (2019): 4624-4641.
- Kelly Ng, "Suppressing China won't make America great - Chinese Foreign Minister Qin Gang", *BBC News*, March 7th, 2023, <https://www.bbc.com/news/world-asia-china-64871808>
- Kentaro Takeda, "More subsea cables bypass China as Sino-U.S. tensions grow", *Asia Nikkei*, May 11, 2024, <https://asia.nikkei.com/Spotlight/Datawatch/More-subsea-cables-bypass-China-as-Sino-U.S.-tensions-grow>
- Khoo, Nicholas. "Great power Rivalry and Southeast Asian agency: Southeast Asia in an Era of US-China strategic competition." *Political Science* 74, no. 2-3 (2022): 141
- Kliman, Daniel, and Abigail Grace. "Power Play." *Center for a New American Security* (2018): 9.
- Lailah, Fariyah Nishfah, and Asra Virgianita. "The Causes of The United States Launching A Trade War Against The People's Republic of China (PRC) in 2018." *Hasanuddin Journal of Strategic and International Studies (HJSIS)* 2, no. 1 (2023): 11-20.
- Lee, Ji-Young, Eugeniu Han, and Keren Zhu. "Decoupling from China: how US Asian allies responded to the Huawei ban." *Australian Journal of International Affairs* 76, no. 5 (2022): 486
- Lionel Lim, "Malaysia's prime minister touts the country as a 'neutral and non-aligned' home for chip companies amid U.S.-China tensions", *Fortune*, May 29, 2024, <https://fortune.com/asia/2024/05/29/malaysia-prime-minister-anwar-ibrahim-touts-country-neutral-nonaligned-home-chip-companies-semiconductors-us-china/>.
- Liu, Hong, and Guanle Lim. "The political economy of a rising China in Southeast Asia: Malaysia's response to the Belt and Road Initiative." In *China's New Global Strategy*, pp. 158-173. Routledge, 2020.
- Medeiros, Evan S. "The changing fundamentals of US-China relations." *The Washington Quarterly* 42, no. 3 (2019): 93-119.
- "Malaysia rejects new China map claiming entire South China Sea", *Al Jazeera*, August 31, 2023, <https://www.aljazeera.com/news/2023/8/31/malaysia-rejects-new-china-map-claiming-entire-south-china-sea>
- "Malaysian PM urges US to abandon protectionism, respect competitiveness", *Borneo Bulletin*, May 27, 2024, <https://borneobulletin.com.bn/malaysian-pm-urges-us-to-abandon-protectionism-respect-competitiveness/>
- Malcomson, Scott. "Balancing prosperity and security along the Digital Silk Road." *Adelphi Series* 60, no. 487-489 (2020): 148.
- Malek Caline, "A decade of opportunity awaits Arab countries", *Arab News*, December 27, 2019, <https://www.arabnews.com/node/1604671/middle-east>
- Marc Mealy et al., "Southeast Asia's Digital Economy Projected To Hit US\$100 Billion In Revenue In 2023", *US-ASEAN Business Council*, November 28, 2023, <https://www.usasean.org/article/southeast-asias-digital-economy-projected-hit-us100-billion-revenue-2023#:~:text=Southeast%20Asia's%20digital%20economy%20is.to%20reach%20US%24218%20billion.>

- Marcus, Michelle. "Combatting the seen and unseen threats of China's Digital Silk Road." Network for Strategic Analysis, Queen's University (2022).
- Mark Magnier, "'Bullying' China spurs US to limit advanced tech exports: American ambassador", *South China Morning Post*, June 7, 2024, <https://www.scmp.com/news/china/diplomacy/article/3265694/bullying-china-spurs-us-limit-advanced-tech-exports-american-ambassador>
- Mark Scott and Brendan Bordelon, "Countries push back against US's anti-China tech policy", *Politico*, June 15, 2023, <https://www.politico.eu/article/countries-push-back-against-uss-anti-china-tech-policy/>
- McGeachy, Hilary. "The changing strategic significance of submarine cables: old technology, new concerns." *Australian Journal of International Affairs* 76, no. 2 (2022): 161.
- Mercedes Ruehl, "Chinese companies seek assurances from Malaysia on avoiding US tariffs", *Financial Times*, June 25, 2024, <https://www.ft.com/content/427af82a-8291-4ada-a598-7f7de66ec2cb>
- Mercedes Ruehl, "EU and US warn Malaysia of 'national security' risk in Huawei's bid for 5G role", *Financial Times*, May 2, 2023, <https://www.ft.com/content/3da9a1bd-a49c-46f4-acc2-60333e55eaaa>.
- Mercedes Ruehl, "Huawei fights for role in Malaysia's 5G rollout", *Financial Times*, March 6, 2023, <https://www.ft.com/content/fb50c363-4a6d-4e32-a144-1fea48c34226>
- Mercedes Ruehl, "Malaysia: the surprise winner from US-China chip wars", *Financial Times*, March 11, 2024, <https://www.ft.com/content/4e0017e8-fb48-4d48-8410-968e3de687bf>
- Mercedes Ruehl, "Malaysia's prime minister decries 'China-phobia' among US and western allies", *Financial Times*, February 25, 2024, <https://www.ft.com/content/929541ce-32fc-4f5f-9b9e-714b62f6e712>.
- Michael Nienaber, "Germany Closing In on Huawei 5G Ban as Digital Ministry Resists", *Bloomberg*, May 17, 2024, <https://www.bloomberg.com/news/articles/2024-05-17/germany-closing-in-on-huawei-5g-ban-as-digital-ministry-resists>
- Michael Schuman, "China Is Losing the Chip War", *The Atlantic*, June 6, 2024, https://www.theatlantic.com/international/archive/2024/06/china-microchip-technology-competition/678612/?utm_source=reddit&utm_medium=social&utm_campaign=the-atlantic&utm_content=edit-promo
- Michelle Kosinski, "US ambassador to Germany receives threats", *CNN*, March 15, 2019, <https://edition.cnn.com/2019/03/14/politics/us-envoy-germany-grenell-death-threats/index.html>
- Miller, Chris. *Chip war: the fight for the world's most critical technology*. Simon and Schuster, 2022.
- Ministry of Foreign Affairs Malaysia, "Joint Statement between the People's Republic of China and Malaysia on Deepening the Comprehensive Strategic Partnership towards China-Malaysia Community with a Shared Future", June 20, 2024, <https://www.kln.gov.my/web/guest/-/joint-statement-between-the-people-s-republic-of-china-and-malaysia-on-deepening-the-comprehensive-strategic-partnership-towards-china-malaysia-commun>
- Nadia Schadlow and Brayden Helwig; "Protecting undersea cables must be made a national security priority", *Defense News*, July 1, 2020, <https://www.defensenews.com/opinion/commentary/2020/07/01/protecting-undersea-cables-must-be-made-a-national-security-priority/>
- Natalegawa, Andreyka, and Gregory B. Poling. *Indo-Pacific Economic Framework & Digital Trade in Southeast Asia*. Center for Strategic and International Studies (2022); 13.
- Naughton, Barry. "Chinese industrial policy and the digital silk road." *Asia Policy* 15, no. 1 (2020): 35;
- Ng Min Shen, "Malaysia to use Huawei tech 'as much as possible', says Dr M amid US ban", *The Malaysian Reserve*, May 31, 2019, <https://themalaysianreserve.com/2019/05/31/malaysia-to-use-huawei-tech-as-much-as-possible-says-dr-m-amid-us-ban/>
- Niall Ferguson, "The New Cold War? It's With China, and It Has Already Begun", *The New York Times*, December 2, 2019, <https://www.nytimes.com/2019/12/02/opinion/china-cold-war.html>

- Noor, Elina. "Entangled: Southeast Asia and the Geopolitics of Undersea Cables." (2024): 5-6.
- Norman Goh, "Anwar struggles to boost Malaysian economy a year after victory", *Nikkei Asia*, November 21, 2023, <https://asia.nikkei.com/Spotlight/Asia-Insight/Anwar-struggles-to-boost-Malaysian-economy-a-year-after-victory>
- Park Eun-Jee, "Huawei hints at continued partnership with LG Uplus", *Korea JoongAng Daily*, December 21, 2023, <https://koreajoongangdaily.joins.com/news/2023-12-21/business/industry/Huawei-hints-at-more-partnership-with-LG-Uplus-calls-it-important-global-client/1941305>
- Patil, Sameer, and Prithvi Gupta, "The Digital Silk Road in the Indo-Pacific: Mapping China's Vision for Global Tech Expansion." *Observer Research Foundation*, (2024).
- Patrick Wintour, "Europe divided on Huawei as US pressure to drop company grows", *The Guardian*, July 13, 2020, <https://www.theguardian.com/technology/2020/jul/13/europe-divided-on-huawei-as-us-pressure-to-drop-company-grows>
- Paul Mah, "Alibaba Cloud begins operations in Malaysia" *Data Center Dynamics*, October 30, 2017, <https://www.datacenterdynamics.com/en/news/alibaba-cloud-begins-operations-in-malaysia/>;
- Paulo, Mireia. "China–Europe investment cooperation: A digital silk road." *The Belt & Road Initiative in the Global Arena: Chinese and European Perspectives* (2018): 177-204.
- Pepermans, Astrid. "The Huawei Case and What It Reveals About Europe's Trade Policy." *European Foreign Affairs Review* 21, no. 4 (2016): 547;
- Peterson, Timothy M., and Peter Rudloff. "Preferential trade agreements and trade expectations theory." *International Interactions* 41, no. 1 (2015): 61-83.
- Rasiah, Rajah, and Siu Hong Wong. "Industrial upgrading in the semiconductor industry in East Asia." *Innovation and Development* 11, no. 2-3 (2021): 415.
- River Davis, "Japan Plans National Champion to Challenge Huawei", *The Wall Street Journal*, June 25, 2020, <https://www.wsj.com/articles/japan-plans-national-champion-to-challenge-huawei-11593091392>
- Riyaz ul Khaliq and Islamuddin Sajid, "China's Xi discusses Asian 'independence' with Malaysian, Singaporean premiers", April 1, 2023, <https://www.aa.com.tr/en/asia-pacific/china-s-xi-discusses-asian-independence-with-malaysian-singaporean-premiers/2860813>
- Rod McGuirk, "Malaysia's prime minister resists US pressure and says Malaysians don't have a problem with China", *AP News*, March 4, 2024, <https://apnews.com/article/malaysia-china-australia-anwar-ibrahim-b4d75a8423b5265bec1a05d69231965f>
- Sapna Chadha, "How Southeast Asia can become a \$1 trillion digital economy," *World Economic Forum*, December 12, 2023, <https://www.weforum.org/agenda/2023/12/how-southeast-asia-can-become-trillion-digital-economy/>
- Schmidt, Eric. Foreword to *US-China technological "decoupling": A strategy and policy framework*, by Jon Bateman, ix-xi. Washington: Carnegie Endowment for International Peace, 2022.
- Seah, S. et al., "The State of Southeast Asia: 2024 Survey Report", Singapore: *ISEAS - Yusof Ishak Institute* (2024); 28, 30.
- Segal, Adam. "China's alternative cyber governance regime." *Council on Foreign Relations* (2020): 1-8.
- Sheila Chiang, "Southeast Asia's digital economy – from e-commerce to online media – is set to hit \$218 billion in 2023, report shows," *CNBC*, November 1, 2023, <https://www.cnbc.com/2023/11/01/southeast-asias-digital-economy-is-set-to-hit-218-billion-in-2023.html#:~:text=Southeast%20Asia's%20digital%20economies%20are%20set%20to%20reach%20%24218%20billion,Temasek%20and%20Bain%20%26%20Company%20revealed.>

- Sheila Chiang, "TECH Malaysia emerges as a hotspot for semiconductor firms amid U.S.-China chip tensions" Shen, Hong. "Building a digital silk road? Situating the internet in China's belt and road initiative." *International Journal of Communication* 12 (2018): 2684.
- Sherman, Justin. "Cyber Defense across the Ocean Floor." *Atlantic Council* (2021).
- Siar, Sheila. "The challenges and approaches of measuring research impact and influence on public policy making." *Public Administration and Policy* 26, no. 2 (2023): 169-183.
- Snyder, Jack. "Trade expectations and great power conflict—A review essay." *International Security* 40, no. 3 (2015): 196.
- State Council of the People's Republic of China, "Full text: Action plan on the Belt and Road Initiative", March 30, 2015, https://english.www.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm.
- Stephen Nellis, Karen Freifeld and Alexandra Alper, "U.S. aims to hobble China's chip industry with sweeping new export rules", *Reuters*, October 10, 2022, [https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/#:~:text=Oct%2010%20\(Reuters\)%20%2D%20The,Beijing's%20technological%20and%20military%20advances.](https://www.reuters.com/technology/us-aims-hobble-chinas-chip-industry-with-sweeping-new-export-rules-2022-10-07/#:~:text=Oct%2010%20(Reuters)%20%2D%20The,Beijing's%20technological%20and%20military%20advances.)
- Strategic Comments. Australia, Huawei and 5G 25 (28) (October 2019): x–xii.
- Stromseth, Jonathan. *Don't make us choose: Southeast Asia in the throes of US-China rivalry*. Washington, DC: Brookings Institution, 2019.
- Subramanian Birruntha, "Malaysia signs three agreements at US-led 15-member IPEF ministerial-level meeting", *New Straits Times*, June 6, 2024, <https://www.nst.com.my/business/corporate/2024/06/1060199/malaysia-signs-three-agreements-us-led-15-member-ipef-ministerial>
- Syed Fazl-e-Haider, "Will Pakistan's Gwadar port resolve China's Malacca dilemma?", *ThinkChina*, November 30, 2023, <https://www.thinkchina.sg/politics/will-pakistans-gwadar-port-resolve-chinas-malacca-dilemma>
- Taidong, Zhou, and Xue Qi. "The digital silk road and southeast Asian countries." *The Fourth Industrial Revolution and the Future of Work: Implications for* (2020): 132.
- Terry M. Frederic, "U.S. Expands Sanctions Targeting Chinese Technology Companies", *Kelley Drye*, December 24, 2021, <https://www.kelleydrye.com/viewpoints/blogs/trade-and-manufacturing-monitor/u-s-expands-sanctions-targeting-chinese-technology-companies>.
- "The U.S. government pushes the Netherlands, Japan, Germany, and South Korea to extend existing chip-making export bans, but faces resistance", *Pamir Consulting LLC*, May 16, 2024, <https://pamirllc.com/blog/us-government-pushes-to-extend-chip-making-export-bans>.
- The White House, "FACT SHEET: In Asia, President Biden and a Dozen Indo-Pacific Partners Launch the Indo-Pacific Economic Framework for Prosperity", May 23, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/23/fact-sheet-in-asia-president-biden-and-a-dozen-indo-pacific-partners-launch-the-indo-pacific-economic-framework-for-prosperity/>
- The White House, "Remarks by National Security Advisor Jake Sullivan at the Special Competitive Studies Project Global Emerging Technologies Summit," September 16, 2022, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/09/16/remarks-by-national-security-advisor-jake-sullivan-at-the-special-competitive-studies-project-global-emerging-technologies-summit/>
- The White House, *Indo-Pacific Strategy of the United States*, February 2022, 17, <https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>
- Triolo, Paul, Kevin Allison, Clarise Brown, and Kelsey Broderick. "The digital silk road: expanding China's digital footprint." *Eurasia Group* 8 (2020): 1-13.

- “Trying to contain China will only fuel its grievances, says Malaysian PM Anwar”, *The Straits Times*, March 7, 2024, <https://www.straitstimes.com/asia/trying-to-contain-china-will-only-fuel-its-grievances-says-malaysian-pm>
- Tsui, Josephine, and Brian Lucas. "Methodologies for measuring influence." *GSDRC Applied Knowledge Services prepared for DFID. UK, London* (2013).
- Tung, Nguyen Cong. "Uneasy embrace: Vietnam’s responses to the US Free and Open Indo-Pacific strategy amid US–China rivalry." *The Pacific Review* 35, no. 5 (2022): 884.
- U.S. State Department, *The Clean Network* [Online], 2021. <https://2017-2021.state.gov/the-clean-network/>.
- US Bureau of Industry and Security. 2022. Commerce implements new export controls on advanced computing and semiconductor manufacturing items to the People’s Republic of China (PRC). US Department of Commerce. <https://www.bis.doc.gov/index.php/documents/about-bis/newsroom/press-releases/3158-2022-10-07-bis-press-release-advanced-computing-and-semiconductor-manufacturing-controls-final/file>.
- US International Trade Administration, “Malaysia Semiconductors,” *US Department of Commerce*, April 25, 2024, <https://www.trade.gov/market-intelligence/malaysia-semiconductors>
- “US reviews risks of China’s use of RISC-V chip technology”, *Free Malaysia Today*, April 24, 2024, <https://www.freemalaysiatoday.com/category/business/2024/04/24/us-reviews-risks-of-chinas-use-of-risc-v-chip-technology/>
- USTDA, “FACT SHEET: Strengthening APEC Infrastructure”, November 16, 2023, <https://www.ustda.gov/fact-sheet-strengthening-apec-infrastructure/>.
- USTDA, “FACT SHEET: USTDA Announces New Support for Indo-Pacific Partner Priorities”, May 21, 2024, <https://www.ustda.gov/fact-sheet-ustda-announces-new-support-for-indo-pacific-partner-priorities/>
- Van Der Lugt, Sanne. "Exploring the political, economic, and social implications of the Digital Silk Road into East Africa." *Global Perspectives on China’s Belt and Road Initiative* (2021): 315.
- Wadhwa, Anil. "The Search for Alternatives in the Indo-Pacific: The Blue Dot Network and the Resilient Supply Chain Initiative." In *The Indo-Pacific Theatre*, pp. 223. Routledge India, 2022.
- Wang Yamei, “Full text of President Xi's speech at opening of Belt and Road forum”, *Xinhua News*, May 14, 2017, http://www.xinhuanet.com/english/2017-05/14/c_136282982.htm
- Wheeler, Tom, and David Simpson. *5G is Smart, Now Let's Make it Secure*. Brookings, 2022: 8-9.
- William Choong, “Chinese-U.S. Split Is Forcing Singapore to Choose Sides”, *Foreign Policy*, July 14, 2021, <https://foreignpolicy.com/2021/07/14/singapore-china-us-southeast-asia-asean-geopolitics/>
- Xinhua, “Reinvestigation: What, if anything, has U.S. gained from its trade war with China?”, *Xinhua News*, March 29, 2024, <https://english.news.cn/northamerica/20240329/5584c578bdf4dcea5f14b8ed7e69625/c.html>;
- David Pierson and Olivia Wang, “China Feels Boxed In by the U.S. but Has Few Ways to Push Back”, *New York Times*, April 12, 2024, <https://www.nytimes.com/2024/04/12/world/asia/china-us-biden-japan.html>
- Zhang, Yongjin. "'Barbarising' China in American trade war discourse: the assault on Huawei." *Third World Quarterly* 42, no. 7 (2021): 1436-1454.
- Zhou, Binglei. "The Impact of the US Chip Act and the Chip4 Alliance, and China How to Respond It." *Transactions on Social Science, Education and Humanities Research* 1 (2023): 407.
- Zhu, Zhiquan. "US–China Rivalry in the Indo-Pacific: The Harding Way or the Harder Way." In *The Indo-Pacific Theatre*, pp.126. Routledge India, 2022.