

## **BALANCING AN EMERGING POWER'S INFLUENCE: CAMBODIA'S FOREIGN POLICY CHOICES WITHIN ASEAN UNDER CHINESE ECONOMIC LEVERAGE**

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### **Abstract**

The essay aims to explore Cambodia's behaviour and decisions in the international arena, which emerged from its close economic cooperation with China. This paper uses the ASEAN ministerial meeting in 2012, the Ream Naval Base dispute, and the Belt and Road Initiative infrastructure project as case studies. In this way, we obtained detailed information about the specific mechanisms of influence of the above-mentioned events on Cambodia's further decisions in foreign policy. This paper reveals that the long-term multidimensional cooperation between China and Cambodia has had a direct impact on Cambodia's diplomatic activities within ASEAN, ensuring the protection of China's geopolitical interests at the cost of destabilising a crucial regional bloc. It follows that in order to preserve the unity of ASEAN and take the maximum strategic benefit from partners, Cambodia needs to apply a balance mechanism between cooperation with China and the Southeast Alliance.

### **Keywords**

ASEAN; Economic cooperation; The Belt and Road Initiative; Chinese investment; Cambodia's foreign policy.

### **Resumo**

O ensaio tem como objetivo explorar o comportamento e as decisões do Camboja na arena internacional, que surgiram da sua estreita cooperação económica com a China. Este artigo utiliza a reunião ministerial da ASEAN em 2012, a disputa da Base Naval de Ream e o projeto de infraestrutura da Iniciativa Belt and Road como estudos de caso. Desta forma, obtivemos informações detalhadas sobre os mecanismos específicos de influência dos eventos acima mencionados nas decisões futuras do Camboja em matéria de política externa. Este artigo revela que a cooperação multidimensional de longo prazo entre a China e o Camboja teve um impacto direto nas atividades diplomáticas do Camboja dentro da ASEAN, garantindo a proteção dos interesses geopolíticos da China à custa da desestabilização de um bloco regional crucial. Conclui-se que, para preservar a unidade da ASEAN e obter o máximo benefício estratégico dos parceiros, o Camboja precisa aplicar um mecanismo de equilíbrio entre a cooperação com a China e a Aliança do Sudeste Asiático.



### Palavras-chave

ASEAN; Cooperação económica; Iniciativa Belt and Road; Investimento chinês; Política externa do Camboja.

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### **Introduction**

Cambodia's foreign policy has been noticeably leaning towards China since the 1950s, owing to its facilitation and aid in the desperate struggle against Western influence. A closer chapter in relations between Cambodia and China began after the Khmer Rouge came to power in 1975, led by Pol Pot. Since then, Cambodia has been provided with financial aid, funding for infrastructure development projects, military equipment, and even the use of a partnership with China as a trump card in relations with great powers and potentially concerning neighbours. In the current period of rivalry between the great powers, Cambodia finds itself balancing between ASEAN and its long-standing and solid alliance with China.

Such close economic ties definitely influence Cambodia's decisions in terms of foreign policy. Cambodia prioritises the direct interests of China over the interests of ASEAN countries. In this sense, this study addresses the following research questions: 1) How have Cambodia's relations with China influenced its foreign policy decisions? 2) What specific actions linked to this alignment have disrupted ASEAN's cohesion? The central hypothesis is that Cambodia's deepening economic interdependence with China has encouraged policy choices that prioritise Beijing's strategic interests, often at the expense of ASEAN consensus.

This research adopts a qualitative case study approach to analyse the influence of Sino-Cambodian economic ties on Phnom Penh's foreign policy. Three cases were selected based on their relevance to ASEAN unity and their demonstrated linkage to Chinese interests: the 2012 ASEAN Ministerial Meeting, the Ream Naval Base developments, and Cambodia's participation in the Belt and Road Initiative. Data sources include peer-reviewed journal articles, ASEAN official documents, policy reports, and news outlets. Content analysis is applied to trace patterns of diplomatic alignment and identify causal mechanisms between economic dependence and political positioning.

It is hypothesised that strong ties between Cambodia and China have led to strained relations with the countries of Southeast Asia through their foreign policy choices. Assumptions can be made based on recent research materials. According to Khath Bunthorn (2022), even though membership in ASEAN has security, economic, and



diplomatic advantages, Cambodia still prioritises China's interests, thereby sowing discord and weakening the centralisation of such an important regional organisation as ASEAN.

To a greater extent, Samath (2020) supports this point of view and asserts that Cambodia's decisions in foreign policy are primarily pragmatic economic calculations in order to obtain the greatest possible benefit. It is noted that Cambodia should adopt this pragmatism with the BRI to achieve its economic development goals. Another aspect is that Cambodia should balance relations with ASEAN and China to avoid the risks of full-scale bandwagoning.

Validating the position of Samath (2020), Sothirak (2021) asserts that Cambodia should avoid the risk of economic dependence and isolation in the region due to the alliance with China, and also learn to balance the competition of great powers in the regional context. Another study conducted by Charadine (2020) affirms that Cambodia aims to apply a varied and balanced foreign policy, even though it is involved in security disputes with Thailand and the South China Sea disputes, which are bound to deep ties with China.

Po and Primiano (2020) reinforce the opinion and expand on this by revealing that, except for economic benefit and prompt development, Cambodia advocates Chinese interests in its foreign affairs and also for keeping Hun Sen's regime in power, as well as securing protection from Vietnamese threats and assessing ASEAN's effectiveness. Williamson (2023) agrees that linkages with China help Hun Sen to maintain the regime through domestic policies and supportive behaviour in the international arena. In return, Cambodia has been generously endowed with investment, funding, diplomatic friendship, and political endorsement.

Challenging the common consensus among experts, who claim that economic bonds with China negatively affect relations with neighbouring countries, Chheang (2022) argues that Cambodia does not prioritise China in its foreign policy decision-making but uses a hedging strategy and a multilateral approach. In particular, Chheang claims that ASEAN has been asserted as a crucial element of Cambodia's foreign policy, acting as a 'reliable security shield' and as an important element in promoting the economic integration of countries and development in the South Asian region.

Recent research on the topic reveals that the multifaceted relationship between China and Cambodia not only provides significant economic development to the latter but also leads to geopolitical repercussions, primarily strained relations with neighbouring countries and ASEAN partners. As an illustration, China's support in the South China Sea has led to doubts about whether Cambodia follows the principles of common security and cooperation or sows security uncertainty in the region. In general, we can see that there is agreement in this fieldwork, and most researchers believe that Cambodia does take a pro-China position in its foreign policy, which hurts regional stability and security. However, at the same time, some studies examine Cambodia's efforts to mitigate the negative consequences of economic cooperation with China and balance multilateral relations with neighbouring countries.

Following this brief outline of China's influence on Cambodia's foreign policy, this essay will delve deeper into the particular means through which the Sino-Cambodian economic



relationships affect the decisions that Cambodia makes in the international context, as well as what impact it has on the geopolitical situation in Southeast Asia.

Even though a large number of studies (e.g. Samath, 2020; Charadine, 2020; Po and Primiano, 2020; Sothirak, 2021; Williamson, 2023) have been conducted on the subject of economic Sino-Cambodian bonds and their outcomes for the Southeast region, there is a gap in evaluating how Cambodia's Chinese orientation in foreign policy affects unity within ASEAN and its ability to speak with one voice on issues of regional security, infrastructure development, and economic integration. According to current research, it is clear that Cambodia's pro-China policy is negatively impacting ASEAN internal relations. Still, the literature has largely overlooked the exact mechanisms and specific decisions on Cambodia's part that have led to this phenomenon.

### **Historical perspective of the Sino-Cambodian alliance**

Historically, Sino-Cambodian relations have gone through various phases of closeness and cooperation. The coming to power of the Khmer Rouge was a turning point in bilateral relations because China provided considerable military and political support to the Pol Pot regime. Allegedly, the four-year genocide was partly financed by China, along with other radical and violent policies of the Khmer Rouge. The next stage was a significant drop in the strong ties between China and Cambodia due to Vietnamese influence, and fueling the civil war in Cambodia to fulfil its strategic interests.

The mediation of relations between Cambodia and China took place in 1997, which accompanied the internal conflict between key influential leaders - Prince Norodom Ranariddh of FUNCINPEC and Hun Sen of the Cambodian People's Party (CPP). Western countries refused to provide any support to Cambodia due to human rights violations and accusations of authoritarianism, demanding a peaceful and democratic suspension of the affair. Taking advantage of Cambodia's isolation from its Western partners, China provided extensive diplomatic mediation and financial backing, and in response, Hun Sen supported the One-China policy (Chen, 2018).

Hun Sen's authoritarian rule increased tensions with the Western powers, which allowed a significant deepening of diplomatic, financial, and cultural relations with China in the early 2000s. Over the next few years, China became Cambodia's most influential strategic partner. This was manifested in the fact that Beijing provided the largest financial aid compared to any other state in the world. In addition, Cambodia was completely exempted from debt payments to China. The cultural ties between Cambodia and China have acquired an unprecedented dimension in terms of the spread of the Chinese language and the aspirations of Cambodian youth to study in Chinese metropolises instead of universities in leading European countries, as was the case before. Cultural solidarity was also manifested in the widespread distribution of Chinese mass media and the increase in tourists and migrants (Kurlantzick, 2006). In addition, Cambodia could count on solid support for sovereignty and diplomatic cooperation, which was followed by mutual visits of high-ranking officials.

Bilateral relations between Cambodia and China reached their peak in the 2010s when Cambodia became a key partner of China in the "One Belt, One Road" (OBOR) initiative.



China has expanded its sphere of influence due to the rapid development of infrastructure, economic integration, and international cooperation, which has certainly become beneficial for Cambodia; nevertheless, it is a considerable financial risk that calls into question the sovereignty of the latter (Heng & Po, 2017). Cambodia is one of the countries that benefited the most from participating in the initiative; therefore, in return, it provided full backing and support to China in political matters. Based on such proficient cooperation, the trade partnership of the countries has also significantly deepened. Thus, China has become a central figure in Cambodia's foreign policy, providing developmental financing, trading partnerships, and political assistance.

### **Strategic tools of China's alignment with Cambodia**

The alignment of Cambodia and China was brought to life thanks to a number of strategic instruments that allowed the development of strong bilateral relations. To these, we can include financial and investment aids in the form of infrastructure development and the BRI project<sup>1</sup>, numerous trade agreements, cultural and ideological support, and an unconditional diplomatic pillar. Undoubtedly, such a close connection between Phnom Penh and Beijing allowed Cambodia to develop economically very quickly, and the country's leader consolidated his position and increased the significance of the state's voice in the regional context, owing to Chinese backing. This chapter will describe three dimensions of the mechanisms by which China was able to secure comprehensive assistance to Cambodia and obtain the most ardent partner in ASEAN and Southeast Asia.

The basis of infrastructure development and investment in Cambodia is project lending from China. This process is mutually beneficial for both sides. In this way, China receives all the advantages inherent in the investor. Still, at the same time, it allows the strengthening of economic and financial relations with Cambodia by meeting its critical needs at the state level. These include agriculture, electrical infrastructure, transport links, and bridge networks. Chinese investment in Cambodia was concentrated in these areas; after all, Cambodia received \$125 million in loans for the development of national roads, the construction of eight dams worth \$1 billion was financed, as well as \$436 million in investments in agriculture between 2009 and 2011, and others (Ciorciari, 2013). This investment trend is expected to continue gaining momentum in the future, and even excluding the billions of dollars that Cambodia received under the Belt and Road initiative, China continues to provide financial support in the form of \$588 million for the development of the textile industry from 2019 to 2021. Which, in turn, plays almost the biggest role in Cambodia's export of products (Reuters, 2019).

Alongside this, FDI statistics indicate that Cambodia is one of the leading countries in Southeast Asia, which is confirmed by Chea Vuthy, Secretary General of the Cambodia Investment Board of the CDC and Member of TPAB, who declares that despite a 40% investment decline in the region experienced in 2020, Cambodia has maintained a solid annual level of \$3.6 billion. As reported by the Council for the Development of Cambodia

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<sup>1</sup> "One Belt One Road" (OBOR) was officially renamed to "Belt and Road Initiative" (BRI) in 2016 to emphasize inclusiveness and avoid misunderstanding concerning the project's goals.





(CDC), in the first half of 2023, China became the leading investor, accounting for 42.1% of Cambodia's total FDI (Kunmakara, 2023).

As of 2020, Cambodia has become the second largest recipient of China's FDI stock after Singapore among Southeast Asian countries, accounting for 14.9%, surpassing Thailand's 11.1%, Indonesia's 11.0%, and Myanmar's 9.8% (Mingey et al., 2023). Accordingly, this demonstrates that no ASEAN country has such a high share of Chinese investment to achieve parity with Cambodia. Unlike Singapore, which held the leading position in 2020 but has a highly diversified economy, Chinese investment in Cambodia has a fundamentally different and systemic nature, encompassing infrastructure, energy, and defence development.

Trade is another important dimension that we need to consider in order to understand the specific mechanisms on which strong ties between China and Cambodia are built. In 2010, a trade agreement was concluded between China and ASEAN, which in turn made China not only the largest trading partner for the member countries but also the first country to export to them. Despite this, Cambodia became the first country to engage in bilateral trade with China among all ASEAN countries that were also included in the agreement. According to the agreement, the volume of trade between the two countries in 2017 should have reached 5 billion dollars (Pheakdey, 2012). Additionally, the formation of the CCTFA in 2020 and Cambodia's ratification of the RCEP in 2021 allowed the total trade in 2023 to increase to \$12.26 billion, with the prospect of further growth (The Phnom Penh Post, 2024). Such cooperation in the field of trade opens wide economic opportunities for Cambodia, having China as a market for export goods, while deepening the strategic partnership and the importance of China in shaping its policy at various levels.

In addition, current statistics demonstrate a significant ongoing expansion of Sino-Cambodian cooperation in the field of trade. According to data released by the General Department of Customs and Excise of Cambodia (GDCE), trade volume reached \$4.48B in 2024, which is more than 15% higher compared to 2023. Taking this into account, China ranks first as a trading ally, outperforming the US, Vietnam, Japan, and Thailand. In addition, according to GDCE bilateral trade data, Cambodia's exports to China increased by 22.3% in 2024 compared to the previous year and amounted to \$1.6B, while Cambodian imports from China increased by 24.5% year-on-year. Both sides gain substantially from this long-term trade cooperation, with Cambodia enjoying access to the extensive Chinese market and Chinese enterprises investing in Cambodia making the most of Cambodia's preferential tariffs on exports to the United States (Sgueglia, 2025).

Along with the mechanisms described above, another key framework was China's soft diplomacy towards Cambodia. While the world community grew concerned about human rights abuses, rising levels of corruption, and misrule in the highest echelons of government in Cambodia, China has not raised any questions on these grounds and has continued to be a reliable and generous partner with continued absolute backing. This was seen in the fact that China's diplomatic mission is the largest in Phnom Penh, and financial investment in development has never stopped since then. In response to such warm regard, Cambodia provided China with unlimited access to its own economy, fulfilling any whims of its partner, for example, the repatriation of the Uyghurs. Such a



soft alliance-oriented policy of China has always allowed Cambodia to seek assistance without facing condemnation (Burgos & Ear, 2010).

Therefore, these factors, in the guise of investments in development, numerous trade agreements, and favourable, friendly diplomacy, have become key in achieving such deep bilateral cooperation between Cambodia and China, which is characterised by even greater economic dependence.

### **The role of Cambodia in the South China Sea dispute**

Cambodia has emerged as a divisive member of the South China Sea dispute by cooperating closely with China and not adopting a conventional position, unlike other ASEAN countries. This was manifested in multiple blockages of multilateral negotiations, especially in 2012 during the ASEAN Ministerial Meeting, which led to the impossibility of issuing a joint communique. These actions on the part of Cambodia once again highlighted the level of economic and diplomatic dependence on China and the undeniable readiness to protect their interests both on the world stage and across the region in the disputed waters of the South China Sea.

The ministerial meeting in 2012 became the most prominent symbol of disunity in ASEAN, while Cambodia held the chair and was in the process of deepening economic, financial, and ideological cooperation with China. The first failure in the organisation's history to sign a joint communique revealed ASEAN's vulnerability to external interference. A critical point was the intention of Vietnam and the Philippines to include the Scarborough Shoal disputes and exclusive economic zones. Still, the representative of Cambodia, after speaking with non-participating advisers, rejected this intention as an irrelevant issue. Reportedly, drafts of the meeting were shared with the Chinese side, which confirmed foreign interference and external influence on Cambodia's actions. Failure to sign the joint communique lowered the image of the organisation's influence, highlighted organisational gaps and disunity among the members, and revealed China's desire to weaken the unity of the regional bloc through the Cambodian agency (Bower, 2012).

Based on this information and reports of the meeting, a reasonable question arises: Did any events precede Cambodia's decision and the subsequent blocking of the signing of the joint communique? An assumption can be made on the fact that just a few days before the meeting in July 2012, Hun Sen met with the Minister of Foreign Affairs of China, where once again they announced the principles of their comprehensive cooperation, which consists of economic and political support for the sovereignty of Cambodia, and in return, China was provided with protection of their key political interests. Financial aid and large investments helped China finally win the favour and help of Cambodia in the South China Sea issues and become a major diplomatic partner. In addition, the volume of Chinese investments in Cambodia by 2011 amounted to more than 8.8 billion dollars, which cements the title of China as the first and largest investor, but only in 2011 the amount of investment amounted to more than 1.9 billion dollars, which emphasises the scale of China's financial influence on Cambodia preceding the Ministerial meeting (Ciorciari, 2013).





Cambodia's unquestioning and absolute commitment to China has shown the inability of ASEAN as a bloc to share a common position on the South China Sea dispute. The blocking of arguments that were objectionable to China at the ministerial meeting in 2012 revealed that the organisation lacked ideological unity and shared no common opinion. In addition, under a secret agreement, Cambodia granted China access to twenty per cent of its coastline and the use of the Ream Naval base, which further increased the insecurity of the region in connection with possible hostilities (Florick, 2021). The inability of the Southeast bloc to come to a common ground in resolving the issue has called into question ASEAN's overall ability to support regional security and stabilisation issues.

### **Ream Naval Base tensions**

After the impossibility of reaching a common agreement in 2012, uncertainty about Cambodia's position grew and caused numerous disputes among ASEAN countries. The next development that attracted the attention of the world community was allowing China to use a naval military base on the southern coast of Cambodia. While reports said that the naval base had come under Chinese control and Phnom Penh denied any secret deals, the security issue became more compelling on the agenda of countries in the regional bloc, especially for Thailand and Vietnam, due to direct geopolitical and economic threats. The motivations for the concerns of these countries were different. Still, they agreed that China replaced the United States of America, led the way in the development, and allegedly invested in the construction of a naval base in the Gulf of Thailand.

Although China justified the large financial investment in the construction of the military base for diplomatic and peaceful logistical reasons, Thailand remained edgy that the naval base would later be used for purposes other than those previously defined. Thailand's lack of confidence in security, as expressed by Cambodia, which assures that the port is in no way used for military purposes, is supported by satellite imagery, which confirms the presence of Chinese warships in the port. This has become clear proof that, in addition to all areas of bilateral cooperation between Cambodia and China, including diplomatic and economic ties, relations have acquired a new vector and developed militarily as well, bringing even more regional insecurity and allowing China's influence in the sea to grow. Thus, such a Cambodia-friendly country as Thailand will not be able to maintain neutrality regarding the situation in Ream Base in the future because it carries unreserved economic and security perturbations (Spadaccini & Makornwattana, 2024).

Concerns about the Ream Naval Base have also not gone unnoticed by Vietnam because the military port is territorially located in close proximity to Vietnam, and the build-up of Chinese naval forces could mean a worsening of the situation in strategic trade routes, as well as security uncertainty due to existing disputes between Hanoi and Beijing about the situation in the South China Sea. Vietnam found itself in a critically unfavourable situation, as it faced Chinese military facilities in the South China Sea on its northern and eastern borders, but after allowing China to use Ream, also in the west and south (Hutt, 2022). Figure 1 depicts a map of the Ream Naval Base within the context of Southeast Asia (Yaacob, 2024) and illustrates how Vietnam found itself strategically surrounded by China after China's involvement in the development of the Ream Naval Base.

**Figure 1**

Source: Lowy Institute

Despite deep concerns and the risk of worsening relations with neighbouring countries and ASEAN allies, the new military dimension of Cambodia-China cooperation has had significant benefits for both parties. The choice of the Ream naval base to concentrate Chinese investment for development is not an accident but a deliberate strategic move. In this way, the core partners, Beijing and Phnom Penh, achieve their fundamental geopolitical and security targets regarding external threats: China is expanding its regional political influence, and Cambodia, in return, receives military support to resist possible aggression (Yaacob, 2024).

In addition to the apparent gains that Cambodia made from the cooperation and unconditional support of China, this entailed a number of systemic damages suffered by ASEAN in connection with Cambodia's suspected permission to use a military naval base. This is manifested in the fact that China's regional political strengthening leads to the undermining of the internal unity of the organisation and imbalance, because Vietnam and Thailand find this cooperation threatening to the security of their states.

### **BRI's impact on Cambodian foreign policy**

The cases described in the previous chapters are evidence of the growing influence of China on Cambodia, which has a direct connection with the geopolitical situation of the entire region and the foreign policy framework of Phnom Penh. Speaking of levers of influence, we cannot ignore the Belt and Road Initiative, which has become a vital stage in the strengthening of economic and diplomatic ties between China and Cambodia.

The scale of the Belt and Road Initiative, due to its tremendous impact on the development of infrastructure and the economy, could not help but influence the foreign policy of the receiving country, Cambodia. As illustrated in Figure 2, before the launch of



the initiative in 2013, Cambodia was not a country marked by significant economic development or a successful infrastructure network; on the contrary, it was recognised as one of the weakest economies in the Southeast region (ASEAN Secretariat, 2014). The Chinese project made corrections to the existing deplorable situation and significantly changed the economic situation of Cambodia. Important points to note are the Phnom Penh-Sihanoukville Expressway, which strategically links Phnom Penh with the country's essential seaport, as well as the reconstruction of the Siem Reap Angkor International Airport, which became a determining component in attracting the attention of international tourists and expanding the network of foreign flights. Thus, Cambodia's participation in the BRI has gained critical importance through the implementation of large-scale national initiatives (Manghout, 2021). At the same time, involvement in large-scale Chinese investment designs has reduced the independence of Cambodia's decisions at the international level, including the ASEAN framework.

**Figure 2**

Country	Total land area (sq km)	Total Population (thousand)	Gross Domestic Product (GDP)			
			at current prices (US\$ Mn)	(PPP\$ Mn) <sup>2/</sup>	per capita (US\$)	per capita (PPP\$)
Brunei Darussalam	5,769	400	16,970	22,151	42,445	55,405
Cambodia	181,035	14,741	14,411	37,083	978	2,516
Indonesia	1,860,360	244,776	878,223	1,216,868	3,588	4,971
Lao PDR	236,800	6,514	9,083	18,921	1,394	2,904
Malaysia	330,290	29,337	305,154	501,079	10,338	16,975
Myanmar <sup>1/</sup>	676,577	60,976	52,525	90,907	861	1,490
Philippines	300,000	97,691	250,543	423,925	2,565	4,339
Singapore	716	5,312	276,610	326,506	52,069	61,461
Thailand	513,120	67,912	366,127	652,598	5,391	9,609
Viet Nam	330,958	88,773	141,669	329,034	1,596	3,706
ASEAN	4,435,624	616,614	2,311,315	3,619,072	3,748	5,869
CLMV <sup>3/</sup>	1,425,370	171,005	217,688	475,944	1,273	2,783
ASEAN6 <sup>4/</sup>	3,010,254	445,609	2,093,626	3,143,127	4,698	7,054

Source: ASEAN Community in figures

Cambodia's gains from Chinese investments is reflected in the rise of GDP from \$19.81B in 2013 to \$42.34B in 2023, an indicator that is steadily increasing, coinciding with the time period when China became the top investor in Cambodia and simultaneously the main trading partner, starting cooperation within the framework of the BRI in 2013 and RCEP and CCFTA later in 2022 (Macrotrends, 2023). However, Chinese investment in Cambodia continues to grow, reaching US\$1.378B in 2023, far surpassing the average annual Chinese investment from 2003 to 2023, which was US\$466.75M. The share of Chinese investment in total foreign investment in Cambodia in 2024 was 49.82%, making China the absolute leader in foreign capital in Cambodia, as well as securing the role of a major partner in trade, security, cultural, and political spheres (Sgueglia, 2025).



In 2024, Cambodia ranked first as the fastest-growing economy in Southeast Asia, overtaking the Philippines and Vietnam, as well as the third fastest-growing economy in Asia. (Khmer Times, 2024). This growth can be attributed, among other factors, to the kingdom's participation in the BRI, which has enabled the development of infrastructure, industrial zones, and production chains.

As already stated previously, Cambodia's enthusiastic acceptance of participation in the BRI initiative, in addition to all the obvious and direct advantages, provided an opportunity to deepen the already amiable and cooperative relations with China. Therefore, as an expression of regard and gratitude, Cambodia began to actively spread Chinese narratives, including defending Beijing's strategic interests in ASEAN. The successful application of the BRI project for China has led to growing, alarming concerns in ASEAN, which believes that such deep economic cooperation with China can lead to the fact that small ASEAN member countries can become subtle satellites of Beijing's interests, losing their voice. Another alarming cause for concern was the understanding that the value of ASEAN as a regional organisation lay precisely in unity and effective multilateral diplomatic cooperation, which is in direct danger if some ASEAN member countries ultimately fall under the dictates of China's interests. Thus, ASEAN could potentially lose its leading role in regional security and economic cooperation (Cheunboran, 2021).

In addition to the political destabilisation of the region and growing insecurity, the negative consequences of participation in the Belt and Road Initiative include devastating environmental damage and increasing Cambodia's foreign debt, but our main focus remains on how this infrastructure project forces Cambodia to follow geopolitical strategies and diplomatic interests of China, which is the largest investor and developmental partner. The ruling body of the government of Cambodia could not avoid criticism in connection with unconditional service to the political objectives of China's international policy and advocacy of their diplomatic goals in ASEAN and cooperation with other states. It can be concluded that Cambodia is ultimately moving into the sphere of Chinese domination, based on recent developments in the field of foreign policy, such as the official ban on raising the flag of Taiwan, constant and stable support in the South China Sea issues, as well as withdrawal from multiple programs based on cooperation with America, including military exercises (Heng & Po, 2017).

Thus, this chapter reveals that in addition to the indisputable benefits for Cambodia's economic situation, the BRI project resulted in significant security and ideological concerns of ASEAN due to the growing influence of China in the region and the strengthening of unequal cooperative relations with Cambodia. Such a statement has a number of consequences, namely loss of unity, reduction of independent collective decision-making, and regional significance of the organisation.

### **Balancing challenges and contributions within ASEAN**

Cambodia is an ASEAN member country that can boast of its exceptionally important strategic geographical location in Southeast Asia. This is what makes the state a key player in the international arena, as well as an extremely important member of the



ASEAN organisation: Cambodia acts as a crucial link for ensuring the security, integration, and trade of other states of the regional bloc. The other side of the coin is Cambodia's foreign policy, which is characterised by close cooperation with China on multiple levels, including economic, diplomatic, and even military campaigns. As discussed in previous chapters, Cambodia's foreign policy decisions often prioritise Chinese strategic interests in Southeast Asia, and China's growing influence does not go unnoticed, shifting the balance of power and undermining ASEAN unity, which in turn excludes the adoption of collective security decisions.

The repeated situation with the promotion of Chinese narratives led to the fact that Cambodia's ASEAN partner countries were critical because such policies had a direct impact on the division of the unity of the organisation. Some of the countries, for example, Vietnam and Thailand, considered such close cooperation as a hostile gesture and a security threat. Thus, in 2020, the former permanent secretary of the Ministry of Foreign Affairs of Singapore, Bilahari Kausikan, expressed his opinion that Cambodia's history in ASEAN may come to an end and the state may be excluded from the regional bloc, referring to the fact that such intensive interaction between China and Cambodia threatens the unity of the organisation and contributes to the lack of common direction in decision-making, for instance, as at the 2012 ASEAN Ministerial meeting (Strangio, 2020).

Phnom Penh rejects these objections and highlights that ASEAN membership is declared key to the kingdom's strategic development plan and emphasises the benefits that ASEAN receives from Cambodia's membership. A substantial contribution of Cambodia is the way its location and connecting potential have made the kingdom a key element of the East-West ASEAN Economic Corridor, contributing to the economic development and integration of the bloc's partner countries. Cambodia emphasises that to prioritise ASEAN, considerable efforts and resources have been devoted to the development of the economic corridor for the common benefit of ASEAN (Pich & Murg, 2020).

Although Cambodia was the last country to join ASEAN in 1991, it is argued that its contribution to the development of cooperation and the strengthening of relations between the countries was successful. It is known that in 2022, Cambodia held the ASEAN chairmanship, and it was during this period that it actively developed all spheres of activity of the block: trade and economic partnerships, investment, and political and diplomatic relations with other countries. During the one-year presidency of Cambodia in ASEAN, a number of designs aimed at the development of diplomatic and economic relations with countries worldwide were initiated, and special attention was paid to China and the United States of America. As stated, Cambodia has not openly declared allegiance to any of the named countries and seeks constructive and fruitful cooperation with both (Boros, 2022).

Despite the desired neutrality declared by Cambodia, it is obvious that the state is in need of multifaceted support from China. The support that Phnom Penh received from Beijing could not help but leave a mark on relations with the Western world and ASEAN partner countries. Mostly, this political and economic cooperation had negative consequences on the internal relations within the organisation, the unity of opinion of the members, and the ability to make common negotiated decisions. At the same time,





ASEAN has been declared the main direction of development for Cambodia, and activity in the organisation has its own valuable advantages. In fact, Phnom Penh is at the crossroads of open and transparent cooperation with China and productive activity in the regional organisation (Bunthorn, 2022).

Summing up the challenges and achievements of Cambodia as a member of ASEAN, it should be noted that the importance of the state as a geopolitical player is constantly growing due to the development and deepening of multidimensional economic cooperation with China and the concerns that it brings to the agenda of the regional organisation. The choice of the main directions of Cambodia's development has a direct impact on the geopolitical situation of Southeast Asia because the prioritisation and promotion of China's strategic interests in the region will lead to a shift of power and control, as well as to a change in the trajectory of development of other ASEAN countries, which they will be forced to follow as a result of Sino – Cambodian cooperation.

## Conclusion

The paper's main goal is to analyse how the economic ties between China and Cambodia affect Cambodia's international political decisions. It can be concluded that the two countries' economic alliance directly influenced Cambodia's foreign policy, especially the settlement of regional issues such as the South China Sea and the failure to adopt a joint communique at the ASEAN Ministerial Meeting in 2012. Understanding the historical context of the development of bilateral Sino-Cambodian relations provides a comprehension of the dimensions in which the relationship acquired such a volume and importance that enabled China to increase its influence in the region.

The historical perspective sheds light on Chinese support dating back to the Khmer Rouge period, when Western assistance declined significantly for several reasons. At that time, China adopted a supportive position of the regime and acquired a loyal ally for the next decades until the deepening of bonds after the launch of the BRI project in 2013. The multidimensional cooperation between China and Cambodia is a complex web of strategic tools that China uses to enlist the support of its partners. This includes economic, investment, cultural, and diplomatic instruments that Cambodia welcomes to strengthen its regional position and security. Substantial investment-based funding has enabled China to have an ASEAN member ally that supports the One China Policy and a stance on the South China Sea issue and actively promotes this position on the organisation's agenda, which has a polarly opposite setting.

Another important indicator of the economic closeness of relations between China and Cambodia is the reconstruction and permission to use the Ream naval base, which is mutually beneficial for both sides and helps achieve security goals at the cost of unsecured relations with Vietnam and Thailand. Analysis of the BRI project as the case study did not reveal a direct impact on Cambodia's foreign policy decisions. However, it was a vivid example of a mechanism that led Cambodia to a more dependent economic position and the threat of a debt trap. It allowed Beijing to actively promote its narratives and state interests, using the advantageous status of the biggest economic partner.





In the context of the broader implications of the Sino-Cambodian economic coalition, it should be noted that Cambodia risks its sovereignty, state interests, and priorities by having a more limited ability to make independent decisions in the regional and global contexts. Undeniably, prioritising cooperation with China affected Cambodia's role in ASEAN. Despite the previously announced course of development along with ASEAN, cooperation with China, on the flip side, contradicts this statement and makes effective membership in the regional organisation impossible by undermining unity among member states, creating internal tensions, and fueling security conflicts.

Thus, the analysis of the historical perspective and the examination of the cases allowed us to closely inquire into the international politics of Cambodia, namely the activities in ASEAN, which coincide with the dynamic strengthening of cooperation with China in many spheres of political activity. Analysis of cases revealed that Cambodia's political decisions in the international arena often have a background that confirms that these decisions were made based on compliance with China's strategic interests. For example, blocking the adoption of a joint communique within the South China Sea dispute framework. Having the understanding of the specific mechanisms and instruments that influence the direction of Cambodia's foreign policy, in order to get a holistic overview of the consequences of Phnom Penh's deep economic cooperation with Beijing, one should focus on the long-term perspective and consequences of these bonds, as well as their global and regional effects, the domestic situation in Cambodia together with potential benefits and drawbacks.

Summing up, it is important to note that the long-term multidimensional and mainly economic cooperation between China and Cambodia has led to the reshaping of Cambodia's foreign policy strategy. The importance of this alliance lies not only in the prospects it brings for Cambodia's domestic politics but also in the stability of the regional political environment and ASEAN. The regional organisation and neighbouring countries of the Kingdom of Cambodia have growing security concerns, leading to the deterioration of relations and increasing pressure. Therefore, in order to achieve the maximum benefit from membership in the Association of Southeast Asian Nations and bilateral relations with Beijing, Cambodia should develop balancing strategies between the two strategic directions of development without harming the activities of ASEAN as a unified bloc, besides not worsening relations with China as its leading investment partner.

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