

**HEDGING AND CONSTRUCTIVE ENGAGEMENT IN
MALAYSIA'S FOREIGN POLICY: ENHANCING
MALAYSIA'S POSITION THROUGH ASEAN AND APEC**

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DECLARATION

I hereby declare that the work in this thesis is my own except for quotations and summaries which have been duly acknowledged.

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ABSTRACT

This paper examines the importance of Malaysia's interaction in two regional organisations namely the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC). This research examines Malaysia's pursuit in maintaining peace and stability in the region, as well as promote trade and investment, through its involvement in ASEAN and APEC. The objectives of this paper are: (i) understanding Malaysia's engagement with big powers in ASEAN and APEC by utilising three tools of statecraft namely constructive engagement, quiet diplomacy and hedging; and (ii) examine and analyse the benefits of Malaysia's involvement in ASEAN and APEC and in what ways both organisations serve its national interest. In exploring Malaysia's objective to develop its standing, this paper adopts a qualitative method of inquiry. For this purpose, the two most important data sources that were used are the ASEAN Charter and Bogor Goals. Findings of the study shows that the socialisation of the big powers such as US, China, Japan and Australia in the ASEAN Way – decision-making by consensus, non-interference and respect for sovereignty, has given the opportunity for smaller states like Malaysia to have a more meaningful engagement with the big powers and help in mitigating power asymmetry, address its security needs and economic development imperative. The combination of constructive engagement, quiet diplomacy and hedging, among the various other tools of statecraft, have been demonstrated to be mutually reinforcing and complementary for Malaysia to address its political, security and economic developmental needs. This paper concludes that ASEAN remain as the primary platform to address political security matters in the region. In the economic domain, APEC should be utilised more by Malaysia to promote free trade and economic liberalisation, taking advantage of its huge market consisting of 50% of the world's exports and imports.

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