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**MALAYSIA'S STATE AUTONOMY STATUS IN CHINA'S BELT
AND ROAD INITIATIVE PARTNERSHIP**

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ABSTRACT

The Belt and Road Initiative (BRI), introduced by Xi Jinping in September 2013, has become a significant component of China's global economic strategy, impacting its numerous partner countries, including Malaysia. This study examines Malaysia's state autonomy in managing its relationship with China within the BRI framework under Anwar Ibrahim's leadership. While the initiative presents economic benefits, Malaysia faces challenges in balancing its autonomy with its strategic and comprehensive engagement in BRI projects. This study employs a qualitative approach, drawing insights from both primary and secondary sources. Primary data were collected through interviews with government officials, industry experts, and relevant stakeholders, while secondary sources included existing literature, reports, and official documents. The study assesses Malaysia's strategic approach to maintaining autonomy within the BRI partnership, identifies key factors influencing Malaysia's decision-making regarding BRI projects, and examines the broader implications of Malaysia's state autonomy on its economy and national interests. Supported by Anthony Giddens' structuration framework, the findings shed light on Malaysia's governance strategies and interactions with China under the BRI. By analysing the dynamics of state autonomy in this partnership, the study provides valuable insights of the BRI's implications for Malaysia's sovereignty, economic development, and foreign policy.

Keywords: Belt and Road Initiative (BRI), structuration theory, dualism, foreign policy, state autonomy.

INTRODUCTION

The state visit between Anwar Ibrahim and Xi Jinping in April 2023 resulted in investment commitments from China to Malaysia, amounting to approximately US\$51.2 billion. These investments span various sectors, including palm oil, food and beverages, semiconductors, green technology, the digital economy, and modern agriculture, with 19 memoranda of understanding (MoUs) signed (Ng, 2023). As Malaysia continues to reap the rewards of the Belt and Road Initiative (BRI) through the Madani Economy Framework—particularly in uplifting the dignity of its people and strengthening its economy—it is imperative to assess the long-term implications of these developments. Under the Malaysia MADANI policy, Anwar Ibrahim has adopted a strategic approach distinct from his predecessors, emphasizing people-to-people relations, historical ties, peaceful coexistence, partnerships, and territorial integrity. Reflecting this stance, he delivered a notable speech in Melbourne, Australia, affirming China as Malaysia's key ally while rejecting the influence of major powers that could distort or dictate their strategic relationship (Lai, 2024). This position highlights the alignment between Xi Jinping's vision and Anwar Ibrahim's aspiration under the Malaysia MADANI framework, as demonstrated in their March-April 2023 meeting in Beijing. From a social perspective, a study by the Merdeka Centre for Opinion Research provides valuable insights on public sentiment. Their findings reveal that over 50% of local respondents perceive Malaysia's involvement with China under the BRI as having a "positive social impact" (Merdeka Centre for Opinion Research, 2023, p. 22). While economic considerations remain central, these findings underscore the importance of understanding public perceptions, which play a pivotal role in shaping the depth of people-to-people ties between China and Malaysia.

China remained Malaysia's main trading partner in 2023 and 2024. Trade between the two countries increased by 3.3% year-on-year, surpassing US\$23.6 billion, with electrical and electronics accounting for the largest share of exports (BERNAMA, 2024). Additionally, trade activities encompass various sectors, including infrastructure development, trade and investment, tourism, and the enhancement of logistics and supply chains. The BRI has generated significant spillover effects in Malaysia, particularly through major projects such as the East Coast Rail Link (ECRL), the Malaysia-China Kuantan Industrial Park (MCKIP), the Melaka Gateway, the Trans-Sabah Gas-Pipeline, and the Gemas-Johor Bharu Electrified Double-Tracking Project. However, while these developments contribute to economic growth, it is critical to assess and address potential challenges and drawbacks. The spillover effects of BRI-related projects in Malaysia can be seen across various sectors and are often perceived as "two sides of the same coin" (Abadi, 2021; Abd Rahman & Jusoh, 2023; Ana et al., 2023; Anwar Ibrahim 2023; Ku & Tan, 2022; Gomez et al., 2020; Kam, 2024; Lim et al., 2022). Despite its benefits, Malaysia's engagement with the BRI is not without its challenges and criticisms. Concerns have been raised regarding China's growing influence, unequal power dynamics (Oliveira et al., 2020), debt sustainability, environmental impact, and the prioritization of speed over quality in project execution (Dollar, 2018). These issues have prompted Malaysian authorities to negotiate for more equitable terms and prioritise projects that align with the country's long-term development agenda (Idris, 2020).

THEORETICAL FRAMEWORK

Structuration Theory

The theory of structuralism in the development corpus seeks to move beyond the traditional dichotomy between agents and structures by reconceptualising their relationship through social practices. The

concept of structure has been practised in organisations, and is widely used in sociology (Parker, 2000). Giddens (1976) defines social practice as an ongoing practical activity emphasising the dynamic interaction between structure and agency. This theory has been critically examined by several influential scholars, including Anthony Giddens, who actively engages in global issues, especially concerning significant societal change (Stones, 2005).

The relationship between Malaysia and China is central to this study, particularly in the context of government-owned enterprises collaborating on BRI projects. The dual nature of China's BRI initiatives in Malaysia reflects both structural elements (public institutions) and their impact on agencies (micro-communities and individuals). This phenomenon of dualism is crucial when analysing Malaysia-China relations through the structural perspective as framed by Giddens. The empirical application of structuration theory becomes more effective when governments implement comprehensive and effectual initiatives that encourage collaboration between state institutions and other key actors. Institutions directly involved, such as the Malaysian Ministry of Foreign Affairs and the Malaysian Investment Development Authority (MIDA), have played a vital role in fostering diverse perspectives on the Belt and Road Initiative, further stimulating critical discourse on its implications.

RESULTS

Malaysia's Strategic Approach in China's BRI Partnership

As a major economic power, China has broadened its influence and cooperation with Malaysia, a key ASEAN member, since the late 20th century. The relationship between Malaysia and China has evolved through various historical phases, from the normalisation of diplomatic ties in 1974 to the launch of the BRI in 2013. This partnership has provided continuous advantages, particularly by fostering regional peace and sustainable development. Despite maintaining a strong relationship with China, Malaysia faces challenges in navigating the complex geopolitical landscape of Southeast Asia, especially amid the ongoing rivalry between the United States and China. A study by Mohamad Ridzuan and Ma'dan (2023) highlights Malaysia's consistent foreign policy approach, tracing its continuity from Mahathir Mohamad's administration to Abdullah Badawi's. Badawi adopted a more moderate and pragmatic strategy, emphasising a balanced approach to managing relations with major global powers, particularly the United States and China.

Abd Rahman (2018) further examines Malaysia's positive and committed response to the BRI, particularly during Xi Jinping's participation in the Malaysia-China Economic Summit in October 2013. This sturdy perpetual support for the initiative has reinforced bilateral ties, which was further solidified in April 2015 through Malaysia's engagement at the Boao Forum in China. Discussions at the forum focused on strengthening bilateral cooperation in key sectors such as trade, education, financial services, infrastructure development and defence between the two countries (Ministry of Foreign Affairs of the People's Republic of China, 2015).

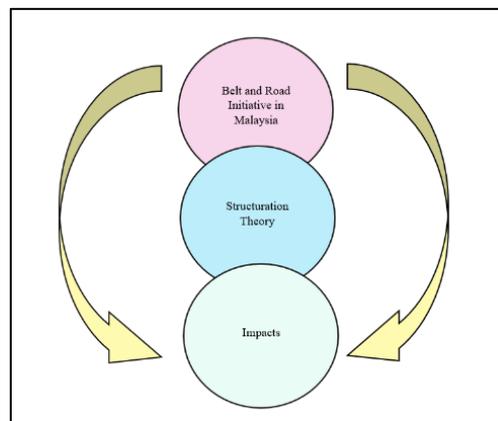
According to Abd Rahman and Jusoh (2023), China acknowledges the foresight and historical contributions of past leaders from both countries in establishing a strong foundation for Chinese-Malaysian relations. Malaysia's dynamic engagement with China is rooted in diplomatic ties and reinforced by deep-seated trust, shaped by a long history of bilateral cooperation. This perspective is strongly supported by Yow (2004), who argues that Malaysia-China relations have evolved across different historical periods. One of the earliest recorded interactions dates back to Admiral Zheng's

voyages, during which he stopped in Malacca seven times through the Silk Road and the South China Sea. Malacca's strategic position facilitated the establishment of a joint partnership within the Nusantara region (Evers et al., 2019).

Holistically, Malaysia-China relations serve as the foundation for the Belt and Road Initiative (BRI), emphasising diplomacy and historical continuity. Maintaining a high level of mutual trust as a diplomatic trading partner remains crucial in advancing China's BRI agenda. Gungwu (2019) asserts that Southeast Asia is a critical region for China's continued maritime trade cooperation, given its geographical, historical, and political significance. Consequently, Malaysia must develop a strategic approach that leverages its longstanding diplomatic relations to navigate this evolving partnership effectively.

Figure 1

Adaption of Structuration Theory to Understand the Position of Malaysia in China's Belt and Road Initiative



Source. Synthesised by authors (2024).

Looking ahead, as shown in Figure 2, understanding Malaysia's state autonomy within the BRI partnership through the structuration lens theory is essential for policymakers, scholars, and stakeholders. This perspective provides valuable insights into the evolving geopolitical dynamics and their impact on international relations and economic cooperation in Southeast Asia. The BRI is a geostrategic initiative that strengthens China's influence across commercial, geographical, geopolitical and military spheres. Also referred to as One Belt One Road (OBOR), the BRI represents a significant strategic shift at the global level, particularly within ASEAN.

"...We used to discuss ASEAN coming up with ASEAN economic projects..."
(Saifuddin Abdullah, interview, July 22, 2023)

The BRI presents a unique opportunity to enhance economic cooperation and deeper regional integration, especially among emerging ASEAN economies. By facilitating cross-border trade and investment, BRI projects introduce new drivers of sustainable economic growth in China and its partners countries. Consequently, BRI plays a significant role in reinforcing China's position as a dominant economic power both regionally and globally.

"...If it is seen as part of the Belt and Road Initiatives, it has a lot of potential. I see a lot of potential, we just have to know and make sure we know what that role is, also what benefits we will get from such a relationship..."

(Rajah Rasiah, interview, July 20, 2023)

As one of ASEAN's most ambitious economic undertakings, the BRI fosters large-scale cooperation across various sectors. China actively engages global partners in projects aligned with its policies, encompassing communication networks, financial assistance, technological advancements, and infrastructure development. This strategic transition is expected to solidify China's economic supremacy over the coming decades, positioning it as a rival to the United States (US) in the global economic hierarchy. Given its extensive diplomatic outreach, China continues to attract countries to participate in the BRI, further reinforcing its global economic influence.

Malaysia and China have outlined blueprints for several large-scale projects with significant social and economic impact, including Canal City, Bandar Malaysia, Tun Razak Exchange, Forest City, Melaka Gateway, Kuantan Port, and the China Railway Rolling Stock Corporation (CRRC). These ambitious initiatives are not solely intended for Malaysian and Chinese stakeholders but also aim to engage relevant agencies and institutions in advancing the BRI projects. From a structural perspective, BRI mega projects such as Forest City in Gelang Patah exemplify the collaboration between government entities and authorised agencies. This project which includes luxury construction and a coastal condominium complex estimated at approximately US\$100 billion (RM413.77 billion) ("Projek Forest City," 2018), was launched by Country Garden Holdings Co. Ltd. and Esplanade Danga 88 Sdn. Bhd.

Under the BRI framework, Kuantan Port plays a crucial role in integrating the East Coast, linking Kelantan to Johor. Managed by Kuantan Port Consortium Sdn. Bhd. (KPC), the port is jointly owned by IJM Corporation Berhad (a public listed company on the Malaysian Stock Exchange, holding a 60% stake) and Beibu Gulf Holding (BGH) Co. Ltd. (Hong Kong) (holding 40%). With strong government support (Mohamed Radhi, 2016), this partnership has positioned Kuantan Port as a key international hub in the global supply chain.

The China Railway Rolling Stock Corporation (CRRC) represents both a challenge and an opportunity for China to expand its industrial presence and establish a major manufacturing hub (CRRC, 2022). CRRC has actively contributed to Malaysia's railway infrastructure, supplying light rail vehicles and electric locomotives. A key upcoming project under the Malaysia-China BRI agenda is Canal City in Batu Gajah, Perak. Spanning 52 hectares, this development will include residential homes and two-storey shops (Musa, 2022). The project is a continuation of economic collaboration between the Malaysian government and private agencies, led by Team Keris Berhad and Silverland Capacity Sdn. Bhd. the leading developer of Canal City.

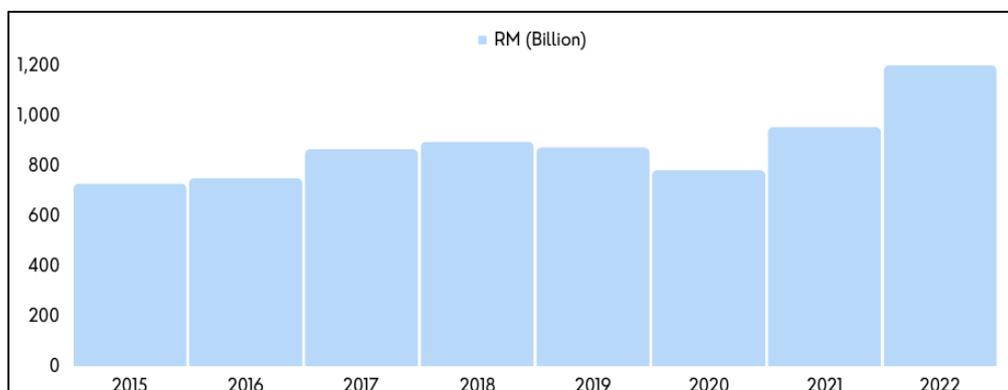
The application of structuration theory can be seen through the Tun Razak Exchange mega project (TRX), a high-quality BRI project resulting from a joint venture between Lendlease (Australia) and TRX City Sdn. Bhd. This international financial hub spans 1.3 million square feet and is expected to accommodate nearly 400 stores, with an anticipated 95% occupancy rate (Berita Harian Online, 2023). Another significant structural development is the Melaka Gateway, announced on February 7, 2014, following a high-profile visit by the then Prime Minister Najib Razak to China (Wade, 2020). This large-scale project represents a collaboration between the government and KAJ Development (KAJD), a prominent developer that played a crucial role in attracting foreign direct investment (FDI) to accelerate the construction of PME1, a key component of the project (New Straits Times, 2022).

The Bandar Malaysia project further exemplifies structuration theory, highlighting direct cooperation between Iskandar Waterfront Holdings and China Railway Engineering Corp., which collectively hold a 60% stake in the project, with the remaining 40% owned by Tun Razak Exchange City (Berita Harian Online, 2020). On October 13, 2023, during the presentation of Malaysia Madani's 2024 budget, Prime Minister Anwar Ibrahim announced the government's decision to take over Bandar Malaysia, reinforcing its role as a high-yield investment initiative aimed at strengthening China's BRI partnership. This strategic move underscores the government's commitment to optimising land use for community-driven projects, aligning with the Madani framework (The Star, 2023).

Table 1 provides an analytical breakdown of Malaysia's imports of goods and services as a percentage of Gross Domestic Product (GDP) in the context of its economic relations with China. The data reveals that China's investment in Malaysia surged significantly from 2015 to 2018 demonstrating its dominant economic influence; investment rose sharply in 2015 to RM728.78 billion. FDI-driven BRI projects escalated the trend, reaching RM751.36 billion in 2016. In 2017, China continued to dominate, expanding total investment to RM866.52 billion; its economic influence peaked at RM895.41 billion in 2018. However, there was a slight decline in 2019 as total investment amounted to RM873.62 billion.

Table 1

Imports of Goods and Services (% of GDP) Malaysia-China



Source: Synthesised by researcher through The World Bank (2023).

Malaysia-China investment trends show a weaker dominance rate in 2020, with investments declining to RM783.15 billion. However, the ideological empowerment of the BRI further bolstered China's commitment to mutual cooperation, driving investments to surge at RM953.97 billion in 2021. This remarkable growth further strengthened China's economic presence in Malaysia, culminating in a record-high investment of RM1.2 trillion in 2022. The dynamic BRI agenda continues to sustain China's steady influx of FDI into Malaysia. Fund-raising activities, such as stock exchange listings, play a crucial role in supporting the expansion of BRI mega projects, which in turn stimulate the country's economic growth (Abdul Aziz, 2023). In particular, Chinese partnerships with local companies are expected to attract foreign investors, fostering regional economic integration. More broadly, Malaysia remains a key ASEAN country actively collaborating with neighbouring countries to enhance both local and regional investments.

"...So, China is involved in Malaysia's trade as well as investment. They play a huge role..."

(Unny Sankar, interview, August 16, 2023)

The ongoing evolution of the BRI agenda in Malaysia has generated substantial economic advantages, with Malaysia embracing the initiative to strengthen trade and diplomatic relations with China. Since 2013, investments with China have aggressively expanded across multiple sectors focusing on partnerships in five key categories, namely partnerships between Malaysian-Chinese government-owned enterprises; partnerships between Malaysian-Chinese government-owned enterprises and privately-owned enterprises; partnerships between Malaysian privately owned enterprises and Chinese government-owned enterprises; partnerships between Malaysian-Chinese privately-owned enterprises; and partnerships between Chinese government-owned enterprises and Chinese private enterprises in Malaysia (Gomez et al., 2021).

"...Since 2016, China has been Malaysia's main source of FDI in the manufacturing sector for five consecutive years..."

(Surayu Susah, interview, September 18, 2023)

This article further explores the partnership between Malaysia and Chinese government-owned enterprises within the BRI large-scale projects—analysed through the lens of dualism. Dualism, as conceptualised by Anthony Giddens' structuration theory, accentuates China's BRI project in Malaysia, which highlights the interplay between: structure (macro-level public institutions) and its impact on agencies (micro-level communities and individuals). Therefore, this dualistic nature of BRI in Malaysia provides a critical framework for analysing the broader economic and social impact of BRI projects in the country.

Table 2

Malaysia's Ranking in Global Governance, 2021-2023

Year	Rank	Index Score
2021	32	0.625
2022	32	0.622
2023	33	0.612

Source. Synthesised by researcher from Chandler Good Government Index (2023)

Table 2 presents Malaysia's position in global governance from 2021 to 2023. According to the Chandler Good Government Index 2023, Malaysia ranked 32nd in 2021 with an index score of 0.625. Malaysia maintained its 32nd position in 2022 with a slightly lower index score of 0.622. However, in 2023, Malaysia's ranking declined to 33rd, reflecting a marginal drop in governance performance. A crisis of governance and integrity hit Malaysian leadership. Between 2018 and 2022, Malaysia experienced a period of political transformation, with leadership shifting from Najib Tun Razak (Barisan Nasional, BN) to Mahathir Mohamad (Pakatan Harapan, PH), followed by Muhyiddin Yassin as Prime Minister (Perikatan Nasional, PN) (Razali & Parzi, 2020).

During his tenure, Mahathir Mohamad made international headlines by cancelling three mega BRI projects, including the Kuala Lumpur-Singapore High-Speed Railway (HSR). He justified this decision by criticising the BRI configuration as a potential form of Chinese economic colonisation in Malaysia (Mohamad Ridzuan et al., 2022). His stance curbed China's investment enthusiasm in Malaysia, leading to significant financial losses for China, particularly in crucial maritime cooperation under the BRI framework. Despite these concerns, Mahathir Mohamad later acknowledged the strategic importance of the Malaysia-China BRI partnership, especially following his visit to China in 2019.

The political landscape in Malaysia continued to shift, with Perikatan Nasional (PN) losing power to Barisan Nasional (BN). Muhyiddin Yassin secured a majority victory in Pagoh with 10,007 votes (Abu Hassan, 2022), ushering in a new administration. However, the country faced another major challenge with the outbreak of COVID-19, which escalated on 29 May 2020, reaching 7,732 reported cases (World Health Organization, 2019). The government led by Muhyiddin Yassin, temporarily suspended several infrastructure projects including key BRI developments, to curb the spread of COVID-19. These measures, while necessary, slowed the progress of BRI projects, contributing to an economic downturn and 115 reported deaths (World Health Organization, 2019). Despite these setbacks, Malaysia maintained its 32nd position in the global governance index in 2022, with a minor deficit of 0.622 demonstrating resilience in institutional governance.

The ongoing political transition culminated in Anwar Ibrahim's appointment as the 10th Prime Minister, marking a historic return to leadership with the formation of his 'Perpaduan' (Unity) government (Berita Harian Online, 2022). Despite previous political controversies and economic crisis, Anwar's Madani government has introduced key policy transformations to strengthen the country's role in international economic cooperation, particularly within the BRI framework. Under his leadership, Malaysia has embraced new BRI policy concepts, including the Green Maritime Route, Health Silk Road, Green Silk Road, and the Global Civilisation Initiative. These policy expansions have broadened the focus of BRI, integrating infrastructure development with initiatives in public health, knowledge transfer, vocational education, capacity-building and sustainable development (Mohd Mokhtar, 2023).

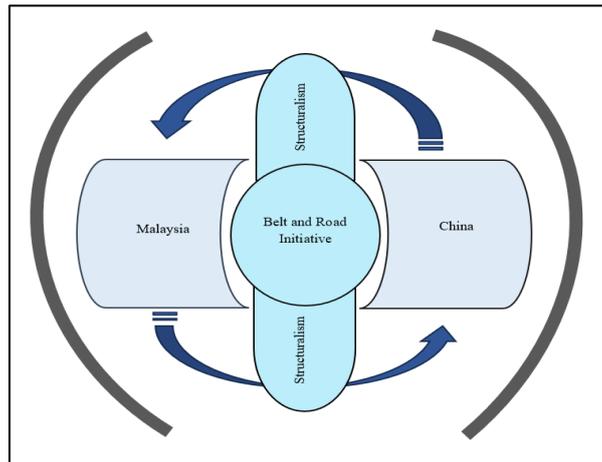
Malaysia-China Governance Key Factors in BRI

Pieterse (2014) argues that, in the 21st century, Southeast Asian countries are more reliant on investment capital than their Northeast Asian counterparts, particularly through the BRI. In the context of Malaysia-China relations, Malaysia views the BRI as a strategic opportunity, as highlighted by Abdul Rahman Embong (2018), despite differences in their economic systems and implementation strategies. These differences do not hinder collaboration; instead, they pave the way for mutually beneficial cooperation. The BRI offers numerous benefits including accelerating economic growth, attracting large-scale investments, facilitating technology exchange and fostering cultural and tourism-related profits. Additionally, it contributes to developments in energy, real estate, and other sectors.

However, Mohamad Ridzuan et al. (2022) presents a contrasting view, describing the partnership as a new form of Chinese economic dominance over weaker countries, drawing parallels to Sri Lanka's experience. Mahathir Mohamad, once critical of the initiative, ultimately approved BRI projects worth billions of ringgit in Malaysia, including the Kuala Lumpur-Singapore High-Speed Rail (HSR) project. Van Der Putten and Meijnders (2015) support Mahathir's concerns, arguing that BRI projects are often financed, built, supplied and, in some cases, operated by Chinese firms, that are either owned by the government or closely affiliated with the Chinese government. Similarly, Miu et al. (2017) notes that Chinese contractors have established a strong presence in Malaysia through government-to-government ties.

Figure 2

Belt and Road Initiative in Malaysia and Structural Impacts Framework



Source. Synthesised by authors (2024).

The dynamic partnerships and structural engagements within BRI projects have led to large-scale Chinese investment and capital inflows, as elucidated in Figure 2. As a result, the proliferation of BRI investments has created bright prospects for national economic growth. However, these projects remain largely dominated by China rather than Malaysia. While the main goal of the BRI is to foster mutual economic benefits, China's dominance in the partnership raises concerns about the balance of power (Arase, 2015). Abdul Rahman Embong (2018) insists that although the BRI offers economic opportunities, it also presents challenges, including maritime territorial disputes and restricted naval operations among others. Therefore, discussions of China's dominance and potential economic neo-colonialism should not be confined to Western narratives or biases. Instead, both parties must collaborate in a way that ensures equitable benefits for both countries. For Malaysia, maintaining a peaceful co-existence while adopting a structuration approach is crucial. This involves safeguarding national autonomy by protecting economic security, environmental sustainability, and cultural diversity while engaging in the Belt and Road Initiative.

Table 3

Malaysia-China Bilateral Trade (US\$ Billion)

Year	Volume (in billions USD)
2017	45.47
2018	67.00
2019	54.76
2020	70.39
2021	89.90
2022	110.6
2023	98.8

Source. MATRADE (2017-2023); MIDA (2023); BERNAMA (2024); Liu Jianchao (2024).

Table 3 shows the increasing trade volume, reinforcing Malaysia's economic structure through sustained investment. However, under the new leadership of Anwar Ibrahim, efforts are being carefully undertaken to address issues involving geostrategic governance while preserving state autonomy through existing socio-economic relations with China. For example, during a state visit in April 2023, Anwar Ibrahim and Xi Jinping secured China investments in key sectors including palm oil, food and beverages, semiconductors, green technology, the digital economy, and modern agriculture. This collaboration resulted in approximately US\$51.2 billion in investments and the signing of 19 memoranda of understanding (MoUs) (Ng, 2023). However, as Malaysia continues to reap the rewards of the BRI through the Madani Economy Framework, particularly in enhancing economic resilience and uplifting the well-being of its people, it is crucial to conduct a comprehensive assessment of the long-term implications of these developments.

An Outlook of Malaysia's State Autonomy Status in BRI Partnerships

Social infrastructure in economic development is the primary source of jobs and services such as education, medicine, culture, and sports (Bell, 1999). It is established through networks of individuals, groups, countries or institutions, shaped by historical relations, cultural exchanges, intermarriage, migration, conflicts, and economic interactions to achieve common goals. Closely linked to the formation of social networks, these relationships transcend geographic and demographic boundaries, emphasising the significance of social structures (Freeman, 2004). His comprehensive analysis of Malaysia-China bilateral relations highlights their significant growth since the signing of the Joint Communiqué between the two governments in Beijing on 31 May 1974 (Ministry of Foreign Affairs, 2023).

The integration between Malaysia and the ASEAN economic powers has significantly strengthened Malaysia's commitment to China's peaceful co-existence policy. The diplomatic relations between Malaysia and China have evolved through historical connections, cultural exchanges, intermarriage, migration and even periods of conflict, creating a 'nodal point' that interconnects individuals and groups, forming a 'bond line' in their relationship (Scott, 2012). These elements of social infrastructure have served as the backbone of Malaysia-China bilateral relations, further reinforced by China's BRI projects in Malaysia.

The resilience of Malaysia-China bilateral relationship relies heavily on robust cooperation between these two countries. The fourth theme discussed in this article is cooperation under the BRI framework, particularly its impact on society. This topic has been widely examined by scholars including Shatkin (2016), Abd Rahman (2018; 2022), Goldman (2011), Koelemaj and Derudder (2021), Shin (2016), Zhang (2017), Lee (2016), and Loheswar (2019). Generally, the extensive collaboration under the BRI agenda has sparked discourse on a new phase of Malaysia-China relations, focusing on the potential benefits for local communities. The acceptance and success of the BRI ultimately hinge on holistic participation from society.

The BRI is fundamentally driven by the role of local actors in land production, facilitating large-scale foreign investment in the local housing market (Shatkin, 2016). Abd Rahman (2018) highlighted the crucial importance of cooperation across all levels of society in fostering the success of the BRI agenda. While acknowledging this perspective, Abd Rahman (2018) emphasised that a deeper understanding of this phenomenon must consider the role of the state, complemented by NGO-led initiatives such as forums, cultural events, and art exhibitions themed around the OBOR vision, as well as business-driven collaborations.

The interplay between society and the government is a crucial factor in the design and execution of mega-scale projects, as it significantly influences and facilitates foreign capital inflows. Scholars including Goldman (2011), Koelemaij and Derudder (2021), Shin (2016) and Zhang (2017) argue that while foreign investors and private developers play significant roles in BRI mega projects, the active involvement of local communities is equally essential. They emphasise that local stakeholders should participate in planning, facilitating and leasing land for the development of large-scale real estate projects, contributing to the formation of transformative urban spaces.

From a structuralist perspective, the active engagement of local communities is vital to develop sustainable economic cooperation between the two countries. Lee (2016) critically observed that Malaysia's economic growth will be significantly influenced by substantial financial commitments made by China, primarily through Chinese state-owned companies and local Malaysian companies. Notable BRI-backed infrastructure projects include: Bandar Malaysia valued at US\$48 billion, the East Coast Rail Link (ECRL) estimated at RM55 billion, the Malaysia-China Kuantan Industrial Park (MCKIP) worth US\$8 trillion, the Melaka Gateway project valued at US\$10 billion, and Forest City amounting to US\$42 billion.

The current government under Anwar Ibrahim cannot realise the success of the BRI agenda without strong collaboration from various parties, including business leaders and the third sector, namely the local community, non-governmental organisations (NGOs) and civil society organisations (CSOs). The BRI has actively engaged local companies, such as KAJ Development, through joint ventures with companies from China, like PowerChina International (PWI). One notable project under this collaboration is the development of the Melaka Gateway. Additionally, Loheswar (2019) highlighted the revival of the ECRL as a crucial mediator between Malaysia and China, now fully developed under the management of Malaysia Rail Link Sdn. Bhd., with a total expenditure of RM65.5 billion.

Beyond the government's role, several social and business-based NGOs supporting Malaysia-China relations have also contributed to addressing emerging issues at the national level. Abd Rahman (2018) provided a critical analysis of the relationship between key business institutions such as the Malaysia-China Business Council (MCBC), and influential organisations like the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM), and the Malaysia-China Friendship Association (PPMC). These entities play a vital role in strengthening the economic, social and political ties between the two countries. Integrating cooperation with business and social organisations remains a priority in the BRI framework, ensuring a deep understanding and well-structured relationship with China through comprehensive impact evaluation mechanisms.

Through this comprehensive impact evaluation mechanism, Malaysia can harness the opportunities presented by the BRI, while proactively addressing the challenges to achieve sustainable and inclusive growth. This approach facilitates long-term prosperity through multifaceted investments that have contributed to modernising and upgrading key systems. These developments have enhanced Malaysia's competitiveness as an investment hub, fostered local businesses and partnerships, diversified the economy in the global market, and spurred significant infrastructure projects. Additionally, the BRI has driven economic growth, job creation, improved connectivity, socioeconomic development and enhanced cultural understanding (Chan, 2018; Liu et al., 2020; Abd Rahman & Jusoh, 2023). Therefore, to ensure balanced and human-centred development, the wisdom model and systematic impact evaluation framework must also review resolutions that integrate humanitarian considerations in development. This model and mechanism extend beyond Malaysia, particularly as it prepares for its Chairmanship of ASEAN in 2025. It includes all ASEAN members and claimant states, fostering

collaboration in shaping 21st-century Asian Civilisation values. Such an approach will help ensure that China's BRI development in Malaysia contributes to a sustainable, strategically close relationship beyond its 50th anniversary while preventing unintended consequences.

CONCLUSION

Malaysia and China have maintained diplomatic and trade relations since 31st May 1974, built upon a strong historical and civilisational foundation. This enduring relationship has facilitated extensive interactions between Malaysia and China, with historical ties serving as the foundation for China's Belt and Road Initiative (BRI) in Malaysia. As a key ASEAN member, Malaysia plays a crucial role in China's economic expansion through the BRI, symbolising their long-standing diplomatic partnership. However, the BRI initiative was initially met with scepticism due to its broad and ambitious agenda, which raised concerns about China's potential economic dominance and ideological influence. Some critics even equated the initiative with the concept of "One China," further intensifying global apprehensions.

Malaysia's strategic embrace of the BRI has helped mitigate these concerns, fostering a more cooperative and mutually beneficial partnership. By actively engaging in the initiative, Malaysia has contributed to strengthening connectivity between China and the global economy. This article has explored the structural impact of the BRI on Malaysian governance through the lens of structuration theory. The relationship between structure and agency is central to understanding how governance adapts to the BRI framework. A key aspect of this cooperation is the active involvement of the third sector, including civil society organisations, non-governmental organisations, and local communities. Their participation is essential for maximising the interdependent benefits of the BRI, as the initiative's core pillars—policy coordination, infrastructure development, trade facilitation, financial cooperation, and people-to-people connectivity—align with the needs of the community. Moving forward, a more in-depth examination of structuration perspectives in Malaysia's BRI projects is essential to strengthen the country's state autonomy and strategic positioning.

This article has provided a comprehensive analysis of BRI mega-scale projects, emphasising the structural dynamics between the government and the third sector, as well as the broader macro- and meso-level advantages. It is crucial for the local community to recognise the structural impact of Malaysia-China economic cooperation, as these have significant implications for governance, economic development, and social well-being. Thus, stakeholders must implement rigorous impact evaluation mechanisms to assess the structural consequences of large-scale BRI projects while safeguarding Malaysia's state autonomy and long-term national interests.

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