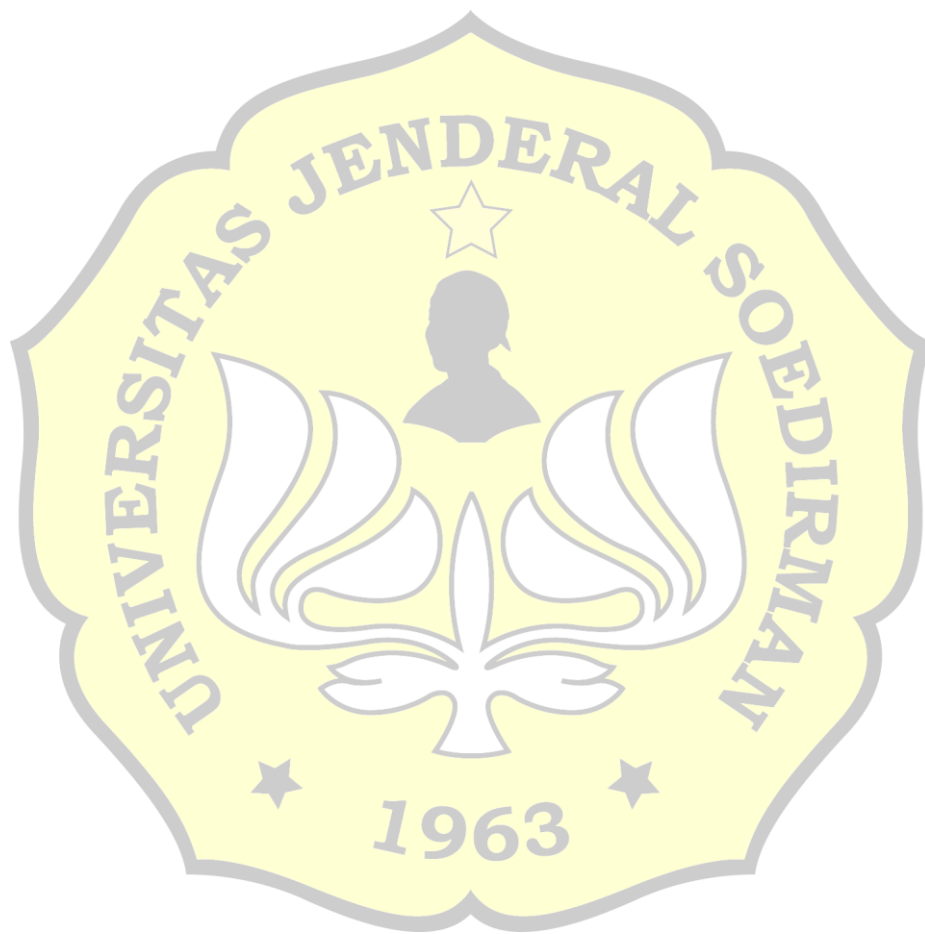


ABSTRACT

This study analyzes the renegotiation of the East Coast Rail Link (ECRL) project between Malaysia and China during 2018–2019 through the perspective of state capitalism. The ECRL is a strategic infrastructure project under China’s Belt and Road Initiative (BRI) that connects the East Coast and West Coast of Peninsular Malaysia. Following the political transition in Malaysia after the 2018 general election, the newly elected Pakatan Harapan government suspended and renegotiated the project due to concerns regarding high project costs, fiscal burdens, transparency issues, and the potential risk of debt dependency. This research aims to examine the bargaining strategies employed by Malaysia and China during the renegotiation process, analyze the domestic and external factors influencing the negotiations, and interpret the process through the theoretical framework of state capitalism.

This study employs a qualitative case study method using secondary data obtained from government documents, official statements, academic journals, policy reports, and credible media sources. The analysis is conducted using the concept of state capitalism, particularly the models of wholly owned state-owned enterprises (SOEs) and the state as a majority investor. The findings demonstrate that the ECRL renegotiation represented direct competition between two models of state capitalism. Malaysia, through Malaysia Rail Link (MRL), sought to reduce project costs, maintain fiscal sustainability, and strengthen domestic political legitimacy. Meanwhile, China, through China Communications Construction Company (CCCC), aimed to preserve the continuity of the project as part of the BRI and maintain its strategic and economic influence in Southeast Asia. The renegotiation resulted in a reduction of project costs from RM65.5 billion to RM44 billion, route adjustments, and the establishment of a 50:50 joint venture between MRL and CCCC. Despite the competition of interests, both countries ultimately achieved a pragmatic win-win solution that maintained long-term bilateral economic relations while protecting their respective national interests.

Keywords: State Capitalism, ECRL, Belt and Road Initiative, Malaysia-China Relations, Strategic Infrastructure, Renegotiation.



ABSTRAK

Penelitian ini menganalisis proses renegotiasi proyek East Coast Rail Link (ECRL) antara Malaysia dan China pada tahun 2018–2019 melalui perspektif state capitalism. ECRL merupakan proyek infrastruktur strategis dalam kerangka Belt and Road Initiative (BRI) China yang menghubungkan wilayah Pantai Timur dan Pantai Barat Semenanjung Malaysia. Setelah transisi politik di Malaysia pasca pemilu tahun 2018, pemerintahan baru Pakatan Harapan menunda dan melakukan renegotiasi terhadap proyek tersebut karena adanya kekhawatiran mengenai tingginya biaya proyek, beban fiskal negara, kurangnya transparansi, serta potensi ketergantungan utang. Penelitian ini bertujuan untuk mengkaji strategi tawar-menawar yang dilakukan Malaysia dan China dalam proses renegotiasi, menganalisis faktor domestik dan eksternal yang memengaruhi proses negosiasi, serta menginterpretasikan proses tersebut melalui kerangka teori state capitalism.

Penelitian ini menggunakan metode studi kasus kualitatif dengan memanfaatkan data sekunder yang diperoleh dari dokumen pemerintah, pernyataan resmi, jurnal akademik, laporan kebijakan, serta media yang kredibel. Analisis dilakukan menggunakan konsep state capitalism, khususnya model wholly owned state-owned enterprises (SOEs) dan state as a majority investor. Hasil penelitian menunjukkan bahwa renegotiasi ECRL mencerminkan kompetisi langsung antara dua model state capitalism. Malaysia, melalui Malaysia Rail Link (MRL), berupaya menekan biaya proyek, menjaga keberlanjutan fiskal, serta memperkuat legitimasi politik domestik. Sementara itu, China melalui China Communications Construction Company (CCCC) berupaya mempertahankan keberlanjutan proyek sebagai bagian dari BRI dan menjaga pengaruh strategis serta ekonominya di Asia Tenggara. Renegosiasi tersebut menghasilkan penurunan biaya proyek dari RM65,5 miliar menjadi RM44 miliar, penyesuaian rute proyek, serta pembentukan perusahaan joint venture 50:50 antara MRL dan CCCC. Meskipun terjadi kompetisi kepentingan, kedua negara pada akhirnya mencapai solusi win-win yang pragmatis dengan tetap mempertahankan hubungan ekonomi bilateral jangka panjang sekaligus melindungi kepentingan nasional masing-masing.

Kata Kunci: State Capitalism, ECRL, Belt and Road Initiative, Hubungan Malaysia-China, Infrastruktur Strategis, Renegosiasi.

