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DILUTING RIVALRIES BETWEEN GREAT POWERS

An Indonesian Perspective
on the Indo-Pacific

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ANALYSIS

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Abstract

Rising tensions among the great powers are contributing to uncertainty and the security dilemma in the Indo-Pacific region. China's increasing power and assertiveness combined with the United States' containment measures raise the question of possible policy alternatives amidst conflictual developments. This paper argues for the importance of a more liberal approach in the Indo-Pacific region. The role of smaller powers within the region and extra-regional powers, such as European countries, offers the potential to cope with the growing rivalries. Furthermore, since Southeast Asia is located at the centre of the Indo-Pacific region, it is important to examine the point of view of ASEAN, the Association of Southeast Asian Nations, on the Indo-Pacific. In particu-

lar, it is significant to examine the position and role of Indonesia, as one of the most influential members of ASEAN. To deliver a contextualized explanation, this paper refers to the notion of interdependence and cooperation, to ease – if not completely stop – the tensions between great powers in the region. The qualitative research benefits from a dataset gathered from various resources, including the mass media, to illustrate the distribution of power and the dynamics of the interactions within the region. The main argument concerns the importance of promoting cooperation within the region and with extra-regional powers in order to ease the tensions and guarantee sustainable cooperation.

1. Living in a Fragile World

It is a fragile and dangerous world that we live in. While the fight against the COVID-19 pandemic is not yet over, the tensions and rivalries among great powers have become the next global issue to deal with. Growing dynamics, uncertainties and the unpredictability of international politics have further highlighted how states are still caught in an inescapable system of anarchy.¹ While surrounding countries have been directly affected by the Russia-Ukraine war, the rest of the world has also begun to feel the effects. International society is currently anticipating the negative side effects of the war, such as rising prices of fuel and food, and accompanying general financial turmoil.² These phenomena have shown that friction and conflict in one part of the world can threaten the rest of it, regardless of how far a state is geographically from the source of the threat.

Another way to look at the development of conflict in Europe is to learn from it, in terms of what to avoid in other regions, including the Indo-Pacific. Given the strategic position of the region, in which international trade and logistics thrive,³ one could imagine what would happen if conflict broke out between great powers in the Indo-Pacific. Regrettably, great power rivalries, unsolved territorial disputes (including the building of military infrastructures in the region's body of waters) and other persistent problems (such as illegal fishing) have contributed to the increase of tensions between Indo-Pacific states. Further, there are also numerous smaller powers and regional arrangements, such as ASEAN, as well as extra-regional powers that reflect the complexity in the region.

-
- 1 In international relations, the international system of anarchy, in which there is no higher authority than states' sovereignty, is deemed to be the main reason that states have always experienced constant fear and worry about being attacked or exploited by other states.
See: Joseph M. Grieco, "Anarchy and the limits of cooperation: a realist critique of the newest liberal institutionalism," *International organization* 42, no. 3 (1988): pp. 486-487; Robert Jervis, "Cooperation under the security dilemma," *World politics* 30, no. 3 (1978): pp. 169-172. Nevertheless, this does not mean that cooperation is impossible under the anarchical international system. For example, see: Kenneth A. Oye, "Explaining Cooperation under Anarchy: Hypotheses and Strategies," *World politics* 38, no. 1 (1985): pp. 1-24.
- 2 Olivier Knox, "Fuel, food, finance: Brace for impact from Russia's Ukraine war," *The Washington Post*, published on April 21, 2022, <https://www.washingtonpost.com/politics/2022/04/21/fuel-food-finance-brace-impact-russias-ukraine-war/>;
The World Bank, "Russian Invasion to Shrink Ukraine Economy by 45 Percent this Year," published on April 10, 2022, <https://www.worldbank.org/en/news/press-release/2022/04/10/russian-invasion-to-shrink-ukraine-economy-by-45-percent-this-year>. For a more direct example, see how the Indonesian government admitted the skyrocketing price of cooking oil is one of the side effects of the war in Ukraine:
Kompas, "6 Pernyataan Mendag soal Mahalnya Minyak Goreng: Ada Mafia hingga Pengaruh Invasi Rusia ke Ukraina," published on March 18, 2022, <https://nasional.kompas.com/read/2022/03/18/06300341/6-pernyataan-mendag-soal-mahalnya-minyak-goreng-ada-mafia-hingga-pengaruh-invasi-rusia-ke-ukraina>.
This situation has encouraged Indonesia's government to stop exporting palm oil, and this could bring about a shock in the international market.
See: Rajendra Jadhav, "Indonesia's palm oil export ban leaves global buyers with no plan B," *Reuters*, published on April 25, 2022, <https://www.reuters.com/business/indonesias-palm-oil-export-ban-leaves-global-buyers-with-no-plan-b-2022-04-25/>.
- 3 Widely known as one of the most important regions for the economy, the South China Sea is home to half of the world's fishing vessels, and millions of people's lives depend on this sea. On the other side, the Strait of Malacca plays an important role in shortening the effective distance and time between the East and the Indian Ocean. Other than those two regions, the Indian Ocean is a vital area connecting the Middle East, Southeast Asia, East Asia, Europe and America. For more information regarding the importance of the South China Sea, Strait of Malacca and Indian Ocean, see Leigh Hartman, "The importance of the South China Sea," *Share America*, published on July 11, 2019, <https://share.america.gov/importance-of-south-china-sea/>;
U.S. Energy Information Administration, "South China Sea," updated on October 15, 2019, https://www.eia.gov/international/analysis/regions-of-interest/South_China_Sea;
Darshana M. Baruah, "What Is Happening in the Indian Ocean?" *Carnegie Endowment for International Peace*, published on March 3, 2021, <https://carnegieendowment.org/2021/03/03/what-is-happening-in-indian-ocean-pub-83948#:~:text=The%20importance%20of%20trade%20and,as%20Europe%20and%20the%20Americas>.

In an effort to prevent the emergence of a flashpoint of conflict in the region, we must ask ourselves: what can be done to at least mitigate regional tensions in the Indo-Pacific? The region cannot afford for tensions to reach the boiling point. The world is certainly not in favour of another harmful regional conflict in addition to what is already taking place in Eastern Europe. Thus, the current paper aims to emphasize the significance of cooperation and interdependence for stability in the region. It highlights the potential roles of regional great powers, regional middle powers and extra-regional powers to ease tensions and guarantee sustainable cooperation. To some, interdependence and cooperation may not be enough to prevent conflicts.⁴ Nevertheless, interdependence and cooperation could at least ease the tensions and persuade states, especially the great powers, not to engage in open conflict. As Robert O. Keohane and Joseph S. Nye put it, “Interdependence affects world politics and the behavior

of states; but governmental actions also influence patterns of interdependence”.⁵ Thus, it is not only interdependence itself that may influence the behaviour of states in the Indo-Pacific region. The actions of both intra-regional and extra-regional state actors are also crucial in influencing great power rivalries, as these rivalries tend to be driven by the economic interests of the major powers in the region.

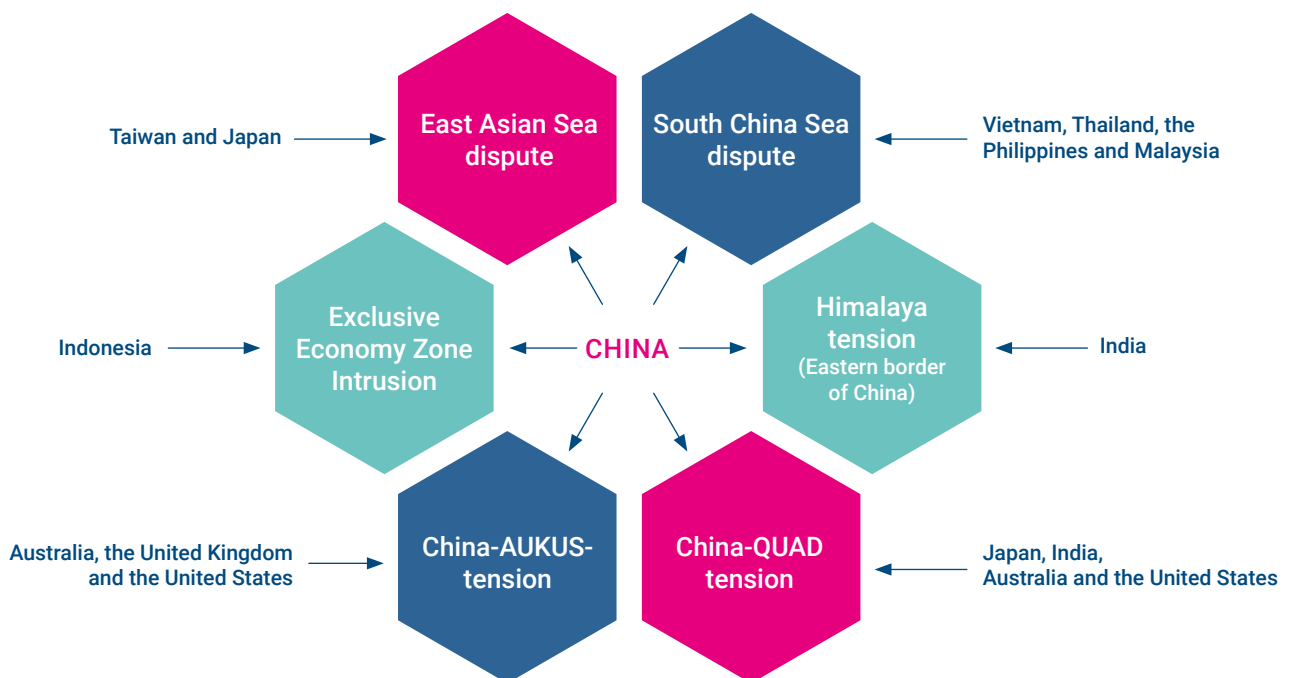
This paper first provides a brief background, followed by snapshots of tensions and threats in the Indo-Pacific region. The discussion then focuses on local perspectives on the Indo-Pacific, particularly from ASEAN and Indonesia. The paper ends with recommendations for action by linking explanations for existing cooperation and dialogue in the region, China’s strategic interests and the significance of the US presence to how external regional powers could contribute to the region’s stability.

2. Growing Tensions in the Indo-Pacific

Before discussing the possibilities of easing tensions in the Indo-Pacific, one should understand the underlying frictions between the affiliated states. Many of these frictions actu-

ally involve the major powers in the region. A snapshot of the frictions and the actors involved is presented in Figure 1 below

Figure 1 | Ongoing Inter-State Frictions in the Indo-Pacific



Source: Mapped by authors.

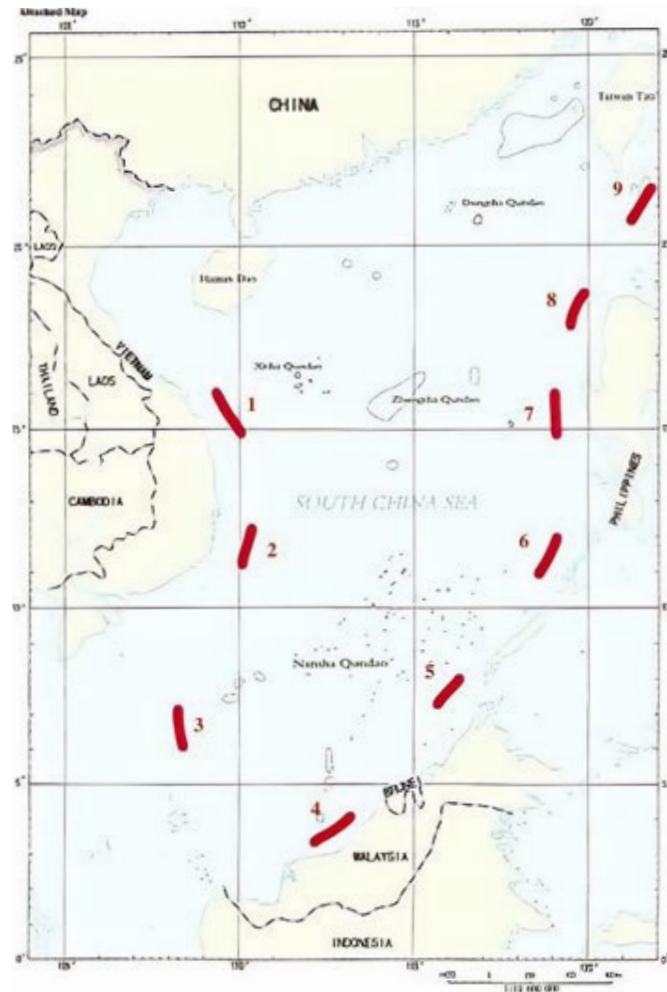
4 John Joseph Mearsheimer, *The tragedy of great power politics* (New York: WW Norton & Company, 2001), pp. 15 & 371.

5 Robert O. Keohane & Joseph S. Nye, *Power and Interdependence* (Boston: Longman, 2012), p. 5.

As depicted in Figure 1, there are several actors involved in these frictions, including small and major powers. All of them revolve around China as a regional great power. China is involved in almost every major inter-state friction in the Indo-Pacific, and its actions and claims as a regional great power have always been a determining factor in the rising tensions in the region. One of the most notable cases is the South China Sea dispute. Located at the heart of the Indo-Pacific, these waters

have witnessed persistent territorial disputes between states such as China, Vietnam, Malaysia, Brunei Darussalam and the Philippines. Indonesia has positioned itself as a non-claimant state,⁶ but has expressed serious concerns about the recent developments in the South China Sea, especially in relation to China's assertiveness.⁷ In 2009, tensions flared up again when China enclosed a map (Figure 2) in the Notes Verbales of 2009.⁸

Figure 2 | China's Claim in the Notes Verbales of 2009



Source: United Nations, Note Verbales, CLM/18/2009.⁹

The line of claim apparent in the map is called the Nine-Dashed Line or U-shaped Line.¹⁰ Figure 2 shows that China's claim is positioned very close to the coastlines of other adjacent states, such as Brunei, the Philippines, Malaysia and Vietnam. Coupled with China's growing power and assertive-

ness, its U-shaped Line has become one of the factors that raise concerns in the countries geographically adjacent to the South China Sea. Further along the line there are territorial intrusions between claimant states, as illustrated in Graphics 1 and 2.

6 Lisa Yosephine, "Minister echoes Indonesia's stance on the South China Sea", *The Jakarta Post*, veröffentlicht am 21. Juni 2016, <https://www.thejakartapost.com/news/2016/06/21/minister-echoes-indonesias-stance-on-south-china-sea.html>.

Diese Position war auch auf der offiziellen Website des Außenministeriums der Republik Indonesien zu sehen. In diesem Fall gibt der Inhalt der Website Indonesien nicht als Ansprüche stellenden Staat zu erkennen. Siehe: Außenministerium der Republik Indonesien, "South China Sea", veröffentlicht am 28. Februar 2013, https://kemlu.go.id/portal/en/read/101/halaman_list_lainnya/south-china-sea.

7 Tom Allard & Bernadette Christina Munthe, "Asserting sovereignty, Indonesia renames part of South China Sea", *Reuters*, veröffentlicht am 14. Juli 2017, <https://www.reuters.com/article/us-indonesia-politics-map/asserting-sovereigntyindonesia-renames-part-of-south-china-sea-idUSKBN19Z0YQ>.

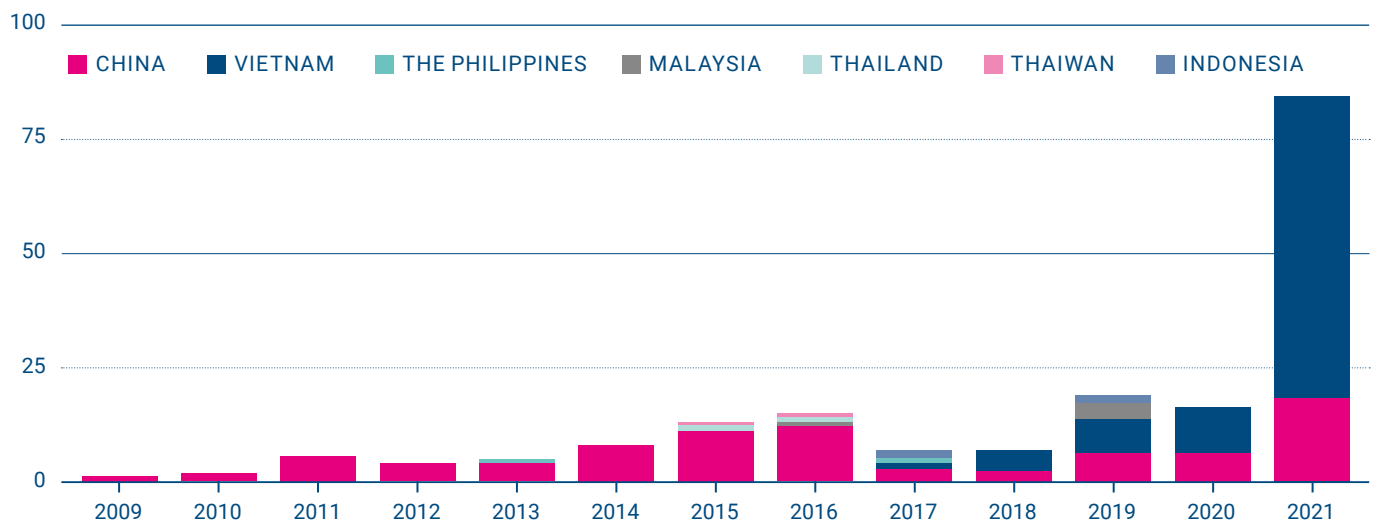
8 Der Anspruch ist im Grunde älter als 2009. China hatte bereits 1947 eine Karte veröffentlicht, die seinen Anspruch im Südchinesischen Meer deutlich machte. Damals waren es jedoch elf Anspruchslinien statt neun. Weitere Literatur zum Thema siehe: Außenministerium der Vereinigten Staaten, Amt Weltmeere, Umwelt und Wissenschaft, "China: Maritime Claims in South China Sea", *Limit in the Seas* no. 143 (2014): S. 3.

9 Vereinte Nationen, "Submission by the PRC to the UN Commission on the Limits of the Continental shelf", no.: CML/ 18/2009 (7. Mai 2009).

10 Die gestrichelte Linie umfasste später zehn statt neun Linien, wobei die zehnte Linie nahe bei Taiwan verläuft.

Siehe: Außenministerium der Vereinigten Staaten, Amt Weltmeere, Umwelt und Wissenschaft, "China: Maritime Claims in South China Sea", *Limit in the Seas* no. 143 (2014): S. 4-6; Außenministerium der Vereinigten Staaten, Amt Weltmeere, Umwelt und Wissenschaft, "China: Maritime Claims in South China Sea", *Limit in the Seas* no. 150 (2022): S. 3-4.

Graphic 1 | Territorial Intrusions in the South China Sea

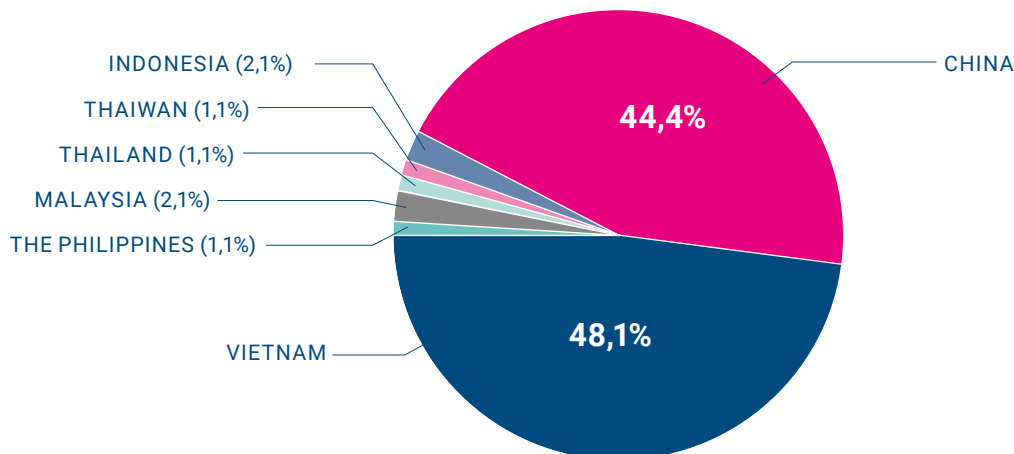


Source: Dataset gathered by the authors.¹¹

Graphic 1 shows that territorial intrusion has been a persistent problem in the South China Sea over the past decade. The data presented in this graphic includes various acts of intrusion, including illegal fishing and intrusion by state apparatuses on other territories or claims in the South China Sea.

It is interesting to note that during the COVID-19 pandemic in 2019-2021, the number of territorial intrusions continued to increase. It is also worth noting that China and Vietnam are the two most common players in territorial intrusion. A comparison of the different states is presented in Graphic 2.

Graphic 2 | Territorial Intrusions in the South China Sea (2009-2021)



Source: Dataset gathered by the authors.¹²

¹¹ The dataset was created by collecting data from electronic mass media publications, triggered by a keyword search on the topic of territorial intrusions in the South China Sea, and reports on the topic. Several of the main cited sources used to create the graphics are mass media platforms, such as Reuters, *The Diplomat* CNN, Kompas, *The Jakarta Post*, *South China Morning Post* and *The Strait Times*. For several examples of the sources cited, see:

Reuters, "China detains Vietnamese fishermen in disputed water," Reuters, published on March 22, 2012, <https://www.reuters.com/article/china-vietnam-idUSL3E8EM3YJ20120322>;
 Alexander L. Vuving, "South China Sea: Who Occupies What in the Spratlys?," *The Diplomat*, published on May 6, 2016, <https://thediplomat.com/2016/05/south-china-sea-who-claims-what-in-the-spratlys/>;
 CNN, "China, Philippines locked in naval standoff," *CNN*, published on April 11, 2012, <https://edition.cnn.com/2012/04/11/world/asia/philippines-china-naval-standoff/index.html>;
 Fika Nurul Ulya, "3 Kapal Maling Ikan Kembali Ditangkap di Laut Natuna," *Kompas.com*, published on August 12, 2020, <https://money.kompas.com/read/2020/08/12/162513326/3-kapal-maling-ikan-kembali-ditangkap-di-laut-natuna>;
 Fadli and Dian Septiari, "Indonesia eyes response to Chinese activity in Natunas," *The Jakarta Post*, published on December 30, 2019, <https://www.thejakartapost.com/news/2019/12/30/indonesia-eyes-response-chinese-activity-natunas.html>;
 Agence France-Presse, "Vietnam says Chinese coastguard 'sank' fishing boat in disputed South China Sea," *South China Morning Post*, published on 12 July, 2016, <https://www.scmp.com/news/asia/southeast-asia/article/1988945/vietnam-says-chinese-coastguard-sank-fishing-boat-disputed>;
 The Strait Times, "China slams Philippine fishermen 'fire bomb' attack in South China Sea," *The Strait Times*, published on March 22, 2016, <https://www.straitstimes.com/asia/china-slams-philippine-fishermen-fire-bomb-attack-in-south-china-sea>.

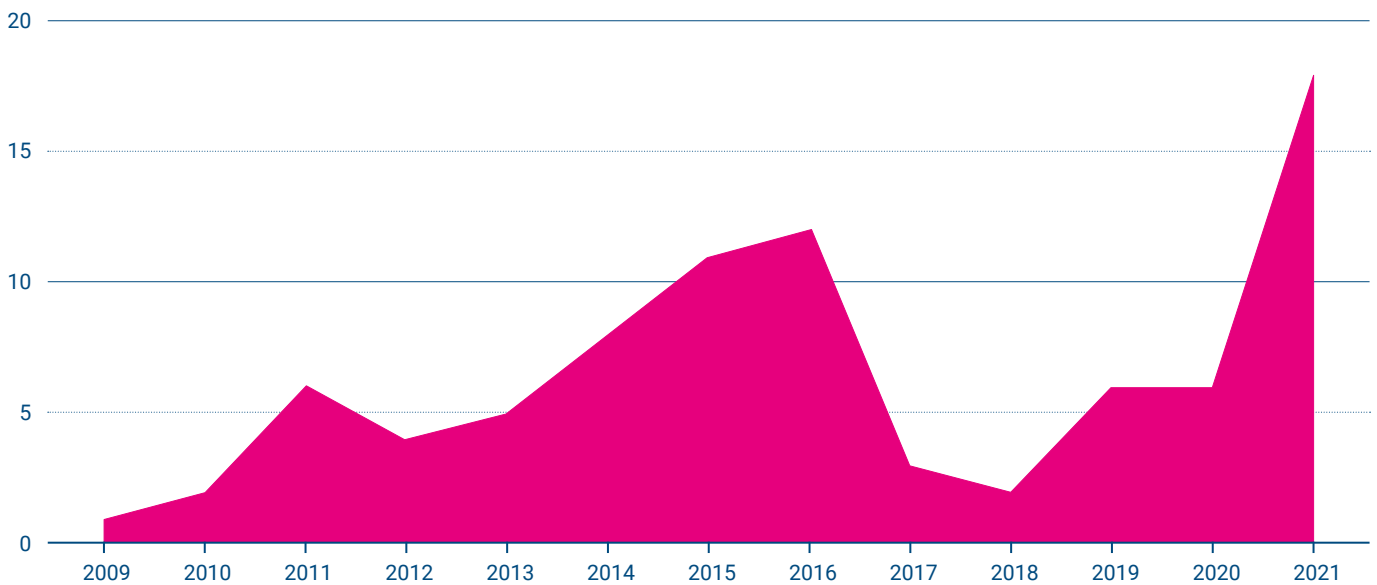
In this case, we acknowledge the possibility that there might be unreported events that are not reflected in the graphic. The vertical line in Graphic 1 represents frequency while the horizontal one represents the time of events (by years).

¹² Graphic 2 originates from the same dataset as Graphic 1. This graphic focuses more on comparing the overall numbers between states.

Graphic 2 shows that China and Vietnam are practically at the top in terms of frequency. The territorial intrusions often cause problems and friction between states, as they are usually seen as violations of each other's sovereignty or exclusive economic rights in the Exclusive Economic Zone (EEZ). In other words, the territorial intrusions themselves can be perceived as threats by states in the region. In this regard, as shown in Graphic 2, Vietnam has made more territorial intrusions. However, Vietnam does not have sufficient military capability to dominate the South China Sea. On the

other hand, China is considered a major regional power, and territorial intrusions conducted by China tend to raise concerns among other states in the region, as it is believed that China has greater capacity to use force with regard to its claims in the South China Sea. It is thus clear that territorial intrusions by China pose a much greater threat to other states because of its military capability to enforce claims. To illustrate this perceived threat, the following Graphics 3 and 4 show the filtered data on the number and area of territorial intrusions made by China.

Graphic 3 | Territorial Intrusions by China in the South China Sea

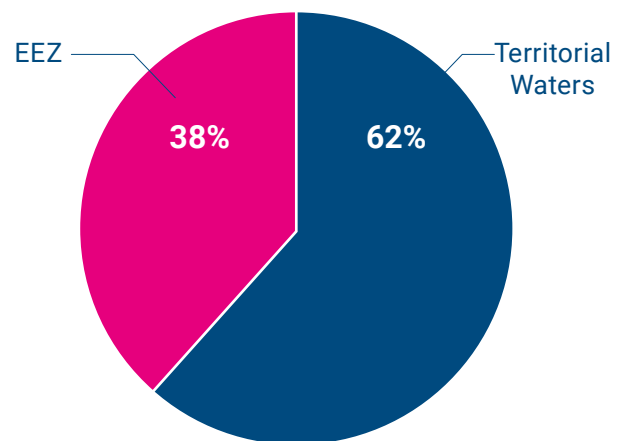


Source: Dataset gathered by the authors.¹³

Graphic 3 shows the consistent rise in the number of territorial intrusions conducted by China. There were times when the number of intrusions declined, such as in 2011 to 2012 and 2016 to 2018. Nevertheless, the intrusions never actually subsided completely. In Graphic 4 below, one can see the locations of these consistent intrusions.

Graphic 4 shows that China frequently intrudes into the EEZ and the territorial waters of other countries. The graphic further shows that China has more frequently encroached into the EEZ than into the territorial waters of other countries. Combining this with the map shown in Figure 2, it can be seen that China's territorial claim in the South China Sea is also close to or even overlaps other countries' EEZs. Further, it is important to identify the instruments used in these territorial interventions, as they reflect the strategy used to make the territorial claims. Graphic 5 attempts to classify the intrusions based on the instruments used.

Graphic 4 | Territorial Intrusions by China in the South China Sea (Categorized by Location)

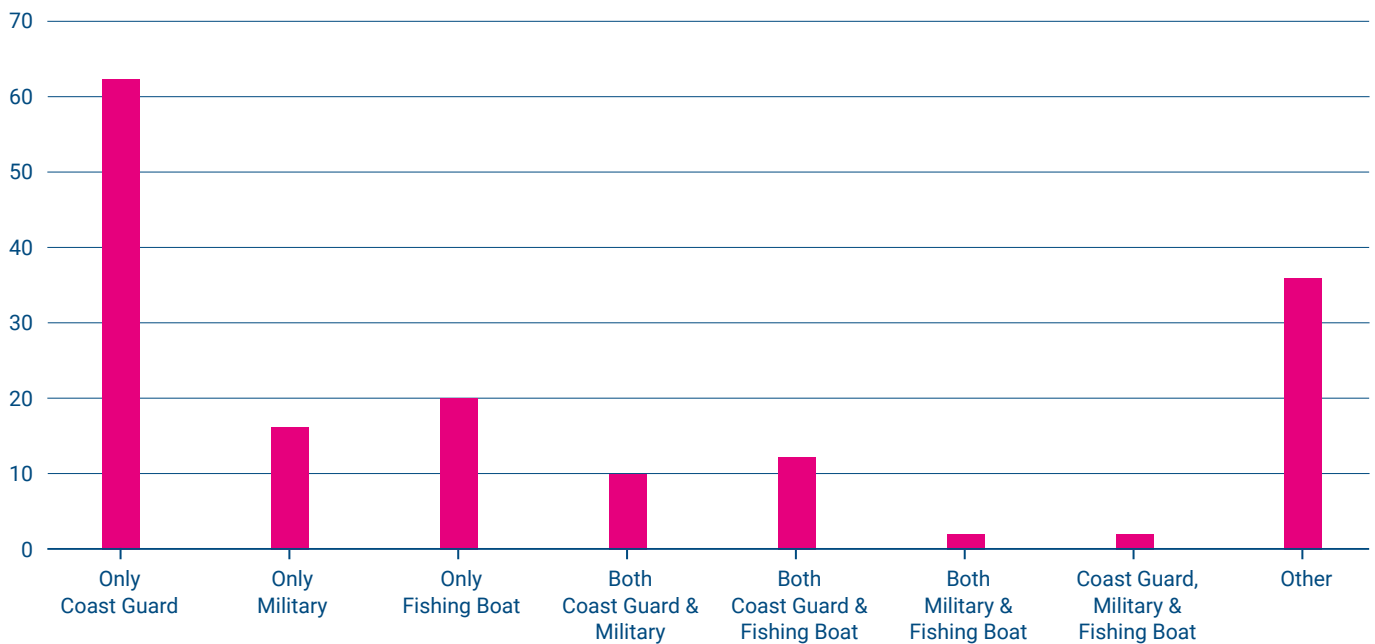


Source: Dataset gathered by the authors.¹⁴

¹³ Graphic 3 originates from the same dataset as Graphic 1. The data has been filtered to focus on the territorial intrusions made by China.

¹⁴ Graphic 4 originates from the same dataset as Graphic 1. However, the data in Graphic 4 has been filtered more to show the identified locations of China's territorial intrusions.

Graphic 5 | Instruments Utilized in China's Territorial Intrusions in the South China Sea (1948-2021)



Quelle: Datensatz von den Autoren zusammengestellt.¹⁵

Graphic 5 shows that the territorial intrusion not only involves fishing boats, but also paramilitary or even military instruments. In fact, in many cases, it involves a combination of several instruments. The involvement of paramilitary and military instruments and the significant number of territorial intrusions reflects China's assertiveness regarding its claim on the South China Sea.

China's manoeuvres are a key factor in the dynamics of events in the South China Sea. As one of the most powerful states in the region, China's actions could instil fear in other actors, particularly smaller ones. For China, these actions are justified because it considers the South China Sea as part of its territory. However, for others – especially claimant littoral states – China's actions could be seen as threatening their claim, rights and sovereignty in the South China Sea.¹⁶

The next main problem contributing to the tensions – not only between states within the region, but also between regional and extra-regional great powers – is related to Taiwan. China considers Taiwan part of its territory and has raised the possible use of military action as a threat to maintain this arrangement.¹⁷ Although the US has agreed to the One China Policy, it does not want China to take military action against Taiwan.¹⁸ In fact, it continues to enjoy a "robust unofficial" relationship with Taiwan that includes trade and arms sales, in order for Taiwan to defend itself against threats.¹⁹ Against this backdrop, China has criticized the US relations with Taiwan, stating that improper handling of Taiwan issues could damage US-China relations.²⁰ At this point, the involvement of other external great powers may further increase the tension between China and the US, creating more risk of open conflict in the region.

¹⁵ Graphic 5 originates from the same dataset as Graphic 1. However, the data in Graphic 5 has been filtered more to show the identified instruments of China's territorial intrusions. The term "Other" refers to unknown vessels and research/survey ships.

¹⁶ Rizky Widian & Arimadona, "Cooperation & Security Dilemma in the South China Sea: Conflict Management & the Increasing of China's Power," *Global & Strategis* 12, no. 2 (2018): pp. 98-99.

¹⁷ Yudono Yanuar, "Sembilan Pesawat Cina Dekati Taiwan, Taipei Siagakan Jet Tempur dan Rudal," *Tempo*, published on February 25, 2022, <https://dunia.tempo.co/read/1564608/sembilan-pesawat-cina-dekati-taiwan-taipei-siagakan-jet-tempur-dan-rudal>.

There were many news reports regarding China threatening Taiwan with its military jets.

See: Lynda Hasibuan, "Gawat! Jet Tempur China Kembali Terbang di Langit Taiwan," *CNBC Indonesia*, published on June 13, 2020, <https://www.cnbcindonesia.com/news/20200613104512-4-165120/gawat-jet-tempur-china-kembali-terbang-di-langit-taiwan>;

Yudono Yanuar, "Taiwan Klaim 940 Jet Tempur Cina Masuk Negeranya di 2021, Beijing: Kurang Banyak," *Tempo*, published on December 31, 2021, <https://dunia.tempo.co/read/1545232/taiwan-klaim-940-jet-tempur-cina-masuk-negeranya-di-2021-beijing-kurang-banyak>;

Zubaidah Abdul Jalil, "China sends 30 warplanes into Taiwan air defence zone," *BBC*, published on May 31, 2022, <https://www.bbc.com/news/world-asia-61642217>.

¹⁸ One China Policy refers to the recognition by the US that the People's Republic of China is the sole legal government of China. Thus, the US acknowledges that there is only one China and that Taiwan is part of China. See: U.S. Department of State, "U.S. Relations with Taiwan," published on August 31, 2018, <https://www.state.gov/u-s-relations-with-taiwan/>

¹⁹ *BBC*, "What is the 'One China' policy?" published on October 6, 2021, <https://www.bbc.com/news/world-asia-china-38285354>.

²⁰ *Aljazeera*, "Xi tells US to handle Taiwan 'properly' to avoid damaging ties," published on March 19, 2022, <https://www.aljazeera.com/news/2022/3/19/xi-warns-us-over-taiwan-impact-on-relations>;

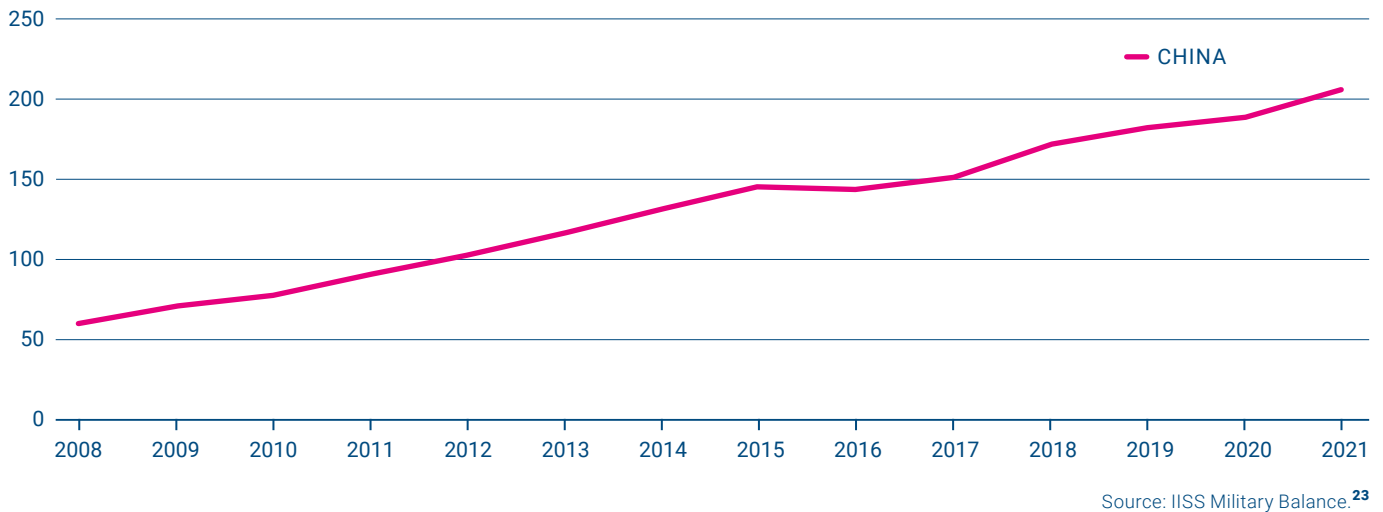
Reuters, "Xi says improper handling of Taiwan issues will hit China-U.S. ties," published on March 19, 2022, <https://www.reuters.com/world/china/xi-says-improper-handling-taiwan-issues-will-hit-china-us-ties-2022-03-18/>.

Just north of the South China Sea and Taiwan, there are also issues in the East China Sea. China and Japan are at odds over their territorial boundaries.²¹ This is also related to the rivalry between the great powers, as Japan is a close ally of the United States. Were tensions to escalate in the East China Sea, it is hard to imagine that the US would not interfere. Further west, there are moreover issues involving China and

India. One is a dispute between the two countries over their borders in the Himalayas.²² This case also contributes to the tensions in the region.

An important addition to the above snapshots of problems is that China is also growing stronger militarily, as shown in Graphic 6.

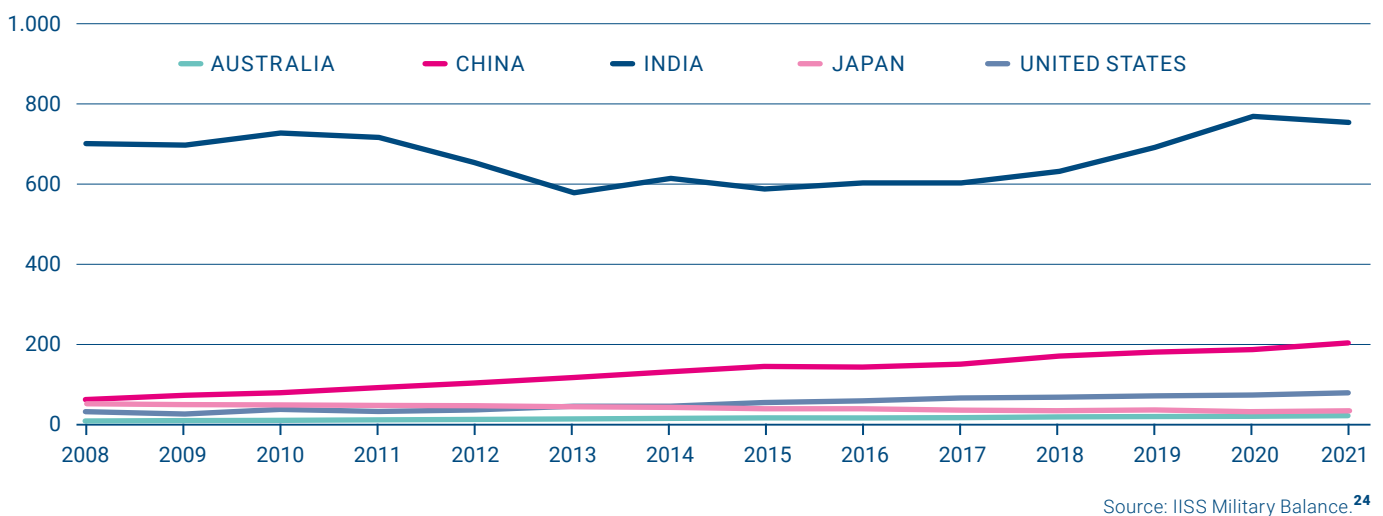
Graphic 6 | China's Military Budget, 2009 to 2021 (USD billion)



Graphic 6 shows that China's military budget is increasing year on year, meaning that China now has greater military potential to assert its territorial claims in the region. To better understand the significant size of China's military budget, Graphic 7 compares China's military budget with that of the

Quad countries in the Indo-Pacific. The "Quad" refers to a diplomatic and cooperative agreement between the United States, Australia, Japan and India in order to support a free and open Indo-Pacific.

Graphic 7 | Comparison between China's Military Budget and that of the Quad Countries (USD billion) 2008-2021

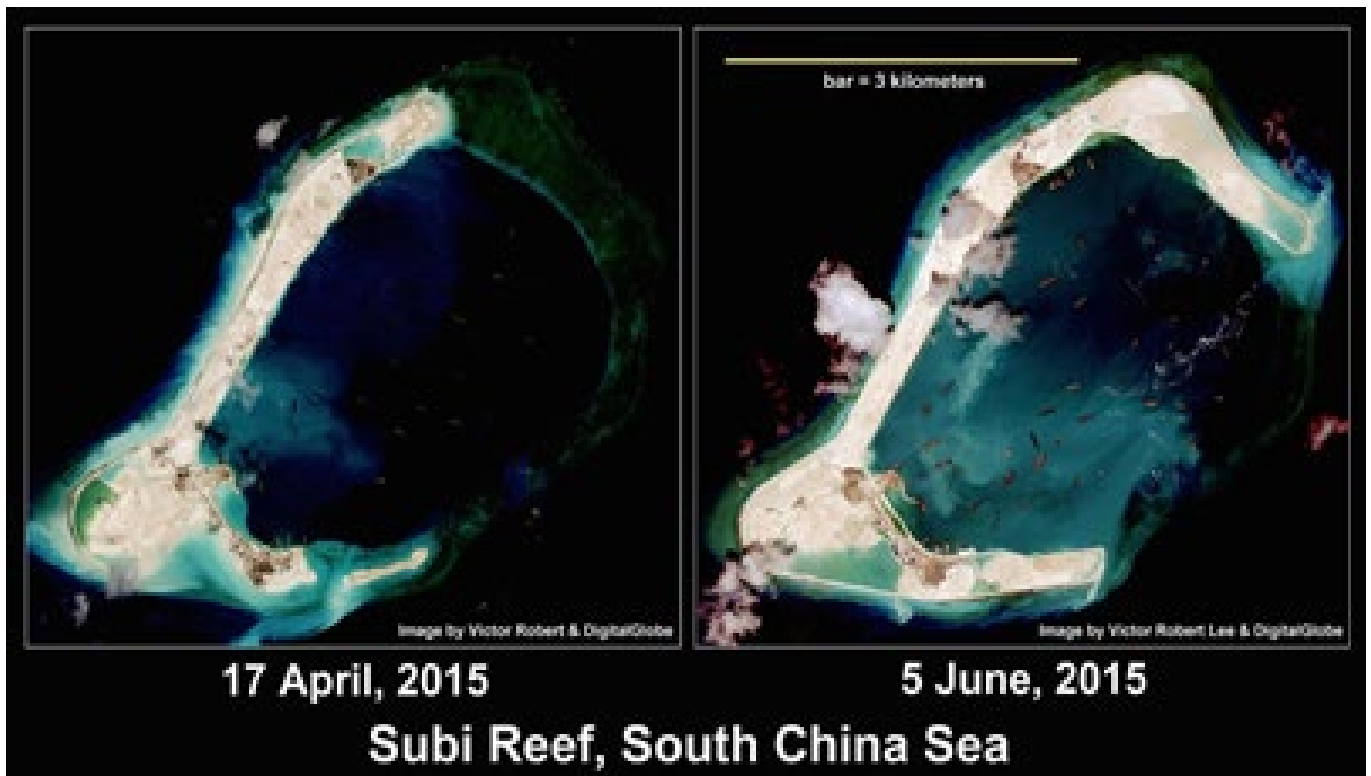


21 For example, there are issues of territorial disputes concerning Senkaku/Diaoyu Island between China and Japan. See: Hui Yi Katherine Tseng, "China's Territorial Disputes with Japan: The Case of Senkaku/Diaoyu Island," *The Journal of Territorial and Maritime Studies* 1, no. 2 (2014): pp. 71-95.
 22 Aditya Sharma, "What is next in the China-India border conflict?" DW, published on January 28, 2022, <https://www.dw.com/en/what-is-next-in-the-china-india-border-conflict/a-60586745>.
 23 The data was assembled from reports by The International Institute for Strategic Studies, "The Military Balance," 2008-2022.
 24 The data was assembled from reports by The International Institute for Strategic Studies, "The Military Balance," 2008-2022.

Graphic 7 shows the increasing gap between China's military budget and that of the Quads countries, with the exception of the United States. The continued growth of the military budget is also reflected in actual capabilities. For example, the People's Liberation Army Navy (PLAN) has more than 300 warships and patrol ships.²⁵ In addition, China's maritime weaponry has been upgraded with C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) to improve its combat capabilities.²⁶

These improvements have been accompanied by the reclamation of islands, which reportedly allows China to expand its military capabilities in the South China Sea (Figure 3).²⁷ The possession of weapons that increases China's ability to project its military power is often viewed by other states as an offensive capability.²⁸ China's growing military power, combined with its assertive posture towards its claims in the region, is likely to be perceived as a threat by other countries.

Figure 3 | Satellite Image of China's Island Reclamation in the South China Sea



Quelle: The Diplomat.²⁹

In response to China's growing military power and assertive posturing, the US invited several key powers in the Indo-Pacific, namely Australia, India and Japan, to join the Quad cooperation.³⁰ This move reflected the view of the US and its allies on the Indo-Pacific. A 2019 official US document concerning the Indo-Pacific clearly states that there is an authoritarian revisionist actor that threatens peace and stability in the region.³¹ While the identity of the so-called revisionist actor is not clearly stated, it is not difficult to suspect that

the statement was directed towards China. In the document, the US states that the cooperation with its Indo-Pacific partners is aimed at maintaining freedom of navigation, while declaring that China's claims in the South China Sea are unfounded, illegitimate and unreasonable.³² This is also in line with the 2017 US National Security Strategy (NSS) that states, "A geopolitical competition between free and repressive visions of world order is taking place in the Indo-Pacific region".³³ The NSS document also states that China

25 USA Department of Defense, "Military and Security Developments Involving the People's Republic of China 2015," 2015.

26 Suitland: Office of Naval Intelligence, "The PLA Navy: New Capabilities and Missions for the 21st Century," Washington DC, 2015.

27 USA Department of Defense, "Military and Security Developments Involving the People's Republic of China 2015," *annual report to congress* (2015): p. 72.

28 T.J. Christensen, "China, the US-Japan alliance, and the security dilemma in East Asia," *International Security* 23 no. 4 (1999): p. 50.

29 Victor Robert Lee, "South China Sea: Satellite Images Show Pace of China's Subi Reef Reclamation," *The Diplomat*, published on June 19, 2015, <https://thediplomat.com/2015/06/south-china-sea-satellite-images-show-pace-of-chinas-subi-reef-reclamation/>.

30 It is worth mentioning that many analysts consider the Quad is inspired by concern about China's growing power and assertiveness. Nevertheless, the Quad countries seem reluctant to admit this unequivocally. See: Shannon Tiezzi, "China's Two-Pronged Response to the Quad," *The Diplomat*, published on October 7, 2020, <https://thediplomat.com/2020/10/chinas-two-pronged-response-to-the-quad/>.

31 U.S. Department of State, "A Free and Open Indo-Pacific: Advancing A Shared Vision," November 4, 2019, p. 5.

32 *Ibid.*, p. 23.

33 The White House, "National Security Strategy of the United States of America," 2017, pp. 45-46.

is challenging the power and interests of the US.³⁴ Meanwhile, several Chinese scholars have stated that the conception of the Indo-Pacific by the US is a type of strategy to link the Indian and The Pacific Ocean in order to limit China's rise.³⁵ In other words, it seems that China views the Indo-Pacific discourse as a challenge by the US.

Although the firm gesturing of the US was more visible during Donald Trump's era, the concerns about China and the importance of the Quad cooperation for the US have not disappeared during Joe Biden's term.³⁶ In fact, Joe Biden improved the cooperation with Australia, one of the Quad members, through the AUKUS agreement. Among the direct implications of the agreement is that the US and the UK will help Australia to possess and maintain nuclear-powered submarines.³⁷ In response, China denounced the AUKUS agreement as irresponsible and as damaging regional peace.³⁸ Even before the AUKUS agreement, Australia-China relations had

been strained as concerns grew over China's growing power and assertiveness, China's attempts to influence Australian political processes, Australia's demand for a COVID-19 related investigation, and Australian criticism of China's policy in the South China Sea, Xinjiang, Hong Kong and Taiwan.³⁹ Recently, Australia denounced a so-called secret security deal between China and the Solomon Islands.⁴⁰

The snapshots of friction between states, particularly between the major powers, illustrate that there are tensions in the Indo-Pacific that need to be addressed. It is also clear that many of these tensions revolve around China and its rival counterparts: the United States and its allies. In other words, great power rivalry in the Indo-Pacific is real. Because open conflict in the Indo-Pacific could threaten not only regional but also global peace, action is needed to reduce tensions among the great powers

34 Ibid., pp. 2 & 25.

35 Dingding Chen, "What China Thinks of the Indo-Pacific Strategy," *The Diplomat*, April 27, 2018, <https://thediplomat.com/2018/05/what-china-thinks-of-the-indo-pacific-strategy/>.

36 See: U.S. Embassy & Consulates in Italy, "The Quad: Advancing peace and prosperity in the Indo-Pacific," September 30, 2021,

<https://it.usembassy.gov/the-quad-advancing-peace-and-prosperity-in-the-indo-pacific/>;

Julian Borger, "Biden to rally regional support for China containment strategy at Quad summit," *The Guardian*, published on September 24, 2021,

<https://www.theguardian.com/world/2021/sep/24/joe-biden-quad-summit-contain-china>.

37 Ben Westcott, "Analysis: Australia's Decades-Long Balancing Act between the US and China Is Over," *CNN Cable News Network*, published on September 18, 2021, <https://edition.cnn.com/2021/09/16/australia/australia-china-us-aukus-submarine-intl-hnk/index.html>.

38 BBC, "Aukus: China denounces US-UK-Australia pact as irresponsible," published on September 17, 2021, <https://www.bbc.com/news/world-58582573>.

39 See: Aljazeera, "China-Australia tensions explained in 500 words," published on December 1, 2020, <https://www.aljazeera.com/economy/2020/12/1/australia-china-tensions-explained-in-500-words>;

Erin Handley, "Australia-China relations continued to sour in 2021. What can we expect in 2022?" *Australian Broadcasting Corporation (ABC)*, published on December 29, 2021,

<https://www.abc.net.au/news/2021-12-29/australia-china-relations-in-2022-tensions-trade-rights-olympics/100719632>.

40 Daniel Hurst, "Australia's foreign minister denounces China's 'secret' security deal with Solomon Islands," *The Guardian*, published on April 28, 2022,

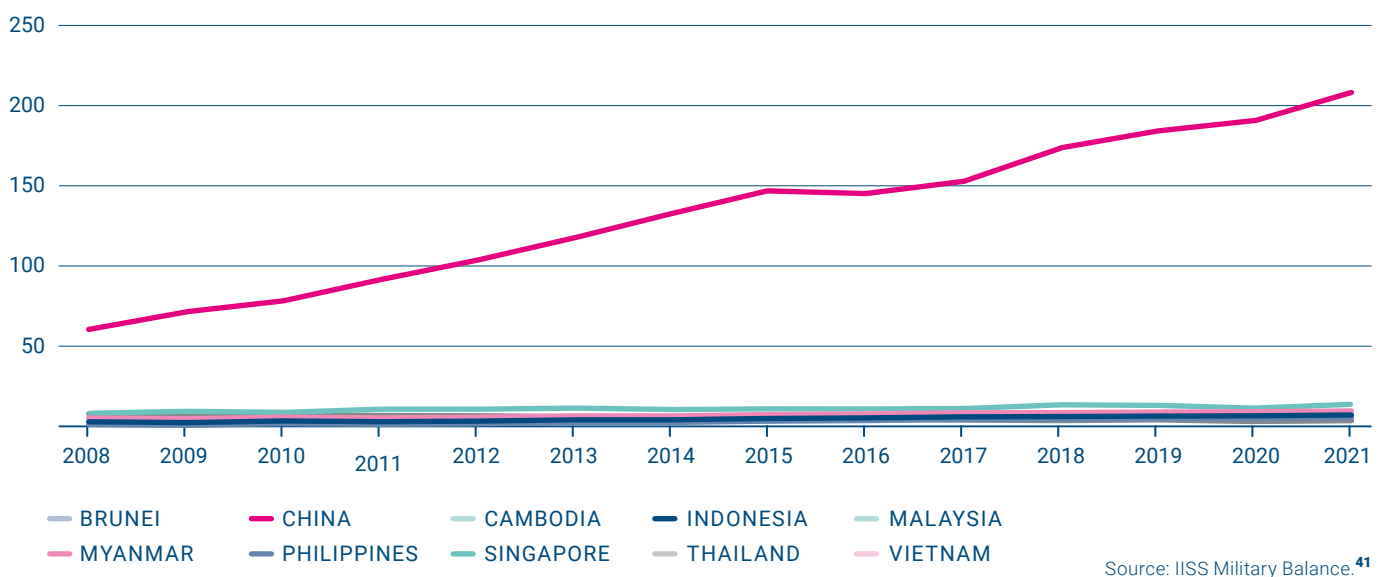
<https://www.theguardian.com/world/2022/apr/28/australias-foreign-minister-denounces-chinas-secret-security-deal-with-solomon-islands>.

3. Perspectives from Within the Region

The Indo-Pacific refers to an area that stretches from the Pacific to the Indian Ocean. ASEAN countries are located at the heart of the region. Thus, it is crucial to comprehend their response to the great power politics in the Indo-Pacific, as they are the local inhabitants. Furthermore, ASEAN as a regional organization – as well as its regional arrangements – also continues to be a significant political arena that includes great powers within it.

Southeast Asian countries do have concerns about the great power politics and its implications for the region. This is partly due to China's growing power and assertiveness in the region and the US response to it. In addition, Southeast Asia's de facto military power is far less than China's (Graphic 8).

Graphic 8 | China's Military Budget Compared with that of ASEAN Countries (USD billion) 2008-2021



Despite this power imbalance, in the words of Evelyn Goh, there is little evidence that Southeast Asian countries are actually seeking an internal or external balance against China.⁴² According to Goh, Southeast Asian countries have implemented a strategy called “omni-enmeshment”, which refers to the engagement with states in order to tie them into deeper involvement and a continued relationship in regional society, with the long-term goal of integration.⁴³ In this light, Southeast Asian countries have chosen not to pick sides, especially between China and the US, and instead have sought to engage with the great powers that have interests in the region's political affairs. The core idea of this strategy is to deepen interdependence and strengthen the sense of being involved in regional security so that the great powers are willing to contribute to regional stability.⁴⁴ More liberally, one could say that Southeast Asian countries are trying to encourage interdependence

so that the great powers will reconsider using strategies that could jeopardize regional stability, as this would ultimately be detrimental to the great powers themselves.

The strategy of omni-enmeshment seems to be relevant in the context of Southeast Asian countries' views on the Indo-Pacific expressed through ASEAN. It is embodied in the document titled ASEAN Outlook on Indo-Pacific (AOIP). While the US vision of the Indo-Pacific still includes the rivalry nuance between great powers that can be seen from, for example, the AUKUS agreement, AOIP offers a more cooperation-oriented perspective. Through AOIP, the ASEAN members view the Indo-Pacific as a closely interconnected region, with ASEAN having a central and strategic role.⁴⁵ AOIP is intended to help build strategic trust and establish a cooperation in which both sides win, rather than just a zero-sum game.⁴⁶ The AOIP also

⁴¹ The data was assembled from the reports by The International Institute for Strategic Studies, “The Military Balance,” 2008-2022.

⁴² Evelyn Goh, “Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies,” *International Security* 32, No. 3 (Winter, 2007/2008): p. 116.

According to Kenneth Waltz, there are at least two types of balancing strategies: internal and external. Internal balancing refers to power-increasing behaviour by one state to balance against threatening rivals/enemies. External balancing refers to the behaviour of grouping with other countries to balance against threatening enemies. For further reading, see: Kenneth N. Waltz, *Theory of International Politics* 1st Edition (Boston: Addison-Wesley Publishing Company, 1979), pp. 118, 163-168.

⁴³ *Ibid.*, p. 121.

⁴⁴ *Ibid.*, p. 122.

⁴⁵ AOIP, p. 2.

⁴⁶ AOIP, p. 3.

recognizes the importance of the Treaty of Amity of Cooperation (TAC)⁴⁷ principles of non-intervention, refraining from the threat or use of force and promoting the rule of law, advocating the peaceful settlement of disputes, and advocating friendship and cooperation among countries in the Indo-Pacific region.⁴⁸ With respect to the aforementioned strategy of all-inclusive interdependence, or omni-enmeshment, the AOIP also recognizes that ASEAN has been and will continue to be actively engaged in the development of inclusive regional architecture to foster closer cooperation through ASEAN's central role in Southeast Asia and the Indo-Pacific region.⁴⁹

When talking about ASEAN, especially in the maritime domain, Indonesia should be mentioned as a significant interlocutor. First of all, Indonesia ranks sixth in terms of the size and scale of its EEZ.⁵⁰ Furthermore, Indonesia has always played an influential role in ASEAN.⁵¹ Thus, it is clear that Indonesia is a significant actor in Southeast Asia and the Indo-Pacific. Indonesia still positions itself as an 'honest broker' in the region. For example, it has taken the initiative to initiate dialogues and workshops to lay the foundations for cooperation in the South China Sea.⁵² The workshops initiated by Indonesia could be considered as a positive contribution to conflict management⁵³ and could be a milestone for a more formal solution to the disputes in the South China Sea.⁵⁴

Indonesia's views on the Indo-Pacific are quite similar to those of the AOIP, since it was Indonesia that drafted the document.⁵⁵ From Indonesia's point of view, the AOIP was created in anticipation of geopolitical changes and aims to build mutual trust and maintain peace in the region.⁵⁶ Indeed, the AOIP seems to highlight the significant role of Indonesia as one of the actors that has the potential to stand up to major powers in the region, due to its size, geography and potential power.⁵⁷ Critics have drawn attention to the need for a solid strategy to implement AOIP in order to restrain the zero-sum game approaches.⁵⁸ Nevertheless, AOIP is a step forwards and a potential alternative to define the Indo-Pacific region. It could be suggested that the AOIP is effectively the further embodiment of ASEAN's inclusive approach, which clearly has potential and should be supported by stakeholders in the Indo-Pacific. By adopting an inclusive approach, ASEAN could help to raise awareness among regional stakeholders that they are important in terms of stability in the region. With the region's notable major powers, particularly China and the United States, also supporting ASEAN's significant role in the Indo-Pacific,⁵⁹ the AOIP could help raise global society's understanding of the Indo-Pacific and make it a region where businesses thrive. It is up to the region's internal and external stakeholders to determine whether the Indo-Pacific becomes a region of trust and cooperation or one of rivalries and zero-sum games.

47 In this regard, there are several states outside Southeast Asia that have actually joined the TAC, including China, the Russian Federation, Japan, India, Australia and the United States. See: ASEAN, "Accession to the Treaty of Amity and Cooperation in Southeast Asia by China," published on October 1, 2013, <https://asean.org/accession-to-the-treaty-of-amity-and-cooperation-in-southeast-asia-by-china/>;

U.S. Department of State, "United States Accedes to the Treaty of Amity and Cooperation in Southeast Asia," published on July 22, 2009, <https://2009-2017.state.gov/r/pa/prs/ps/2009/july/126294.htm>;

Ministry of Foreign Affairs of Japan, "Signing of the Instrument of Accession and depositing of the Instrument of Ratification of the Treaty of Amity and Cooperation in Southeast Asia," published on July 2, 2004, <https://www.mofa.go.jp/region/asia-paci/asean/treaty0407.html>;

ASEAN, "Instrument of Accession to the Treaty of Amity and Cooperation in Southeast Asia by Australia," published on June 13, 2012, <https://asean.org/instrument-of-accession-to-the-treaty-of-amity-and-cooperation-in-southeast-asia-by-australia/>;

ASEAN, "Instrument of Accession to the Treaty of Amity and Cooperation in Southeast Asia by Russian Federation," published on November 1, 2004, <https://asean.org/instrument-of-accession-to-the-treaty-of-amity-and-cooperation-in-southeast-asia-by-russian-federation/>;

ASEAN, "Instrument of Accession to the Treaty of Amity and Cooperation in Southeast Asia by India," published on October 1, 2003, <https://asean.org/instrument-of-accession-to-the-treaty-of-amity-and-cooperation-in-southeast-asia-by-india/>.

48 AOIP, pp. 2 & 3.

49 AOIP, p. 1.

50 The Jakarta Post, "Indonesia is a Pan Indo-Pacific super power," published on April 14, 2021, <https://www.thejakartapost.com/academia/2021/04/13/indonesia-is-a-pan-indo-pacific-super-power.html>.

51 In his book, Donald E. Weatherbee even stated that, "In many respects the ASEAN way was defined as an Indonesian way". For further reading, see: Donald E. Weatherbee, *International Relations in the Southeast Asia: The Struggle for Autonomy* (Rowman & Littlefield Publishers, Inc.: United Kingdom, 2009), pp. 92-94.

52 Sam Bateman, "Regime building in the South China Sea – current situation and outlook," *Australian Journal of Maritime & Ocean Affairs* 3, no. 1 (2011): pp. 25-33.

53 Allan Shephard, "Oil on troubled waters: Indonesian sponsorship of the South China Sea Workshops," *Studies in Conflict & Terrorism* 18, no. 1 (1995): pp. 1-15.

The workshop here refers to the annual "Workshop on Managing Potential Conflict in the South China Sea" initiated by Indonesia in 1990. For further reading, see: Donald E. Weatherbee, *International Relations in the Southeast Asia: The Struggle for Autonomy* (Rowman & Littlefield Publishers, Inc.: United Kingdom, 2009), pp. 144-145; Dewi Fortuna Anwar, "Resource Issues and Ocean Governance in Asia Pacific: An Indonesian Perspective," *Contemporary Southeast Asia* 28, no. 3 (December 2006): pp. 480-483.

54 Zhiguo Gao, "The South China sea: From conflict to cooperation?" *Ocean Development & International Law* 25, no. 3 (1994): pp. 345-359.

55 David Camroux, "Reconciling Indonesia's view of ASEAN and the Indo-Pacific," *East Asia Forum*, published on March 6, 2021, <https://www.eastasiaforum.org/2021/03/06/reconciling-indonesias-view-of-asean-and-the-indo-pacific/>.

56 Ministry of Foreign Affairs of the Republic of Indonesia, "Indonesia Presents Its View on the Indo-Pacific at The 2019 MIKTA," published on September 27, 2019, <https://kemlu.go.id/portal/en/read/634/berita/indonesia-presents-its-view-on-the-indo-pacific-at-the-2019-mikta>.

57 Amitav Acharya, "Why ASEAN's Indo-Pacific outlook matters," *East Asia Forum*, published on August 11, 2019, <https://www.eastasiaforum.org/2019/08/11/why-aseans-indo-pacific-outlook-matters/>.

58 Shafiah F. Muhibat and M Waffaa Kharisma, "Jokowi's second term needs innovative foreign policy," *East Asia Forum*, published on September 4, 2019, <https://www.eastasiaforum.org/2019/09/04/jokowis-second-term-needs-innovative-foreign-policy/>.

59 See: Ministry of Foreign Affairs of the People's Republic of China, "Xi Jinping Attends and Chairs the Special Summit to Commemorate the 30th Anniversary of China-ASEAN Dialogue Relations and Officially Announces the Establishment of a China-ASEAN Comprehensive Strategic Partnership," published on November 22, 2021, https://www.fmprc.gov.cn/mfa_eng/topics_665678/kjgzbdyfyyq/202111/t20211122_10451494.html; A FREE AND OPEN INDO-PACIFIC Advancing a Shared Vision NOVEMBER 4, p. 7.

4. Zooming in on the Indo-Pacific through a Liberal Lens

4.1. China's Strategic Interests

Since China is one of the main major powers in the Indo-Pacific, understanding its interests is a significant part of finding options for cooperation in the region. Therefore, one of the initial steps is to understand what are considered as “core interests” for China. While there are arguments that the definition of China’s core interests is still vague, there have been several hints from its government. According to China’s official document “China’s Peaceful Development” in 2011, there are several core interests upheld by China including “... state sovereignty, national security, territorial integrity and national reunification, China’s political system established by the Constitution and overall social stability, and the basic safeguards for ensuring sustainable economic and social development”.⁶⁰ These points were then emphasized in article 2 of China’s national security law in 2015 that identified the country’s core interests as the political regime, sovereignty, territorial integrity, people’s livelihoods, sustainable economic developments and other major interests.⁶¹

It is quite clear that China’s core interests are closely related to the government regime, sovereignty and territorial integrity, and sustainable economic development. The first two main interests seem to be unarguable. First, China’s governmental regime is closely related to ideological elements that cannot be negotiated, even for the purpose of cooperation. Second, China’s territorial integrity is also difficult to compromise. The discussion about China’s territorial integrity is practically inseparable from its territorial claims, such as the South China Sea and Taiwan. In this case, Taiwan is a very sensitive issue for China. Any attempt that has ill intention from China’s perspective will only worsen the problem.⁶² Further, from the prolonged disputes and failed arbitration,⁶³ it is safe to say that China will not back down from its claim over the South China Sea. This is not to say that the dispute is to be left as it is. Nevertheless, conflict management or efforts to keep the dispute from turning into an open armed conflict can be considered as a more viable option than conflict or dispute resolution.

China’s interests in economic development are perhaps the most suitable basis for cooperation, as the country still pays significant attention to this factor. An example is China’s endorsement of regional economic cooperation, such as the Regional Comprehensive Economic Partnership (RCEP).⁶⁴ Furthermore, China continues to implement the Belt and Road Initiative (BRI) to develop cooperation in order to boost people-to-people connectivity, finance, trade and infrastructure, building a new platform for international cooperation and creating new drivers of shared development.⁶⁵ Through BRI, China has tried to create a hospitable environment for its economic activities.⁶⁶ Thus, it is clear that China’s economic development interests are probably the most open and most suitable basis for building the cooperation that is urgently needed to properly shape a cooperative, rather than conflictual, atmosphere in the Indo-Pacific.

4.2. United States Presence

The United States is also one of the major powers involved in great power rivalries in the Indo-Pacific. For several Indo-Pacific countries, the United States is perceived as a benign offshore power.⁶⁷ Since 2010, the US has shown its intent with regard to “staying” in the Asia-Pacific region.⁶⁸ Its presence has continued to the point of the US introducing free and open Indo-Pacific cooperation, and later creating Quad and AUKUS cooperation. Meanwhile, the US continues to enjoy a close relationship with Taiwan. China, on the other hand, seems to feel agitated regarding these actions by the US and its allies.

As practically the strongest actor – not only in the region, but also in the world – the US presence and its forces allow it nevertheless to have an irreplaceable role. Several Indo-Pacific countries actually seek to keep the US involvement in the region to counterbalance China’s growing power.⁶⁹ China seems to be willing to use its growing power and forces to fulfil its core interests, which include several territorial claims. This is where the US presence is needed, in the words of Thomas J. Christensen, “... to discourage the use

60 The State Council The People’s Republic of China, “China’s Peaceful Development,” updated on September 6, 2011, https://english.www.gov.cn/archive/white_paper/2014/09/09/content_281474986284646.htm.

61 Edward Wong, “Security Law Suggests a Broadening of China’s Core Interests,” *The New York Times*, published on July 2, 2015, <https://www.nytimes.com/2015/07/03/world/asia/security-law-suggests-a-broadening-of-chinas-core-interests.html>.

62 Reuters, “Xi says improper handling of Taiwan issues will hit China-U.S. ties,” published on March 19, 2022, <https://www.reuters.com/world/china/xi-says-improper-handling-taiwan-issues-will-hit-china-us-ties-2022-03-18/>.

63 China does not recognize the PCA (Permanent Court of Arbitration) decision on the South China Sea. See: Tom Phillips, Oliver Holmes, and Owen Bowcott, “Beijing rejects tribunal’s ruling in South China Sea case,” *The Guardian*, published on July 12, 2016, <https://www.theguardian.com/world/2016/jul/12/philippines-wins-south-china-sea-case-against-china>.

64 Chi Jingyi and Xie Jun, “China to strengthen cooperation with ASEAN, while the latter seeks inclusivity,” *Global Times*, published on October 27, 2021, <https://www.globaltimes.cn/page/202110/1237462.shtml>.

65 Suisheng Zhao, “China’s Belt-Road Initiative as the Signature of President Xi Jinping Diplomacy: Easier Said than Done,” *Journal of Contemporary China* (2019): p. 4, DOI: 10.1080/10670564.2019.1645483.

66 Hideo Ohashi, “The Belt and Road Initiative (BRI) in the context of China’s opening-up policy,” *Journal of Contemporary East Asia Studies* (2018): S. 7, DOI: 10.1080/24761028.2018.1564615.

67 Evelyn Goh, “Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies,” *International Security* 32, no. 3 (Winter, 2007/2008): S. 115.

68 ASEAN, “US Here to Stay, Says Clinton Ha Noi,” published on July 23, 2010, <https://asean.org/us-here-to-stay-says-clinton-ha-noi-23-july-2010/>.

69 Evelyn Goh, “Southeast Asian perspectives on the China challenge,” *Journal of Strategic Studies* 30, no. 4-5 (2007): p. 825, DOI: 10.1080/01402390701431915.

of coercion by China when resolving its disputes, and active diplomatic engagement to encourage China to seek greater influence through constructive economic and diplomatic policies.”⁷⁰

The US presence could influence the Chinese government’s calculation to use hard power in the region. The creation of a cooperative atmosphere in the Indo-Pacific requires efforts to discourage major powers from using military instruments that could result in open armed conflicts throughout the region. The US security presence would make it difficult for China’s decision-makers to advocate coercive force against their territorial claims.⁷¹ This is not to say that the US should use its presence and military superiority to halt China’s growing power, since China is already too big to fall. In fact, any effort to try to obstruct China’s growth of economic or diplomatic power would most likely backfire.⁷²

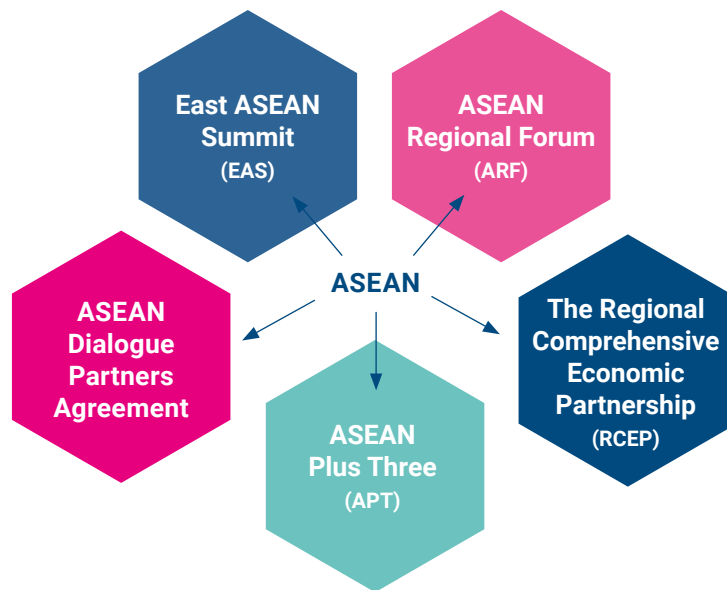
It is clear that the US presence, especially in the military sector, will be beneficial for deterring the use of force in the region. The maintenance of the US presence and military superiority in the region is an integral part of further

engagement and diplomatic strategy in the Indo-Pacific.⁷³ At the very least, it would deter China from using force and make it more reliant on other options, such as dialogue and cooperation. It is also important to note that China would also benefit from regional stability to maintain its economic growth. In this case, the US presence would encourage China to maintain a stable regional system by other means than conflictual measures.

4.3. Existing Regional Arrangements and Cooperation

In the Indo-Pacific, there are arrangements that can be considered to offer some potential due to their inclusive nature and continuity. Many of them are initiatives by ASEAN, such as ASEAN Plus Three (APT), ASEAN Dialogue Partners arrangements, ASEAN Regional Forum (ARF), East Asia Summit (EAS) and The Regional Comprehensive Economic Partnership (RCEP). Figure 4 below illustrates how the arrangements actually revolve around ASEAN as a significant regional entity in the Indo-Pacific.

Figure 4 | Potential ASEAN-led Arrangements in the Indo-Pacific



Source: Mapped by authors

From Figure 4, it can be seen that ASEAN contributions have been in the form of initiating arrangements that could be the basis for cooperation in the Indo-Pacific. These initiatives also reflect the inclusive ideas of ASEAN, as already des-

cribed in the ASEAN Outlook on Indo-Pacific. The inclusivity of these initiatives can be seen from the list of participants in the arrangements, as reflected in Table 1 below.

70 Thomas J. Christensen, “Shaping the Choices of a Rising China: Recent Lessons for the Obama Administration,” *The Washington Quarterly* 32, no. 3 (2009): p. 90, DOI: 10.1080/01636600903012323
 71 Ibid.
 72 Ibid., p. 91.
 73 Ibid.

Table 1 | Participants of ASEAN-led Arrangements in the Indo-Pacific

| REGIONAL ARRANGEMENTS | PARTICIPANTS |
|--|---|
| 1 ASEAN Plus Three (APT) | ASEAN Member States China Republic of Korea Japan |
| 2 ASEAN Dialogue Partners arrangements | Australia Canada China European Union India Japan Republic of Korea New Zealand Russian Federation United States United Kingdom |
| 3 ASEAN Regional Forum (ARF) | Australia Bangladesh Brunei Darussalam Cambodia Canada China Democratic People's Republic of Korea European Union India Indonesia Japan Lao PDR Malaysia Mongolia Myanmar New Zealand Pakistan Papua-Neuguinea Philippines Republic of Korea Russia Singapur Sri Lanka Thailand Timor-Leste United States Vietnam |
| 4 East Asia Summit (EAS) | ASEAN Member States Australia China India Japan New Zealand Republic of Korea Russian Federation United States |

5 Regional Comprehensive Economic Partnership (RCEP)

ASEAN Members

Five ASEAN FTA partners:

Australia, China, Japan, New Zealand and Republic of Korea

Source: Listed by authors.

From Table 1, it can be seen that ASEAN-led arrangements are relatively inclusive, as they involve not only several major powers in the region but also middle powers. It is also worth mentioning that several of these arrangements, such as ASEAN Dialogue Partners Arrangements, ARF, EAS and RCEP, include China, the Quad Countries and other extra-regional powers, including the European Union and Russia Federation. With regard to practical cooperation, the ASEAN Dialogue Partners Arrangements is probably one of the most prominent. This is largely because the dialogue partners of ASEAN are granted high-level access to ASEAN's regular summits and enhanced practical cooperation on various issues.⁷⁴ ASEAN dialogue partners are also part of ASEAN Defense Ministerial Meeting Plus (ADMM Plus). ADMM Plus is a platform for ASEAN and its dialogue partners to strengthen security and defence cooperation in the region.⁷⁵ Even though the ADMM Plus arrangement is at a ministerial level, it still has a significant potential, as it includes several major powers in the region such as China and the United States.

In implementing more inclusive arrangements, the East Asia Summit has six priority areas for cooperation: environment and energy, education, finance, global health issues and pandemic diseases, natural disaster management, and ASEAN connectivity.⁷⁶ Meanwhile, engagement in security issues is more apparent in the ARF arrangements, which aim to increase constructive dialogue and consultation on political and security issues of common interest and concern, and to significantly contribute to efforts towards confidence-building and preventive diplomacy in the Asia-Pacific region.⁷⁷ In fact, ARF has played an important role in the Indo-Pacific, as it provides an arena for dialogue on security issues and cooperation building.⁷⁸

The next potential arrangement is the Regional Comprehensive Economic Partnership (RCEP). This arrangement recently came into force, on 1 January 2022, and is thus one of the newest in the region.⁷⁹ RCEP's real potential lies in the

economic sector, since it is a form of Free Trade Area Agreement. RCEP is expected to be the world's largest free trade area, in which the members have resolved to keep the regional markets open, strengthen regional economic integration, support an open, free, fair, inclusive and rules-based multilateral trading system, and contribute to global post-pandemic recovery efforts.⁸⁰ This arrangement gains its significance from the involvement of China and two Quad countries: Australia and Japan. As a result, RCEP could offer a new potential basis of cooperation for China, Australia and Japan.

Lastly, the ASEAN Plus Three arrangement (APT). APT consists of ten ASEAN members plus three East Asian countries: China, Japan and South Korea. The aim of this arrangement is to strengthen cooperation between ASEAN members and the three East Asian countries. Even though APT is fairly limited in membership, it has its own implications for Indo-Pacific stability. One of the interesting aspects of this arrangement is that the APT framework has become an important element for enhancing East Asian regionalism.⁸¹ In other words, the APT has helped East Asian countries that are physically located outside the Southeast Asia region to enhance their regionalism. In this regard, the APT arrangement has the potential to become one of the instruments to tie East Asian Countries, especially China, in cooperative interdependence with other Indo-Pacific stakeholders, in this case, ASEAN members.

Thus, it is clear that there are several existing inclusive arrangements in the Indo-Pacific. These arrangements could offer a potential basis for watering down the tensions and bringing about a cooperative atmosphere in the region. With the fact that several of these arrangements already include extra-regional powers, it is obvious that they have the potential to channel extra-regional powers' contributions to Indo-Pacific regional politics. In other words, these existing arrangements should be part of the elements to maintain peace and stability in the Indo-Pacific.

74 Sebastian Strangio, "ASEAN Grants United Kingdom 'Dialogue Partner' Status," *The Diplomat*, published on August 6, 2021, <https://thediplomat.com/2021/08/asean-grants-united-kingdom-dialogue-partner-status/>; Dezan Shira et al., "UK Joins ASEAN as Dialogue Partner, Looking at Joining CPTPP Asia-Pacific Free Trade Agreement," *ASEAN Briefing*, published on January 26, 2021, <https://www.aseanbriefing.com/news/uk-joins-asean-as-dialogue-partner-looking-at-joining-cptpp-asia-pacific-free-trade-agreement/>.

75 ASEAN Defence Ministers' Meeting, "About the ASEAN Defence Ministers," February 6, 2017, <https://admm.asean.org/index.php/about-admm/about-admm-plus.html>.

76 East Asia Summit, "About The East Asia Summit," n.d., <https://eastiasummit.asean.org/about-east-asia-summit>.

77 ASEAN Regional Forum, "Participants," n.d., <https://aseanregionalforum.asean.org/about-arf/#participants>.

78 "ASEAN Regional Forum (ARF)," Australian Government Department of Foreign Affairs and Trade, n.d., <https://www.dfat.gov.au/international-relations/regional-architecture/asean-regional-forum-arf>.

79 ASEAN, "Regional Comprehensive Economic Partnership (RCEP) agreement to enter into force on 1 January 2022," published on November 3, 2021, <https://asean.org/regional-comprehensive-economic-partnership-rcep-to-enter-into-force-on-1-january-2022/>.

80 ASEAN, "RCEP Agreement enters into force," January 1, 2022, <https://asean.org/rcep-agreement-enters-into-force/>.

81 ASEAN, "Overview of ASEAN Plus Three Cooperation," n.d., <https://asean.org/asean-plus-three/>.

4.4. Watering Down the Great Power Rivalries: Synchronizing Efforts Towards Interdependence

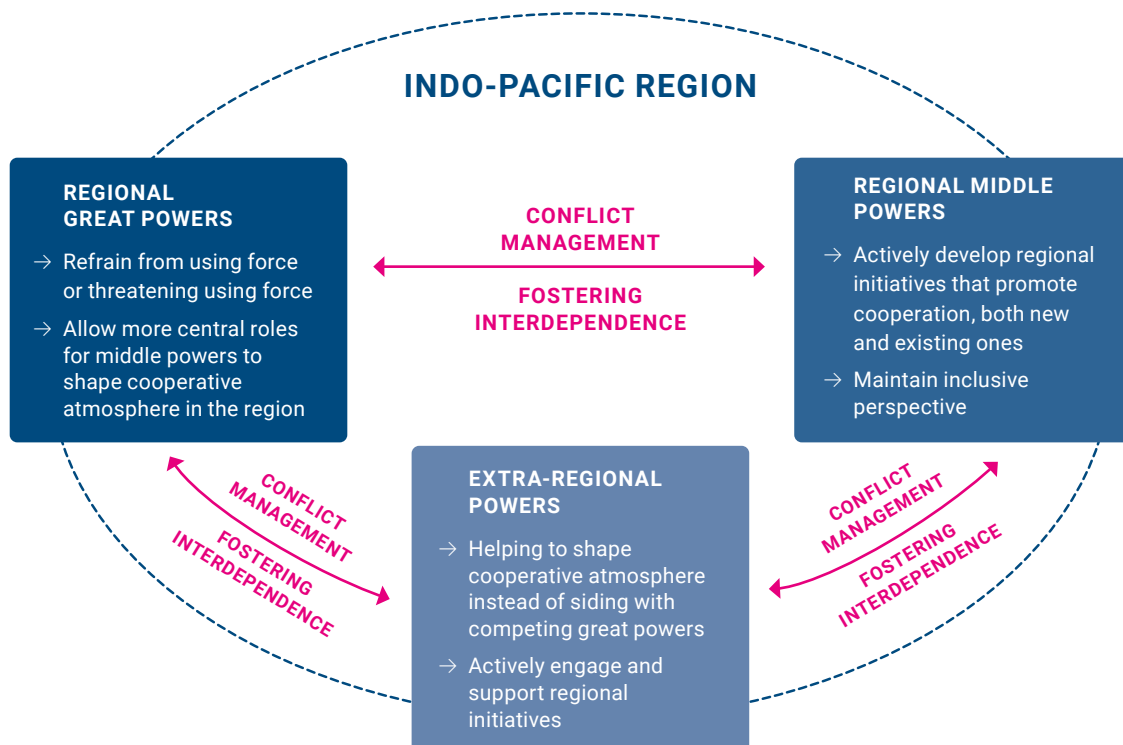
After exploring China's strategic interests, the importance of the US presence and the existing potential cooperative arrangements, this paper puts forward a number of recommendations. These recommendations have been formulated based on the assumption that interdependence could ease the great power rivalries through the entangling web of inclusive cooperation. This in turn could influence the great powers' options for cooperating or fighting against each other. The idea is that when there is so much at stake, countries will reconsider their conflictual approach because even the great powers will benefit from a stable and cooperative Indo-Pacific. It is important to note that this paper does not go so far as to claim that interdependence alone is enough to completely eradicate the tensions and distrust between the great powers in the Indo-Pacific. However, we do believe that interdependence could help to ease the tensions generated by the actions and rivalries of these powers in the region.

From this standpoint, coupled with the consideration and analysis of the actual situation in the region, it is argued that there are at least two main recommendations that could be applied in the Indo-Pacific. The first would be implementing conflict management, which is needed as a precondition for cooperation to grow. Cooperation would be very difficult to achieve if the great power rivalries were already evolving into something more antagonistic, such as open armed con-

flicts. In this paper, the term conflict management refers to any measures used to manage the frictions between great powers to avoid evolving into open armed conflict. In other words, this paper does not offer a way to end the disputes and conflicts that are already taking place in the Indo-Pacific, because this is an almost impossible objective to achieve. For example, with regard to the South China Sea and Taiwan issues, it is safe to say that China would not back down from its claim, as territorial integrity is included in China's core interests. Attempts to persuade or force China to stop pursuing its claim would risk it taking more assertive actions.

The second main recommendation would be fostering interdependence in the Indo-Pacific. This recommendation is actually positioned in parallel to conflict management because they complement each other. In this case, conflict management could help as a precondition to ease the development of interdependence, and interdependence could itself be an important element in conflict management. Further, the interdependence that needs to be fostered should include not only the great powers, but also middle powers in the region and extra-regional actors. Together, conflict management and interdependence could make a significant contribution to a cooperative atmosphere in the Indo-Pacific. From these two main recommendations, this paper breaks down further recommendations into three parts that consist of possible roles for actors in relation to the Indo-Pacific region. The breakdown divides the explanation into three groups of actors: regional great powers, regional middle powers (especially ASEAN) and extra-regional powers. The breakdown is presented in Figure 5 below.

Figure 5 | Recommendations for Possible Roles for the Regional Great Powers, Regional Middle Powers and Extra-regional Powers in the Indo-Pacific



Source: Created by the authors.

Figure 5 shows how regional great powers, regional middle powers and extra-regional powers need to be part of the solutions by contributing to the conflict management and interdependence in the Indo-Pacific. Further, the measures taken by each actor are intertwined and mutually support each other, as explained below.

For Regional Great Powers: Refraining and Allowing

For regional great powers, the first recommendation would be to refrain from using force or threatening others with its use. This is a very important aspect for maintaining peace and stability in the region and the basic foundation to ease great power rivalries and build more cooperative relations. Even if only one of the great powers were to use force against other actors in the region, it would certainly raise the risk of open conflict or actual war. It would be too late or at least very difficult to turn the conflictual atmosphere of the region into a cooperative one if great power wars had already broken out. In other words, regional great powers should manage the frictions between themselves by exercising restraint in order to prevent escalation to greater tension or even open armed conflict.

Further, the great powers in the Indo-Pacific should allow the middle powers a more central role to shape a cooperative atmosphere in the region; for example, ASEAN with its inclusive cooperative arrangements. In this way, the great powers would not have to push themselves to engage with each other directly to find a basis for cooperation. In a region where several frictions between great powers are apparent, it is understandable if the great powers find it difficult to directly engage in cooperation with each other. This is where ASEAN arrangements come into play. Giving a more central role to ASEAN in the Indo-Pacific could give it more room to develop the relevant arrangements and thus create a basis for cooperation between competing great powers. It is also important to note that ASEAN has been a common ground for regional great powers to sit together in the same room. The inclusivity of ASEAN arrangements also helps to ensure that no great powers will be excluded from any future cooperation mediated and led by it. The continuing support of China and the US for ASEAN's significant role in the Indo-Pacific⁸² is a position that needs to be sustained.

The cooperation ensured by ASEAN-led arrangements would then increase the interdependence within the region and influence the calculations of the great powers to use conflictual methods against each other. An ASEAN-led arrangement could be an important element in managing conflict and preventing war from breaking out in the Indo-Pacific. Thus, allowing ASEAN to have a central role in the region would be a very important part of creating a cooperative atmosphere and easing the great power rivalries.

For Regional Middle Powers: Developing and Facilitating

In this paper, the middle powers mainly refer to ASEAN and its members that already have inclusive regional arrangements forming the potential basis for cooperation in the Indo-Pacific. The inclusive characteristic of the regional arrangements could facilitate the great powers in engaging with each other through the ASEAN regional arrangements. From this viewpoint, the first recommendation for regional middle powers would be to actively develop both existing and new regional initiatives that could promote cooperation in the Indo-Pacific. If the regional great powers allow ASEAN a more central role, then ASEAN should develop its cooperative engagement further. Continuous efforts to develop cooperative arrangements in the region would increase the likelihood of finding a basis for new cooperation and maintaining the existing ones, in turn contributing to regional interdependence.

The second recommendation would be for regional middle powers, especially ASEAN, to maintain an inclusive perspective and mechanism in their regional initiative. In this regard, the cooperative regional arrangements should not only be continuously developed, but also need to be inclusive. The potential for regional cooperative arrangements would be lost if the ASEAN only included one side of the competing great powers in the Indo-Pacific. The inclusivity of cooperative regional arrangements is important in order to avoid any regional great powers being excluded, which could jeopardize the prospect of future cooperation between regional actors. Further, the inclusivity of cooperative regional arrangements is an important aspect of the efforts to tie regional great powers into dialogue, cooperation and finally interdependence. The regional great powers need to perceive that they have a stake in regional stability, so that they will refrain from using conflictual measures in the region. Inclusive cooperative regional arrangements could influence regional great powers' calculations through increased interdependence.

For Extra-regional Powers: Not Taking Sides, Engaging, Supporting and Contributing

In this paper, the extra-regional powers refer to the states outside the Indo-Pacific that have interests in the region's political affairs, especially concerning the issues of great power rivalries. These extra-regional powers include the European Union, the United Kingdom and the Russian Federation. For extra-regional powers, the first recommendation would be to help shape a cooperative atmosphere in the Indo-Pacific. In order to do this, extra-regional powers should refrain from directly siding with the competing regional great powers. Siding with either of the powers would increase the risk of worsening the tensions in the Indo-Pacific. This also implies that extra-regional involvement in the frictions and great power rivalries in the Indo-Pacific could increase the

82 See: Ministry of Foreign Affairs of the People's Republic of China, "Xi Jinping Attends and Chairs the Special Summit to Commemorate the 30th Anniversary of China-ASEAN Dialogue Relations and Officially Announces the Establishment of a China-ASEAN Comprehensive Strategic Partnership," published on November 22, 2021, https://www.fmprc.gov.cn/mfa_eng/topics_665678/kjgzbdyfyq/202111/t20211122_10451494.html; A FREE AND OPEN INDO-PACIFIC Advancing a Shared Vision NOVEMBER 4, S. 7.

scale and impact of the rivalries. The main idea is thus not to add fuel to the fire. Extra-regional powers should see the Indo-Pacific in a cooperative light instead of as an arena for competing great powers where one should take a side to defeat others.

This is not to say that the extra-regional powers should stay away from the Indo-Pacific. After all, the Indo-Pacific is a strategic region in which many states' interests are intertwined. Instead, extra-regional powers should actively engage and support both existing and new regional cooperative initiatives, particularly ASEAN-led ones. The basis for this recommendation is mainly the already existing channels for extra-regional powers to contribute positively in the Indo-Pacific region. These channels are directly related to several inclusive ASEAN-led regional initiatives. While acknowledging the potential of new regional initiatives, this paper encourages extra-regional powers to focus on actively supporting existing regional initiatives due to the fact that there are already existing foundations for them to contribute positively to Indo-Pacific politics. Another reason is the fact that ASEAN, as conveyed through the ASEAN Outlook

on Indo-Pacific (AOIP), perceives the Indo-Pacific as a closely interconnected region with ASEAN having a central and strategic role,⁸³ rather than as an arena for competing great powers. AOIP itself was made to create momentum for increasing strategic trust and win-win, rather than zero-sum, cooperation.⁸⁴ Due to AOIP's apparent cooperative perspective, extra-regional powers should also view the Indo-Pacific Region in the same manner rather than siding with any competing regional great power.

Thus, extra-regional powers should have active roles in the Indo-Pacific. Nevertheless, extra-regional powers need to go the extra length to ensure that their presence does not result in contributing to the rising tensions in the Indo-Pacific. Instead, extra-regional powers should contribute to the atmosphere of stability and positive cooperative in the Indo-Pacific through existing inclusive channels provided by regional middle powers, in this case ASEAN. Actively engaging and supporting ASEAN-led inclusive cooperative arrangements would assist in the effort to manage the great power rivalries and at the same time contribute to the efforts to foster interdependence between actors in the Indo-Pacific.

83 AOIP, p. 2.

84 AOIP, p. 3.

5. Conclusion

It is clear that a number of frictions exist between states in the Indo-Pacific. These frictions have contributed to the rising tensions and rivalries between the great powers. Among the state actors involved, as a regional great power, China has been at the centre of many frictions that have occurred in the region, such as South China Sea disputes, issues over Taiwan, issues over AUKUS and disputes in the East China Sea. China's claims over territories, coupled with its growing power and assertive behaviour in the region, have contributed to the growing concern from Indo-Pacific countries. The United States and its allies have tried to respond to China by creating several arrangements, notably the Quad. While the Quad countries seem to be reluctant to admit that their arrangements are directed at China, several of the US official documents about the Indo-Pacific state that there is growing concern about China's intentions in the region. It is obvious that great power tension and rivalries between China and the US plus its allies are already taking place in the region. If this rivalry is left as it is, no one can anticipate if or when the tensions between regional great powers will evolve into an open conflict in the Indo-Pacific. Efforts thus need to be made to water down the tensions of great power rivalries in the region.

Creating a cooperative atmosphere in the Indo-Pacific should be the priority, and this requires an alternative viewpoint concerning the region. The ASEAN Outlook on Indo-Pacific (AOIP) offers an alternative perspective by not seeing the region as an arena for competing great powers, but instead viewing it as a closely interconnected region, with ASEAN having a central and strategic role. In this case, ASEAN countries have implemented the omni-enmeshment strategy, which refers to the engagement with states in order to tie them into a deep involvement and continued relationship in regional society, with the long-term goals of integration. The core idea of this strategy is to foster interdependence and increase the feeling of having a stake in regional security so that the great powers, in this case China and the US plus their allies, will be willing to contribute to regional stability instead of engaging in conflictual measures. This alternative view could be an important step to shape the cooperative atmosphere in the Indo-Pacific.

ASEAN has modalities in fostering cooperation between actors in the Indo-Pacific, since it already has existing cooperative and inclusive arrangements in the region. Several of these arrangements have included not only ASEAN members but also China, the United States and other extra-regional powers such as the European Union and the United Kingdom. These types of arrangements have the potential to become an arena of cooperation for regional great powers to sit down together without having to directly engage, which could be difficult considering the current rivalries. In other words, ASEAN-led arrangements, which are both inclusive and cooperative, have the potential to establish a basis for cooperation between regional great powers.

The potential of ASEAN-led arrangements is directly related to the main recommendations in this paper: for actors involved in Indo-Pacific politics to engage in conflict management measures and fostering interdependence in the region. The recommendation is based on the liberal perspective that interdependence could reduce the risk of open conflicts. In this regard, conflict management is necessary as a supporting precondition for cooperation to grow. It would be difficult to find a basis for cooperation between regional great powers if war broke out. If conflict management measures are in place, it would help cooperation and interdependence to grow, which in turn would also contribute more to the conflict management efforts.

The above recommendations will require the active engagement of all actors involved, be they regional great powers, regional middle powers or extra-regional powers. For regional great powers, the recommendations are to refrain from using military force against each other as a conflict management effort and to give a more central role to ASEAN to shape a cooperative atmosphere and foster cooperation in the Indo-Pacific. This is related to the recommendations for regional middle powers, in this case ASEAN countries, to continue to develop the cooperative ASEAN-led arrangements. ASEAN should maintain its inclusive perspective while continuing to develop its regional cooperative arrangements. Lastly, for the extra-regional powers, the recommendations would be to help shape the cooperative atmosphere in the Indo-Pacific. Extra-regional powers need first to not choose sides between competing regional great powers in order to prevent worsening tensions in the Indo-Pacific, and second to actively engage and support ASEAN efforts to continue developing inclusive and cooperative arrangements.

The recommendations should be seen as highly related and complementing each other. The main idea is that the group of actors mentioned in the recommendations should engage in conflict management measures and continue to foster interdependence in order to water down the tensions in the Indo-Pacific. Thus, this paper emphasizes that it is crucial to tie regional great powers into dialogue and cooperation, and to increase regional great powers' perception of having a stake in regional peace and stability. This may not completely eliminate the rise of open conflict arising. Nevertheless, interdependence could be an important element to influence regional great powers' calculations, especially when they have a choice to use force or to continue cooperating in the Indo-Pacific. Improving and shaping a cooperative atmosphere and interdependence in the Indo-Pacific would be a significant step to turn possibilities of open conflict into the potential for beneficial cooperation between regional and extra-regional actors in the Indo-Pacific.

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