



Indo-Pacific- Shifting power dynamics

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Abstract

The Indo-Pacific region's disputed construction has aroused interest since its inception. Despite strong opposition from the US, China has attempted to administer the region in recent years. As a result, China is widely regarded as a shared threat to other countries, particularly in light of altering geopolitical realities. As a result of the region's tremendous changes as a result of the emergence of nationalism, some experts refer to it as the "Indo Pacific conundrum." The study will concentrate on how the United States and other countries are balancing their power to prevent China from becoming a dominant force. Regarding the Indo-Pacific, there has also been a shift in alliance patterns, with the Indo-Pacific being the new focal point for the great power competition. It will also attempt to comprehend the Indo-Pacific region's economic structure and future.

Keywords: Indo-pacific, regionalism, geopolitics, Asia

Introduction

The Indo-Pacific area, which is home to over 60% of the world's population, is quickly becoming a focal point of international affairs. One explanation for the creation of the 'Indo-Pacific' could be the contestation of the China-centric order launched by China itself through the Belt and Road programme. Shinzo Abe, it's worth noting, was the one who proposed the 'dynamic connection' of the two oceans before the Indian Parliament. There were soon naval exercises between the four Quadrilateral Security Dialogue nations (QUAD). It took some time for the concept of 'Indo-Pacific' to be revived after that. Nonetheless, the idea has resurfaced in political debate. The concept is still debatable, particularly in terms of who should be included and who should be excluded. The creation of such an idea, according to Jeffrey. D. Wilson, is a case of rescaling.

It's simple to see how colonial powers' interventionist techniques established the region's east-west axis when looking back at its history. In the nineteenth century, European countries expanded their sphere of influence to include the Middle East and Asia, as well as dominance over the sea. In British India's supremacy, the early twentieth century was a watershed period, especially when it emerged as the region's sole power projection. There was a shift in control toward the end of the Cold War, with the United States taking the lead in restraining the Soviet Union's rise.

China's appearance at the same moment, signaling the start of tactical adjustments, is equally notable. Soon after, India and Japan entered the Indo-Pacific geopolitics, abandoning their pacifist and anti-balance of power policies.

The region has traditionally been a center of power dynamics, as is clear, but recent circumstances have rendered it more important than ever. The Indo-Pacific area is being brought back to attention by China's Belt and Road initiative, the United States' withdrawal from Comprehensive and Progressive Trans-Pacific Partnerships, and a surge in interest in the Regional Comprehensive Partnership (RCEP). According to Mohammad Rahman, one of the region's most important attributes is its population; a region with 65 percent of the world's

population is quite appealing. Aside from that, the Indo-Pacific region accounts for 60% of global trade.

The study is organized into three sections; the first examines the Indo-altering Pacific's power dynamics, with an emphasis on important players and recent developments.

The focus will

change to the region's economic importance in the next segment, and in the final portion, I will provide analysis and try to grasp what the region's future holds.

Shifting power dynamics in Indo-pacific

As pointed out by Rajiv Bhatia the power dynamics in Asia have been in flux for over a decade. The growing geopolitical importance, as well as struggles in the region, has put the states in the region under wary conditions of aspects like security, economy, etc. In pursuing the goals different states have adopted different approaches to their interest. We will be looking at different focal points of the region to have a better understanding.

China

It is quite important to look at China's meteoric rise, especially in the economy which has led to its augmentation of the military power (Bhatia;2022) ^[1].

China over the years has been successful in increasing ties with Indo-Pacific nations. More significantly China continues to be a significant contributor to the economies of these nations as well. Besides it is clear Belt and Road initiative has become folly for geopolitical pre-eminence. Interestingly as argued by Medcalf the road now is 'Indo Pacific' with Chinese characteristics. As argued by Cuiping Zhu one of China's leading experts in the Indian Ocean, China needs sea transportation for 90 percent or more of its imported oil, iron ore, copper, etc. Not just the economic interests, China is increasing its military presence in the Indo-Pacific Ocean. Conducting peaceful naval exercises to increase the strength of the Navy all adds up to this. China is not the only power to do so, there is a significant presence of other great powers as well. "The trend is toward what military jargon calls 'power projection': in plain language, a capacity to fight far away, across the seas" (Medcalf;2022 page no: 28) ^[4].

There are of course scholars who argue that power projection is nothing but an attempt to legitimise the government in domestic affairs especially given the fact that time is not on China's side anymore. The commonly used argument is that Xi is trying for relative global influence before the national problems arise which include a slowing economy, income inequality, an ageing population, etc. China also faces a messy future with Hong Kong around. As put by some scholars if China had total control over the home, it would not have invested so much into other spaces. Another set of arguments comes from the fact that 80 per cent of China's oil and energy supplies come from the Middle East and African producers through the Malacca strait which has been the Achilles heel of China for years. So, both economically and politically China has interests in Indo-Pacific.

Despite all this plus the criticism especially from the US who suspects China of trying to target global pre-eminence, Xi reiterates that China has no plan for becoming a hegemon. Nonetheless, China is struggling to find the silver lining in the US-led alliance's influence in the Indo-Pacific and the fear and suspicion it may create can backfire. A strand of realist perspective contends that defensive measures by states can even lead to instability which eventually leads to the creation of a security dilemma, in which states are in confrontation with each other.

India

Even though the Indo in Indo-Pacific may imply the Indian Ocean, it is evident that many of the region's powers want India to be a major player. For example, then-US Secretary of State Hillary Clinton praised India as a key actor in the area in 2012. India's conception of the Indo-Pacific region, which runs from Africa to the Americas, is similar to Japan's. India sees the Indo-Pacific as a region of opportunity, particularly in the export industry. India's present strategy strives to strengthen existing ties while forging new ones, particularly through capacity building and humanitarian aid. The African coastline is crucial, especially given the growing Sino-Indian confrontation. From the Mozambique Channel in the south to the Bab-el-Mandeb Strait in the north, Africa's coastline and islands are poised to shape the Indian Ocean's new power dynamics (Baruah; 2020) [5]. In the broader Indo-Pacific concept, island states are also given priority. For example, Pacific Island Nations received \$150 million in aid for solar energy projects. India is likewise conscious of China's growing influence in the maritime domain. India has taken a two-pronged strategy for this, the first of which is to increase Maritime Domain Awareness to better prepare for the challenges... India will be facing more geopolitical challenges, especially with China around but Indo-Pacific would be likely to provide a spacetox maximise its profile and strategic interests.

USA

Interestingly the usage of the term 'Indo-Pacific' coincided with China's increasing assertiveness in the Indian Ocean going around with the idea of 'String of Pearls' in the US by a think-tank. As argued by Gurpreet Khurana the US administration started identifying the weakness in the term-Asia-Pacific by the start of the decade itself. The inclusion of 'Indo' was necessary as the US was wary of China's focus on the Indian ocean. Besides the US

saw India as a net security provider for them and from a realist perspective, the US wishes to maintain its sphere of influence.

The US on the other hand continues to reiterate itself as an Indo-Pacific power and believes in the free and open Indo-Pacific. The White House Indo-Pacific strategy makes it clear about the role of India in the region.

Concerning China, some scholars contend about the 'balancing' act done by the US and its allies. Balancing is one of the oldest concepts in international relations, which posits that to deter coercive acts by other nations, countries may seek a balance of power or a stable order (Smith:2021) [6]. Going by the lines of the realist school of thought the rapid accumulation of military power by a particular nation gives the neighbouring nations two choices: either to bandwagon or by repelling aggression by increasing one's strength through the process of balancing. I will be looking at the perspective undertaken by neighbouring nations in the latter sections of the paper.

Security conversation on a quadrilateral basis the group comprising the United States, India, Japan, and Australia is noted for its tough balancing act as strategic linkages between countries grow. The newly created AUKUS organisation, which includes Australia, the United Kingdom, and the United States, aims to strengthen its military capabilities in terms of the Indo-Pacific. Maintaining the Indo-power Pacific's balance is critical, particularly in light of China's belligerence, this is a top concern for Washington (Pant;2021). AUKUS is on the lookout to achieve strategic deterrence in the Indo-Pacific area through the deployment of nuclear-powered missiles. Interestingly most of the AUKUS deals came at a point when the US was withdrawing from Afghanistan and it is clear that it wants to create a new pivot in the Indo-Pacific region.

Australia

Australia can be located in the central part of the Indo-Pacific and has strong relations with both China and US. China is Australia's leading partner in trade while the US dominates in terms of investment. A solid relationship with both nations as well as various smaller nations present in the Pacific islands. Although Australia values China in the economic sphere, it is clear that Australia is wary of Chinese incursion into the Indo-Pacific region. Both nations have expressed their concerns in various multilateral forums as well. Australia's 2020 defense strategy guides how Australia should deploy forces if something goes against national interests. Australia has realised that they are utterly in a grey zone that is vulnerable to attacks and coercion. For instance, the blocking of Huawei from building a 5-G network shows one such concern.

The rising presence of China in the Indo-Pacific is not well taken by the Australian state and they are looking forward to building new alliances for strategic reasons.

Japan

The recent years of growing China's maritime expansion had put Japan wary of its arch-rival. Japan has both economic and strategic interests over the Indo-Pacific. One aspect of the economic concern is over the energy sector.

The decision to balance the trade with the US by buying Liquefied Natural Gas (LNG), needs the support of the free Indo-Pacific. This move also suggests how Japan is trying to reduce other nations' dependency on China by providing an alternative source.

Besides Japan is well interested in Oceania given the fact that China's rapid advancement in the region is the main driver for such a move. Several Japanese politicians see possibilities mostly strategically in providing the nations in Oceania with financial and developmental options. On the defense front as well, it is clear that Japan is moving ahead with the US having military exercises with the US.

Changing alliance patterns

The changing dynamics of the Indo-Pacific had an impact on the alliance patterns. The Quadrilateral Security Dialogue was revived in 2017 after the not-so-successful attempts in the 2007-08 periods. The broad context in which such a revival happened could be attributed to rising China's assertiveness in the Indo-Pacific region. The creation of artificial islands and the geoeconomic games are not well taken by the members of QUAD, the relationship of members with China is not looking good either. As argued by Gurpreet Khurana the objective sought by QUAD is obviously to moderate China's behaviour. Even some officials went on to describe it as 'containment'.

The creation of AUKUS as security sends a clear message about the security concerns in the region. As Prof Happymon Jacob argued, AUKUS took initiative at the point when QUAD became reluctant especially in the defense foray. The entry of the UK after Brexit proves yet again how the Indo-Pacific is becoming the pivot to look out for. The problem that AUKUS might face in the region is that it is not militarily as demanding as a body like NATO, plus it faces criticism within the region. For instance, Indonesia is not in support of creating such a body that might have future implications which include counter aggression.

Although ASEAN previously had concerns about the creation of any institutional setup as it may undermine ASEAN itself. The 'ASEAN outlook on the Indo-Pacific', published in late June 2019, reiterated ASEAN's centrality in the region (He & Feng, 2020) ^[7]. Within ASEAN, Indonesia and Vietnam are forward-leaning in the sense that they are ready to embrace the idea of the Indo-Pacific. Indonesia prefers an ASEAN-centered Indo-Pacific, while Vietnam is worried about China's increasing assertiveness in the South China Sea. It needs to be seen how the relationship may unfold in the future. Outside of the ASEAN member states are having bilateral, trilateral relationships with nations in Indo-Pacific.

India sees Indian Ocean Rim Association (IORA) as playing an important role in the wider Indo-Pacific region. IORA could play a crucial role, especially in the launch of a blue economy task force as argued by Abhishek Misra for a sustained dialogue.

Economy of Indo-pacific

When we look into the intra-regional trade between Asia-Pacific and Indo-Pacific, one can see a stark difference. For

instance, the trade intensity in Asian Pacific Economic Cooperation is 70 per cent far higher than in other Asian blocs (Wilson;2017). One could cite the higher GDP of ASEAN nations as the reason, but we should also take into account the fact that many of the nations in the Indian Ocean region are still following protectionism. The applied tariffs might have reduced over the years, but still, it is not in the range compared to APEC.

The economic architecture of the Indo-Pacific remains to be in work. The region is marked by the absence of a clear institutional multilateral body which makes it difficult to carry out free economic trade. Seeing this from a realist perspective could be seen as a 'wedging strategy'. Accordingly, China will prevent other nations from joining an anti-China group.

But clearly, the wedging process even if it was initiated remains to be unsuccessful as several groups and trade pacts were able to make headway. For instance, the East Asia Summit and ASEAN Regional Forum are two multilateral bodies that function. Besides, it is getting support from several intergovernmental institutions. Indian Ocean Rim Association is another body that provides space for intergovernmental discussion on economic issues.

The launch of the Indo-Pacific Economic Framework in Tokyo suggests a new pathway for the economic integration in the region led by the US. "The framework comprising of twelve nations works on the principles of trade, supply chain resilience, clean energy and decarbonisation, etc. The statement released by the end of May jointly also suggest the desire to advance sustainability, inclusive growth, fairness and competitiveness among the nations present as well." (Ghosh;2022) ^[9]

On the trade front, the goal is to create "high-standard, inclusive, free, and fair-trade obligations" to boost economic activity and investments that benefit workers and consumers alike. What jumps out is the United States' willingness to extend collaboration in order to improve the digital economy and trade.

Concerning the Supply Chain Resilience, the framework tries to secure access to important raw materials, semiconductors etc. US and other powers got wary especially in the light of the realization that how COVID-19 created the demand.

Besides this, there is significant scope for technical assistance with the economic framework focusing also on the decarbonization, clean energy infrastructure.

As argued by Jeffrey Wilson one way to bridge the gap is through bilateral free trade agreements. It worked in the case of APEC to bring down trade barriers, certainly, it will help the region to integrate more. Most of the free trade agreements are with India for the nations in the Indian Ocean region.

Indo-Pacific besides is home to two important trade deals, Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

RCEP certainly is an option for the multilateralising trade architecture in the region. The shift of the center of gravity of power politics is also marked by the increasing maritime trade and a significant GDP. Adding to this, there is the rise

in global value chains, and factory Asia all have their role. Trade agreements including RCEP may try to make full use of the value chains. Despite interruptions that happened due to Covid-19, it is clear that trade agreements like RCEP play a huge role in making the recovery.

Another important factor to look at is that the three of the largest economies are located in the Indo-Pacific including China, Japan, and the US. The technological competition between the economic giants of the US and China is also something to look forward to.

The region is caught up in a struggle between integration and protectionism. The recent developments especially in the trade surely are a positive sign for more of an integrationist approach.

Analysis

Here I will be looking at three scenarios that we might expect in the Indo-Pacific in the coming years.

Indo-pacific – moving to security dilemma

One possible strand of thought one could see is whether the current Indo-Pacific conflict led to a possible Security dilemma. This could be seen from a broader US-China conflict where the mistrust of both parties could result in instability. As seen from the angle of the Prisoner's dilemma, the actors may not be able to cooperate as well. In a multipolar world, one should take into account the other parties as well. Already Indonesia expressed their concerns about having a defense body like AUKUS and believes fire should not be fought with fire. From a Chinese point of view, the region is quite important strategically and economically. But at a time when both US and China are facing internal disruptions, it needs to be seen how far both these powers can hold on. The impact of Covid especially on the economic front needs to be seen, especially whether the nations would resort to protectionist policies.

Competitive co-existence

Another scenario is one with co-existence. In such a case both competition and cooperation may exist. As argued by Rory Medcalf, in such condition's cooperation is not seen as a weakness but a need for the shared problems. When it comes to competition, it is clear that nations will have to follow the international norms; in this case, there are international norms and rules related to maritime disputes. Besides competition may have a downside, it may lead to actors pursuing their own goals rather than focusing on a single unified goal.

As argued by Medcalf, one argument is proving to China that its vital interests may not be affected. The coexistence is not just with US and China but with China and Japan and China and India as well. Building full-fledged cooperation is going to be difficult, especially since China has legitimate security concerns, but on the other hand, the course of a war is unlikely given the fact that China knows how much it hurt them in the past. Another set of arguments scholars put forth is the use the instruments like development, deterrence, and diplomacy in the Indo-Pacific region. The use of these in combinations may at least help in preventing conflicts in the region. Besides on the economic front, integration especially

through newly signed deals like RCEP and all will have a positive impact on the coexistence.

Stability by middle and small powers

Usually, the middle and small powers are left with two options either to bandwagon or to balance. But in a new multilateral world like this, they can survive using another way by cooperating with both powers. Besides, they are capable enough to provide some kind of stability to the system. For instance, Indonesia was successful in going forward with the idea of Indo-Pacific within ASEAN while conflicts existed. The increasing nationalism within these nations at the time of integration led some scholars to term this the 'Indo-Pacific Paradox'. The increasing surge could be seen in many nations of East Asia in the face of the dilemma of choosing between China and a US-led group, many of the nations stood by autonomy, embracing ambivalence. For instance, New Zealand has pursued the Indo-Pacific idea on its terms. Moreover, it is also important to note that many of the island nations of the Pacific do not view the regional environment and issues in the same way as the mainstream narrative.

IPEF and way forward

Going by the details of the newly formed framework seems more like a standard-setting and won't be involved much in the market access. Obviously, for a nation like India, this loosely formed framework is helpful given the fact that it has strong opinions on labour standards and environmental restrictions regarding fossil fuels. More than an economic framework as argued by Suhasini Haidar, IPEF can be also seen from the geopolitical point of view where IPEF can be seen as an extension of the US' Pivot to Asia programme. It can act as a programme where the US can maintain its stronghold in the Asian region given that they have already withdrawn from the Trans-Pacific Partnerships. Besides, it is almost clear that the US is not just driven by the economy towards the region; the major factor continues to be security.

The feasibility of the programme is still in doubt. Moreover, given the volatility of the domestic politics in the nations, as seen from the sudden withdrawal of the US from TPP may still cast a haunting memory upon the member nations. To choose between USA and China seems to be the concerning factor especially for South-Eastern nations. Joining such an initiative, they fear would hurt the already existing trade deals with China.

Turning point for India?

India as a major power in the region, has still not figured out on the possible way to counter China. Overtaking Britain and becoming the fifth-biggest economy, the time has come for India to take the center stage of the whole tussle. As Harsh. V. Pant argues in a time when the world finds itself in the midst of turmoil, India's story looks the most credible and locates themselves in possibly the 'geopolitical sweet spot'. The recent walking out from the Indo-Pacific Economic Framework and its possible impacts are still to be assessed. But it is almost clear that the Indo-Pacific situation offers more for India than ever before.



(Map of Indo-Pacific, 2021)

Conclusion

On a closer level, it is hard to assume whether the Indo-Pacific geopolitical struggle would be a "Black Elephant" one or not. "A black elephant is a known unknown, a likely event which is bad in nature but a situation that everyone knows looming yet comes as a shock" (Medcalf;2021, p.269). The border clashes between India and China or the jostling of islands by Japan and China can lead to a serious confrontation between powers. Besides the effect of climate change and environmental issues are likely to have an impact on the region as well, especially much of the population looking at displacement.

Apart from a broader Sino-US duo, the region is attracting interest from different groups. For instance, European Union (EU) strategy driven by France is leading the talk. EU sees strategic as well as economic possibilities in the region. Adding to this, European Union's project of the Global Gateway offers an alternative to China's Belt and Road Initiative which tries to improve the energy and digital sectors. The fundamental aim of this project is to have a better connection amongst people and nations which will improve supply chains. It is almost clear that European Union would want a proactive role in the region especially in the light of growing China's influence.

Looking back at the geopolitical history it is almost clear that the region does not favour any particular superpower or it is hard for a superpower to dominate the region by itself given the fact that the region is quite complex in nature. As Medcalf, argues each region, nation or society will need to help and be helped while going through power balance adjustments or changes. A path could be only cleared through conflict and cooperation. The way forward cannot be given simply to the hands of China or US. Nevertheless, one should always keep in mind that Indo-Pacific is still an idea and a region, a space for help.

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