

Sino-US Competition Dynamics in Southeast Asia: A Case Study of the Belt and Road Initiative and Free and Open Indo-Pacific

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Abstract

This study examines the competitive dynamics in Southeast Asia under the frameworks of the Belt and Road Initiative (BRI) and the Free and Open Indo-Pacific (FOIP), two key strategies reshaping the region's geopolitical and economic landscape. Using a qualitative approach supported by extensive literature review, the research applies Kenneth Waltz's Power Balance Theory to analyze this rivalry. The BRI has accelerated infrastructure development and regional connectivity, strengthening economic ties between China and Southeast Asian nations. However, it raises concerns over economic dependence and the potential for China to exert undue political influence. On the other hand, the FOIP seeks to counterbalance China's influence by enhancing alliances and security partnerships led by the United States and its allies. This rivalry creates a complex scenario for Southeast Asian countries, requiring them to navigate economic opportunities while addressing geopolitical risks. The study highlights how these initiatives influence foreign policy strategies across the region and their broader implications for stability and security. By exploring the interplay of economic and strategic factors, the research deepens understanding of Southeast Asia's evolving power dynamics and provides insights into managing the challenges posed by these competing frameworks. This analysis enriches the discourse on the region's critical role in a contested global order.

Keywords:

Southeast Asia; Belt and Road Initiative (BRI); Free and Open Indo-Pacific (FOIP); Geopolitical landscape; Economic landscape; Regional competition

INTRODUCTION

Background

The US and China hold pivotal positions as the two largest economies globally, measured both in nominal terms and by Purchasing Power Parity (PPP). Although the US is the leader in nominal terms, China has surpassed the US in PPP terms since 2016. By 2023, these two countries collectively account for 42.73%

of the world's total GDP in nominal terms and 34.23% in PPP terms (StatisticsTimes, 2023). As China's GDP rivals that of the US, China has emerged as a formidable competitor not only in the economic sector but also in the political arena. While China's standard of living remains significantly lower than that of the US, the country has notably bolstered its position as a major market for global goods and services. China's increasing

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economic influence has led to a shift towards a more proactive political position, particularly under President Xi Jinping's leadership, aimed at asserting China's position in the global order (Klement, 2021).

In the global competitive arena, China is engaged in an economic battle with advanced democracies, characterized by the launch of the BRI. The initiative aims to strengthen economic ties with developing countries and secure vital resources (Cordesman, 2023). Essentially, this approach directly confronts US supremacy and introduces fresh geopolitical opportunities. Consequently, the US and its partners initiated a rival initiative called FOIP, also known as the Indo-Pacific Strategy, in response to China's BRI. This move aims to promote the interests of the US and its allies (US Department of Defense in Li, 2020).

In Southeast Asia, the competitive dynamics between BRI and FOIP have created deep complexities in the political and economic landscape. The implications of this rivalry are critical for countries in the region, which must carefully evaluate its impact on national sovereignty as well as regional stability. Countries in the region are faced with the daunting task of maintaining a balance between the two initiatives, steering clear of the pitfalls of a possible conflict of interest between China and the US. In facing the complex challenges presented by the dynamics of regional competition in the region, countries cannot rely on unilateral approaches alone. Southeast Asian countries should strengthen regional and multilateral cooperation, building effective platforms for dialogue

and diplomacy to overcome differences and seek win-win solutions.

In addition, infrastructure development and security are also crucial to meet the increasingly complex challenges of a changing regional environment. With a careful understanding of the complexity of the region's competitive dynamics, countries can take the initiative to influence regional directions and policies that promote common interests. Through strong cooperation and awareness of the challenges faced, the region can become a stable, peaceful and prosperous zone despite the fierce competition between global powers. This necessitates a firm commitment and coordinated efforts to establish a solid foundation for regional peace and prosperity. In the context outlined, Southeast Asia has become an increasingly significant central stage in the dynamic competition between two major strategic initiatives: the BRI initiated by China and the FOIP promoted by the US and its allies. Previous research has involved in-depth examinations of the dynamics of this competition and its accompanying impact on the regional landscape.

For example, Insisa and Pugliese (2020) examine the rivalry between the People's Republic of China and Japan as they vie for influence in the East Indo-Pacific region through infrastructure projects, while also deepening cooperation in non-traditional security domains. Zhang's study (2023) comprehensively explores Indonesia's hedging strategy as a middle power to balance between Chinese and American dominance. Additionally, Faisal (2020) extensively examines Asian nations'

efforts to maintain a similar equilibrium. Nagy (2021) provides a detailed analysis of the development and intricate relationship between both regionalization initiatives. Meanwhile, Shoji (2021) compares ASEAN's reactions to the BRI and FOIP, uncovering the complex political and economic dynamics within the region.

While there has been research into the competitive dynamics between BRI and FOIP in Southeast Asia, there is still a gap in research that requires addressing. This is because previous research has tended to focus on strategic analysis and the political responses of countries in the region to these two major initiatives. However, there is still a need for a deeper understanding of the concrete impacts of this competition on economic, social and environmental aspects at the local and regional levels. Moreover, research looking at the long-term implications of the competition between BRI and FOIP on regional integration, peace, and stability in Southeast Asia is also an area that has not been fully explored. As such, there is room for more holistic and in-depth research that can provide new insights and a more complete understanding of these complex dynamics and make greater contributions to policy and practice at the regional and global levels.

Theoretical Framework

Understanding the competition dynamics in Southeast Asia requires a solid grasp of the underlying theories. One such relevant theory is Kenneth Waltz's Power Balance Theory, also known as Structural Realism or Neo-Realism. This theory offers a framework

for comprehending the power dynamics among states. Waltz argues that the international system operates in an anarchic manner, without a central authority to regulate the behavior of states. In such a system, each state must ensure its own security without assurance from a higher authority. The way power is distributed among states determines the framework of the international system, which in turn affects how states behave. States tend to behave similarly as they adapt to survive within this structure. Waltz emphasizes that major states strive to maintain a balance of power to secure themselves, often through alliances and bolstering military capabilities to counter potential threats from other states (Waltz, 1979).

This balance of power is a mechanism that prevents the dominance of one single power or an all-powerful coalition. When the distribution of power among states is more even, the balance of power is considered stable and able to prevent major conflicts. Conversely, instability occurs when there is a major change in the distribution of power or when one state or group of states becomes overwhelmingly dominant. The theory also suggests that wars and conflicts arise when states try to adapt to changes in the international system's structure. For example, if one country suddenly increases its military or economic power significantly, other countries will feel threatened and may take steps to counterbalance that power, which could trigger tension and conflict. Therefore, according to Waltz, international political dynamics are influenced by the structure of the global system and the distribution of power,

rather than being determined solely by the unique attributes of individual countries or their leaders. This theory provides an important perspective in understanding how states interact and why international conflicts occur (Waltz, 1979). This approach allows for a deeper understanding of competition dynamics in Southeast Asia, taking into account the involvement and interaction among regional countries.

Problem Statement

The dynamics regional competition in the Southeast Asian region have a deep and strategic level of complexity that requires serious attention, especially within the framework of two major initiatives that are currently playing a key role. The two initiatives include China's BRI and the FOIP advanced by the US and its allies. Fundamental issues arise in the form of a contest of influence and power between these two foreign policies, the simultaneous impact of which creates significant uncertainty on regional stability, security and the economy. In the context of this competition, an in-depth analysis is essential to understand how these dynamics unsettle the balance of power in the region, trigger complex geopolitical interactions, and affect bilateral relations between countries in Southeast Asia.

A number of fundamental questions arise, such as the extent to which the implementation of BRI and FOIP can coexist without creating adverse tensions. In addition, it is crucial to evaluate how nations in the area can adjust to these competitive dynamics, and whether economic prosperity and regional security can be maintained amid

increasingly complex geopolitical pressures. The main objective of this study is to comprehensively investigate the consequences, challenges, and possible advantages arising from competitive dynamics among regions in Southeast Asia. This research will specifically concentrate on case studies related to the BRI and the FOIP, aiming to outline the specific implications of these initiatives on the region.

RESEARCH METHOD

Research focusing on the competitive dynamics within Southeast Asia, particularly concerning the BRI and the FOIP, employs a qualitative methodology that involves extensive literature analysis for data collection purposes. This qualitative method makes it possible to investigate the complexity of inter-state relations and geopolitical dynamics without attachment to statistical figures or quantitative data that may be difficult to access or obtain in this context. The literature analysis approach allowed the researcher to gather in-depth insights on issues related to regional competition in Southeast Asia, including the impact of BRI and FOIP. Data sources used include books, online journals, policy documents, analysis reports, and other secondary references. Literature analysis allows researchers to gain a comprehensive understanding of geopolitical dynamics, policy strategies, and regional responses to initiatives such as BRI and FOIP.

In the context of this research, literature analysis enables researchers to identify the trends, patterns and dynamics underlying regional competition in Southeast Asia, as well as

the factors that influence interactions between countries in the region. Through careful literature research, the researcher can explore various academic perspectives and policy analyses relevant to the research topic, and integrate various viewpoints to form a holistic and in-depth understanding of the issues discussed. As such, employing a qualitative approach that includes literature analysis enables this study to gain profound insights into the dynamics of regional competition in Southeast Asia, specifically examining the roles of BRI and FOIP within the region's intricate and evolving geopolitical landscape.

RESULTS AND DISCUSSION

Exploring the Belt and Road Initiatives (BRI)

The BRI, also known as One Belt, One Road (OBOR), is an ambitious initiative initiated by Chinese President Xi Jinping. It takes inspiration from the historical Silk Road, a network crucial for cultural and economic exchanges in ancient times. BRI consists of two main parts: the Silk Road Economic Belt, which follows China's ancient land trade routes to Central Asia and Persia dating back to 200 BC during the Han Dynasty, and the 21st Century Maritime Silk Road. This maritime component reflects the expeditions led by Zheng He in the 14th century AD during the Ming Dynasty, promoting trade across Southeast Asia, India, the Persian Gulf, and the East Coast of Africa (De Conti & Mozias, 2020; Tong & Kong, 2018).

The combination of these important components led to the

formation of the BRI, which is driven by five main objectives: harmonizing policies, improving infrastructure linkages, facilitating trade, integrating financial systems and fostering interpersonal relationships among communities. (McKenzie, 2018). As one of the most extensive infrastructure projects ever undertaken, BRI is not only to build roads, ports, and other transportation facilities, but also to create a new framework that facilitates multilateral cooperation in various sectors. Through the development of robust infrastructure and the establishment of new institutions, China hopes to strengthen economic ties with regions along the BRI route, including Asia, Europe, Africa, and the Middle East (Maliszewska & van der Mensbrugghe, 2019). Thus, the BRI is seen as China's approach to enhance its influence within the global economic framework.

The origins of the BRI can be attributed to a significant speech given by Chinese President Xi Jinping in Kazakhstan in 2013. Speaking at Nazarbayev University, President Xi Jinping highlighted the need to bolster economic connections, promote regional cooperation, and broaden development prospects across the Eurasian region. In his view, achieving these goals should be done through the establishment of a Silk Road Economic Belt covering most of the ancient Silk Road region. He emphasized that infrastructure development and enhanced economic connectivity through this route would be an important foundation for economic growth and stability across the region. A month later, in Jakarta, President Xi Jinping further

elaborated on the concept by encouraging international maritime cooperation as a joint step in building the 21st Century Maritime Silk Road (Jinping, 2013).

The Silk Road Economic Belt and the 21st Century Maritime Silk Road were shortened to OBOR. In late 2015, the Chinese government issued guidelines to unify English translations, mandating the use of "initiative" for Belt and Road, and discouraging the use of terms such as "strategy," "project," "program," and "agenda." As a result, OBOR is translated as BRI in English, while the Chinese name remains 一带一路 or *Yīdài Yīlù* (Rolland, 2019). Since its inception, over 140 countries, including various European Union members, have become participants in the initiative. China has extended loans exceeding \$1 trillion to developing nations, establishing itself as one of the foremost creditors globally (Tsuji, 2024).

China's state-owned financial institutions play a central role in financing the Belt and Road Initiative (BRI), contributing 81 percent of the total funding. These institutions act as primary guarantors for government-backed bilateral funds and issue BRI bonds. They also facilitate equity financing through China's capital markets, accounting for approximately 87 percent of overall BRI funding. Among these institutions, the China Development Bank (CDB) and the Export-Import Bank of China (Exim Bank) are key players, jointly responsible for 45 percent of BRI funding. By the end of 2018, CDB had provided loans amounting to about \$196 billion, constituting 26 percent of BRI funding, while Exim Bank had contributed over \$145 billion, representing 19 percent of

the total funding. Additionally, major state-owned commercial banks such as the Industrial and Commercial Bank of China (ICBC), Bank of China, China Construction Bank (CCB), and Agricultural Bank of China also significantly contribute to BRI funding. Collectively by the end of 2018, these banks had financed \$227.2 billion, with Bank of China and ICBC notably supporting numerous projects. For example, Bank of China extended \$130 billion in credit lines for 600 projects, while ICBC provided \$114 billion for 441 projects. Furthermore, CCB signed loan agreements totaling \$20.6 billion for 29 projects across 29 countries. The Agricultural Bank of China facilitated Chinese companies' financing in BRI countries, amounting to \$12.6 billion from 2014 to mid-2018 (He, 2020).

Analysis of the Free and Open Indo-Pacific (FOIP) Concept

The FOIP concept arose from interactions among emerging nations in the Indo-Pacific region in the early 21st century. China's growing influence, especially through initiatives like the BRI, has significantly shaped the strategic dynamics of the Indo-Pacific. For instance, in 2007, Japanese Prime Minister Shinzo Abe delivered a speech titled "Confluence of the Two Seas" to the Indian Parliament, proposing the idea of viewing the Indian and Pacific oceans as a unified entity accessible to all nations. Abe emphasized the urgent need to connect these two oceans to form a broader and more inclusive Asian region. The speech reflected the view that the Indo-Pacific is moving forward towards freedom, prosperity and security,

concepts that are further reinforced by Japan's foreign policy strategy referred to as FOIP. Under Abe's leadership, Japan is strengthening close cooperation between democratic countries around the two oceans, reinforcing regional ties and solidarity. In 2007, following his visit to India, Abe warmly received India's counterpart, Manmohan Singh, in Tokyo, where they together expressed a commitment to initiate discussions with aligned partners in the Indo-Pacific region (Shinzō et al., 2022). This momentum gained further traction, and by 2016, during Abe's second tenure as Prime Minister, the FOIP concept was officially unveiled at the Tokyo International Conference on African Development (TICAD) in Nairobi (Prakash, 2022).

Soon after, the United States, particularly during President Donald Trump's tenure, embraced this concept and introduced a new strategy at the APEC meeting in Da Nang in November 2017, known as the "Free and Open Indo-Pacific" (FOIP), which was further outlined in the US National Security Strategy in December 2017 (Arase, 2019). FOIP encompasses not only a specific initiative but also encompasses broader coalitions and partnerships in the Indo-Pacific region, prominently involving US allies such as Japan, Australia, and India in the QUAD, formally known as the Quadrilateral Security Dialogue. This initiative addresses a wide-ranging agenda encompassing security, economic, and public health issues (Smith, 2021). Furthermore, FOIP serves as a counter-narrative to the potential restructuring or realignment of the region

towards a Sinocentric approach, a strategy some countries have proposed to rebalance power dynamics in the Indo-Pacific (Heiduk & Wacker, 2020).

FOIP strives to articulate a modern vision that supports free societies across the Indo-Pacific region. These societies uphold democratic values, transparent governance practices, and the principles outlined in the UN Charter and the Universal Declaration of Human Rights. The "Free" aspect of FOIP underscores nations' rights to exercise sovereignty without external interference. Moreover, FOIP's "Open" component advocates for fair and reciprocal trade practices, an open investment environment, protection of intellectual property rights, transparency in international trade agreements, and enhanced regional connectivity. In terms of security, FOIP promotes openness by affirming nations' rights to unimpeded access to seas and airways under international law. It also emphasizes the peaceful resolution of maritime disputes based on international laws and conventions (Lee, 2019). Overall, FOIP represents a comprehensive strategy addressing political, economic, and security dimensions to promote cooperation networks and stability across the Indo-Pacific region.

The Dynamics of Regional Competition in the Southeast Asian Context

In the last five years, there has been a significant rise in the comparative influence exerted by China and the US in Southeast Asia. The Lowy Institute's Asia Power Index from 2018 to 2022 illustrates this trend, offering detailed insights into

the relative dynamics of influence between these two countries in the region. The index evaluates influence based on economic relations, defense alliances, diplomatic influence, and cultural impact, each scored out of 100 points. In 2018, China led the US with a 52-48 margin overall, which widened to 54-46 by 2022. However, when examining influence in individual countries, the US maintains an advantage over China in the Philippines (52-48) and Singapore (51-49). Conversely, China surpassed the US in Thailand in 2022 by a margin of 53-47, reflecting significant shifts in regional dynamics. China exerts particularly strong influence in Laos, Cambodia, and Myanmar, leveraging geographic advantages and limited US involvement to assert distinct control. This contrasts with US influence patterns (Patton & Sato, 2023). Survey results suggest that many regional countries increasingly perceive China as more influential than the US. However, it remains crucial to question whether this subjective perception accurately reflects reality.

To detail this issue more comprehensively, the Lowy Institute carried out further data analysis highlighting China's economic dominance in the region, scoring significantly higher than the US. For example, in Laos, the US only achieved a score of eight points, compared to 92 points achieved by China. Similarly, in Cambodia, while the US managed a score of 23 points, China still led with 77 points. Nevertheless, there are signs that countries like Laos and Cambodia are endeavoring to lessen their economic reliance on China, indicating a decrease in China's economic sway, particularly

concerning the BRI. In the realm of defense, the United States holds a more predominant role in Southeast Asia. This is notably evident in the Philippines, where the US leads by 88 to 12, underscoring the significance of bilateral alliances in security. Similarly, with Thailand, the US maintains a robust position with a ratio of 79 to 21. Meanwhile, China's primary defense partnership in the region is with Cambodia, although it is comparatively less robust than its relationships with other nations. In countries like Laos, China's lead over the US in defense is more limited, at 52 to 48. In the realm of diplomacy, China dominates across Southeast Asia through extensive diplomatic engagement, foreign ministerial-level participation, and an active role in regional institutions like ASEAN. However, the US still maintains a slight edge in cultural influence, especially in media such as news agencies, newspapers, and television channels. Chinese media, however, are increasingly influential. They also excel in the exchange of people, especially through diaspora and tourism (Patton & Sato, 2023).

In the context of Kenneth Waltz's Power Balance Theory, China's rising influence and the US' dominance in Southeast Asia reflect complex dynamics in an anarchic international system. This can for example be seen as China has increased its economic influence through the BRI, with major investments in infrastructure in countries such as Laos and Cambodia. This illustrates China's strategy of enhancing regional economic interdependence, a crucial factor in expanding its political influence in the

region. On the contrary, the US continues to assert dominance in the defense sector through robust alliances with the Philippines and Thailand, playing a pivotal role in regional security. These alliances underscore US efforts to uphold a balance of power and deter China from attaining unilateral dominance. Despite China's prominent role in regional diplomacy and its expanding cultural influence, the US remains active in media and cultural exchanges, crucial components of its soft power in the region. Moreover, the US shows consistent commitment to uphold and strengthen its regional position, evident in initiatives like the FOIP, aimed at solidifying US influence and leadership (Shambaugh, 2018).

Thus, according to Waltz's Power Balance Theory, the rivalry between China and the US in Southeast Asia encompasses not only economic and diplomatic dimensions but also efforts to uphold regional stability through power balancing. Countries in the region use these two powers to design their foreign strategies, capitalizing on China's economic advantages while maintaining security ties with the US. This creates a complex geopolitical dynamic, where efforts to maintain a balance of power are key to ensuring their security and sovereignty amid increasingly intense global competition.

Evaluation of Opportunities and Challenges in Regional Competition

An in-depth examination of the dynamics of regional competition between major powers, reflected in the two major initiatives, namely BRI and

FOIP, provides a comprehensive insight into geopolitics in Southeast Asia. The BRI, with its focus on large-scale infrastructure development, offers opportunities to improve connectivity and expand market access for countries in the region, as well as bringing significant economic development potential (Ee et al., 2019).

Today, the BRI has become crucial to Southeast Asia's development through extensive infrastructure projects. China's involvement in 24 out of 34 megaprojects in the region, each valued at \$1 billion or more, positions it as the largest financing partner. A comprehensive assessment of these ambitious projects shows their active or committed status from 2015 to 2021, collectively representing 85% of China's infrastructure commitments in Southeast Asia. The majority of these projects focus on enhancing physical economic connectivity. Specifically, 14 projects are centered on energy generation or transmission, with 10 in fossil fuels and 4 in hydropower. Additionally, the transportation sector includes 10 projects, which constitute 70% of the total commitment value, featuring 7 railways, 1 airport, 1 bridge, and 1 port. The total commitment value for these 24 projects is \$77 billion; however, there exists a significant implementation gap exceeding \$52 billion. The average project completion rate stands at 33%. To date, eight projects valued at approximately \$16 billion have been successfully completed, while eight others worth \$35 billion are currently in progress, with noticeable scaling back observed in two of them. Moreover, five projects worth \$21 billion have been canceled, and three

projects worth \$5 billion are unlikely to proceed. These findings underscore substantial challenges in project implementation despite China's considerable financial commitments in the region (Dayant & Stanhope, 2024).

Table. 1 List of BRI Megaproject Status Up to 2022

No.	Recipient	Project	Status	Committed	Completion
1.	Cambodia	Phnom Penh Airport	Likely	\$1,1B	55%
2.	Indonesia	Jakarta-Bandung High Speed Rail	Completed	\$4,5B	100%
3.	Indonesia	Java 7 Power Station	Completed	\$1,8B	100%
4.	Indonesia	Bangko Tengah Sumsel-8 Coal Fired Power Station	Completed	\$1,20B	100%
5.	Laos	Nam Ou Hydropower Phase I	Completed	\$2,4B	100%
6.	Laos	Pak Lay Hydropower	Likely	\$2,13B	0%
7.	Laos	Xekong Coal Electricity Integration	Likely	\$2,1B	0%
8.	Laos	Nam Ngum 3 Hydropower Plant	Likely	\$1,29B	84%
9.	Laos	Nam Ou Hydropower Phase II	Completed	\$1B	100%
10.	Malaysia	East Coast Rail Link	Restructured	\$12.08B	52.9%
11.	Malaysia	Multi-Product Pipeline	Cancelled	\$1,20B	14.5%
12.	Malaysia	Trans-Sabah Gas Pipeline	Cancelled	\$1,2B	11.4%
13.	Myanmar	Mandalay-Kyaukphyu Railway	Likely	\$7,6B	0%
14.	Myanmar	Myanmar-China Oil Pipeline Construction	Completed	\$2,4B	100%
15.	Myanmar	Kyaukphyu Special Economic Zone Deep-Sea Port	Restructured	\$1,5B	0%
16.	Philippines	Construction of the Panay-Guimaras-Negros Inter-Island Bridge	Cancelled	\$0B	0%
17.	Philippines	South Long-Haul Railway (Bicol Line)	Cancelled	\$2,95B	0%
18.	Philippines	Mindanao Railway	Cancelled	\$1,57B	
19.	Thailand	Thai-China Railway	Cancelled	\$12B	5.8%
20.	Thailand	Three Airports High Speed Rail	Likely	\$6.89B	0%
21.	Vietnam	Vinh Tan 3 Power Plant	Unlikely	\$2B	0%
22.	Vietnam	Nam Dinh 1	Unlikely	\$1,89B	0%
23.	Vietnam	Vinh Tan 1 Power Plant	Completed	\$1,76B	100%
24.	Vietnam	Duyen Hai 3 Coal-Fired Power Plant	Completed	\$1B	100%

Source: Mind The Gap: Ambition Versus Delivery in China's BRI Megaprojects in Southeast Asia, Lowy Institute

FOIP prioritizes principles such as maritime security and freedom of navigation, with the goal of fostering an open and transparent rules-based order in the Indo-Pacific region. In the context of Southeast Asia, FOIP not only proposes greater stability and security, but also pursues broader goals, including promoting respect for international rules

and enhanced multilateral cooperation (Satake & Sahashi, 2020).

This can be seen through military cooperation between the US and countries in Southeast Asia. For example, US and Philippine forces, supported by Australian Air Force aerial surveillance aircraft, recently conducted large-scale war exercises around the contested South China Sea. A series of attacks including

high precision rockets, artillery fire and airstrikes, with the aim of sinking mock enemy ships. Over 16,000 military personnel from the three countries, along with several hundred Australian soldiers and military observers from 14 other countries, took part in the annual combat readiness exercise (Gomez & Favila, 2024).

However, while there are layers of promising opportunities, behind them lie a number of complex challenges. One of these is the potential debt trap that countries receiving investments from the BRI may face. While infrastructure development can generate economic growth and improved connectivity in the short term, the long-term impacts include potential over-reliance on China as well as significant financial risks if countries are unable to manage debt carefully (Lai et al, 2020). Furthermore, concerns about the lack of transparency and investment standards create a great opportunity for rent seeking and corruption (Burgis, 2014 in Sutherland et al., 2020).

The rivalry between the BRI and FOIP also poses a complex dilemma for Southeast Asian countries. They must navigate diplomatic waters carefully to capitalize on economic benefits while avoiding entanglement in the broader geopolitical rivalry between China and the US. Furthermore, supporting one initiative more strongly may elicit a negative response from the other, potentially deepening tensions and instability in the region. The competition between BRI and FOIP also complicates regional cooperation efforts. While countries in Southeast Asia may be inclined to choose an affiliation or

maintain a balance between the two initiatives, this could hamper efforts to reach a broad and consistent regional agreement. Consequently, the effectiveness of collaborative efforts to address regional issues such as climate change, disaster mitigation, and non-traditional security threats may be adversely impacted. Thus, a careful and coordinated approach is needed to navigate the complexities of geopolitical and economic dynamics in Southeast Asia.

BRI and FOIP Implementation from Indonesia's Strategic Decision Perspective

Navigating strategy in the context of ongoing regional competition in Southeast Asia does not simply highlight the urgent escalation to develop an approach that involves layers of complexity and holistic dimensions in dealing with the evolving dynamics of regional competition in the region. Rather, it reflects the complexity of a geopolitical landscape characterized by abstract complexities that require deeper analysis. Amidst these challenges, Southeast Asian countries must not only manage the delicate task of maintaining harmonious relations with the two major competing powers, China and the US, but also navigate a region marked by conflicting national interests. They must do so while upholding sovereignty and respecting the diverse interests of their peoples.

In this context of engagement, the need to formulate a strategy that is not only consistent but also comprehensive is all the more salient, given the complexity

of political, economic and security interactions involving various stakeholders in the region. Such a strategy should have the capacity to not only respond appropriately to initiatives such as BRI and FOIP, but should also be able to serve as a facilitator of common interests and offer sustainable solutions in the face of increasingly complex and dynamic challenges in the regional and global context. Therefore, it is important to deepen our understanding of the evolving dynamics in the region and formulate a comprehensive and sustainable approach to promote stability, cooperation and progress in and sustainable approach to promote stability, cooperation and progress in Southeast Asia and beyond, especially Indonesia.

In the context of Indonesia's role within the competitive dynamics of the BRI and the FOIP in Southeast Asia, the conceptualization of Indonesia's Global Maritime Fulcrum (GMF) emerges as a significant and pertinent paradigm. GMF is currently understood as an idea to realize a country that has sovereignty, progress, and strength in the maritime sector, which has the potential to positively influence peace and security both regionally and globally, aligning with Indonesia's national interests (Laksmiana, 2017). As a manifestation of Indonesia's foreign strategy, The GMF underscores the critical importance of the ocean in driving economic growth and safeguarding national security. In this light, the restraint of infrastructure projects linked to the BRI can be perceived as a strategic platform to establish Indonesia's position as a maritime powerhouse on a global scale,

through enhancing connectivity networks and facilitating economic cooperation at the regional level.

However, such efforts should always be accompanied by deep caution, ensuring that participation in the BRI does not tarnish its maritime sovereignty or pose excessive threats in the context of foreign debt. From another perspective, The FOIP approach, supported by the US, aligns with the GMF vision by promoting fundamental principles of freedom, security, and sustainability in the Indo-Pacific region. Within this framework, Indonesia can utilize FOIP as blueprints that strengthen its position in maintaining a balance between economic, security, and maritime sovereignty interests, while opening the door for cooperation with regional and global partners. Through this dynamic, the GMF gains a central place in Indonesia's strategic planning to manage the complexities and dynamics of China and the US' competition in Southeast Asia, with the assurance that national and regional interests are safeguarded while efforts to strengthen maritime sovereignty and increase economic prosperity remain the main focus.

Engaging in close regional cooperation can be a key aspect in responding to common challenges and optimizing opportunities arising from the complexity of today's competitive dynamics. In this context, the development of a strong coalition among Southeast Asian countries is a necessity, but also a strategic imperative that cannot be ignored (Marsudi, 2019). The presence of a strong coalition will not only bolster the position of these countries in negotiations with major powers but also

enable them to play a proactive role in shaping regional directions and agendas that resonate with common interests and aspirations. Moreover, in addition to conventional cooperation approaches, innovations in the practice of regional diplomacy need to be introduced and actively applied (Jung et al., 2020).

In this context, strategies that emphasize collaboration at the regional level are increasingly important. Not only can this help reduce the level of uncertainty associated with the rivalry between China and the US, but it can also increase collective bargaining power in designing a new framework for economic, security, and development cooperation in the Southeast Asian region. In addition to cooperative efforts between states, a holistic and sustainable approach should also involve the active involvement of non-governmental organizations, the private sector, and civil society. By broadening the base of participation in regional cooperation processes, a stronger foundation for building solidarity and cohesion among member states will be created. making it possible to formulate more inclusive and sustainable policies in the face of the complex dynamics evolving in the region.

As such, countries in Southeast Asia are required to develop strategies that are not only prudent, but also planned and balanced, to ensure that they can derive maximum benefit from the economic, political and security opportunities that open up, while effectively managing the risks that arise in such a competitive context. The importance of a cautious and deliberate approach is reflected in the need for a

long-term commitment to sustained diplomacy. This includes efforts to build strong networks of cooperation between countries in the region, as well as investments in capacity building and better inter-party coordination at the regional level. This will lead to more effective and efficient cooperation, enabling member states to better respond to the challenges they face. Adopting an inclusive and balanced approach is also key in managing this regional competition.

Countries in Southeast Asia need to take into account not only their own national interests, but also their shared interests in achieving long-term stability and prosperity in the region. This calls for enhanced cross-border coordination and cooperation in areas ranging from economics to security. Not only that, but awareness of the complexity of competitive dynamics and common interests is also important. Countries in the region need to work more closely together to understand emerging changes and opportunities, and find ways to take advantage of them. Thus, through comprehensive and inclusive strategies, countries in Southeast Asia can achieve greater stability and more sustainable prosperity in the face of increasingly complex regional competition.

CONCLUSIONS

This study highlights the significant role of the BRI and FOIP in shaping competitive dynamics in Southeast Asia. The BRI, driven by China, aims to expand regional infrastructure and connectivity with a focus on substantial investment in projects such as

transportation networks and port development. While promising great economic growth opportunities for Southeast Asian countries, the BRI also raises concerns of economic dependence as well as the potential for increased political influence from China in the region.

Meanwhile, FOIP, spearheaded by the US and its allies, places emphasis on maritime security, freedom of navigation, and the principles of international law. The initiative aims to bolster strategic cooperation with Indo-Pacific countries to balance regional influence and preserve regional stability. For Southeast Asia, a key challenge will be navigating the complexities of relations with these two initiatives, seeking a balance between economic interests and national security in a fast-changing geopolitical framework.

Applying Power Balance Theory, this study illustrates how the competition between the BRI and FOIP creates complex geopolitical dynamics in Southeast Asia. Southeast Asian countries are faced with the critical task of developing responsive and empowered foreign policies, capitalizing on the economic opportunities of the BRI without compromising sovereignty or essential regional stability. The emphasis on multilateral diplomacy and inter-state collaboration is crucial in addressing the long-term impact of these initiatives on Southeast Asia's geopolitical landscape. As such, this study highlights the importance of adaptability and thoughtful strategies in responding to these complex dynamics, while also maintaining Southeast Asian's national

integrity and prosperity in the face of changing global currents.

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