



Indonesia's Foreign Policy in Response to China-United States Rivalry in the Indo-Pacific Region

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ABSTRACT: China's economic and military expansion in the South China Sea region over the last five years (2018-2023) has triggered an increase in global economic, military, political, and security tensions. The United States and its allies view this as a global security threat, while China's economic growth has surpassed that of Europe and the United States. This is evidenced by China's penetration into the domestic markets of various countries worldwide, including ASEAN member countries. China now controls almost 80% of the domestic markets of many countries, with its products outperforming those from Europe and the US. This situation prompts global political, economic, and security conflicts that have the potential to negatively impact developing countries. The global rivalry between China and the United States is leading to the formation of economic, security, and military blocs. Britain, Japan, Australia, and India align with the US bloc, while Vietnam, Laos, Cambodia, and North Korea align with China's economic and military influence. Indonesia must make the right decisions to avoid being "squeezed" in this rivalry. It seems that Indonesia's foreign policy, which adheres to the principle of being free and active, must be actualized correctly to secure and strengthen Indonesia's interests in the Indo-Pacific region. This research is crucial because there has not been a positive trend of decreased Chinese aggression in the South China Sea. Therefore, it is necessary to conduct research on how Indonesia's foreign policy responds to the global rivalry between China and the United States.

Keywords: China's Economic Expansion, South China Sea, Military politics, Global rivalry.

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1. Introduction

The struggle over the global geo-politic and economy in terms of China-Russia vs. US and allies has escalated further as China aggressive expands, penetrates and makes claim to some territorial waters of countries that trace their shorelines around the South China Sea. Any China claim in this area could spark open conflict with Vietnam, the Philippines, Indonesia, Japan and South Korea. The US and Europe view it as a matter of global security concern (that could also) 'undermine' the underpinnings of global security & economic order. However, what the US and EU find more threatening to their economic interest is China's invasion toward the domestic markets of its neighbouring Asian nations.

This then has implications for the sovereignty of Indonesia and members of ASEAN south China sea are penetrated by China with the other hand attached economy ties to China. The fact that China has established industrial activities on a large scale in the ASEAN nations which can be seen from the data. From the perspective of ASEAN's economic interests, the US and Europe represent significant potential markets for its products.

With these conditions in place, Indonesia stepped forward to formulate an multilateral agreement known as the ASEAN Outlook on the Indo Pacific. The goal is to replace rivalry with collaboration. In this setting, hopefully the world can find places to lay down arms and instead have everybody as beneficiary.

In fact, as of 2002, China has so far not lowered its tensions over the South China Sea, while the US and its

allies have not been able to "break into" the world market controlled by China. Therefore, the research team considers it very important to immediately conduct research to see what Indonesia's efforts are in responding to the rivalry between these two big countries.

The problems formulation proposed in this research is "How are Indonesia's foreign policy in the face of global rivalry between China and the United States." With this research, we expect to solve one thing: whether or not the foreign policy and practice that Indonesia has been carrying out in responding to the global rivalry between China and the US, is suitable to satisfy Indonesia's national interests on the one hand and global interests on the other.

From this research, new findings are expected to be obtained that can strengthen various concepts and theories of foreign policy that have existed before. Technically, it is expected to produce academic recommendations that can be used by the Directorate of ASEAN Cooperation of the Ministry of Foreign Affairs of the Republic of Indonesia to formulate foreign policy.

In essence, foreign policy is the blueprint purposed by a state to promote its national interest on an international level. It is empirically proven that no country can subsist without trading with other countries under existing physical constraints. This all stems from its national capabilities. On the other hand, a lower capacity does not necessarily imply that more needs will be in place internationally and vice versa. Because plainly the wants of the state internationally are by no means going to scale back. In theory, the lower its capabilities that a state has, the more realistic will be foreign policy of a state and that inversely proportional the higher states have capacities to power domestically and externally, the more free-floating their foreign policy is (Nabilasari Lesmana & Yustiawan, 2023).

According to Holsti (1987: 179) foreign policy was originally a form of national interest of a country, but to be able to realize its goal the state must have special designs for the implementation of foreign policy with the form of foreign policy. The state has one set of interests, but in order to get its interests in a given region or country, it has to develop some foreign policy for that region or country. In other words: foreign policy is a kind of blueprint; while foreign policy is, in theory, sort of the construction. This signifies that the foreign policy is the technical-operational shape of the foreign policy of a state. Such may include international loans, foreign lend in the form of economic assist or armed forces assist, regional collaboration, also economic cooperation, defense and security cooperation etc.

Related to what is described above, Perwira & Yani (2006) explains that in short, foreign policy is an "action theory", or the country's policy with regard to other countries in order to achieve some interest. In sum more less, foreign policy is a standardized principle of values and attitudes that exist in the general orientation and goal to pursue practical strategies under which national interests are used within this context. It is simply a maneuver to reach an objective, and it also determines the extent of a nation's participation in such matters with its interrelations, or even in the overall surroundings. In a similar context, Rosenau (1969) explains that foreign policy is a complex discipline, as it contains externally as well as internally. It is the state, which conducts foreign policy, that is the primary political unit in international relations system, although non-state actors constantly take more significant places in international relations. Likewise, foreign policy serves national interests.

Plano & Olton (1990) point out that foreign policy exists as a set of means or procedures fashioned by state decision-makers for managing relations with other states and international actors, these means are orientated towards making it come out on top (in vocabulary expressible terms) the attainment of certain prescriptions as proclaimed by a national interest. Further, Mas' oed (1994) also explains that; Foreign policy performed by a country's government or diplomatic representatives seeks to further the national interests of the people under its rule. However, at any particular phase in time to use national interests interchangeably with majorities will mean, more often and significantly, what is promoted as "national" interest by those who are currently out of favor politically on this issue as their number grows larger or people go along with them. In the study of international politics, there are 5 models of approaches in the formulation of foreign policy, namely:

A. Strategic/Rational Model

Lovell (1970) Lovell (1970) clarifies when a country formulates its foreign policy, the main factors to consider are aspects of the international system structure, elite perceptions, strategies followed by other countries and the capabilities possessed by oneself. Besides, he pointed out that with the four listed above, foreign policy formulation strategy can be broken down to a model of four strategic options, namely: the strategy of leadership, the strategy of confrontation, accommodating strategy and strategy concordance. Coplin (1980) goes on further to warn us that the determination of foreign policy must take into consideration four different factors: defining a situation; choosing what our foreign policy goals are; alternatives and decisions.

B. The Decision-Making Model

- 1) The decision-making framework is developed by considering the following elements:
- 2) Motivations of decision-makers (referring to their values and political norms)
- 3) Information flows between them (information networks)
- 4) The manner in which foreign policy orientations affect decision-making
- 5) The circumstances or policy environment (occasion for decision) which refers to the specific situational characteristics that exist at the time the policy is to be made.

C. The Bureaucratic Polits Model

Emphasizes the roles played by the many bureaucrats involved in the foreign policy process, and does not focus solely on a country's foreign policy. Rather than being unilateral, policy outcomes arise from complex processes of interaction and adjustment among different individual and organizational actors. Correspondingly, foreign policy is shaped through bargaining, compromise, and incremental adjustment (Toma & Gorman, 1991).

D. Adaptive Model

This model differentiates among various foreign policy options by taking into account a country's capabilities and its geopolitical position. Foreign policy is thus conceived as a consequence of both external and internal (domestic) changes. At a given point in time, a country's foreign policy may be understood as the outcome of two IV: external transformations and internal, structural shifts.

$$Pt = Et + St$$

Pt = Foreign Policy at a certain period of time

Et = External Change

St = Internal Change (Structural)

But in its development, it then changed to

$$Pt = Lt + Et + St$$

Lt = is an aspect of leadership (leadership) of the national ruling elite within a certain period of time (a certain period of government) (Rosenau, 1969).

In this perspective, all countries are seen as an entity that always adapts to its environment. So that the analysis activities as formulated within the framework focus on the process of adaptation measures undertaken by a country as an adjustment to transformations in and conditions in its external environment, using references to internal capabilities such as capabilities, geographical position, resources and so on (Lloyd, 1982).

E. Incremental Decision Making Model

Within these model, foreign policy is the result of a process of gradual adjustment. The limited availability

of information needed and the inaccuracy of data in the foreign policy formulation process are considered to be factors that cause immature foreign policies to be formulated. So that later amid the process, revisions to policies that have been effected will relate to matters that remained unaddressed at an earlier stage of development (Russett et al., 1996).

That Indonesia's capacities and performance on international arena are at the developing country level are the outcomes of this empirical evidence. Therefore, Indonesia and the other ASEAN member countries find themselves in a position which can be strongly influenced by such superpowers as China, the United States, and Europe. Under such conditions, Indonesia and the ASEAN countries as a whole must extend an adaptable posture to the international situation. At this point and under such conditions, Indonesia and the ASEAN countries are unable to enforce their interests upon other states unless they hold highly superior and advantageous bargaining power. Up to this point, the most important single claim to fame which Indonesia can make is the abundant natural resources it possesses, but the professional managing and exploitation of these still to a large extent by technology personnel from Western countries is another matter. As for domestic social and political problems, they have always been a heavy millstone around the neck of any ruling government.

So, under such empirical preconditions, to cope with the China - United States rivalry in the Indo-Pacific region, Indonesia's foreign policy would prolong still mightily more into process of adjustment. This means that Indonesia must make intelligent decisions given the circumstances in order to realize what is expected. As such, an adaptive formulation process is the best academic choice for observing this phenomenon.

Based on the framework presented above, the proposition in this study is "Indonesia's foreign policy in responding to the China - United States Rivalry in the Indo-Pacific region, is related to aspects of external change, structural change and leadership.

2. Methodology

This was a qualitative study employing a model based on qualitative description principles. The goal is to summarize and describe the various states, various scenes, or various phenomena of existing social life and then to try bring reality itself out in silhouette as a feature, aspect, characteristic, property or sign on some of these states or phenomena. This approach centers around one of the various appearances.

Data in this study are divided into Primary Data and Secondary Data. Primary data is generated through in-depth interviews public eyewitness accounts by researchers themselves. Secondary data is data already processed, or information used by government agencies and other institutions found in media reports, papers, and articles.

This study utilized two types of data sources to gather comprehensive information. Primary data was obtained through field observations and in-depth interviews conducted with all informants involved in this research. Secondary data consisted of written data and documents on Indonesia's foreign policy related to Indonesia's efforts in responding to the rivalry between China and the United States, as well as other relevant documents.

The study involved four key informants who were carefully selected to provide essential insights for the research. These informants included the Director of the Directorate of ASEAN Cooperation of the Ministry of Foreign Affairs of the Republic of Indonesia, the Director of the Directorate of Asia-Pacific Cooperation of the Ministry of Foreign Affairs of the Republic of Indonesia, the Director of Research and Development of the Ministry of Foreign Affairs, and the Head of the ASEAN Study Center at the University of Indonesia. These four informants were strategically chosen to contribute valuable perspectives and expertise to this study.

In this study, the researchers within the Research Team serve as the primary research instruments. By using tools such as a voice recorder (digital recorder), visual recording device (video recorder), stationery, and a laptop to store research data. Interview and observation materials were developed from various references put forward in the proposition. Furthermore, the data collection technique for this research is

in-depth interviews. Basically, the in-depth interviews conducted in this research were unstructured interviews, although guidelines for conducting interviews were also prepared. Interview activities with informants were carried out in different places, according to the agreement made. Researchers visited the informants one by one in different places.

Using triangulation techniques allows us to verify the validity of data obtained in this study. It also verified the data and additional findings through cross-check of data, just as researcher's explanation was mixed with a possible reference theory, it represents other related theories that might explain these results of this research.

The following stage will be to interpret and clarify the patterns of interaction between categories, among properties, and amid attributes; with this as in turn producing orderly influence relationships between the phenomena under study. Next, all existing factual findings are interpreted in light of categories, properties and attributes according to the perspective set up by reference framework and literature review. There is also a qualitative interpretation toward finding patterns of interaction among phenomena.

The last stage of this part is to derive some conclusions, which is to draw certain arguments (propositions)'or theorems. This is based upon the manner in which attributes interact. In essence, the conclusion serves as an answer to the research question, which will represent an explanation pattern for connection between categories and features.

3. Results

From the field research, the following data were obtained:

- 1) Indonesia's foreign policy departs from the national interests represented in the Medium-Term Development Plan (RPJM). The substance is on national economic interests, security and regional stability.
- 2) The United States-China rivalry has been going on for a long time, especially after the World Bank and Economic Outlook published the economic ranking of countries in the world and showed China at the top. In addition, it was also stated that China was the country most likely to dominate the global economy. This publication became one of the triggers for the strengthening of the rivalry between the two countries.
- 3) For Indonesia, the issue of US-China rivalry in the Indo-Pacific region is not just an Indonesian problem, but also a problem for ASEAN. Therefore, Indonesia's foreign policy to the Pacific region is also oriented towards the interests of ASEAN as a community. This is evidenced by Indonesia's idea of the ASEAN Outlook on Indo-Pacific. The US-China global rivalry should not interfere with ASEAN's interests as a community. Because it risks political and economic instability in the region (Southeast Asia).
- 4) The Indo-Pacific region for Indonesia is not a donor region but a partner for the interests of Indonesia and ASEAN.
- 5) Global rivalry among the US and China can be an opportunity and can also be a threat to Indonesia and ASEAN. Therefore, Indonesia has decided not to join either China or the United States bloc. This is evidenced by Indonesia joining the Belt and Road which is an infrastructure development program carried out by China, and also joining the IPEF (Indo-Pacific Economic Forum) formed by the United States.

4. Conclusions

From this theoretical aspect, Indonesia's foreign policy in responding to the US-China rivalry in the Indo-Pacific region is basically proven to refer to the adaptive formulation process whose content is related to three aspects, namely external change, internal (structural) change, and leadership aspects. In the form of external change that Indonesia takes strategic steps that can protect national interests and also ASEAN interests that do not conflict or can pose a negative risk to the interests of Indonesia and ASEAN. External

policy is more directed at taking advantage of, and reducing as much as possible the negative impact of this global rivalry. Internally, Indonesia's foreign policy refers to the Medium-Term Development Plan (RPJM) that has been set by the state. This means that on the one hand, national development interests are prioritized in determining foreign policy. In the leadership aspect, Indonesia has always proven its responsibility and leadership towards ASEAN. ASEAN is a top priority in Indonesia's foreign policy, including in responding to the situation and dynamics taking place in the Indo-Pacific region.

The foreign policy choices mentioned above are basically inseparable from the aspects of state capabilities (capabilities and resources owned). The choice to conduct a soft diplomacy foreign policy in responding to the US-China global rivalry is also inseparable from this element. The economic and military strength of Indonesia and ASEAN countries are not comparable to the economic and military strength of the United States and China. Indonesia is unlikely to take a face-to-face position in terms of economic and military power against these two countries and their allies, and then impose the interests of Indonesia and ASEAN crucially. As such, the choice to change the situation from competition to corporation is the most appropriate choice.

It can be predicted that the US-China rivalry in the Pacific region will last for an indefinitely long time. This is due to the shift of the world's economic growth center from Europe and America to the Indo-Pacific region. Controlling the Indo-Pacific region means controlling the world economy.

To increase its "bargaining power" in the Indo-Pacific region, Indonesia must strive to increase its economic productivity, so that the number of dependencies on China and the United States can be reduced. Indonesia must be able to build strong economic and political agreements among fellow ASEAN countries, so that Indonesia and automatically ASEAN cannot be crucially controlled by either China or the US. Furthermore, Indonesia's foreign policy in the Indo-Pacific region should be more encouraged to create dependence of other countries on Indonesia and ASEAN, namely by reducing exports of raw materials to developed countries, processing resources independently, and stopping investments that harm domestic economic interests.

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