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# Through the Reactive to Proactive Thinking: Foresight of the AUKUS Agreement Rational Practice in the Indo-Pacific

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#### **Abstract**

The AUKUS security pact between Australia, the UK, and the US, aimed at promoting prosperity in the Indo-Pacific has successfully generated significant attention. This alliance, rooted in the shared history of these powerful nations, includes the development of nuclear-powered submarines and enhanced underwater capabilities. The rise of China, particularly its actions in the South China Sea, has created tension in the region and presented a dilemma for ASEAN. The emergence of AUKUS has raised questions about its impact on ASEAN's role and whether the pact is intended to contain China. Some perceive AUKUS as a challenge to ASEAN centrality, potentially undermining the organization's ability to maintain stability and cooperation in the region. This research, using both legal and conceptual analysis, finds that AUKUS is not designed to directly confront China militarily. While AUKUS acknowledges the challenges posed by China's growing influence, it emphasizes a commitment to a free and open Indo-Pacific through cooperation rather than confrontation. This finding should reassure ASEAN and reduce concerns about the pact's destabilizing potential. Instead of viewing AUKUS with apprehension, ASEAN should explore ways to engage with the pact to address shared concerns and promote regional stability.

**Keywords:** AUKUS Agreement; South-China Sea; Nuclear-Powered Submarines



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#### Abstrak

Pakta keamanan AUKUS antara Australia, Inggris, dan Amerika Serikat, vang bertujuan untuk meningkatkan kesejahteraan di Indo-Pasifik telah berhasil menarik perhatian yang signifikan. Aliansi ini, yang berakar pada sejarah bersama negara-negara kuat ini, mencakup pengembangan kapal selam bertenaga nuklir dan peningkatan kemampuan bawah air. Kebangkitan Tiongkok, khususnya tindakannya di Laut Cina Selatan, telah menciptakan ketegangan di kawasan dan menghadirkan dilema bagi ASEAN. Munculnya AUKUS menimbulkan pertanyaan mengenai dampaknya terhadap peran ASEAN dan apakah pakta tersebut dimaksudkan untuk membendung Tiongkok. Beberapa orang memandang AUKUS sebagai tantangan sentralitas ASEAN. yang berpotensi melemahkan kemampuan organisasi tersebut dalam menjaga stabilitas dan kerja sama di kawasan. Penelitian ini, yang menggunakan analisis hukum dan konseptual, menemukan bahwa AUKUS tidak dirancang untuk menghadapi Tiongkok secara militer secara langsung. Meskipun AUKUS mengakui tantangan yang ditimbulkan oleh semakin besarnya pengaruh Tiongkok, AUKUS menekankan komitmen terhadap Indo-Pasifik yang bebas dan terbuka melalui kerja sama, bukan konfrontasi. Temuan ini diharapkan dapat meyakinkan ASEAN dan mengurangi kekhawatiran mengenai potensi destabilisasi yang dapat ditimbulkan oleh perjanjian tersebut. Daripada memandang AUKUS dengan ketakutan, ASEAN harus mencari cara untuk terlibat dalam pakta tersebut guna mengatasi kekhawatiran bersama dan mendorong stabilitas regional.

**Kata Kunci:** Perjanjian AUKUS, Laut Cina Selatan, Kapal Selam Bertenaga Nuklir

### A. Introduction

Sudden existence of a trilateral pact called AUKUS in Indo-Pacific engaging massive concern due to the use of nuclear power which successfully led the three nations into the stigma of hegemonic practice with a cold war mentality. There is a strong tendency to offset the increasing power and influence of China in the area through the agreement between Australia, the United Kingdom, and the United States. Recent developments have seen a notable decline in American influence across Southeast Asia, coinciding with China's ascent to prominence.1 The United States was really powerful not too long ago, controlling a lot of the world's money and military. However, China has now emerged as the leading regional power, imposing the growth in economic, diplomatic, and strategic dominance in the region.<sup>2</sup>

The connection between the current situation and the formation of AUKUS is unclear. It may be purely coincidental that the leaders of these three powerful nations announced this trilateral security partnership on Septembner 26, 2021. This situation eases tension, as the

<sup>2</sup> Ihid.

<sup>&</sup>lt;sup>1</sup> Robert Sutter, "Biden's First Year: Coping with Decline as China Rises in Southeast Asia," Southeast Asian Affairs, (2022): 43.

United States has clearly stated that AUKUS is not intended to be a threat to China.<sup>3</sup> However, the relationship between the United States and China has been strained. This tension increased when President Joe Biden took office and adopted a firmer stance toward China. Despite this, China remains a primary concern for the United States.

Traced back by the last two decades, China has challenged regional security and stability using maritime coercion through the South China Sea. The unilateral claim of this potential area is based on China's historical background, wrapped by the term of traditional fishing grounds, which everyone agrees that it is unrecognized in any of our ocean policy. Military installation, airstrips, and port construction is completely built on the island claimed as Nansha and Xisha, or popularly known as Spratly Island and Paracel Island. This traditional fishing has made China ignore ground claim maritime boundaries as stated in UNCLOS 1982, the convention on the law of the sea that has been ratified by more than three-quarters of the nations. While China's claim to

<sup>&</sup>lt;sup>3</sup> Garden, R. (2023, October 25). Remarks by President Biden and Prime Minister Anthony Albanese of Australia in Joint Press Conference. *The White House*.

traditional fishing rights in the South China Sea is not new, its recent actions there have damaged relations with neighbouring countries and made China appear intimidating.

Everyone, not only in the region but worldwide, is debating about the South China Sea, making China even understand why everyone insists on opposing China in this area. Looking forward from China's perspective, it had been declared decades ago and nothing to re-deal with it. Besides these countries' participation in UNCLOS 1982 which is known as being a pioneer in regulating maritime boundaries, they notably have actually begun to understand the potential resources that can be explored in this area. The South China Sea plays an essential role in global trade, with aproximately one-third of global shipping with over \$3 trillion annually passing through it.<sup>4</sup> It is potentially bonafide due to its rich natural resources including petroleum deposits which have attracted attention of several countries.<sup>5</sup>

<sup>&</sup>lt;sup>4</sup> U.S. Energy Information Administration. (2019). *South China Sea*.

<sup>&</sup>lt;sup>5</sup> Chang, T.-K. (1991). Recommended Citation Teh-Kuang Chang, China's Claim of Sovereignty over Spratly and Paracel Islands: A Historical and Legal Perspective, 23 Case W. Res. In *Case Western Reserve Journal of International Law* (Vol. 23).

Despite of boundaries violation, the conflict revolves around the vast oil and gas resources in the area, comprising 7.5 billion barrels of confirmed oil reserves and 145.5 trillion cubic feet of natural gas.<sup>6</sup>

China's growing influence poses a clear challenge to the current superpower. Thus, AUKUS may be a form of response to this challenge. As a strategic partnership among the three countries, AUKUS is made with a specific focus on the Indo-Pacific region. The pact is not just about nuclear powered submarines, but also about the formation of a working group in the region to develop wider technologies and coordinate security efforts. The fact sheet of AUKUS implementation shows that both pillar one and pillar two of this trilateral security pact will advance Australia's power through joint military capability by combining conventional armed and nuclear-powered submarine power. This advancement is carried out in several manners, such as undersea

<sup>&</sup>lt;sup>6</sup> Jawli, N. (2016). South China Sea and India's Geopolitical Interests. *Indian Journal of Asian Affairs*, 29(1/2), 85–100.

<sup>&</sup>lt;sup>7</sup> Wintour, P. (2021, September 16). What is the AUKUS Alliance and What are Its Implications? *The Guardian*.

<sup>&</sup>lt;sup>8</sup> Lewis, J. (2023, May 24). House Committee on Foreign Affairs Hearing: Modernizing U.S. Arms Exports and a Stronger AUKUS A/S. *U.S Department of State*.

robotic autonomous systems projects which multiply the maritime forces, quantum technology, advanced cyber, artificial intelligence and autonomy, electronic warfare, and other advanced capabilities.<sup>9</sup>

Now the big question is, what happens after Australia acquires their significant military strength through AUKUS? As a package-deal treaty in regulating the ocean, UNCLOS 1982 belongs to little significant distinction regarding the rights and privileges regarding navigation for nuclear vessels and warships. 10 Not only UNCLOS 1982, grappling to the basics, there is no international convention that specifically allows countries to use nuclear-powered within submarines or vessels. It can certainly be justified why these sets of agreements completely avoid discussion of the use of nuclear weapons, since they actually adhering to the applicable international legal framework during times of peace. 11 Nobody sets an agreement to prepare for a war, with the exception of humanitarian law. In the

<sup>&</sup>lt;sup>9</sup> The White House. (2022). *Implementation of the Australia – United Kingdom – United States Partnership (AUKUS)*.

<sup>&</sup>lt;sup>10</sup> Rothwell, D. (2023, June 7). AUKUS Navigational Rights are Submerged in Regional Challenges. *East Asia Forum*.

<sup>11</sup> Ihid.

United Nations era, treaties are made as an instrument to resist a war to happen.

Similarly, Treaty of Rarotonga 1985, which also was signed by Australia and dozens of countries like New Zealand and Papua New Guinea, formalizes the South Pacific nuclear-weapon free-zone. as consequences arose from this signing: prohibits the use, testing, and possession of nuclear weapons within the confines of the zone. This condition then made the navigation of nuclear-powered and nuclear-armed vessels conducted by AUKUS submarines may eventually sail in controversy. The Chair of the Pacific Islands Forum said that he expressed worry regarding the AUKUS agreement as it appears to contradict the Treaty of Rarotonga 1985, with Australia potentially acting against its provisions.<sup>12</sup>

ASEAN as a regional diplomatic entity which finds itself centrally positioned in the Indo-Pacific region firstly giving a mingled response to these issues. Some member states expressed concern and others welcomed

<sup>&</sup>lt;sup>12</sup> Watson, J. (2023, March 28). AUKUS is "going against" Pacific nuclear free treaty - Cook Islands leader. *RNZ Newsletter*.

the arrangement.<sup>13</sup> Similar to Indonesia which reflects displeasure and deeper fear of being sidelined. The Malaysian Prime Minister voiced their concern that the AUKUS agreement might incite other powers to adopt a more aggressive stance in the region.<sup>14</sup> While some countries like the Philippines, which were directly affected by China's claim in the South China Sea, endorsed AUKUS as keeping the balance in the region.<sup>15</sup> This condition makes ASEAN' fluctuate response even more understandable. ASEAN response has been muted, due to its lead into tendency, which possibly challenges ASEAN centrality. At its core, ASEAN centrality implies a sense of being centralized within regional political agreements.16 discussions and security ASEAN's successes in establishing multilateral institutions and advocating for inclusive and open regionalism from the

 $<sup>^{\</sup>rm 13}$  Southgate, L. (2021, September 23). AUKUS: The View from ASEAN. The Diplomat.

<sup>&</sup>lt;sup>14</sup> Ibid.

<sup>&</sup>lt;sup>15</sup> Supriyanto, R. A. (2021). Why Southeast Asia Should Welcome AUKUS. *Foreign Policy*.

<sup>16</sup> Caballero-Anthony, M. (2022). The ASEAN way and the changing security environment: navigating challenges to informality and centrality. *International Politics*. https://doi.org/10.1057/s41311-022-00400-0

late 1990s to the early 2000s have highlighted the prominence of ASEAN centrality.

As the regional architecture with rules-based order, ASEAN's engagement in the Indo-Pacific could prevent extra-regional powers in shaping the region. At present, holding the ASEAN chair position, Indonesia has put forward the idea of creating the Indo-Pacific ASEAN Infrastructure and Connectivity Forum aimed at enacting economic collaboration plans. One of the main components of AOIP is the importance of the maritime domain. Indo-Pacific is a concept driven by maritime affairs, concrete implementation related to maritime issues and maritime borders is undeniably crucial. The AOIP was actually established to steer collaboration and advance a conducive atmosphere for peace, stability, and prosperity.

Unfortunately, if we directly possess the AOIP to face the challenge raised by AUKUS, it will has no dominance to deal with the increasing great power

<sup>&</sup>lt;sup>17</sup> Busbarat, P., Heydarian, R. J., Ha, H. T., Muhibat, S. F., & Tran, B. (2023, March 8). ASEAN's Engagement in the Indo-Pacific. *Fulcrum-Analysis on Southeast Asia*.

<sup>&</sup>lt;sup>18</sup> Ministry of Foreign Affairs Republic Indonesia, "Indonesia Undang AS Hadiri Indo-Pacific Infrastructure and Connectivity Forum", ASEAN-Indonesia National Secretariat, November 4<sup>th</sup>, 2019.

rivalry between the prosperous nations. As it is essential to evaluate four priority areas of the AOIP within ASEANled mechanism<sup>19</sup>, this research assessing on how does the ASEAN construct the normative framework of the ASEAN Outlook on the Indo-Pacific in response to the security implications posed by the AUKUS alliance. Whether the AOIP, as an ASEAN-led mechanism, is adequately equipped to address the non-military intentions of the AUKUS alliance and whether it can effectively engage key dialogue partners of ASEAN? This research aims to investigate the practical implementation and viability of the AOIP in light of the AUKUS alliance's implications. Through the socio-legal research which combining statute analvsis conceptual examination, it seeks to analyze primary data from legislation and international agreements, as well as secondary data from literature and legal principles, to perform the challenges and potential solutions in this context.

<sup>&</sup>lt;sup>19</sup> *Ibid*.

#### **B.** Discussion

# 1. ASEAN's Historical Role in The South China Sea Diplomacy

The Association of Southeast Asian Nations, or hereinafter called ASEAN, was established in Bangkok as a a coalition of ten Southeast Asian nations, seeks to advance economic and security collaboration among its constituents. ASEAN has effectively facilitated economic unity among its constituent nations, contributing significantly to the integration of Asian economies. Additionally, it has actively engaged in negotiations for the creation of the largest free trade agreement globally and has finalized six such agreements with neighboring economies.<sup>20</sup> Over the past three years, ASEAN members, alongside Australia, China, Japan, New Zealand, and South Korea, collaborated to ratify the Regional Comprehensive Economic Partnership (RCEP), surpassing the scope of any other trade pact by addressing tariff reduction for roughly one-third of the global populace. While ASEAN's influence inherently pales in comparison to the European Union, its prominent role in founding various regional institutions

 $<sup>^{20}</sup>$  CFR.org Editors. (2023, September 18). What Is ASEAN? Council on Foreign Relations.

and its ongoing efforts to maintain regional order have certainly bolstered its status as a regional organization.<sup>21</sup>

In terms of the effort in promoting diplomacy for its members, along its way of growing, ASEAN has faced various challenges in diplomacy. One of them is regarding the South China Sea. Around 15 years after ASEAN's foundation, The United Nation Convention on The Law of The Sea 1982 or hereinafter mentioned as UNCLOS 1982 were created and surely impacting the whole members. The competing claims in the South China Sea began in earnest after World War II, but were boosted after the launch of this all-in-package ocean regulation. Maritime boundaries are the key feature. After taking this convention gradually into ratification, ASEAN members think that the South China Sea is a right—for some countries like Vietnam, Philippines, Malaysia, and Brunei—which stated in UNCLOS 1982.

ASEAN has been successful in bringing peace to a troubled region since day one. Its use of preventive diplomacy and cooperative security has significantly

<sup>&</sup>lt;sup>21</sup> Yoshimatsu, H. (2023). Expanding the study of the EUcentred actorness: ASEAN in the emerging Indo-Pacific construct. *Asia Europe Journal*. https://doi.org/10.1007/s10308-023-00679-5

changed the region, making this intergovernmental organization a focal point for international relations. accomplishments can be predominantly attributed to its continuous efforts in upholding diverse unity, centrality, and inclusive development, alongside its ability to conduct strategic assessments and adapt policies promptly.<sup>22</sup> Yet, in the case of the South China Sea dispute which ASEAN members have with China, ASEAN behavior and actions could be considered as weak.<sup>23</sup> ASEAN has been involved in the South China Sea disputes for many years, but the approach used has been criticized for being uncertain. Somehow this condition and understandable, ASEAN individualists seem confused considering their positions as the association's members and their fear of over any sovereignty to the kind of strong power.

Each of the member states have taken different approaches to the South China Sea dispute. The

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<sup>&</sup>lt;sup>22</sup> Zhang, J. (2023). Rebuilding strategic autonomy: ASEAN's response to US-China strategic competition. *China International Strategy Review*, *5*(1), 73–89. https://doi.org/10.1007/s42533-023-00128-3

<sup>&</sup>lt;sup>23</sup> Simões, L. (2022). *The Role of ASEAN in the South China Sea Disputes*. https://www.e-ir.info/2022/06/23/the-role-of-asean-in-the-south-china-sea-disputes/

Philippines, as the most vocal critics of China's action since 2016, has won a landmark case against China at the Permanent Court of Arbitration in The Hague. It is logical, why the Philippines stands higher within this case is in regard with their Exclusive Economic Zone which coincides with China's assertion. Based on China's response to these cases, some observers characterized China as assertive in defending its territorial claims in the South China Sea.<sup>24</sup> Not only the Philippines, Vietnam's coping mechanism is actually similar. They have also sought to strengthen their military capabilities by building alliances with the United States, Japan, and India, to counter China's influence in the region. What eyes should be on the prize is, where is ASEAN?

ASEAN diplomacy has been guided by the principles of non-alignment and peaceful coexistence which are reflected in its founding documents.<sup>25</sup> This principle means that ASEAN does not align itself with any major power bloc or alliance since its duty is to maintain independence and neutrality in regional conflicts and

<sup>24</sup> York, M. (2015). ASEAN's Ambiguous Role in Resolving South China Sea Disputes. *Indonesian Journal of International Law, 12*(3). https://doi.org/10.17304/ijil.vol12.3.607

<sup>&</sup>lt;sup>25</sup> CFR.org Editors. *Loc.Cit.* 

disputes. Non-alignment does not mean that ASEAN is forbidden to have connection with major powers, it allows ASEAN to engage with all major powers but the highlight is only to pursue its own interest without being beholden to any one power.<sup>26</sup> Regarding the South China Sea disputes, although it seems like ASEAN has not reacted at all and given such ambiguous responses, ASEAN played a major role in this case by ensuring dialogue, expansion of regional overlapping interests, and the development of trust and cooperation between parties has been imperatives in preventing physical conflict.<sup>27</sup>

As a leading actor in the Indo-Pacific, ASEAN is working to counter the threat of warfare on the basis of territorial disputes through mitigating threats or warfare arising from these territorial disputes. Along with China, Korea, and Japan, ASEAN actively signed the Treaty of Amity and Cooperation in Southeast Asia with the collaboration in promoting peace as a common goal. Through this ASEAN Plus Three Partnership, ASEAN can provide a platform to build solidarity and closer relations between treaty members. By continuously strengthening

<sup>&</sup>lt;sup>26</sup> CFR.org Editors. *Loc.Cit.* 

<sup>&</sup>lt;sup>27</sup> York, M. *Op.Cit.*: 294.

their bonds, ASEAN is trying to enhance those sense of belonging among its members plus three partners in this treaty to face the tensions resulting from the South China Sea conflict.

## 2. Understanding The South China Sea and AUKUS as A Response

Nobody can scare China. For them, naming this territory as the South China Sea alone indirectly indicates that this area is destined for China. Following the achievement of its bold economic agenda focused on economic liberalization and global integration starting from 1978, China's forthcoming priority lies in the modernization of its military forces.<sup>28</sup> Responding to the escalating tension, China still stands in their position as clear and consistent in conducting their foreign policy through their *Genglubu*. As an ancient nautical travel log kept by China's fishermen since the Han Dynasty, *Genglubu* has been used by historians and geographers to study the history of maritime trade and navigation in the

<sup>&</sup>lt;sup>28</sup> Sariguna, P., & Kennedy, J. (2022). Sarcouncil Journal of Economics and Business Management under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 (CC BY-NC-ND 4.0) International License Analysis of the Indo-Pacific Outlook and Impact of the AUKUS Triatral Pact. https://doi.org/10.5281/zenodo.7342624

South China Sea. China's claim on the South China Sea is actually not considered as something new. Before insisting on facing the Philippines and Vietnam, China had previously dealt with France, challenges over Spratly and Paracel Island before World War II.<sup>29</sup>

In the 1930s, France took control of the Spratly and Paracel Islands, previously occupied by Japan during World War II, which were later returned to China postwar, along with other territories. Both the San Francisco Peace Treaty of 1951 and the Sino-Japanese Peace Treaty of 1952 saw Japan renouncing its rights to these islands. Representatives from the Republic of Vietnam asserted their ownership of these islands during the 1951 San Francisco Peace Conference, to which China was not invited. However, both Taiwan and the People's Republic of China consistently rejected claims made by other nations concerning these islands.

According to Chinese historical records, China found the South China Sea as early as the second century B.C. They were subsequently used and developed, eventually falling under the administrative control of the Chinese

<sup>&</sup>lt;sup>29</sup> Chang, T.-K. *Op.Cit.*: 400.

government as part of Chinese territory.<sup>30</sup> China initiated naval expeditions to the South China Sea in the sixth year of Yuan-Den, around 111 B.C. during Emperor Wu Di's rule in the Han Dynasty.<sup>31</sup> Regarding the Spratly and Paracel Islands which by the Chinese are known as Xisha and Nansha Islands, there is lots of evidence by recent discoveries which show that the Chinese have lived there since the Tang and Song dynasties. Pottery, porcelain utensils, iron knives, iron cooking pots, and other things of daily use which belong to the Tang and Song dynasties.

After the Cold War came to an end, the South China Sea gradually rose in importance in regards to international security. In the midst of 1940, the Republic of China released a map featuring a nine-dashed line that when connected together forming a U-shape, involved a significant portion of the South China Sea. During the 1970s, China initiated its control over various islands, reefs, and waters in the South China Sea, often through forceful means. It expelled Vietnamese troops from the western Paracels in 1974, gaining control over the entire Paracel Islands by the late 1980s. China also established

<sup>&</sup>lt;sup>30</sup> Chang, T.-K. *Op.Cit.*: 403.

<sup>&</sup>lt;sup>31</sup> *Ihid*.

oil-drilling rigs near the Paracels, contested by Vietnam, leading to protests and anti-China riots in Vietnam. In the Spratlys, China won the 1988 Battle of Johnson Reef, resulting in the deaths of approximately 70 Vietnamese soldiers. Subsequently, China detained non-Chinese fishermen and harassed foreign ships near its occupied islands and reefs.

In the 1990s, China began constructing artificial islands, a process involving dredging sand from the seabed and destroying coral to create land from underwater reefs. China claimed these artificial islands served non-military purposes, despite concerns. One of the initial artificial island projects commenced in 1995 on Mischief Reef in the Spratlys. Initially, structures were built on stilts due to the reef being submerged during high tide. As land reclamation progressed, China constructed a harbor and airstrip capable of accommodating combat aircraft, justifying these developments as necessary for selfdefense. In 2009, China surprised all nations by introducing the nine-dash line at an international conference, asserting indisputable sovereignty over South China Sea islands and adjacent waters, along with sovereign rights and jurisdiction over relevant waters, seabed, and subsoil. In 2012, China attempted to claim Scarborough Shoal as its territory, despite earlier Philippine claims, leading to a standoff. China retained control but permitted Filipino fishermen to operate in the area.

The scope of China's claim regarding maritime rights or jurisdiction remain unclear. As shown nowadays, many of the land features claimed do not meet the criteria for islands as outlined in Article 121 (3) of UNCLOS 1982, and therefore cannot establish the basis for an Exclusive Economic Zone (EEZ) claim.<sup>32</sup> China could potentially assert an EEZ encompassing a significant portion of the South China Sea from the five largest Spratly Islands, as well as Woody Island in the Paracels and Pratas Island which now currently under Taiwan's control.

The continuing expansion of Chinese influence in Southeast Asia represents the most important obstacle to the United States efforts to reverse the American decline in the region.<sup>33</sup> The positive momentum in China's

<sup>&</sup>lt;sup>32</sup> Fravel, M. T. (2011). China's Strategy in the South China Sea. *Contemporary Southeast Asia*, *33*(3), 292. https://doi.org/10.1355/cs33-3b

<sup>33</sup> Sutter, R. *Op.Cit*, 46.

relations with Southeast Asia saw ASEAN-China trade valued at US\$410 billion for the first half of 2021, marking a thirty-eight per cent increase over 2020.<sup>34</sup> Several Southeast Asian nations had significant investments in China, and China's investment and infrastructure financing in the region experienced remarkable growth over the past decade. Beijing actively maintained extensive production chains centered around China, positioning China as the driving force behind economic growth in Southeast Asia.

China also played a crucial role during the pandemic, being the primary source of medical supplies and vaccines for Southeast Asian countries. About a third of all the world's maritime trade goes through the South China Sea.<sup>35</sup> Fifty percent of oil and gas tankers from the Middle East pass through this sea on their route to China, Japan, and the United States, and other destinations. Additionally, its strategic location renders it crucial for national security purposes. The accumulation of Chinese progress, dwindling flexibility for American actions, and regional observers questioning the United States'

<sup>&</sup>lt;sup>34</sup> *Ibid*. 47.

<sup>&</sup>lt;sup>35</sup> Constitutional Rights Foundation. (2018). *The Dispute of the South China Sea.* www.crf-usa.org

capability to meet the challenge. However, Washington remains in the quest for a viable strategy.<sup>36</sup>

In regard to this situation, challenges facing the Biden administration in shoring up the United States leadership in Southeast Asia are relatively serious. Southeast Asia is important to the United States for many reasons, it is arguably the world's most important channel of international trade and the region is on track to become the world's fourth largest economy.<sup>37</sup> 2021 was a challenging year for the United States due to the pandemic and the aftermath of the 2020 presidential election.<sup>38</sup>

Global Threats	Fall of Democracy	Power Imbalance	Fall of Liberal Order	New Tech Challenges
Pandemic, Climate change, Cyber threats, Economic crisis, Terrorism, Humanitarian threats, Nuclear proliferation	Corruption, Inequality, Bipolarization, Populism, Threat to the rule of law, Nationalism, Fake news	China, Russia, Iran, North Korea	Weakness of international organizations, Alliances in decline, Destruction of international treaties	Al, Quantum computing, 5G/6G, Bio-engineering

<sup>&</sup>lt;sup>36</sup> Brands, H., & Cooper, Z. (2018). Getting Serious About Strategy in The South China Sea. *Source: Naval War College Review*, 71(1), 12–32. https://doi.org/10.2307/26398089

<sup>&</sup>lt;sup>37</sup> Sutter, R. *Op.Cit*, 52.

<sup>&</sup>lt;sup>38</sup> Asan Institute for Policy Studies. (2021a). *Biden's Pursuit of Rebuilding and Stability*.

Table 1. Threats to the United States National Security<sup>39</sup>

The United States, as a superpower, considers itself as major key player in the conflicts in the South China Sea region due to its interests in military mobilization and global dominance. The foundation of such actions stems from the fact that several countries in Southeast Asia have long been strategic partners of the United States, making it imperative to enhance political and military support to confront China. China has rapidly modernized its military over the past few decades, becoming the dominant power in the South China Sea. It has surpassed the United States in terms of ship numbers and possesses an overwhelming advantage in land-based cruise and ballistic missiles. This has raised concerns for the United States about China's ability in the South China Sea and led to the Sino-the

<sup>&</sup>lt;sup>39</sup> *Ibid*. 45.

<sup>&</sup>lt;sup>40</sup> Nindya, A. P., & Abiyya, R. A. (2022). Pengaruh AUKUS terhadap Stabilitas Indo-Pasifik dan Sikap Indonesia [The Influence of AUKUS to Indo-Pacific Regional Stability and Indonesia's Stance]. *Jurnal Politica Dinamika Masalah Politik Dalam Negeri Dan Hubungan Internasional*, *13*(1), 67–84. https://doi.org/10.22212/jp.v13i1.2917

United States security dilemma and the competition between the two powers in the South China Sea.<sup>41</sup>

The United States actually remains the world's dominant military power with an extensive presence in the Indo-Pacific region and a network of regional allies. The United States observes China's behavior in the South China Sea as a challenge to the post World War II and its own role as a global hegemon. Both China and the United States view each other's movement as evidence of threat to their respective interests. This mutual suspicion deepens mistrust and raises the risk of confrontation. The Sino-United States security dilemma in the South China Sea has significant implications for regional stability and the international order. It heightens the risk of competition escalating into conflict, particularly in areas like the Taiwan Strait where both countries' militaries are most likely to come into direct confrontation.

As a solution, the United States formed AUKUS which refers to the enhanced trilateral security partnership

<sup>&</sup>lt;sup>41</sup> International Crisis Group. (2021). Whose Rules-Based Order?: Competing Visions of International Order in the. https://about.jstor.org/terms

<sup>&</sup>lt;sup>42</sup> *Ibid*, 18.

between the United States, Australia, and the United Kingdom. This security partnership is closely correlated with the United States mechanism to balance China's power in Southeast Asia. The primary objective of AUKUS is to help Australia acquire nuclear-powered submarines, significantly would elevate which its maritime capabilities. The establishment of AUKUS is seen as a response to China's assertiveness in the South China Sea and its growing military presence in the region. By providing Australia with advanced submarines, the United States aims to strengthen its alliance network and bolster its strategic presence in Southeast Asia. The submarines would enable Australia to better monitor and deter Chinese activities in the South China Sea, thereby contributing to the overall balance of power in the region.

This strategy seeks to develop partnerships with likeminded countries, including Australia, to counter China's influence in the region. This strategy, called by the United States as an off-shore balancing, is done by deepening security cooperation and enhancing military capabilities. The United States aims to maintain a favorable balance of power and uphold the existing rules-based maritime order in Southeast Asia. Thus, AUKUS itself is part of the United

States mechanism to balance China's power in Southeast Asia by strengthening Australia's maritime capabilities and contributing to the overall deterrence of Chinese activities in the South China Sea, aligning with the broader free and open Indo-Pacific strategy pursued by the United States.

# 3. ASEAN's Response to AUKUS: Collaborative Diplomacy and Partnership Building

The security dilemma also complicates policy for ASEAN member states, who are caught between the competing interests of China and the United States and may quietly welcome a greater United States and allied presence in the region. Overall, the Sino-United States security dilemma in the South China Sea reflects the complex dynamics of great power rivalry and the challenges of maintaining stability and order in the region. The AUKUS Agreement grew over military capabilities and the potential for an arms race, which could create uncertainties and undermine trust in ASEAN's capacity as a key player in the region.<sup>43</sup> This trilateral pact has

<sup>&</sup>lt;sup>43</sup> Makalesi, A., Demir, A., & Çalışmaları Enstitüsü, B. (n.d.). Aukus Can Endanger ASEAN Centrality. In *Journal of Area Studies Research Article* (Vol. 2, Issue 1).

possibilities to impact on regional dynamics within the Indo-Pacific, which surely has raised intense focus.

There are actually two possibilities which could arise within ASEAN regarding these challenges. Firstly, this geopolitical contestation could be a way of wooing ASEAN and its member states so as to tear ASEAN apart. The members belong to different views and perspectives towards AUKUS, depending on their disparities in security strategies and perception towards China's role in the region. Immediately after the announcement of AUKUS, Indonesia issued five-point statements which expressed deep concern over the continuing arms race. One of them is that Indonesia asks every nation to uphold the international law in resolving disputes in the region, which here refers to UNCLOS 1982.

No provisions under international law of the sea, whether it concerns only in UNCLOS 1982 or going to be the other conventions regarding the ocean, which allow the use of nuclear-powered on vessels. Nevertheless, UNCLOS 1982 is also regulating maritime boundaries which are divided into several parts, one of them is the Exclusive Economic Zone, an area beyond the territorial sea which extends 200 nautical miles with specific regime

in the international law called as sovereign right. As stated in UNCLOS  $1982^{44}$ 

Within its defined EEZ, a coastal nation has sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, whether living or non-living, of the waters superjacent to the seabed and of the seabed and its subsoil, and with regard to other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, currents, and winds.

Stronger negativity against AUKUS has come from Malaysia as their statement which said that AUKUS could be a catalyst for a nuclear arms race in the Indo-Pacific. The Prime Minister made it clear that Malaysia rejects any alliances that share nuclear weapons or related technology. While Thailand, being both a treaty ally to the United States and a close strategic partner of China, found themself in a difficult position to choose due to the AUKUS announcement. Afraid of being seen as favoring one side over the other, Thailand has not released any statement about AUKUS. Conversely, Singapore, Vietnam, and Philippines viewed AUKUS through an even more

<sup>&</sup>lt;sup>44</sup> The United Nations Convention on The Law of The Sea 1982.

<sup>&</sup>lt;sup>45</sup> Li, M. (2022). ASEAN's responses to AUKUS: implications for strategic realignments in the Indo-Pacific. *China International Strategy Review*, *4*(2), 268–287. https://doi.org/10.1007/s42533-022-00121-2

positive lens. For them, although they are also genuinely concerned that AUKUS might mark the beginning of nuclear use on the ocean, they also believe that AUKUS would contribute constructively to the peace and stability of the region and complement the regional architecture. For Indonesia, as the elder sibling in Southeast Asia, which has actively generated ideas used by ASEAN as a framework in facing every common issue, needs once again to be active and solution-oriented by embracing all ASEAN members to sit together and engage in dialogue to align perceptions towards the dynamics of the environment occurring in the region.<sup>46</sup>

Looking to the second possibility, instead of tearing the ASEAN members apart, AUKUS presence could further polarize ASEAN back to its centrality after being divided into several different interests on South China Sea issues and Myanmar post-coup crisis.<sup>47</sup> ASEAN faces a challenging task in moderating this rivalry. However, in terms of being a peacemaker, ASEAN should avoid taking

<sup>&</sup>lt;sup>46</sup> Gagat Widyatmoko, W., Zakky Almubaroq, H., & Saragih, H. J. (n.d.). *Dilema ASEAN Centrality dan Respon ASEAN Dalam Menghadapi Pembentukan Pakta Pertahanan Antara Australia-Inggris-AS (AUKUS)* (Vol. 4, Issue 1).

<sup>&</sup>lt;sup>47</sup> Pongsudhirak, T. (2021, December 10). AUKUS Raises Temperature in Southeast Asia. *GIS Reports Online*.

sides to maintain its neutrality. Even though the members are undoubtedly favoring a figure based on their state interest, ASEAN as the organization shall take an active role to wrap all this siding matters into neutrality. All countries strive for the same goal of peace, stability, and development. The way of chasing it may vary. Ten is not always five plus five, it is also six plus four or also twenty divided by two. This analogy is proper to apply within this case.

While everyone's focus has primarily been on AUKUS' plan to supply Australia with eight nuclear-powered submarines over the next two decades, this trilateral pact extends much further. Its members intend to exchange information and technology, as well as merge their security and defense capabilities. The purpose is to uphold the established international rules-based order which was established by the Anglo-American alliance after World War II, benefiting the allies in AUKUS. The alliances formed within AUKUS is a form of further sign of mutual interest in preserving regional stability by enhancing

technological innovation and strengthening closer defense relations.<sup>48</sup>

AUKUS is likely to be perceived as a symbolic act of aggression by Western powers in China's perspective. Chinese leadership is expected to point fingers at Australia, accusing them by blaming China for the pandemic and subsequently skyrocketing tensions through trade conflicts. On the other side, AUKUS might be viewed as Australia teaming up with its more powerful allies to confront China. This situation actually fluctuated, making China adopt an aggressive diplomatic stance which led to even more increasing tension.

After much looking reactively to the negative sides, it is the time to be more proactive in thinking. Although the presence of AUKUS is highly controversial, compounded by the lack of international regulations permitting the use of nuclear-powered in any type of vessel. Yet, looking on the bright side, its presence could be a big chance to gain deeper insight into the current security architecture. Today, the AUKUS Agreement has received generally positive responses across the Indo-Pacific region, with the

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<sup>&</sup>lt;sup>48</sup> *Ibid*, 2.

exception of China. This response could not be automatically interpreted as the states in the region, including ASEAN, strongly stand on the AUKUS' side. This positive response is mainly due to concerns about China's military buildup, growing power, and tendency to bully the neighborhood in the region by its assertiveness.

Presence of AUKUS in the region is strengthening regional peace and stability even though it is somehow challenging ASEAN centrality at first. Yet, the trilateral development and provision of joint advanced military capabilities under Pillar Two AUKUS Agreement could secure the future military and greater technological collaboration by helping to relax export controls and other barriers.<sup>49</sup> This could lead to a more integrated and open defense ecosystem that balances the threats of strategic competition by harnessing the strengths of collective capabilities.<sup>50</sup> Thus, AUKUS plays a vital role in the effort to count China in the Indo-Pacific. Hopefully it could

<sup>&</sup>lt;sup>49</sup> Christianson, J., Monaghan, S., & Cooke, D. (2023). *AUKUS Pillar Two Advancing the Capabilities of the United States, United Kingdom, and Australia*.

<sup>50</sup> Ibid.

restore and preserve equilibrium without jeopardizing regional stability.

What then ASEAN shall do in action to face this? As the leading framework promoting a rules-based order in the region, ASEAN's involvement in the Indo-Pacific has the potential to prevent external power from shaping the region. It was almost five years ago that ASEAN was serving the Indo-Pacific ASEAN Infrastructure and Connectivity Forum as the implementation of ASEAN Outlook on the Indo-Pacific, to facilitate economic cooperation initiatives. The forum aims to strengthen partnerships and improve connectivity in the region by following points:

- Developing infrastructure to better connect countries in the region;
- Promoting cooperation in a wide range of areas including digital connectivity, maritime cooperation, supply chain resilience, electricity connectivity, human and knowledge connectivity in addition to transport infrastructure development;
- 3. Providing capacity building projects for five thousands individuals over the next three years;

4. Featuring industry leaders and experts from governments, international financial institutions and organizations, as well as world class companies from ASEAN and partners in the Indo-Pacific.

The ASEAN Outlook on the Indo-Pacific itself is a document that was officially endorsed by ASEAN leaders during their 34th Summit in Bangkok. It serves a response to the emerging new pattern of major power relations in the Indo-Pacific region.

Critics argue that this document remains short on actionable steps and just a formality in facing the fluctuating challenges in the region. In addition, this document is only prepared for a dynamic pattern which resulted from China's assertiveness, but not ready for AUKUS presence in the region. ASEAN actually faces two highly challenging tasks today. Firstly is how to carefully address the intensifying rivalry between China and the United States. Secondly regarding the mechanism to deal with the AUKUS military and technology which uses nuclear-powered weapons.

Thus, to solve this problem, ASEAN shall take concrete action. Directly moderating China and the United States is

impossible. Several actions which may be a solution to the ASEAN dilemma by formulating an Indo-Pacific strategy that recognizes AUKUS, the Quad, and other similar arrangements as responses over China's growing military and economic power.<sup>51</sup> ASEAN should indeed understand that rather than fearing China's counteroffensive, ASEAN should use AUKUS and other similar arrangements as a tactic facing China's military movement. AUKUS can be used by ASEAN to illustrate regional architecture without including other interests such as the use of nuclearpowered in the marine environment. By keeping this pace stable, ASEAN simultaneously can find the momentum to strengthen cooperation with China in terms of economic development. Through this mechanism, ASEAN can protect its centrality and non-alignment principle clearer but put the region's security into account.

### C. Conclusion

The emergence of the AUKUS trilateral pact in the Indo-Pacific raised significant concerns due to its nuclear-powered submarine component. The pact aims to

 $<sup>^{51}</sup>$  Supriyanto, R. A. (2021). Why Southeast Asia Should Welcome AUKUS. Foreign Policy.

counterbalance China's growing influence in the region. This development signifies a shift in power dynamics, with China's rise challenging the United States' dominance. AUKUS has intensified the Sino-United States security dilemma, particularly in the South China Sea, where China's assertive actions have created tensions. AUKUS adds complexity to ASEAN's challenges, requiring the organization to navigate the power struggle between China and the United States. ASEAN's response has been mixed, reflecting diverse national interests within the organization.

ASEAN finds itself in a dilemma position, with member states expressing varying responses to AUKUS. The alliance has the potential to polarize ASEAN further, leading to divisions among member states. Some countries view AUKUS as a positive force to maintain regional stability, while others fear it could escalate tensions and disrupt ASEAN's centrality. ASEAN's historical role in the South China Sea diplomacy has been challenged by China's actions and the rising influence of external powers. The AUKUS Agreement, beyond nuclear-powered its component, signifies military submarine deeper collaboration and the strengthening of alliances to counter China's influence. While concerns about nuclear

proliferation and potential arms race persist, AUKUS has actually brought positive responses in the Indo-Pacific region. ASEAN shall adapt to this changing landscape, recognizing AUKUS and similar arrangements responses to China's military advancements. ASEAN's should focus maintaining regional strategy on architecture, protecting its centrality, and promoting economic cooperation while addressing security concerns. Concrete actions, such as formulating an Indo-Pacific strategy, can help ASEAN navigate the complexities and preserve regional stability in the face of evolving power dynamics.

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