



How to cite this article:

Khalid, A., & Mat, B. (2024). Sino-US Strategic Competition in the Indo-Pacific: Exploring Responses from Malaysia and Indonesia. *Journal of International Studies*, 20(1), 177-200. <https://doi.org/10.32890/jis2024.20.1.7>

SINO-US STRATEGIC COMPETITION IN THE INDO-PACIFIC: EXPLORING RESPONSES FROM MALAYSIA AND INDONESIA

¹Amna Khalid & ²Bakri Mat

¹School of International Studies,

Universiti Utara Malaysia, Malaysia

²Asian Institute of International Affairs & Diplomacy,

School of International Studies,

Universiti Utara Malaysia, Malaysia.

²Corresponding email: bakri@uum.edu.my

Received: 27/12/2023 Revised: 3/1/2024 Accepted: 12/2/2024 Published: 12/5/2024

ABSTRACT

The Indo-Pacific region has emerged as a significant global focal point due to the increasing influence exerted by China and the United States. In light of the dynamic nature of the global geopolitical landscape, Malaysia and Indonesia, as two prominent Southeast Asian states, find themselves at the nexus of this competition. China and the United States are two regional superpowers which have strategically positioned themselves in the Indo-Pacific. A systematic literature review was conducted to examine the crucial role of Indonesia and Malaysia in the context of the escalating Sino-US strategic competition in the Indo-Pacific region. By focusing on research articles, books and reports, this work explored the policy and strategic outlook,

methodological approaches and methods underpinning Indo-Pacific discourse in Indonesia and Malaysia. The methodology adopted for this review was systematic by following the seven stages suggested by Petticrew and Roberts (2008). This review's findings indicated the diverse range of theories, methodologies, practical strategies, and approaches that scholars have employed in examining the roles of Indonesia and Malaysia in the Indo-Pacific region. Consequently, this paper broadens the scope for scholars by expounding upon the strategic outlook of Indonesia and Malaysia within the Indo-Pacific discourse, along with the various methodological and theoretical frameworks and conceptual models that may inform future research endeavours. This study was however, limited to gathering input from journal articles, books, book chapters, and reports, and excluding other sources such as conference papers and op-eds. Furthermore, the scope of studies accessed was limited to data available from 2013 to September 2023.

Keywords: Indo-Pacific, Indonesia, Malaysia, Sino-US competition, systematic literature review.

INTRODUCTION

The Indo-Pacific region has emerged as an epicentre of global power dynamics owing to its strategic importance in geopolitics and geostrategy. Its position as a nexus for political, economic and strategic interactions persists, driven by its vital maritime links connecting the Pacific and Indian Oceans (Chacko, 2016). Scholars, academicians, and policymakers are of the view that this Indo-Pacific maritime contestation is and will be an intense period of power and dominance. The available literature posits that this region has been largely viewed as an epicentre of power contestation among major and middle powers. In the Indo-Pacific maritime domain, states including middle and smaller ones are at a crossroad of managing with the strategic dynamics evolving due to China and the US (Rahman, 2022). At present, the Indo-Pacific region is witnessing changes in its geostrategic and geopolitical landscape. The strategic competition between Beijing and Washington is evident as a result of their conflicting interests in the region. US wants to maintain its dominance in the region as a stabilising force, while China aims to expand its influence and protect its economic interest (Lee & Zulkefli, 2021). This competition manifests in areas such as diplomatic

engagement, economic interests, security issues and the military. For both countries, the Indo-Pacific has become a perilous strategic zone to advance their strategic interests and compete for global influence (Morris, 2022; Moyer et al., 2021). In the context of these prevailing strategic dynamics, it is crucial to understand and analyse other states' stances and behaviour toward the Indo-Pacific competition. Notably, Southeast Asia, anchored by ASEAN, represents a critical nexus in this regional power play and underpins Asia's multilateral architecture (Parameswaran, 2018). The role of Southeast Asian states is divergent and unclear, which requires attention to examine why and how some regional states opt for a specific strategic outlook. Therefore, two significant ASEAN member states, Indonesia and Malaysia, have been selected to conduct the present study's systematic review.

This systematic review endeavours to elucidate the responses of Indonesia and Malaysia vis-à-vis the escalating US-China competition in the Indo-Pacific. The study's twofold objectives are as follows: firstly, to evaluate the previous research on the role of Indonesia and Malaysia in scrutinising their behaviour and secondly, how current literature places these two states in the Indo-Pacific discourse. Subsequently, the conceptualisation of this discourse, discerning methodologies, theoretical underpinnings, and associated frameworks from 2013 to 2023 were also examined. This timeline corresponds with the inception of China's Belt and Road Initiative and Indonesia's accentuated maritime engagements after their foray into the Indo-Pacific dialogue. This period witnessed many transformations in the military, defence, economic and political engagement spheres, particularly within Southeast Asia.

This study can be seen as making two significant contributions to the ongoing discourse regarding scholars' perspectives when depicting the roles of Indonesia and Malaysia in regional affairs. Furthermore, it sheds light on the current state of research methodologies and methods, highlighting the favoured approaches employed by scholars. The results of this review can support future work on the exploration of middle power responses designed to strategically adapt to the multifaceted dynamics in the Indo-Pacific. Furthermore, the exploration of various theories and conceptual frameworks can contribute to the field of international relations (IR). It is imperative to advance existing paradigms, methodologies or integration of different IR theories due to the significant expansion of state affairs in modern day (Wahid et al., 2023).

REVIEW METHODOLOGY

A systematic review was conducted to investigate Indonesia's and Malaysia's responses in the Indo-Pacific region from 2013 to 2023. Systematic reviews are equally important in the field of political discourse because policymakers can obtain comprehensive policy and strategic perspectives from the most pertinent evidence. These reviews offer a useful resource that serves as a foundation for formulating policies (Petticrew & Roberts, 2006). Moreover, systematic reviews make it credible for policymakers to use evidence-based decision-making (Dacombe, 2018). The seven steps suggested by Petticrew and Roberts were followed in conducting the present study's systematic literature review (SLR). The stages include the following: formulating the question(s), determining the types of studies, extending a thorough search to find studies, screening the results with inclusion criteria, appraising and synthesising the selected studies, and finally, disseminating the results gathered from the studies. These stages are elaborated in detail as follows:

Stage 1: Research Questions

- i. How does the current literature position Indonesia and Malaysia in response to Sino-US strategic competition in the Indo-Pacific?
- ii. Which research methodology, methods and theoretical and conceptual approaches have been used to analyse the role of Indonesia and Malaysia in the Indo-Pacific?

Stage 2: Types of Studies

Indo-Pacific discourse is still in the stages of development, and it is therefore, crucial to incorporate some grey literature alongside research articles published in journals and books. To ensure that no critical research was overlooked, grey literature such as reports and analyses have also been included in the search.

Stage 3: Extended Search

A range of academic databases were utilised, and these included those from Scopus and JSTOR, publishing company Taylor & Francis, as well as general search engines like Google Scholar. Advanced search (boolean operator AND) was used to search the titles and abstracts with specific terms separately for Malaysia and Indonesia. The terms were “Malaysia”, “Indonesia,” and “Indo-Pacific;”; with ‘social sciences’ in SCOPUS and ‘International Relations’ in JSTOR, and to delimit

the span of years for inclusion, the time frame selected was from 2013 to 2023. The same selection of criteria was employed in the Taylor & Francis and Google Scholar searches. The search terms encompassed “Malaysia,” “Indonesia,” and “Indo-Pacific,” with a focus on the subject category of “Politics & International Relations” in the Taylor & Francis database. Subsequently, the search outcomes from Scopus and Taylor & Francis were exported into a comma-separated values (CSV) file using the Scopus CSV Export feature and Taylor & Francis export search results option. For JSTOR, the relevant content was manually downloaded, while for Google Scholar, the results were exported to Mendeley to facilitate the screening process.

Stage 4: Screening

For the sake of uniformity, a screening process was carried out involving the titles and abstracts of the identified records, excluding papers that did not align with the inclusion criteria. Only studies that highlighted the role of Indonesia and Malaysia since 2013 were added. The inclusion criteria mainly focused on “search terms” in titles and abstracts. The main data set comprised 952 results in Malaysia and 1426 in Indonesia. The duplicates were removed, and after screening titles and abstracts, 10 results for Malaysia and 89 for Indonesia were left. There were three papers and one book that were not accessible and could not be included. Table 1 shows the records identified, screened, included and excluded.

Stage 5: Appraise

The records presented in Table 1 were downloaded, and a thorough assessment of the eligibility of the full text of the remaining records was conducted. After the eligibility assessment, the number of results for Malaysia was six and 32 for Indonesia.

Stage 6: Synthesise

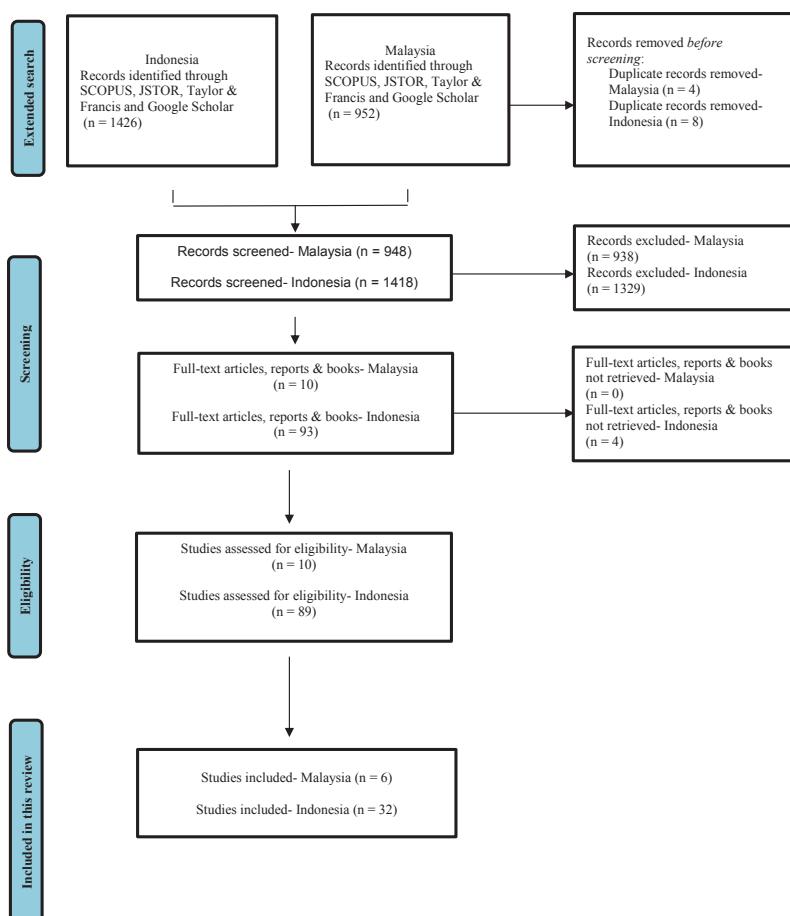
For synthesising the findings, the final results were divided into the following three themes: a) Evolving Regional Dynamics: Policy and Strategic Outlook, b) Hedging Strategy as a Regional Middle Power, and c) A Forward Look at Policies and Strategic Intents. This stage shows that the final results were only analysed based on these themes to evaluate the pattern of studies on the role of Malaysia and Indonesia in Indo-Pacific discourse. At this stage, theories were also analysed by the researchers/scholars, which revealed the analytic approach carried out on the policies and strategies of Malaysia and Indonesia in the Indo-Pacific (See Figure 1).

Stage 7: Findings and Discussion

Based on the themes that were extracted at Stage 6, the findings were disseminated into two separate sections, one for Indonesia and the other for Malaysia. The first section discusses the three themes obtained from previous studies; the second section discusses the research trend and publication frequency from 2013-2023, and theories and conceptual frameworks used by the researchers to analyse these two states' responses to the China and USA competition in the Indo-Pacific.

Figure 1

Search and screening process



FINDINGS AND DISCUSSION: SECTION I

Following an exhaustive analysis of pertinent studies, three overarching themes emerged from the data: first, the evolving regional dynamics influenced the policy and strategic outlook of Indonesia and Malaysia; second, Indonesia and Malaysia were using a manoeuvring strategy as regional middle powers and opting for hedging strategies between China and the US; third, the policy considerations and strategic efficacy of Indonesia and Malaysia. This section bifurcates the discussion into two parts, focusing first on a) Indonesia and then on b) Malaysia.

A) INDONESIA IN THE INDO-PACIFIC: STRATEGIC AND POLICY CONSIDERATIONS

i) Evolving Regional Dynamics: Indonesia's Policy and Strategic Outlook

In May 2013, Indonesia entered the Indo-Pacific dialogue, proposing an Indo-Pacific Treaty for regional cooperation (Shekhar, 2018; Suryadinata, 2018). Subsequently, there was a pivotal shift in 2014 towards a maritime doctrine, championed by President Joko Widodo. This not only marked Indonesia's transition from continental to maritime concerns, but also laid the groundwork for a comprehensive Indo-Pacific strategy. This maritime focus is a key element in Indonesia's strategic vision, balancing its commitment to ASEAN with an expanded geopolitical outlook. Upholding a 'free and active' foreign policy, Indonesia seeks to maintain a central role in ASEAN while extending influence westward, a strategy often referred to as "looking west" (Agastia & Perwita, 2015). However, Indonesia's commitment to a 'free and active' foreign policy involves nonalignment and avoiding taking sides in major power rivalries (Anwar, 2023).

To address regional challenges and pursue its Indo-Pacific strategy, Indonesia actively collaborates with prominent maritime nations such as India, the United States, and Japan. The 2018 security agreement between Indonesia and Japan, in particular, marked a significant turning point, reflecting Indonesia's strategic recalibration (Sundararaman, 2018; Chandramohan, 2016). Building on these collaborations, in 2019, President Joko Widodo introduced the "ASEAN on the Indo-

Pacific Outlook" (AOIP). This distinct approach, despite its similar name to the US Indo-Pacific Strategy, signifies ASEAN's unified effort to reshape geopolitics in the Indo-Pacific region while maintaining a neutral stance towards China and the US (Yu Y.-w., 2019).

ii) Decoding Indonesia's Hedging Strategy as a Regional Middle Power

The dynamic shifts within the Indo-Pacific region are influenced by an array of factors, including an unstable multipolar power balance, emerging rivalries among major powers, China's assertive growth, perceived declines in the relative power of the United States, ongoing territorial disputes, and an ASEAN-led regional order (Shekhar, 2017). In response, Indonesia has strategically positioned itself, emphasising an inclusive approach rather than singling out specific actors in its Indo-Pacific framework. Leveraging ASEAN as a platform, Indonesia's approach underscores its commitment to the norms associated with being a 'middle power,' showcasing regional leadership. Indonesia's inclusivity in regional dynamics, via its ASEAN Outlook on the Indo-Pacific (AOIP), has gathered support from both major and middle powers, highlighting its capability to act as a Southeast Asian regional power (Agastia, 2020).

Over the past decade, Indonesia has pursued a hedging strategy to address evolving trends in the regional and global security landscape. The challenges stem from the influence of the great powers' strategies and visions outside the region, which could potentially alter the security framework in Southeast Asia. However, Indonesia recognises the need for a stable region to support its national objectives. The AOIP serves as Indonesia's defensive strategy aimed at preserving the security structure in Southeast Asia. The principles, mechanisms, and orientations outlined in the outlook are designed to minimise or slow down any changes to the security framework that could lead to destabilisation. Indonesia has leveraged its vital position within ASEAN by proposing the AOIP, which was subsequently adopted successfully by all the ASEAN member states. Moreover, Anwar (2020); Oktaviano et al. (2020) and Qudsianti and Sholeh (2020) have all argued that Indonesia's significant role as a regional middle power contributes effectively to the development of the Indo-Pacific concept. Its strategic pursuit is to harmonise the influence of key actors, primarily the US and China, with the overarching goal of

advancing Indonesia's interests. While balancing the major powers in the Indo-Pacific and particularly in Southeast Asia, Indonesia's role as a middle power emphasises its crucial role in balancing interests, and in the process getting every member state of ASEAN to get on its global maritime fulcrum strategy bandwagon.

The hedging strategy has many layers according to the power dynamics in the Indo-Pacific and in considering the maritime engagement of Indonesia, the country has not only focused on economic collaboration with China, but also actively involving the USA in Southeast Asia. In other words, Indonesia has been able to deploy a double-hedging strategy to navigate the regional order. Jakarta's commitment to the rules-based international order of the United States challenges the traditional approach of hedging in the context of small and middle countries when dealing with major powers (Oktaviano et al., 2020; Mubah, 2019). According to Wicaksana (2022), Indonesia uses different strategies to hedge against risks, which demonstrates a distinct understanding of power dynamics in the region. This approach positions Indonesia as an agent capable of facilitating the development of a diverse regional order. This role challenges the conventional framework of hedging typically used to analyse the foreign policies of small and middle powers in relation to major players.

The middle power hedging strategy of Indonesia as Pratiwi et al. (2021) have rightly pointed out, effectively dealt with the changing dynamics of regional power dynamics, specifically focusing on China's BRI and the Quad's FOIP (Free and Open Indo-Pacific) strategy. Embracing a middle-power strategy, Indonesia is utilising its resources and employing political and strategic tactics. The '5Cs' - capacity, concentration, creativity, coalition-building, and credibility - are attributes of Indonesia's role as a middle power in its response to the FOIP. Jakarta's strategic position is exhibited through various approaches. These approaches focus on non-interference and economic growth in partnership with ASEAN, a rule-based order with the US, and the development of inclusive defence and economic ties with China. Amid these regional uncertainties, where opportunities for cooperation and threats of conflict coexist, Indonesia employs a comprehensive approach that can be best described as hedging-plus (Anwar, 2023). Indonesia can strengthen its ability to persuade the other states in the Indo-Pacific as its comprehensive approach via

hedging-plus resonates with the beliefs and interests of multiple audiences simultaneously (Ardhani et al., 2023). The primary objective of Indonesia's hedging strategy is to maintain its strategic moves in regional affairs, in sum to remain consistent and persuasive. This strategy combines assertive balancing and an accommodative bandwagon approach to navigate through the regional uncertainties (Shekhar, 2017).

Analysing Indonesia's position within the context of multipolar dynamics, there are prospects and constraints for Indonesia to manoeuvre. Indonesia's unique 'third way' strategy involves strategic balancing against both superpowers in conjunction with ASEAN. This ambitious aim seeks to promote the region's 'strategic autonomy' and economic prosperity, even though these approaches may not be entirely separate. While this complex strategy attracts attention from policymakers and academics, it presents challenges in terms of alignment with non-ASEAN powers, potentially leaving Indonesia less prepared to navigate the competition between major powers (Abbondanza, 2022). In the face of regional unpredictability, the different forms of hedging pave the way for Indonesia to adopt a holistic strategy best characterised as an enhanced hedging approach. This approach gives both strategic independence and the ability to act, which involves engaging with all regional states to maximise benefits and minimise risks, both at the national level and within the framework of ASEAN. Simultaneously, Indonesia assumes a leading role in advancing ASEAN-centric, inclusive, and cooperative multilateralism in the broader East Asian region. This active role contributes to shaping both the institutional and normative foundations of the international order in the Indo-Pacific (Anwar, 2023).

iii) Looking Ahead: Indonesia's Policies and Strategic Intents

Indonesia's Indo-Pacific strategy, conceived as a symbolic framework, responds to the escalating great-power competition, notably China's actions extending beyond the South China Sea (Weatherbee, 2019). This strategic vision, framed within ASEAN, serves as a multilateral institutional strategy. However, Indonesia's primary objective is conflict avoidance in order to safeguard its negotiating leverage and maintain the existing regional state of affairs (Sulaiman, 2019).

Relying on ASEAN for regional influence, Indonesia faces debates on the necessity of this dependency. Indonesia's independent action might

not be the most favourable choice, emphasising the importance of contributing to transformative leadership within ASEAN. Indonesia's reliance on ASEAN due to its limited political power presents an opportunity to fortify ASEAN's centrality and achieve foreign policy objectives in the Indo-Pacific without aligning exclusively with any single nation. This aligns with Indonesia's domestic agenda, aiming to become a robust maritime nation (Ekaputra, 2021; Auliya and Sulaiman, 2019; Milner, 2019).

Indonesia has achieved some success in expanding its influence in both the Indian and Pacific Oceans. However, it has struggled to establish itself as a formidable maritime power. Furthermore, its efforts to promote an Indo-Pacific Treaty of Cooperation and Friendship (IPTCF) and its Indo-Pacific Cooperation Concept (IPCC) have had limited impact in the face of China's expanding presence and intensifying great power rivalry in the region. Indonesia is also navigating competing interests in its diplomacy with Australia, India, Japan, and the United States. Indonesia's position and active involvement, particularly in Indo-Pacific security architecture, is still questionable due to the effectiveness of ASEAN in navigating the Indo-Pacific dynamics. A fragmented and ineffective ASEAN, coupled with Indonesia's Indo-Pacific Cooperation strategy, faces challenges in upholding principles and maintaining a vague multilateral approach (Scott, 2019; Shekhar, 2018b). Indonesia needs to influence the evolving Indo-Pacific framework, standards, and collaborative efforts within the region. Jakarta's delayed diplomatic initiative, though impactful, raises concerns about ASEAN's unity and determination (Nabbs-Keller, 2020). Indonesia seeks to preserve regional stability through increased cooperation, aiming to mitigate tensions through expanding multilateral economic and cultural connections. This approach also helps Indonesia avoid getting involved in efforts to create a regional counterbalance against China. The primary motivation behind Indonesia's focus on building multilateral institutions is its absence of a clear Indo-Pacific policy. With the recent divisions within ASEAN member states, between those favouring China and those cautious of China, Indonesia may no longer have the luxury of staying neutral in the future (Yu Y.-W., 2020). President Jokowi's maritime collaboration and economic diplomacy are part of the Indonesian foreign ministry's objective of upholding ASEAN unity and facilitating Indonesia's leadership in the AOIP (Dannhauer, 2022).

The AOIP is Indonesia's defensive strategy, aimed at preserving the security structure in Southeast Asia and its position as a regional middle

power. Indonesia's influence is analysed concerning the integration of Southeast Asia's geopolitical terrain into a larger area, potentially diminishing Indonesia's sway. Cooperation and dialogue are recommended to foster friendly relations in the region. Indonesia's role in the Indo-Pacific underscores the active leveraging of its normative, intangible power rather than relying solely on concrete assets like the military or its economic strength (Pertiwi 2020; Yu 2020). The ambition for a notable geopolitical role in the Indo-Pacific requires Indonesia's progression into a middle power, focusing on realising the Global Maritime Fulcrum (GMF) vision, particularly by enhancing military capabilities (Radjendra et al., 2022). Indonesia's Indo-Pacific stance is moderate, differing from the US's more exclusionary approach towards China. Indonesia, along with ASEAN, advocates inclusiveness but also seeks to establish rules and norms, and invites central states for cooperation (Aufiyya, 2023). Despite Indonesia's traditional passive approach, which has been to rely on ASEAN for stability, the absence of a well-defined strategy raises concerns about its ability to navigate the Indo-Pacific dynamics effectively (Laksmana, 2021). Strategic measures for territorial integrity in the North Natuna Sea underscore Indonesia's vigilance against potential threats from major powers in the Indo-Pacific (Prayoga et al., 2021).

B) MALAYSIA IN THE INDO-PACIFIC: STRATEGIC AND POLICY CONSIDERATIONS

i) Evolving Regional Dynamics: Malaysia's Policy and Strategic Outlook

In June 2019, Malaysia, as an ASEAN member, adopted the ASEAN perspective on the Indo-Pacific. Notably, the term 'Indo-Pacific' was conspicuously absent from Prime Minister Mahathir Mohamad's officially launched foreign policy framework for a New Malaysia, titled "Change in Continuity" in September 2019. While the Indo-Pacific Strategy has been introduced in the Southeast Asian region, Malaysia has remained reserved, neither fully embracing nor explicitly rejecting it (Viswanathan, 2020). Despite this stance, Malaysia has witnessed improved bilateral relations with Quad countries, suggesting a cautious but evolving engagement with the Indo-Pacific. Malaysia has adopted a relatively silent stance regarding the Indo-Pacific region. Despite being strategically located at the convergence

of the Indian and Pacific Oceans, Malaysia has not actively embraced the Indo-Pacific construct in its official statements. This silence has raised questions among analysts, considering Malaysia's territorial claims in the South China Sea and its historical role in regional affairs (Kuik, 2020). Embedded within the grand strategic narrative of the Indo-Pacific, this strategy presents Malaysia with an opportunity to enhance its relationships with significant partners and explore new avenues for engagement and cooperation. Malaysia, however, faces difficulties as a result of the Indo-Pacific strategy's broad scope, which is more heavily influenced by geopolitics than geography. As a relatively small country with a primary focus on internal development, Malaysia prioritises regional stability (Krishnan, 2020).

ii) Decoding Malaysia's Hedging Strategy as a Regional Middle Power

The escalation of political rivalry between the United States and China in the Indo-Pacific region might result in increased regional divisions, but the growing rivalry between these major powers in the economic sphere has also led to a backlash against economic globalisation. Nevertheless, Malaysia may find itself with limited room for manoeuvre as it adapts to the shifting geopolitical and economic landscape. Consequently, it becomes crucial to prioritise regional unity to ensure a cohesive and effective response to the escalating strategic competition between the U.S. and China. The question that remains is whether leaders from Malaysia and other ASEAN nations can collaborate closely and assume the necessary roles to navigate the unpredictable and heightened rivalry between the United States and China (Chin, 2023). There perhaps should be a tactical recalibration in Malaysia's foreign policy, transitioning from the erstwhile Asia-Pacific paradigm to the current Indo-Pacific construct. This recalibration is reflective of Malaysia's hedging strategy, particularly evident in its interactions with China's Belt and Road Initiative and South China Sea posturing. Malaysia's middle power-ship approach focuses on the political economy while maintaining nonalignment in security matters, aiming to manipulate regional power dynamics to its advantage. Central to this strategy is the importance placed on ASEAN's role in Malaysia's foreign policy, serving as a platform for engagement with major powers (Saravananuttu, 2022). Kuik (2016) has argued that unlike one-sided approaches, hedging involves maintaining balanced relationships and countering potential threats,

allowing weaker states to keep their options open in an uncertain power landscape. Malaysia's alignment behaviour is motivated by concerns such as avoiding entanglement in great power conflicts, fear of isolation, and safeguarding domestic authority (Kuik, 2016).

iii) Looking Ahead: Malaysia's Policies and Strategic Intents

While Malaysia values its partnerships with various countries, it faces a dilemma in aligning itself with the United States or China. Any abrupt policy shift could have direct repercussions for the region and potentially lead to Malaysia's marginalisation or entrapment. Moreover, lack of centrality in Quad also makes it difficult for Malaysia to fully endorse it. Therefore, Malaysia remains cautious, and the unclear goals of the US-led Indo-Pacific strategy raise concerns for Malaysia. Hence, for Indo-Pacific to be favoured by Malaysia, the U.S.-led Indo-Pacific needs to be precise. Currently, Malaysia's stance in the Indo-Pacific construct is one of neutrality, with a "wait and see" approach. Developing a more defined vision for its Indo-Pacific strategy is crucial, especially if the US aims to attract Southeast Asian countries like Malaysia. Therefore, Malaysia's posture within the Indo-Pacific framework is neutral (Krishnan, 2020). The reasons behind Malaysia's cautious approach include domestic political transitions and concerns about being drawn into great power rivalries. Debates within policy and research circles centre on terminology preferences, whether the Indo-Pacific is an externally imposed construct or an emerging regional reality, and Malaysia's capacity to bridge the Asia-Pacific and Indian Ocean areas. Leveraging its geographical location, Malaysia could play a vital role in fostering connectivity, cooperation, and shared security between the two dynamic ocean regions, aligning with the ASEAN Outlook on the Indo-Pacific (Kuik, 2020).

As the Indo-Pacific Strategy is an evolving initiative, Malaysia stands to gain further advantages as it expands into new areas. Additionally, Malaysia has the potential to serve as an economic hub, connecting nations in the Indian and Pacific regions, and offering opportunities for economic growth. Malaysia is also keen on preserving its relationship with China, leading to a policy approach that involves case-by-case decision-making, often described as 'picking its battles.' Malaysia currently adopts a relatively cautious stance, lightly hedging against China while strengthening its comprehensive partnership with the United States. However, with China's increasing assertiveness in the

South China Sea, Viswanathan (2020) has suggested that Malaysia might opt for a more assertive approach, referred to as heavy hedging, to protect its sovereignty in the future. A comparative analysis of Malaysia and Indonesia's responses in the Indo-Pacific can be seen in Table 1.

Table 1

A Comparative Analysis of the Responses of Indonesia and Malaysia Towards Sino-US Competition in the Indo-Pacific

Aspect	Indonesia	Malaysia
Evolving Regional Dynamics	Entered Indo-Pacific dialogue in May 2013, proposed Indo-Pacific Treaty	Adopted ASEAN Perspective on the Indo-Pacific in June 2019
Strategic Vision	Maritime doctrine since 2014, “looking west” strategy (strengthening ties with US and other Western powers)	Cautious engagement, absence of explicit embrace or rejection of the Indo-Pacific
Collaborations and Agreements	Security agreement with Japan in 2018, participation in the development of the ASEAN Outlook on the Indo-Pacific (2019)	Improved relations with Quad countries (e.g., participating in military exercises), recalibration in foreign policy
Hedging Strategy	Inclusive approach, ASEAN Outlook on the Indo-Pacific (AOIP)	Political economy focus, nonalignment in security matters
Economic Engagement	Focus on regional economic integration and maintaining open markets	Balancing trade with China and the US
Strategic Pursuits	‘5Cs’ strategy - Capacity, Concentration, Creativity, Coalition-building, Credibility	Emphasis on ASEAN’s role, maintaining balanced relationships
Approach to Major Powers	Nuanced diplomatic stance - Non-interference and economic growth with ASEAN, rule-based order with the US, inclusive regional order with China	Cautious approach, potential heavy hedging against China in the future
Geopolitical Challenges and Responses	‘Third-way’ strategy, strategic balancing	Transition from Asia-Pacific to Indo-Pacific, engagement with Belt and Road Initiative
Outlook on Future Policies	Multilateral institutional strategy, conflict avoidance within ASEAN	Cautious approach, ‘wait and see’ strategy, potential for a more assertive stance

FINDINGS AND DISCUSSION: SECTION II

Research Methodologies and Theories in Analysing the Role of Indonesia and Malaysia

It is worth noting that 14 out of the 32 studies reviewed have used a theoretical or conceptual framework for analysing Indonesia's policy and strategic outlook in the Indo-Pacific discourse. For example, liberal institutionalism was used by Auliya and Sulaiman (2019) to examine the significance of Indonesia's role in the context of its membership within the regional institution of ASEAN. Different studies have pointed out Indonesia's strategic outlook towards the China-US competition and the country's role as a regional middle power. Being a regional middle power, Indonesia has been adopting hedging, soft hedging or double hedging (Abbondanza, 2022; Wicaksana, 2022; Pratiwi et al., 2021; Mubah, 2019). These studies underscored the pivotal nexus between research methodology and consequential research findings (See Table 2).

Table 2

Indonesia: Research Methodology, Methods & Theoretical, Conceptual Framework

Methodology and Method	Author(s)
Narrative analysis	Agastia, 2020
Qualitative, case study approach, secondary sources	Oktaviano, 2020
Qualitative, primary and secondary sources	Pertiwi, 2020
Qualitative, descriptive analysis	Qudsiati and Sholeh, 2020
Process tracing method	Pratiwi et al., 2021
Qualitative, descriptive analysis	Prayoga et al., 2021
Qualitative, Interviews	Dannhauer, 2022
Qualitative, descriptive analysis, secondary sources	Radjendra et al., 2022
Qualitative library methods from primary and secondary sources	Aufiya, 2023

Theoretical and Conceptual Framework	Author(s)
Liberal Institutionalism	Auliya and Sulaiman, 2019
Conceptual Framework of Middle Power and Hedging	Mubah, 2019

(continued)

Theoretical and Conceptual Framework	Author(s)
Traditional Regionalism	Scott, 2019
Role Theory	Agastia, 2020
Regional Security Complex Theory, Regional Governance, Theory of Strategy	Oktaviano, et al., 2020
Conceptual Framework: Three faces of maritime power	Pertiwi, 2020
Balance of Power Theory	Qudsiati and Sholeh, 2020
Theoretical Approach of Middle Power	Pratiwi et al. 2021
Neorealism	Prayoga, et al., 2021
Middle Power Theory	Abbondanza, 2022
Role Theory, Role Integration Model	Dannhauer, 2022
Conceptual Framework: Agential role and hedging strategy	Wicaksana, 2022
Three Pillar Conceptual Framework of International Order	Anwar, 2023
Legitimation strategy framework	Ardhani et al., 2023

Similarly, two out of the six studies have used a theoretical/conceptual framework for analysing Malaysia's policy/strategic outlook in the Indo-Pacific discourse. However, the strategic outlook of Malaysia was also highlighted as deploying hedging in regional affairs.

Table 3

Malaysia: Theoretical and Conceptual Framework

Theoretical and Conceptual Framework	Author(s)
Regional Security Complex Theory	Krishnan, 2020
International-domestic interaction approach	Chin, 2023

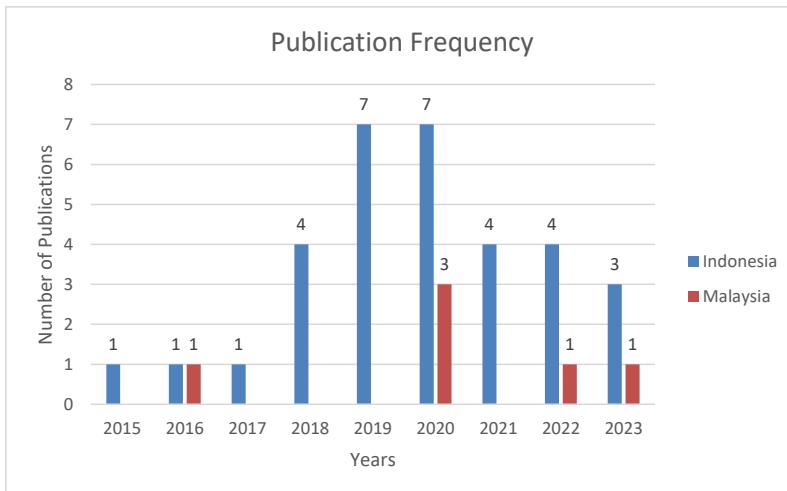
Krishnan (2020) contextualised the discussion from the lens of regional security complex theory, providing a foundation for regional settings and analysed the role of Malaysia in these complex regional settings. In contrast, Chin (2023) integrated the international-domestic approach to analyse the impact of the systemic environment on the behaviour of the state (See Table 4).

Research Publication Trend Over the Period 2013 – 2023

Figure 2 shows the number of research publications on the responses of Indonesia and Malaysia to the Sino-U.S competition in the Indo-Pacific. It also displays the annual count of research studies.

Figure 2

Publication Trends about Indonesia and Malaysia in Relation to the Sino-US Strategic Competition in the Indo-Pacific (2013-2023)



CONCLUSION

This investigation delved into the prevailing academic literature focusing on the responses of Indonesia and Malaysia towards US and China competition in the Indo-Pacific. Three predominant themes have emerged from this systematic review, and they are as follows. Firstly, the dynamics of regional security subsequent to the comments from the Japanese Prime Minister Shinzo Abe on the ‘confluence of two oceans,’ America’s Indo-Pacific strategy and engagement in the region, and China’s expansion from continental to sea power are still evolving. Due to these unprecedented dynamics, challenges and opportunities for Southeast Asian states, particularly in relation to Indonesia and Malaysia, have arisen. Secondly, unlike Malaysia, Indonesia, being a crucial regional power in Southeast Asia and an important founding member of ASEAN, finds itself at the crossroads of these Indo-Pacific complex dynamics. Since 2013, Indonesia, under different presidential leadership, has advanced its foreign policy in the context of the nation’s economic, defence and maritime spheres. The role of Malaysia and Indonesia in the Indo-Pacific, according to the review of the analyses of scholars in the present study, has been

ambiguous and neutral, a case of adopting hedging strategies with regard to the competition between China and the USA. The studies show that these two Southeast Asian nation states ought not to tilt towards one or the other superpower; rather, their geographical position gives them the potential to establish their presence as strong regional middle powers. Therefore, Indonesia and Malaysia are placed in the Indo-Pacific discourse as ‘regional middle powers’ by employing a ‘hedging strategy’ to manoeuvre their respective stances. Thirdly, a deeper examination of regional dynamics necessitates greater clarity on the actorness of Indonesia and Malaysia and their tangible strategic efficacy in the region.

Moreover, in terms of the published literature, methodology, and theoretical findings reviewed, the trend shows that scholarly work about Indonesia and Malaysia has increased since 2019. Moreover, the reviewed studies used incongruous research approaches with less focus on methodology, methods and theories. This has the potential to provide more opportunities for future research endeavours, aiming for a deeper comprehension of the roles played by other Southeast-Asian states in the Indo-Pacific. It offers an opportunity to substitute or supplement conventional research techniques like face-to-face interviews, questionnaires, and surveys. Furthermore, the present study could be seen as inspiring scholars in the field of International Relations to contemplate the significant contributions of Malaysia and Indonesia in shaping the empirical discourse surrounding the Indo-Pacific. This could have implications for scholars to explore methodologies and theories that align with empirical studies, and for policymakers and diplomats to comprehend policymaking in the future.

Nevertheless, this study is limited in different ways. First, although efforts have been made to include all studies that analyse the role of Indonesia and Malaysia towards the China and USA competition in the Indo-Pacific, some studies might have been missed due to their inaccessibility. Second, using SCOPUS, JSTOR and Google Scholar might not be sufficient sources for retrieving other relevant studies. Third, by selecting only journal papers, books, book chapters and reports, other sources such as conference papers and op-eds were omitted from the present review. Lastly, the span of coverage between 2013-September 2023, albeit deliberately selected, does not include the data before and after this timeframe.

To address these limitations, future endeavours should bridge the gap, by further examining the middle power diplomacy of both states, their purported hedging tactics, and practical strategic alternatives. This requires the adoption of more nuanced research techniques and theoretical frameworks. Moreover, grey literature (newsletters, op-eds, speeches, etc.) that has been excluded in this study can be included in future studies with a different timeframe. It is also crucial for academics studying international relations to carefully choose and employ research methods and ideas to make sure they contribute to the Indo-Pacific discourse.

ACKNOWLEDGEMENT

This research was supported by the Fundamental Research Grant Scheme (FRGS/1/2017/SS02/UUM//1), from the Ministry of Higher Education (MoHE), Malaysia. We would like to thank our colleagues from Universiti Utara Malaysia, who provided insights and expertise that greatly assisted the research, although they may not agree with all of the interpretations of this paper. We would also like to show our gratitude to everyone for sharing their pearls of wisdom with us during the course of this research, although any errors are our own and should not tarnish the reputations of these esteemed persons.

REFERENCES

- Abbondanza, G. (2022). Whither the Indo-Pacific? Middle power strategies from Australia, South Korea and Indonesia. *International Affairs*, 98(2), 403-421. <https://doi.org/10.1093/ia/iaab231>
- Agastia, I. G. (2020). Understanding Indonesia's role in the 'ASEAN Outlook on the Indo-Pacific': A role theory approach. *Asia and the Pacific Policy Studies*, 7(3), 293-305. <https://doi.org/10.1002/app5.308>
- Agastia, I. G., & Perwita, A. A. (2015). Jokowi's Maritime Axis: Change and Continuity of Indonesia's Role in Indo-Pacific. *Journal of ASEAN Studies*, 3(1), 32-41. <https://www.ssoar.info/ssoar/handle/document/46194>
- Anwar, D. F. (2020). Indonesia and the ASEAN outlook on the Indo-Pacific. *International Affairs*, 96(1), 111-129. <https://doi.org/10.1093/ia/iiz223>

- Anwar, D. F. (2023). Indonesia's hedging plus policy in the face of China's rise and the US-China rivalry in the Indo-Pacific region. *The Pacific Review*, 36(2), 351-377. <https://doi.org/10.1080/09512748.2022.2160794>
- Ardhani, I., Nandyatama, R. W., & Alvian, R. A. (2023). Middle power legitimization strategies: The case of Indonesia and the ASEAN Outlook on the Indo-Pacific. *Australian Journal of International Affairs*, 77(4), 1-21. <https://doi.org/10.1080/10357718.2023.2228709>
- Aufiya, M. A. (2023). Factors in constructing Indonesia's perspectives on the Indo-Pacific. *Journal of Liberty and International Affairs*, 9(1), 253-264. <https://doi.org/10.47305/JLIA2391259a>
- Auliya, P., & Sulaiman, Y. (2019). Indonesia, ASEAN Centrality and Global Maritime Fulcrum. *Jurnal Global & Strategis*, 13(1), 79-90. <https://doi.org/10.20473/jgs.13.1.2019.79-90>
- Chacko, P. (2016). New regional geopolitics in the Indo-Pacific: Drivers, dynamics and consequences (1st ed.). Routledge.
- Chandramohan, B. (2016). Indonesia's new maritime. *New Zealand Institute of International Affairs*, 41(1), 21-24. <https://www.jstor.org/stable/48551875>
- Chin, K. F. (2023). Malaysia in changing geopolitical economy: Navigating great power competition between China and the United States. *The Chinese Economy*, 56(4), 321-329. <https://doi.org/10.1080/10971475.2022.2136697>
- Dacombe, R. (2018). Systematic reviews in political science: What can the approach contribute to political research? *Political Studies Review*, 16(2), 148-157. <https://doi.org/10.1177/1478929916680>
- Dannhauer, P. (2022). Elite role conceptions and Indonesia's agency in the ASEAN outlook on the Indo-Pacific: reclaiming leadership. *Pacific Review*, 1-28. <https://doi.org/10.1080/09512748.2022.2125999>
- Ekaputra, M. E. (2021). Indonesia and ASEAN in the vortex of the Indo-Pacific Geopolitical. *Budapest International Research and Critics Institute Journal*, 4(4), 8988-8994. <https://doi.org/10.33258/birci.v4i4.2893>
- Krishnan, T. (2020). Malaysia's Posture in the Indo-Pacific Construct. *Journal of Asian Economic Integration*, 2(2), 180-191. <https://doi.org/10.1177/26316846209451>
- Kuik, C.-C. (2016). Malaysia between the United States and China: What do Weaker States Hedge Against? *Asian Politics & Policy*, 8(1), 155-177. <https://doi.org/10.1111/aspp.12240>

- Kuik, C.-C. (2020). *Mapping Malaysia in the Evolving Indo-Pacific Construct*. Canberra: Council for Security Cooperation in the Asia Pacific.
- Laksmana, E. A. (2021, August 26). *Indonesia Unprepared as Great Powers Clash in Indo-Pacific*. Retrieved September 25, 2023, from <https://foreignpolicy.com/2021/08/26/indonesia-china-us-geopolitics/>
- Lee, P. M., & Zulkefli, N. N. (2021). US-China relations: Trade war and the quest for global hegemony. *Journal of International Studies*, 17, 131-155. <https://doi.org/10.32890/jis2021.17.6>
- Milner, A. (2019). Repositioning Indonesia: Thoughts on the Indo-Pacific. *Journal of ASEAN Studies*, 7(1), 58-72. <https://doi.org/10.21512/jas.v7i1.5748>
- Morris, D. P. (2022). China's belt and road and the new world order: Geopolitical threat or risks and opportunities of interdependence? In O. Karnaukhova, & D. Shevchenko (Eds.), *Regional Economic Integration and Global Competition in the Post-COVID-19 Era: European Union, Eurasian Economic Union, and the Belt and Road Initiative* (pp. 42-77). Pennsylvania: IGI Global.
- Moyer, J. D., Meisel, C. J., Matthews, A. S., Bohl, D. K., & Burrows, M. J. (2021). *China-US Competition: Measuring Global Influence*. Washington, DC: Atlantic Council.
- Mubah, A. S. (2019). Indonesia's double hedging strategy toward the United States-China competition: Shaping regional order in the Indo-Pacific? *Issues and Studies*, 55(4), 1-27. <https://doi.org/10.1142/S1013251119400071>
- Nabbs-Keller, G. (2020). ASEAN centrality and Indonesian Leadership in a contested Indo-Pacific order. *Security Challenges*, 16(3), 21-26. <https://www.jstor.org/stable/26924335>
- Oktaviano, D., Mahroza, J., & Risman, H. (2020). Indonesia defense strategy towards Indo-Pacific (Case Study: The ASEAN Outlook on the Indo-Pacific). *International Affairs and Global Strategy*, 80, 21-29. <https://doi.org/10.7176/IAGS/80-04>
- Parameswaran, P. (2018). *ASEAN's role in a U.S. Indo-Pacific strategy*. Washington, DC: Wilson Center.
- Pertiwi, S. B. (2020). Repositioning Indonesia in the changing maritime landscape of the Indo-Pacific region. *Global: Jurnal Politik Internasional*, 22(1), 1-25. <https://doi.org/10.7454/global.v22i1.438>
- Petticrew, M., & Roberts, H. (2006). *Systematic reviews in the social sciences: A practical guide*. Blackwell Publishing.

- Pratiwi, F. I., Puspitasari, I., Hikmawati, I., & Bagus, H. (2021). Global maritime fulcrum: Indonesia's middle power strategy between belt and road initiatives (BRI) and free-open indo pacific (FOIP). *Central European Journal of International and Security Studies*, 15(3), 30-54. <https://doi.org/10.51870/CEJISS.A150302>
- Prayoga, A., Mahroza, J., & Waluyo, S. D. (2021). Indonesian defense strategy to encounter challenges in the Indo-Pacific (Case Study: Hegemonic war of China and the United States of America in the South China Sea). *International Journal of Social Science and Human Research*, 4(10), 2880-2889. <http://repository.idu.ac.id/id/eprint/2521>
- Qudsianti, A. D., & Sholeh, B. (2020). The Role Analysis of Indonesia's Policy Strategy on Indo-Pacific. *Journal of Diplomacy and International Studies*, 3(1), 39-50. Retrieved from <https://journal.uir.ac.id/index.php/jdis/article/view/6262>
- Radjendra, P., Wibisono, M., Mahroza, J., & Shabuddin, Z. A. (2022). Indonesia's vision as global maritime fulcrum: A geopolitical strategy to address geopolitical shifts In Indo-Pacific. *Journal of Positive School Psychology*, 6(5), 8621-8634. <https://journalppw.com/index.php/jpsp/article/view/9442/6143>
- Rahman, M. A. (2022). China's belt and road initiative progress towards Malaysia development: Where are we heading after the first decade? *Journal of International Studies*, 18, 219-248. <https://doi.org/10.32890/jis2022.18.8>
- Saravanamuttu, J. (2022). Malaysias approach to geopolitics of the Indo Pacific: Themes, trends and thrusts. *An International Journal of Asia-Europe Relations*, 8(1), 31-45. <https://borneojournal.um.edu.my/index.php/AEIINSIGHTS/article/view/47993>
- Scott, D. (2019). Indonesia grapples with the Indo-Pacific: Outreach, strategic discourse, and diplomacy. *Journal of Current Southeast Asian Affairs*, 38(2), 194-217. <https://doi.org/10.1177/1868103419860669>
- Shekhar, V. (2017). Indonesia as a regional power: A pan-Indo-Pacific worldview. In S. Ganguly, A. Scobell, & J. C. Liow (Eds.), *The Routledge Handbook of Asian Security Studies* (2nd Edition ed., pp. 243-254). Routledge.
- Shekhar, V. (2018). *Indonesia's foreign policy and grand strategy in the 21st century: Rise of an Indo-Pacific* (1st ed.). Routledge.
- Shekhar, V. (2018). *Is Indonesia's 'Indo-Pacific Cooperation' Strategy a weak play?* Honolulu: Pacific Forum Commentaries.

- Sulaiman, Y. (2019). *Whither Indonesia's Indo-Pacific Strategy?* Asie Visions (Afri).
- Sundararaman, S. (2018). Understanding the Indo-Pacific: Why Indonesia will be Critical? In S. Chandra, B. Ghoshal, S. Chandra, & B. Ghoshal (Eds.), *The Indo-Pacific Axis: Peace and Prosperity or Conflict?* (pp. 177-195). Routledge.
- Suryadinata, L. (2018). *Indonesia and its Stance on the "Indo-Pacific".* ISEAS Perspective.
- Viswanathan, V. (2020). The implication of United States' Indo Pacific strategy towards Malaysia's strategic environment. *The Journal of Defence and Security*, 13(2), 67-78.
- Wahid, R., Shukri, S., & Ahmad, M. Z. (2023). A bibliometric analysis on trends, directions and major players of international relations studies. *Journal of International Studies*, 19(1), 201-230. <https://doi.org/10.32890/jis2023.19.1.8>
- Weatherbee, D. E. (2019). Indonesia, ASEAN, and the Indo-Pacific Cooperation Concept. ISEAS Perspective.
- Wicaksana, I. G. (2022). How does Indonesia exercise agency in the contested and complex regional environment? *Pacific Review*, 35(2), 297-318. <https://doi.org/10.1080/09512748.2021.1998202>
- Yu, Y.-w. (2019). Indonesia's foreign policy toward the US's Indo-Pacific strategy in the context of rising China. *Taiwan Strategists* (3), 23-43. <https://www.airitilibrary.com/Article/Detail/P20220613001-201909-202206150018-202206150018-23-43>
- Yu, Y.-W. (2020). Indonesia's response toward U.S.'s Indo-Pacific strategy in the context of rising China. *Tamkang Journal of International Affairs*, 23(4), 161-176. [https://doi.org/10.6185/TJIA.V.202004_23\(4\).0005](https://doi.org/10.6185/TJIA.V.202004_23(4).0005)