



# GLOBAL SOUTH R E V I E W

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Tel. +62 274 563362 ext. 115

Email: [gsr.fisipol@ugm.ac.id](mailto:gsr.fisipol@ugm.ac.id)

Website: <http://iis.fisipol.ugm.ac.id>

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## **Editor's Note**

Mohtar Mas' oed

The Global South Review (GSR) has been established to further the examination and understanding of the rising powers in the Southern hemisphere. This is a scholarly journal that is peer-reviewed and offers a platform for scholars and professionals to share their ideas, tackle significant problems, and disseminate the most recent advancements pertaining to nations in the Global South. In this volume, the GSR accepted submissions of articles that offer valuable contributions to the existing literature, both in terms of empirical research and theoretical analysis. These articles provide a comprehensive understanding of the interactions between the Global South, the Asian Development Bank (ADB), the European Union (EU), China, and the Mekong River region. The articles explore various aspects of the Global South and its relationship with other regions, particularly with the developed world and other countries in the Global South.

Articles submitted to the Global South Review in this volume provides a comprehensive overview of the dynamics in the Global South countries as they confront multiple crises. The crisis being referred to involves two main aspects: the environmental crisis and the need for sustainability transition, and the impact of the Covid-19 pandemic. These crises are interconnected and have significant impacts on the countries in the Global South, thus highlighting the need for a comprehensive approach to address these challenges.

The article from Ferdian Ahya Al Putra with the title “ADB’s Role towards Energy Infrastructure Development: Case of Post-COVID-19 Pandemic in Indonesia” studies the approach of the Asian Development Bank (ADB) towards energy infrastructure development in Indonesia in the aftermath of the COVID-19 pandemic. It uses a descriptive qualitative method and international organization theory for analysis, as well as a literature review for data collection. The results suggest that Indonesia and ADB have cooperated in dealing with the pandemic, but the focus remains on infrastructure development, particularly in the energy sector. Both parties are looking for solutions to support economic recovery while still prioritizing infrastructure projects.

The article from Ikhlas Tawazun and Natasya Dewi Shafira titled “New Developmentalism and the EU’s Carbon Border Adjustment Mechanism: Policy Options for the Global South” discuss inter-regional relations. This article addresses the impact of the European Union’s Carbon Border Adjustment Mechanism (CBAM) on the Global South countries and how they can adapt to this new environmental trade policy and the larger pressure for sustainable growth and development. It uses qualitative methodology and desk research to examine the topic. The findings suggest that the concept of “new developmentalism” can help the Global South effectively transition towards sustainability by leveraging existing

state capacity. The article also provides potential policy options for the Global South, as the examination of current development policies reveals several challenges.

The article from NI Nyoman Clara Listya Dewi titled “Collective Actions and Challenges Analysis on Management of the Mekong River as Common Pool Resources”. This paper analyses the challenges and collective efforts of countries in the Mekong River region in managing the shared resources of the river, which has seen an increase in environmental degradation due to exploitation by many countries. The 1995 Mekong Agreement and the Mekong River Commission (MRC) were established to promote cooperation in sustainable development, conservation, and management of the river, but China, as an upstream country, opted not to join and instead established its own cooperation mechanism, the Lancang Mekong Cooperation Mechanism (LMCM). China’s mega dam construction project is considered a contributor to environmental degradation. The paper utilizes Garrett Hardin’s views on the tragedy of the commons to analyze the situation and finds that systematic arrangements by the government and local institutions are important to prevent the tragedy of the commons and develop appropriate institutional structures.

The article from Demas Nauvarian and Filasafia Marsya Ma’rifat with the title “From Friction to Acceleration: China’s Ambition for a Post-Pandemic Tianxia World Order”. This paper analyzes the impact of the COVID-19 pandemic on China’s peaceful rise. The pandemic served as a turning point for China, as it was in a critical period for its rising era and was able to effectively control the pandemic and provide aid to other countries. The research argues that the pandemic served as an opportunity for China to indirectly disrupt the status-quo liberal international order and further its peaceful rise by asserting self-reliance and establishing cooperation, putting China in the position of a “middle kingdom.” The study concludes that the pandemic has acted as an acceleration factor for China’s peaceful rise.

The article from Anisa Risanti Suhita, Filasafia Marsya Ma’rifat and Trisni Salsa Ramadina titled “China’s National Interest in Vaccine Development Cooperation with Indonesia in Handling the Covid-19 Pandemic: Normative and Material”. The paper is about China’s assistance to Indonesia during the COVID-19 pandemic. The focus of the study is on China’s provision of medical equipment and vaccine cooperation to Indonesia, which is a developing country in the Global South. The study recognizes two types of interests that shape China’s motives in providing this assistance, including normative (solidarity) and material (economic expansion). The results of the analysis show that China’s cooperation with Indonesia has allowed Indonesia to actively participate in dealing with the impact of the pandemic, while also pursuing China’s economic interests.

The article from Ira Cahayani the titled “Indonesia’s Interest In The South-South Triangular Cooperation (SSTC) Policy On Fiji During Joko Widodo Government On 2014-

2019". This study explains Indonesia's interests in South-south Triangular Cooperation (SSTC) policy towards Fiji in the Joko Widodo administration from 2014-2019. The study uses a descriptive qualitative research method and the theory of national interest and foreign policy. The results show that Indonesia chose Fiji as a target country for the SSTC policy due to its significance in the Melanesian Spearhead Group (MSG) and potential for economic development and market growth in the south Pacific region. The study argues that Indonesia's strategy to gain economic, political, and security interests through the SSTC policy is of great concern for Fiji.



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## Beyond Regionalism: The Politics of the Transboundary Haze

### Pollution in Southeast Asia

**Ahmad Rizky Mardhatillah Umar**

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School of Political Science & International Studies

The University of Queensland, Australia

a.umar@uq.edu.au

*This article reviews two influential books by two Southeast Asian scholars that discuss the politics of transboundary haze pollution in Southeast Asia. In two excellent works addressing the transboundary haze pollution problem in the region, Paruedee Nguitrugool and Helena Varkkey put forward two approaches to understand the failure to address transboundary haze pollution in the region with their own merits and limitations. On the one hand, Paruedee Nguitrugool argues that the persistence of the transboundary haze pollution is linked to the regional dynamics in ASEAN and the ratification of the ASEAN Agreement on the Transboundary Haze Pollution (AATHP). On the other hand, Helena Varkkey points out a larger political-economic context that shapes the problem regionally, which relates to the palm oil plantation problem. I argue that, while both works have provided essential insights into the transboundary haze pollution in Southeast Asia, there are still spaces to discuss larger contexts underpinning the problem. I identify three issues that could be discussed in future research on the transboundary haze pollution, namely (1) the normative issue of protection and responsibility in transboundary haze pollution; (2) the role of 'local agency'; and (3) the interconnection between transboundary haze pollution and climate change adaptation. Addressing these issues is necessary to address complex environmental and health issues in the region.*

**Keywords:** Praetorianism, military, Southeast Asia, Indonesia, Myanmar, Thailand

#### Introduction

A spectre is haunting ASEAN since the early 1990s – the spectre of the transboundary haze pollution. When the haze pollution went beyond boundaries in 1997, the haze problem affected around 200,000 people to undergo medical treatment, which prompted Malaysia to declare a “state of emergency” due to the very high Air Pollutant Index (Dauvergne, 1998). The problem, however, reoccurred in several years afterwards, which eventually sparked debates on whether ASEAN should take more com-

prehensive action to resolve the problem, In 2002, ASEAN Member States agreed to sign ASEAN Agreement on Transboundary Haze Problem (AATHP) to deal with the emerging haze problem in the region. As of 2015, 10 ASEAN member states have ratified the Agreement, with Indonesia as the latest state to ratify. This issue has become a prominent environmental issue in Southeast Asia, which sparked further academic and policy debates as to how to sustainably overcome the problem in the future (Heilmann, 2015; Nurhidayah and Alam, 2020; Hurley



and Lee, 2020; Ramli and Hashim 2020; Varkkey, 2020).

The books under review here examine transboundary haze pollution as an essentially regional problem that requires a regional solution. Both books highlight the role of ASEAN and complex regional arrangements to resolve the haze problem in Southeast Asia. Written by two Southeast Asia-based scholars, the two books propose two different approaches to understand the transboundary haze pollution in Southeast Asia.<sup>1</sup> In her pioneering work, Paruedee Nguitragool argues that the persistence of the transboundary haze pollution is linked to the regional dynamics in ASEAN and the ratification of AATHP. Building on Nguitragool's work but offering a distinct political-economic perspective, Helena Varkkey argues that it is essential to acknowledge the political-economic roots of the haze problem, which lies in the management of peatland and palm oil plantation in the region.

I discuss the two books because they have two significances. First, both books excellently grasp the root of transboundary haze pollution by posing it as a regional issue rather than merely a specific problem from a particular country. In this context, both books highlight the 'transboundary' nature of the haze problem, as well as its root causes beyond national-level perspective. Second, both books also offer two accounts in understanding haze problem, which could enrich the way we think about haze from a regional perspective. Nguitragool, on the one hand,

approaches transboundary haze pollution from an ASEAN perspective by highlighting the institutional context of the problem. On the other hand, Varkkey offers a 'political-economic' perspective on haze, which investigates the root-causes of the problem in the palm oil production. Both are significant in their own ways.

While both works have provided essential insights into the transboundary haze pollution in Southeast Asia and emphasise the role of ASEAN to mitigate the problem, there are still spaces to discuss the more significant problems underpinning the transboundary haze pollution in Southeast Asia. The first issue relates to the normative problem of 'human rights to the healthy environment', acknowledged through the ASEAN Human Rights Declaration (2013) but is yet to be incorporated into the national legal framework and broader regional and trans-regional economic cooperation pursued by Southeast Asian governments. The second issue relates to 'local agency' and further sub-national dynamics in transboundary haze pollution. The third issue addresses the nexus between transboundary haze pollution and the regional climate change adaptations, which tends to be disconnected from the transboundary haze pollution problems.

### **Regionalism and Transboundary Haze Pollution**

Paruedee Nguitragool's book, *Environmental Cooperation in Southeast Asia: ASEAN's Regime for Trans-boundary Haze Pollution*,

<sup>1</sup> The two authors are based in Southeast Asian universities. Paruedee Nguitragoo is an Assistant Professor at the Chiang Mai University, Thailand, and Helena Varkkey is a Senior Lecturer at the University of Malaya, Malaysia.



starts by pointing out one problem underpinning the failure to address the transboundary haze pollution in Southeast Asia: the failure of ASEAN “to protect its stunning ecology” (Nguitragool, 2010). Along 185 pages of the book, Nguitragool put forward a distinct regional perspective by highlighting the role of ASEAN (among others) in mitigating transboundary haze pollution. The book attempts to unpack the process in which ASEAN try to adopt specific strategies to address the transboundary haze pollution by showing the linkage between regional institutions—the existing multi-layered framework that ASEAN could utilise to address the haze problem—and the state’s domestic politics in ratifying the Agreement (Nguitragool, 2010).

Nguitragool utilises a constructivist framework to unpack the process of regime formation by emphasising the role of knowledge, norms, and ideas to understand the regime to address the transboundary haze pollution, rather than merely criticising the efficacy of ASEAN’s norms and regime (Nguitragool, 2010). Furthermore, Nguitragool presents what she termed as ‘a synergetic model of regime formation. Departing from this model, Nguitragool divides the regime formation—following the works of Marc Levy and his collaborators—into three overlapping stages: agenda formation, institutional negotiation, and operationalisation (Levy, Young, & Zürn, 1995). She argues that the process is affected by several factors, including (1) domestic and regional politics, (2) cultural and institutional origins of the events, and (3) economic, leadership, and normative factors (Nguitragool, 2010).

From these processes, Nguitragool derives four stages of ‘socialisation’ into the environmental norms set up in ASEAN to address transboundary haze pollution. The first stage includes *environmental destruction and the denial of destructive practice*, which leads to international and domestic pressure. States respond to these pressures by implementing *tacit concessions and coerced compliance*, with a specific purpose to reduce criticism by half-heartedly implementing policies to appease oppositions. However, when domestic pressure is fully mobilised to challenge this coerced compliance, state and business actors begin to integrate environmental conservation policy with the code of conduct in daily behaviour, leading to partial or full ratification or institutionalisation of the norms in national context. Once the integration—or what Nguitragool termed as “prescriptive status” works, a rule-consistent behaviour might be achieved if further participation from non-state actors (including business actors) could be encouraged (Nguitragool, 2010).

Nguitragool furthermore substantiates the theoretical framework in seven chapters. In Chapter 2, she traces the history of ASEAN cooperation and how environmental issues were incorporated, albeit slowly, in the regional cooperation. Following the constructivist research programme in ASEAN regionalism that highlights the norms—“ASEAN Way”—and the broader history of regional cooperation, Nguitragool (2010) addresses how ASEAN establishes its cooperation on the environment. Central to ASEAN’s environmental cooperation,

Nguitragool argues, was tropical forest and more significant issues related to deforestation (Nguitragool, 2010). While accepting the concerns of the international community regarding deforestation, ASEAN member states attempt to defend their rights to development and economic exploitation of certain forest areas (Nguitragool, 2010). In short, the concerns over forest reflects the tension between *the right to development and sovereignty* with concerns over *conservation and attempts to fight deforestation*, which certain actors in the international community promotes, primarily since the 1990s. The conservation norms became one of the most crucial debates in ASEAN's environmental cooperation before the transboundary haze pollution (Nguitragool, 2010).

Meanwhile, comes the haze problem in the mid-1990s. While international assistance to deal with deforestation has begun since the 1980s, it was in 1994 that the haze problem became a 'regional issue', with Singapore and Malaysia was affected by the forest fire in Indonesia (Nguitragool, 2010). ASEAN began cooperation plan on transboundary haze pollution in 1995, and ASEAN member states regularly debate the issue in ASEAN forums. After the biggest forest fires in 1997-1998, Pressures were mounted to Indonesia to deal with the forest fire and, more broadly, to improve its environmental record. Therefore, after some diplomatic skirmishes, ASEAN produced AATHP in 2002, which marked a diplomatic achievement to resolve the problem regionally. In Chapter 3, Nguitragool discusses how ASEAN struggled to deal with the regional haze problem

until AATHP was signed off in 2002 (Nguitragool, 2010).

Nevertheless, the problem was far from over. It was not until 2014 –several years even after the publication of Nguitragool's book—that all ASEAN member states adopt AATHP and ratify it in the national legal framework, with Indonesia being the last state to ratify it (Hurley & Lee, 2020). What explains the slow process? In chapter 4 and Chapter 5, Nguitragool explains the problem through, respectively, the process of regime formation and Indonesia's domestic politics that constrained the effective implementation and broader institutionalisation of regional framework to deal with transboundary haze pollution. Regarding the regime formation, Nguitragool argues that three factors constrained the slow institutionalisation process before 2002, including (1) a centralised authoritarian political structure in several key states –particularly Indonesia, Malaysia, and the Philippines— that rendered the negotiation difficult; (2) ASEAN's lack of institutional design and authority to deal with environmental problems; and (3) issues related to economic development in forest fires-affected areas. It clearly shows the slow process of adoption and shows the limit of AATHP (Nguitragool, 2010).

In addition, Nguitragool (2010) also pointed out the broader problems in the political economy of the Indonesian forest, which shows the reluctance of a country with a vast dependence on natural resources and the expansion of market demands to raw resources, which complicated the problem in Indonesia's domestic context. Historical-

ly, Indonesia has exploited forest to finance development programs, which was started from the Dutch colonial era. When global demands for raw resources emerged in the 1970s, Soeharto's New Order expanded the exploitation by half-heartedly addressing the call for conservation from the international community (Nguitragool, 2010). These problems, according to Nguitragool, has led to a slow process in addressing the transboundary haze pollution in Southeast Asia. It leads to the government's inability to deal with the haze problem through appropriate policies, which could sacrifice its development and projects.

To sum up, Paruedee Nguitragool's book has excellently presented the institutional processes and constraints in addressing transboundary haze pollution. Nguitragool points out a multi-layered problem in the transboundary haze pollution problem and pointing out some strengths and limitations of existing regional efforts to tackle the problem. While acknowledging Indonesia's dependence on natural resources, however, Nguitragool does not go deeper to address the paradox of Indonesia's political economy of development, which she regarded as one crucial point problem in the regional haze problem. Therefore, while successfully addressing the ASEAN regional cooperation problem, her work is limited in explaining its structural underpinning, which was addressed more comprehensively by Helena Varkkey in her more recent work.

### **The Political Economy of the Transboundary Haze Pollution**

Helena Varkkey's book, *The Haze Problem in Southeast Asia: Palm Oil and Patronage*, starts from where Nguitragool's works end. By combining critical political economy and a multi-level governance approach, Varkkey traces the root causes of the problem, which relates to the dynamics of palm oil plantation and peatland management in several countries. Unlike Nguitragool, who emphasises regional mechanism (most importantly ASEAN) in resolving the haze crisis, this book offers critical insights on the root causes of the problem, namely palm oil plantation and its relationship with patronage politics in the region. This book also reveals the gap in current political initiatives at the national and regional level, which fails to address the root causes of the transboundary haze.

The central argument that underpins Varkkey's analysis of the haze problem is the multi-level causes of the regional haze problem, which is located in the intersection between the unfriendly practice of palm oil plantation, economic regionalisation of this sector, and the politics of patronage that halt a comprehensive approach to deal with the hazed problem. In the first chapter, Varkkey (2016) advances a central argument that ASEAN current approach has failed to address the root of the haze problem at the domestic level, namely palm oil plantation and its relationship with patronage politics. The negligence of these root causes was occurred due to the separation between 'domestic' and 'regional' issues in works related to 'haze' and 'ASEAN', with the former focusing on

the technical dynamics at the domestic level and the latter playing more roles in policy coordination (Varkkey, 2016). In this book, Varkkey sees that this separation has been unable to capture the patronage relations between palm oil plantation with the state, which operates through economic regionalisation (Varkkey, 2016). Varkkey (2016), therefore, advances an argument that put forward the relationship between patronage politics at the domestic level and economic regionalisation to understand the complex root causes of the haze problem in Southeast Asia.

Having outlined the main argument, Varkkey moves to identify the Indonesian oil palm sector and its complex relationships with haze. Varkkey (2016) argues that palm oil plantation is a highly “globalised” issue because of the global demand for palm oil, putting Indonesian palm oil plantation at the centre of the global value chain in this sector. Moreover, with the abundant source of plantation in Southeast Asia that was emerged since late colonial rule, the palm oil governance in Indonesia and Malaysia is highly politicised, with a high degree of government intervention in the field (Varkkey, 2016). However, what makes the palm oil plantation problematic is not its exploitation as a growing industry. It is how it affects environmental issues that make palm oil plantation a contentious issue in the region. Varkkey (2016) explains two distinct patterns in

which the palm oil plantation relates directly to fire and haze, namely (1) conversion of degraded lands and (2) conversion of peatland into palm oil plantation. These environmental problems related to the conversion of lands, as Varkkey argues, are inextricably linked to the maintenance of fire and haze in Indonesia since 1997.<sup>2</sup>

The environmental problems resulting from palm oil plantation and hazardous land conversion (mainly related to degraded lands and peatland) have resulted in the region’s circular haze problem. Varkkey (2016) argues that it was the state that facilitates the regionalisation of the palm oil sector. The regionalisation of this sector has coincided with the establishment of the ASEAN economic community in 2003. Besides Indonesia’s liberal foreign direct investment policies that have been preserved since 1967, Malaysia’s business investment in the sector and Singapore’s plantation companies also benefit from palm oil industry in the country by taking advantage of the booming palm oil market in the region. Both of them were strongly supported by the government (Varkkey, 2016). Therefore, it is difficult to disparage states’ role in the emerging haze problem in the region since it was Malaysian and Singaporean companies, with support from their governments, that financed the problem with palm oil plantation. Moreover, the responses of these states (Indonesia, Malaysia, and Singapore) in dealing with the haze problem

<sup>2</sup> Nevertheless, during a talk based on the author’s book in Yogyakarta, December 2016, Helena Varkkey stressed that the environmental problems caused by the palm oil plantation by no means indicate that palm oil plantation is bad. If the land conversion problem could be halted, the haze problem is more likely to be solved. In doing so, however, a willingness from palm oil companies is required to promote a more environmentally friendly plantation projects in Indonesia.



also tend to neglect this political, economic causes by maintaining some arguments such as that the haze problem is a 'natural disaster' and 'no one is to blame in this issue' (Varkkey, 2016).

The way the government drives and facilitates palm oil, the regionalisation of palm oil plantation in the emerging regional and global market, as well as their negligence of the relationship between the haze problem and the malpractice in the palm oil industry, have undoubtedly created a paradox in the management of haze problem in the region. What explains the persistence of this paradox? Varkkey comes with a straightforward answer: the politics of patronage. Following James Scott (1972), Varkkey (2016) defines patronage as the relationship between the political rulers and business elites who obtained protection and privileges in return for access to economic benefits. Having defined patronage in this way, Varkkey argues that patronage politics is prevalent in Southeast Asia, particularly in the natural resource sectors.

Moreover, after decolonisation in the 1950s, the spread of market capitalism drives patronage politics to the region due to the high demand for primary products like palm oil in the global and regional markets (Varkkey, 2016). In the palm oil sector, the patronage networks could be traced deeper in the land licensing process. The licensing process in Indonesia is deeply connected to a network of patronage in bureaucracy, ministry, and even decentralised local government. The case of AMDAL (Analysis of Environmental Effects of Industry) making process

in local government exemplifies this claim, which witnessed, for example, several palm oil companies to implicated by this patronage politics in West Kalimantan (Varkkey, 2016). During the New Order era, patronage occurred in the Ministry level in the central government, which was enabled by the centralised and authoritarian nature of the Indonesian New Order government (Varkkey, 2016).

Several international commitments have been made to tackle this environment-linked issue, such as the Norway-led REDD. However, as Varkkey (2016) argues, REDD has several inherent weaknesses, particularly its inability to deal with Indonesia's local and national patronage politics. For example, the weakening of Presidential power has halted the effort to moratoria palm oil plantation in several Provinces and Regencies, arguably due to complications in local-central government relationships. As a result, Indonesia has been unable to deal with haze-producing fires in some areas connected to palm oil plantation. The problem was complicated by the Indonesian set of policies on land clearing and fires, which connected the land clearing policies with the local and national politics of patronage and did not oblige the company to protect the company environment through strong land management policies. For example, the confusion over burning laws makes it unclear whether the company should be responsible for haze-producing fires in the peatland or degraded lands.

Moreover, many well-connected firms also attempt to avoid investigations and con-

viction land conversion when the haze came as a regional problem (Varkkey, 2016). These cases exemplify the high politics of patronage and clientelism in Southeast Asia, which is heavily connected to the haze-producing fire and the regionalisation of the haze problem in Southeast Asia. These cases also showed the 'multi-level' politics of patronage that involves local, national, and regional network of patronage in the persistence of the haze problem since 1997.

### Critical Assessments

The two books under review here have brilliantly shown what has been neglected in analysing ASEAN and the environmental problem in the region: the multi-level character of regional politics. Recent literature has focused on the failure of ASEAN regional institutions to tackle major environmental problems such as haze but misses the 'multi-level' character of the problem (Aggarwal & Chow, 2010; Jones, 2006). Therefore, whilst this literature has provided good insights into why the regional initiative has failed to deal with the haze problem, they could not trace the root causes, which lies not in the regional problem but each state-market relationship in each region. Moreover, the issue is now getting more complicated due to the trans-regional infrastructure cooperation pursued by Southeast Asian governments with external actors, raising concerns about whether the cooperation project will impact the efforts to combat regionally (Hughes, 2019).

Both works, therefore, have provided a valuable framework to understand transboundary haze pollution in Southeast Asia.

For Nguitragool, the role of ASEAN is vital for resolving the regional transboundary haze pollution. However, for Varkkey, while ASEAN indeed played an important role in addressing the haze problem and acknowledges that the problem is, indeed, a regional problem that requires a regional solution, the actual problem lies in the persistence of complex patronage politics in the region. These arguments are complementary. Indeed, it is impossible to understand the transboundary haze pollution without discussing ASEAN's concerted regional efforts since the 1990s, although we need to go deeper to address the multi-layered problem in the national-level political economy context. In other words, understanding both regional and domestic political-economic context is essential to deal with the transboundary haze pollution comprehensively.

Nevertheless, more works are still needed to elaborate the complexity of the transboundary haze pollution. While both works have contributed to a significant literature on transboundary haze pollution, there are more complexities that need to be unpacked with regard to the transboundary haze pollution. While Nguitragool has made an excellent assessment on ASEAN's role in addressing the transboundary haze pollution, we need to understand further the politics of addressing the haze after Indonesia's ratification of the agreement in 2015 (Heilmann, 2015). Moreover, there are also issues related to extra-regional actors, which is now emerging in the regional economic cooperation (Dudhraj, 2020). In this context, a regional analysis of the transboundary haze pol-



lution needs to be directed beyond ASEAN's regional cooperation.

In addition, Varkkey's concerns about palm oil plantation also need to be situated in the broader economic context. There are issues that need to be discussed, such as political patronage, global demand for palm oil from external actors, as well as local politics behind the land conversion in Southeast Asia (Wicke, et. al, 2011). Addressing these issues, therefore, necessitates a further understanding of the interconnection between the land conversion and forest fires with the broader global commodity markets.

Therefore, there are still spaces to extend the scope and outreach of both works in a contemporary context, and it is in this context a future research programme that goes beyond the 'standard' regional perspective is important to understand the transboundary haze pollution in Southeast Asia.

### **Beyond Regionalism: Future Research Programmes on the Transboundary Haze Pollution in Southeast Asia**

Having reviewed the books, I will reflect on some possible future research programme to understand the transboundary haze pollution. In the context of the COVID-19 pandemic, as Aninda Dewayanti (2020) has forcefully argued, forest fires and haze issues doubled the vulnerability of people in certain areas who would face the double threats of the pandemic and haze pollution. It is crucial to understand the transboundary haze problem beyond a mere regionalism issue and address the broader implications of ASEAN's inability to deal with the problem

in the future

I suggest three issues that could be considered a future research programme to extend the existing research on transboundary haze pollution.

The first issue relates to the normative context of the 'transboundary haze pollution, highlighting the importance of addressing the rights of people affected by the forest fires –directly and indirectly—and protecting both citizens and the environment from environmental destruction or any environmental harms. This issue is not without legal basis in ASEAN or Southeast Asian context. ASEAN, for example, has acknowledged such norms through, for example, the concept of 'the right to safe, clean, and sustainable environment' in the ASEAN Human Rights Declaration (ASEAN, 2012). A similar concept could also be found in the Indonesian Constitution, which stated the rights of citizen to live in a healthy environment (Indonesia's 1945 Constitution, Article 28H) In this context, there are scopes to extend the research programme from this perspective by moving from legal to normative issues to address the current limitation regarding ASEAN non-interference problems.

One way to avoid such a problem is to highlight the institutional process that directly touches upon the *protection of citizens and the environment* during the event, or in the aftermath, of the haze issue. The question of *protection*, in this sense, is a normative one: it highlights the problem of responsibility to reduce the environmental harms, which more broadly brings a question on how powerful actors –primarily, but not limited

to ‘state’— *should* respond to any forms of ‘harm’ emanating from the transboundary haze pollution (see Varkkey, 2020, Linklater, 2011). Addressing ‘harm’ to citizens or environment is an essential issue that needs to be addressed in further research.

For example, the ASEAN Agreement on the Transboundary Haze Pollution has stipulated the objective of the agreement “to prevent and monitor transboundary haze pollution as a result of land and/or forest fires which should be mitigated, through concerted national efforts and intensified regional and international co-operation.” (ASEAN, 2002, Article 2). In this context, two dimensions of responsibility could be mapped: (1) the responsibility to prevent the haze through appropriate policy framework; and (2) responsibility to mitigate the harm emanating from the haze pollution, either health or environmental harms (ASEAN, 2002, Article 3). Addressing these aspects require us to move from mere *legal* issue of compliance/non-compliance to international agreements, but also to protect citizens and the environment from any possible harm emanating from the transboundary haze pollution.

The second issue relates to ‘local agency’: how the transboundary haze pollution could be understood by going deeper to the local, sub-national dynamics, which could add many insights on the governance complexity in the national and regional context. One way to think about a future research programme is to look at grass-root activities from those affected by the haze to deal with

the haze problem through legal suits, political lobbying, or other political movements.

Recent research from Sofyan Ansori, for example, shows that sub-national elites pursue different approaches from the central government and deliberately disobey the instruction from the central government regarding slash-and-burn issues (Ansori, 2019, 2021). There were also several cases in which citizens bring the haze issue to legal battles, some of which were won by citizens.<sup>3</sup> In this context, understanding how local actors deal with the transboundary haze problem could bring rich stories that would add to the existing research on transboundary haze pollution. In addition, there have been concerns from Indonesian indigenous leaders—for example, Dayak leaders—for the land conversion and palm oil plantation involving big companies, which contributes to the haze pollution (Potter, 2009). The resistance from local activists and leaders is an important issue to be discussed further in understanding how local people respond to the transboundary haze pollution and forest fires.

Finally, the third issue relates to the regional climate change adaptations, which tend to disconnect from the transboundary haze pollution problems. Generally, climate change adaptation could be discussed as the broader implications to the transboundary haze pollution, which could exacerbate more disasters emanating from the haze issue if the problem is yet to be appropriately resolved in the future. Climate change was absent in the AATHP. While ASEAN Socio-Cultural

<sup>3</sup> One good example of this legal battle is the case of Arie Rompas, who won the legal suit against Indonesian President with regard to the haze issue.

Community Blueprint 2015-2025 mentions sustainable climate as one crucial issue, it does not explicitly link it to transboundary haze pollution (ASEAN, 2015).

The absence of climate change aspect is not surprising, given the reliance of ASEAN-related agreements to the principle of non-interference and the right to exploit natural resources in the line defined by the states' own environmental and developmental policies (ASEAN, 2002, Article 3). In this context, the concerns of climate change tend to be overshadowed by the right to development in ASEAN environmental cooperations.

Nevertheless, as Nurhidayah (2014) has aptly mentioned in her PhD Thesis, climate change adaptation should work in line with efforts to thwart transboundary haze pollution. In this context, the climate change adaptation regime –such as IPCC— could address the limitation of the current transboundary haze pollution issue in ASEAN, in addition to effective state implementation of key Agreement in both issues.

## Conclusion

To sum up, this article presents a review of two influential books that address the politics of transboundary haze pollution. The two books under review here –from Paruedee Nguitragool and Helena Varkkey—brilliantly proposed two different approaches in understanding transboundary haze pollution. While Paruedee Nguitragool emphasises the multi-layered nature of the haze problem and the importance of ASEAN, Helena Varkkey digs into the root causes

of the problem in the palm oil plantation problem. These works offer us rich stories regarding the politics of transboundary haze pollution in ASEAN. Nevertheless, more work should be encouraged to further the research agenda beyond the classic issues related to regionalism in Southeast Asia. Against this backdrop, I discuss three possible ways to extend the outreach of these studies for future research, which include (1) the normative issue of protection and responsibility in transboundary haze pollution; (2) the question of 'local agency'; and (3) the interconnection between transboundary haze pollution and climate change adaptation.

Addressing these issues means that we need to broaden our research agenda on transboundary haze pollution by connecting the 'domestic' context of transboundary haze pollution with emerging regional and global challenges. It is impossible to understand transboundary haze pollution without understanding the palm oil plantation and the local dynamics that enable –and perpetuates—the forest fires. However, simply understanding the issue merely as 'local' problem is not sufficient, as the problems are linked with global political economic issues such as commodity markets and normative tensions in the negotiation table. It necessitates a broader regional and global understanding of the problem of transboundary haze pollution in the future. From this perspective, International Relations scholars need to pay attention to the local and everyday dynamics of the transboundary haze pollution, besides the complex negotiation in the global and regional context.

Overall, these books have been able to achieve their aims to provide a comprehensive understanding of the transboundary haze pollution. Further comprehensive research from Southeast Asian IR scholars are important, as we need to inform policy-makers about the complexities of the haze problem and necessary steps to deal with the issue.

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## ADB's Role towards Energy Infrastructure Development:

### Case of Post-COVID-19 Pandemic in Indonesia

**Ferdian Ahya Al Putra**

International Relations Department,  
Faculty of Social and Political Science  
Universitas Sebelas Maret Surakarta, Indonesia  
ferdianahya@staff.uns.ac.id

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*ADB is a strategic partner for Indonesia in Development. Public sector management and energy are two sectors that the both parties focus on. On the last few years, Indonesia focusses on the climate change, therefore energy infrastructure is being pursued by Indonesia in order to develop the renewable energy. Unfortunately, in the midst of pursuing this goal, Indonesia is facing the COVID-19 Pandemic that affect various sectors in Indonesia. The pandemic gave impacts on infrastructure development in Indonesia, including energy infrastructure. This research examines the ADB's Approach towards Energy Infrastructure Development in Indonesia, specified on case of post-COVID-19 Pandemic. This research applied descriptive qualitative method and used international organization theory for analysis. Moreover, this research used the literature study technique to obtain the relevant data. The result shows Indonesia and ADB have cooperation on handling COVID-19 Pandemic. But, cooperation on infrastructure development still being the priority of both parties. Both parties seek for solution for economic recovery without sacrificing project on infrastructure development, especially on energy sector.*

**Keywords:** ADB; Indonesia; renewable energy; infrastructure development; COVID-19 Pandemic

#### Introduction

The Asian Development Bank, or known as ADB, is Indonesia's development partner that has worked together for more than 50 years. The cooperation that has been established between the two parties covers various sectors such as education, governance, economics management, energy, as well as development in the infrastructure sector. However, when COVID-19 spreads in the world, the focus of assistance from ADB is prioritized on handling COVID-19 and recovering from its impacts.

This research examines how the COVID-19 pandemic has halted the efforts on energy infrastructure development in Indonesia and how the government cooperate with ADB to tackle the problem. Term "infrastructure" in this research defined as a country's physical facilities, such as roads, power plants, and bridges – are very important for regional development (ADB, n.d.). In other words, energy infrastructure development refers to efforts to build and improve infrastructure that handle the flow of energy in Indonesia.

In order to overcome the impact of the pandemic, which does not only affect the health sector, Indonesia is actually cooperating by involving various parties from countries, international organizations, to non-governmental organizations, including ADB. One of these efforts can be seen in a joint program called COVID-19 Active Response and Expenditure Support (CARES) (ADB, 2020)

This research is important to discuss considering that infrastructure development, particularly related to renewable energy management is important to prevent the climate change. Indonesia is the 8<sup>th</sup> country with the biggest global emitter in 2018 where energy sector contributes the most with 243.4 Mt CO<sub>2</sub>e or around 0.51% of global greenhouse gas emissions (Friedrich, Ge, & Pickens, 2020). Moreover, the projects for infrastructure must be pursued since the infrastructure development in Indonesia hasn't fully distributed. In the midst of pursuing infrastructure development, the Indonesian government is facing a pandemic situation which has an impact not only on the health sector but also on other sectors.

Previous researchers have found a link between the energy sector and the pandemic. Lo (2020) wrote that the pandemic caused health facilities to require a larger supply of energy. Then, the lockdown policies contribute in increasing household consumption of energy. He also mentioned that the reduction in air pollution due to COVID-19 and the death rate in COVID-19 sufferers are influenced by air quality, therefore it is important to develop the renewable energy (Lo, 2020).

Then, Eroğlu (2020), found that in addition to having an impact on reducing emissions and household waste, the pandemic also had an impact on renewable energy, where there was a decrease in energy demand, especially in the industrial sector. He also mentioned that investment and incentives in the development of renewable energy are placed in second place after handling COVID-19 (Eroğlu, 2020).

While related to research on the role of ADB in Indonesia, Wijaya et al (2021) identify the role of ADB in Indonesia's economic growth specifically in the period 2016 to 2020. They found that ADB requires Indonesia to change its investment regulations so as not to differentiate between foreign investors and local investors. Furthermore, they found that ADB contributed on various sectors such as infrastructure, agriculture, education, to aid for natural (Palu earthquake) and non-natural disasters (COVID-19 pandemic) (Wijaya, Faadhilah, Rahma, & Firdaus, 2021). However, the research has not been specific in discussing how COVID-19 pandemic affect the development of energy infrastructure in Indonesia and how both parties cooperate to handle it. Therefore, this research will fulfil this gap.

ADB plays an important role in Indonesia's recovery after COVID-19 in this pandemic era. There are changes on cooperation priorities between both parties. Therefore, this research discusses in more depth on how Indonesia and ADB Cooperate tackle this situation.

## Methodology

This paper will focus on research questions regarding ADB's Role on energy infrastructure development before and during the COVID-19 pandemic. This research applies descriptive qualitative approach and uses literature study to obtain relevant data related to the topic.

This study uses the theory of international organizations in analyzing the role of ADB in cooperation with Indonesia on energy infrastructure development. Le Roy Bennett in his work entitled *International Organization* (1997: 3) argues that international organizations have various roles. He mentioned that OI has a role to facilitate cooperation in certain fields that benefit all/most parties. Then, international organization is a forum for making decisions in the context of cooperation. International organization can also be an administrative means of translating those decisions into action. Finally, he mentioned that international organization facilitates various channels of communication between different governments, so that when problems arise, the area of accommodation for these problems can be expanded and easy access will be available (Bennet, 1997).

In this case, it is understandable that ADB performs the role as stated above. It facilitates cooperation on ongoing issues.

## COVID-19 Impact on Infrastructure Development in Indonesia

The COVID-19 pandemic has had an impact on various aspects. One aspect that is also affected is infrastructure. Marketing and

Supply Chain Director of PT Semen Indonesia Group (SIG), Adi Munandir said that infrastructure development was also affected where some infrastructure projects experienced a slowdown and delay. This also affected the condition of the cement industry where in the first semester of 2020, national cement consumption decreased by 7.7 percent compared to the same period in 2019 (Ramli, 2020).

Then, the Ministry of Energy and Mineral Resources (ESDM) recorded a decline in the realization of electricity sub-sector infrastructure development in 2020 in line with the impact of the COVID-19 pandemic. The Director General of Electricity at the Ministry of Energy and Mineral Resources, Rida Mulyana, said that the addition of power plants throughout 2020 was recorded at 2,866.6 Megawatts (MW) or only 55% of the target of 5,209.48 MW (Andi, 2021). While, depends on the data released by ADB, in Indonesia, the state electricity corporation, Perusahaan Listrik Negara (PLN) is facing a 15% decrease in electricity demand for 2020 due to the pandemic (ADB, 2021).

Prior to the reallocation, the PUPR Ministry's budget reached Rp120.21 trillion. The allocation is quite large because infrastructure development is still the focus of President Joko Widodo's administration in the second period. However, due to the COVID-19 pandemic, the PUPR Ministry's budget was cut by IDR 44.58 trillion, leaving IDR 75.63 trillion in 2020 (Yasa, 2020).

## ADB's Engagement in Recovering the Impact of COVID-19 in Indonesia

The policies issued by the government taken as response of the economic impact from COVID-19 pandemic. Data showed that in 2020, the pandemic caused the Indonesian economy to experience a counter production of 2.07 percent (c-to-c), when compared to economic growth in 2019 (BPS, 2021). Then, as many as 29.12 million people (14.28 percent) of the working age population were affected by COVID-19 (BPS, 2020). Moreover, as of September 2020, as many as 27.55 million Indonesians live in poverty. This number is 1.13 million people higher than in March 2020 and an increase of 2.76 million people when compared to the number in September 2019 (BPS, 2021). This situation is indicating that the Indonesian government is overwhelmed in dealing with the effect of COVID-19 pandemic. The policies implemented to date have not been able to significantly suppress the spread of the virus or to keep the Indonesian economy stable. At the end, the budget allocation for infrastructure development was sacrificed to handle the economic impact.

As explained before, Indonesian government had to rearrange their budget allocation for economic recovery. This situation pushed the government to apply for assistance from ADB. In 2020, ADB in its official document, mentioned that they provided assistance of 450 million USD to support Indonesia under PT. Bio Farma, as a supplier of safe and effective vaccines against COVID-19 (ADB, 2021). ADB also approved aid of 1.5 billion USD to Indonesia in the context of

recovery from the impact of COVID-19. The assistance is focused on the fields of public health, employment, and the economy recovery (ADB, 2020).

Furthermore, the Indonesian government also received assistance amounting to 500 million USD or around 7.4 trillion rupiah from the ADB. According to Benita Ainabe, as an ADB's Finance Sector Specialist, this program aims to increase Indonesia's capacity which includes disaster and climate resilience, environmental sustainability, and human capital development, including health and gender equality (Uly, 2020). Not only in the form of loans, ADB and Indonesia through PT. Gojek Indonesia is also collaborating in research on digitalization in Micro, Small and Medium Enterprises (MSMEs). According to ADB's Chief Economist, Yasayuki Sawada, this collaboration is expected to be able to help in finding a path of economic development that is more sustainable and felt by all parties (inclusive), able to improve or increase business resilience, and consumer welfare in situations caused by the COVID-19 pandemic (ADB, 2020).

Still related to COVID-19, in the financial governance aspect, ADB initiated a regional hub in order to strengthen taxation policies and tax administration through knowledge sharing and strengthening cooperation. The Regional Hub will focus on promotion through cooperation involving tax and financial institutions in developing countries, international organizations such as the OECD, IMF, World Bank, and domestic tax associations. In this context, ADB's President, Masatsugu Asakawa, believes that



improving the international Tax Cooperation (ITC) and the domestic resource mobilization (DRM) is one of the keys to successfully achieve the Sustainable Development Goals (SDGs) in a global situation that has been affected by COVID-19 (ADB, 2020).

Meanwhile, according to Sri Mulyani as Minister of Finance, Indonesia's tax revenue ratio is still low which indicates that it is necessary to involve other parties to exchange knowledge and experience in the field of taxation to increase the revenue ratio (Habibah, 2020). This project is a learning process for developing countries, including Indonesia, to be able to create good financial governance.

The explanation before emphasized that both parties cooperate on various sector to handle the impact of pandemic. However, both parties still maintained their focus on infrastructure development, especially on energy sector that will be explained deeper in the next sub-chapter.

### **Indonesia and ADB's Cooperation on Energy Infrastructure**

Before the COVID-19 pandemic hit Indonesia, ADB and Indonesia are already involved in joint projects with a focus area for developing the energy sector. ADB provided support for the Sumba project as The Iconic Green Energy Island. This project was initiated by a non-governmental organization, Hivos that is based in the Netherlands supported by the Ministry of Energy and Mineral Resources of the Republic of Indonesia, exactly the Directorate General of New Renewable Energy and Energy Conservation. Sumba is selected as an Iconic Island

of 100% Renewable Energy based on a study conducted by Hivos collaborated with Winrock International in 2010, which showed that despite Sumba having high renewable energy potential, Sumba has low access to energy with an electrification ratio of only 24.55% (Sumbaiconicisland, 2016). ADB in its official document, approved assistance of 1 billion USD to support this project (ADB, 2016).

In 2015, ADB agreed to provide 500 million USD loan to Indonesia where the funds allocated to support the government's efforts related to energy governance reforms such as reducing subsidies, implementing cost recovery-based tariffs, and optimizing the performance of state-owned companies such as PT. PLN (ADB, 2015). Regarding to this project, ADB approved an assistance of USD 600 million as a yield-based loan provided to PT. PLN in 2017 in order to increase the access of the people of Eastern Indonesia to sustainable energy services (ADB, 2017).

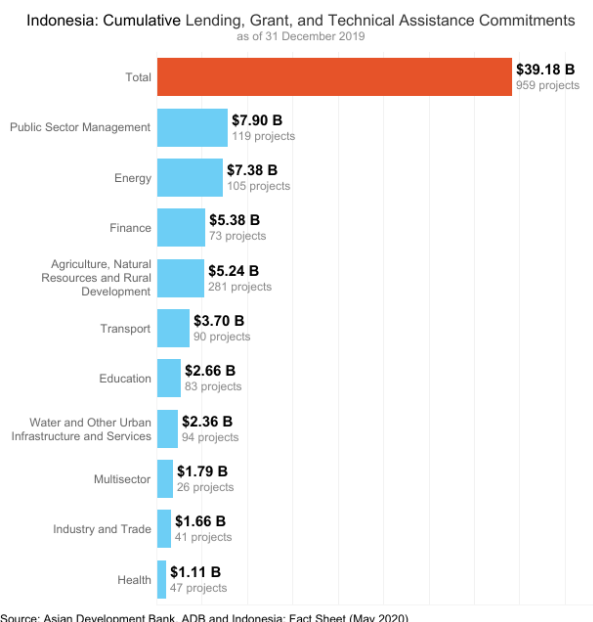
Apart from PT. PLN, in 2020 ADB also provided a loan to one of the Indonesian State-owned Enterprises (SOEs), PT. Geo Dipa Energi (PT. GDE). ADB agreed to provide a loan of 300 million USD which is used to increase the capacity of Geothermal power plants on the island of Java. According to ADB's Director for Indonesia, Winfried F. Wicklein, this project can help Indonesia dealing with climate change issues and improve the quality of Indonesia's electricity system to be more efficient, reliable, and of course sustainable (ADB, 2020).

Furthermore, Indonesia is also involved in ADB's regional projects aimed at

promoting the clean energy transition in the Southeast Asian region. This project cost 2.25 million USD. This project is assessed according to the green recovery program implemented by the government in effort to recover from the COVID-19 crisis, where clean energy development infrastructure is proven success in generating a larger proportion of local jobs and higher local economic benefits (ADB, 2021).

So far, the focus area of cooperation between Indonesia and ADB has been on improving the quality of infrastructure and public management. However, the various infrastructure projects being carried out are projected to support economic activities. In accordance with ADB's main objective of promoting inclusive development, several of the programs above are directed to be distributed not only for the people live in Java, but also outside Java such as infrastructure development in eastern Indonesia such as in the Sumba the Iconic Island project and the results-based assistance provided to PT. PLN.

Before the COVID-19 pandemic, the assistances from ADB have more focused on governance and development in the infrastructure sector. This can be seen in the budget allocation of ADB loans, which is displayed in the following diagram.

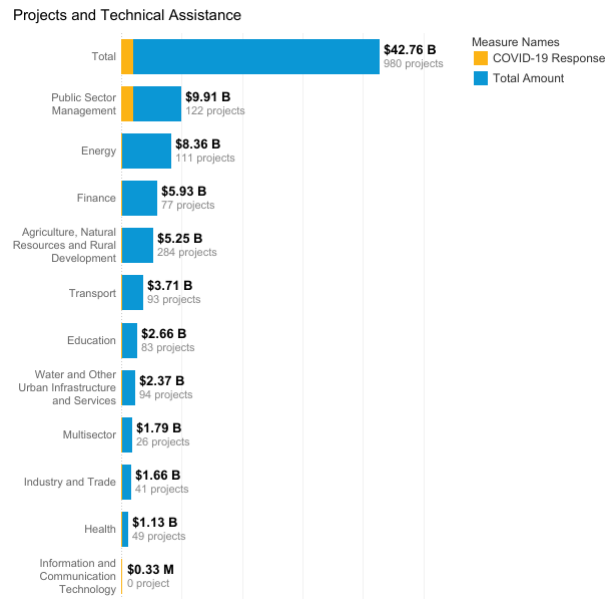


**Picture 1.** Indonesia’s Loan Allocation from ADB before COVID-19 Pandemic (ADB, 2020)

Based on the diagram above, the health sector is one of the sectors that receives the lowest allocation of assistance when compared to other sectors, especially to public sector and energy development. However, the health sector obtained more attention since the COVID-19 pandemic hit the world, but the number is not significant especially when compared to energy infrastructure development.

The following picture shows the latest budget allocation on Indonesia’s loan from ADB.





**Picture 2.** Current Indonesia’s Loan Allocation from ADB (ADB, 2021)

The diagram shows that there is special allocation intended for handling the consequences caused by COVID-19 pandemic, but the energy sector still gains a fairly large allocation. If comparing to the data per December 2019, the allocation for energy sector increases almost 1 billion USD. This number show that energy sector still becomes the priority of both parties, despite there are changes on public sector and health management.

The nature of the cooperation carried out leads to long-term, inclusive and sustainable cooperation since the collaboration refers to efforts to increase the capacity of both the quality of human resources, infrastructure, and skills in mitigating non-natural disasters where the benefits can be felt after the pandemic ends or even when a pandemic may occur in the future. Furthermore, the target of cooperation is aimed at those who are most affected, such as those who have lost their jobs, as well as business owners

who have been affected by the COVID-19 pandemic.

Moreover, the issues of environment, health, and good financial governance are all included in the main focus of the International Task Force on Global Public Goods. Therefore, the involvement of international partners, which in this case is ADB, can help Indonesia to achieve the goals as seen in ADB’s support in the Sumba the Iconic Island Program.

One of the latest collaborations between Indonesia and ADB is in the form of a USD 150 million loan to support economic recovery due to the pandemic. The Sustainable Development Goals Indonesia One-Green Finance Facility (SIO-GFF), aims to finance at least 10 projects. 70% of the financing will be aimed at supporting green infrastructure and the rest will support the SDGs. The facility will design viable projects to attract funding to complement government spending, including from private, institutional and commercial sources. This project is the first time in Southeast Asia region (ADB, 2022).

The various forms of collaboration above show that ADB as an international organization plays an important role in facilitating cooperation. In the context of this research, the collaboration refers to efforts to recover the economy in Indonesia due to the impact of the pandemic, especially on energy infrastructure development. When the pandemic hit the world, Indonesia face uncertainty and issued emergency response due to anticipate the impact of pandemic. As we all know that, infrastructure development in

Jokowi's regime being priority. But, the pandemic has ruined the plan, that caused the government reallocate their budget for recovery.

The explanation above also emphasized the commitment between two parties in handling the impact of COVID-19 pandemic on energy infrastructure development. As mentioned before, the pandemic had affected the infrastructure development due to the budget for it was cut by the government. Therefore, the loan from ADB helped the government to maintain and support the development of infrastructure. Both sector are important, since COVID-19 pandemic gives impacts on human health, while the energy infrastructure contributes to environmental issues.

As we all know that climate change issue is increasing every year, which means that the world already put more attention toward it. Moreover, based on a report from IQAir 2021, Indonesia has received a bad report regarding air quality conditions in its territory. The report shows that Indonesia is ranked 17th as the most air polluted country in the world with the highest PM2.5 concentration of 34.3  $\mu\text{g}/\text{m}^3$ . This position is the highest in the Southeast Asia region. In fact, this position is still worse when compared to other Asian countries such as China which ranks 22nd (IQAir, 2022).

This situation shows that the Indonesian government needs to take action in order to prevent or overcome environmental damage that occurs. If not, Indonesia may come under pressure from various international actors due to its pollution contribu-

tion. Steps to develop renewable infrastructure or even more environmentally friendly technologies are one of the efforts to overcome this problem. Nevertheless, the Indonesian government has not been able to operate independently, so it requires assistance and cooperation from other parties, one of which is ADB. From the previous findings, it is understandable that even though Indonesia is currently being hit by a pandemic, in fact the allocation of cooperation with ADB is still focused on the sustainable infrastructure development sector. This shows that environmental issues are indeed a top priority for both parties, especially the Indonesian government.

Even though, it should be underlined that Indonesian government has to make sure that the loan is implemented well, appropriate with the target of the development. It is very important to remember that ADB's approach is loan-based approach, not a grant or aid approach. Therefore, Indonesia government has to return those loans before the due date even though the interest rate is low to prevent the financial crisis as what happened in new order era.

## Conclusion

Based on the explanation, it can be concluded that the COVID-19 Pandemic that hit the world gave domino effect on various sector, especially economic sector. This led to influence on energy infrastructure development. This is also shown by the budget allocation that being cut by the government for economic recovery. Finally, this situation pushed the Indonesian government to

engage with ADB for tackling this problem while maintaining the effort to develop infrastructure energy.

The health sector, which was previously not a priority, is at present receiving more attention. Nevertheless, cooperation in the energy sector remains a priority. Both parties may make adjustments to the cooperation sector that may be optimized in reducing the impact of the COVID-19 pandemic. However, in the end the infrastructure sector remains the priority. In fact, the commitment to cooperation in the energy sector has been reaffirmed even in the midst of a pandemic.

However, from the various changes in cooperation, ADB always inserts a development agenda on it, that the cooperation carried out provides value-added (capacity building) for partner countries (Indonesia) whose benefits can be felt for long term. For Indonesia, ADB is an international organization that has important roles, especially during the pandemic. The existence of international organization such as ADB is able to facilitate cooperation in tackling certain issues. The most important thing is that the development of energy infrastructure and pandemic recovery have to run hand in hand to get out of the crisis. Finally, this research is a pre-liminary research since the data and the projects discussed in this article is still ongoing. Therefore, the next researcher has opportunity to deepen the research on this topic.

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## New Developmentalism and the EU's Carbon Border Adjustment

### Mechanism: Policy Options for the Global South

**Ikhlas Tawazun; Natasya Dewi Shafira**

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Department of International Relations,  
Faculty of Social and Political Sciences  
University of Indonesia, Indonesia  
tawazunikhlas@gmail.com

*The Carbon Border Adjustment Mechanism (CBAM), put forward by the European Union (EU), appeared as a new environmental trade policy that holds significance to the Global South. It necessitates the Global South countries to make changes in their development strategies to not only adapt to the CBAM, but to the overall shifting of the world's economic growth pattern and sustainable development agenda from which it emerged. Against this backdrop, this article addresses how the Global South can adapt to the CBAM in particular and the larger pressure to transition to a more sustainable growth and development. This article uses qualitative methodology with data acquired through extensive desk research. Findings of this article show that new developmentalism is well suited to enhance the needed policy changes as the Global South can leverage its already-existing state capacity to effectively steer the transformation towards a more sustainable growth. This article is also equipped with possible policy options for the Global South as close examinations towards existing development policies of several Global South countries still list several challenges.*

**Keywords:** CBAM; Global South; new developmentalism; environment; sustainable growth

#### Introduction

As awareness and concerns about climate change increase globally, greenhouse gas (GHG) emissions—especially carbon—has now become an important policy issue, including in trade. Internationally, there have been several international treaties and an increasing number of forums that deal with climate change, and the avenue to discuss climate change has primarily occurred at the international level due to the global nature of the climate change itself.

These measures at the international level, in turn, guide and pressure policy changes in national governments. National governments are urged to act to reduce GHG emissions through policy, one of them being carbon pricing. Carbon pricing was first implemented in Finland in 1990 in the form of carbon tax. Finland established a carbon tax of EUR 1.12 (USD 1.41) per tonne of CO<sub>2</sub>. Progressively, Finland increased and improved the carbon tax. In 2013, the tax evolved into a combined tax on carbon and energy at EUR 18.05 (USD 22.65) per tonne



of CO<sub>2</sub> and EUR 66.2 (USD83.1) per tonne of carbon (Nachamany et al., 2015). Since then, other kinds of domestic environmental regulations to reduce GHG emissions have taken place in other countries.

In the recent adoption of the Fit for 55 Legislation Package on 14 July 2021 by the European Commission, the European Commission is proposing a carbon border tax, named Carbon Border Adjustment Mechanism (CBAM). Carbon border tax, although similar to carbon tax, is a fundamentally different concept because of its external nature. The CBAM is targeting additional fees on carbon-intensive products entering the EU. The additional fees will reflect the amount of carbon emissions emitted in its production and adjust with prices of carbon in the EU, as set in the Emissions Trading Scheme (ETS) (European Commission, 2019). The CBAM was proposed by the European Commission to address the problem of carbon leakage.<sup>1</sup> As the proposal is now in its final legislation phase, it is likely to become law in late 2022 and take effect in 2023.

With the CBAM, the EU will be the first to implement a carbon border tax. The CBAM will start with a transition phase in 2023 and change to full implementation (i.e. imposing fees) in 2026. Initially, the CBAM will apply to five categories of carbon-intensive goods: cement, iron and steel, aluminium, fertilizers, and electricity (European Commission, 2021).

This exposes the Global South to the environment as part of an emerging policy

sector that they have yet to take account and integrate in national policy-making. With the CBAM soon in place, the Global South is again incentivized, rather forcefully, to adapt to changing growth patterns to a greener economy.

In order to adapt to this ever-pressing change, the Global South is historically well equipped with a governance strategy, called the state 'developmentalism.' Especially in East & Southeast Asia and Latin America, developmentalism has the historical achievement of driving "miracle" economic growth up to two digits (Bresser-Pereira, 2020).

This article argues that the Global South can utilize new developmentalism that emphasizes state intervention and policy innovation in adapting to the CBAM and transitioning to a more sustainable growth. New developmentalism makes a semantic enlargement to "developmentalism" and the organization of capitalism by the state, enabling the state to organize the economy and tackle environmental issues simultaneously (Bresser-Pereira, 2020). In fact, many Global South countries have shown practices of new developmentalism—appertaining to the critical, proactive role played by the state in shaping new paths of economic development, working in partnership with institutions, businesses, and society, including introducing new approaches on development and industrial policy as well as promoting and nurturing industries to become greener (Dent, 2017). This challenge, which also becomes the research question of this study, is "How can

<sup>1</sup> Carbon leakage is the relocation of production from countries with stringent climate policy to countries with less stringent climate policy, therefore resulting in no actual reduction of emissions (Vedder, 2010).

the Global South adapt to the EU's CBAM in particular and the larger pressure to transition to a more sustainable growth?"

This article studies the emergence of the EU's CBAM and how the Global South countries can adapt to it as part of the shifting of the world's economic growth pattern. We assess and elaborate our argument by building upon a vast literature of the developmental dynamics in the Global South, particularly in relation to the environmental context, and examine their industrial and other economic policies. The subject for our examination includes Brazil, Bangladesh, China, India, and Indonesia—countries of the Global South that mirror a reconciliation of development policy and industrial upgrading with the needs of the incremental greening of economic growth in their agenda (Bowles, 2021). This article is then followed by policy recommendations derived from our evaluations of the empirical situations in the aforementioned countries.

The structure of the article is as follows. First section introduces the CBAM briefly and how it emerged as a signifier of the changing growth pattern. Second section details how the research is conducted, from data collection to analysis. The third section sets out the theoretical foundation of this article by exploring the concept of new developmentalism. The fourth to seventh section discusses the policy implications of the CBAM, state capacities of the Global South, and the relevant policy options. Finally, the last section concludes this article by presenting a conclusion and several policy recommendations.

## Methodology

This article is conducted by qualitative assessment where data being used are secondary ones. The data collected include publications from news, articles, and books pertaining to developmentalism and overview of existing policy dynamics in several Global South countries.

This article looks at how several Global South countries incorporate ecological modernism ideas on their "greener, more sustainable growth" and practice state capacity in realizing it. Using varied case studies allows us to explore extensively how new developmentalism is exercised (Oddell, 2001). It shows combination of similar but, at the same time, often contrasting factors that could showcase the many ways Global South countries display features of new developmentalism (Dent, 2017). A comprehensive perspective from the Global South with regards to the issue at hand can then be obtained, and in turn, it enables us to infer policy recommendations for other Global South countries by providing insights into remaining key issues and the possible strengthening of new developmentalism.

## The Nexus between Economic Growth and Environmental Issue in International Relations

In policymaking, the links between economic and environmental issues are becoming increasingly salient. This section first discusses sustainable development, especially how it has reconceptualized the links between the economy and the environment to realize sustainable growth. In this section,

'New Developmentalism' will be introduced.

### Economic Growth and Environmental Disruptions

The end of World War II brought forth competitions between countries in restoring their war-torn economy. The rapid economic growth experienced by Japan, or better known as the "Japanese Miracle," throughout the second half of the 1900s made it a model for development, which then put the concept of 'Developmentalism' to fame. Developmentalism refers to the pursuit of economic growth where a directive government is reinstated (Johnson, 1982). Countries that adopt developmentalism consciously assign economic development at the top of their national agenda with the government playing the leading role.

In developmentalism, control over resources and markets are matched with extensive coordination with the public and private sectors as well as the nurturing of industries. Hence, the government can secure sufficient social modalities and implement its strategic industrial and economic policies rather smoothly (Johnson, 1999). The concrete form of developmentalism policies can vary, but a common thread is the pro-active role of the government in: (1) planning strategic policies; (2) setting the resources allocation; and (3) creating strategic collaboration with private sectors (Amsden, 1998; Wade, 1990; Chang, 2002).

Although policies that heavily focused on rapid industrialization had brought countries to achieve their economic and social objectives, the environment emerged as

a victim of that success. It was evident in a plethora of studies exploring the causality between the environment and economic growth, namely the 'Environmental Kuznets Curve' and 'Environment-Economic Growth Dilemma'. The former sees that, at a certain level, economic growth would always lead to environmental regressions (Mulali & Ozturk, 2016; Fu & Zhang, 2016; Moutinho et al, 2017; Maneejuk et al, 2020), while the latter considers environmental hazard as a definite cost of economic development, one of which must be undertaken by the government to attain economic growth (Beresford, 2001). These findings and subsequent environmental dynamics, confirms the underlying tension between economic development and the environment.

### New Developmentalism: Reconciling Growth and Sustainable Development

Increasing concerns regarding how human activities in pursuit of development were having severe impacts on the planet made countries, particularly developed one, to commence an international forum in 1987 to draw up strategies and action plans for moving towards a more sustainable pattern of development—later referred to as "sustainable development." Advocates of sustainable development believed that the existing patterns of growth and development would be unsustainable (Sustainable Commission, 2011). They then further argued that the result of development should have been a state of society where living conditions and resources continue to meet human needs and development goals without undermining the

stability and integrity of the natural system, so that the needs of the future generation is not compromised<sup>2</sup> (UNGA, 1987).

Upon gaining recognition from world leaders, the United Nations eventually set up a comprehensive document on sustainable development. However, interpretations towards the concept can vary insofar they share certain general features and a strategic framework for achieving it (UNGA, 1987). The European Union, for example, adopted a strategy in favour of sustainable development of which organizing principles center around “precautionary”, “ecological modernism”, and “polluter pays” (European Union, 2012).

Such condition made analysts contend that the ideas, concepts, and theories of developmentalism had withered—if not entirely losing relevance—in this era of globalization where developmental agenda no longer only concerns industrialization and economic growth to catch up and compete in challenging economic activities (Doner, 2005), but in so doing continues to be connected to the realization of sustainable development. They asserted that economic organization grounded on developmentalism is hence unworkable (Dent, 2017, p. 3).

On that account, developmentalism underwent a theoretical evolution, propagating the emergence of “New Developmentalism.” Contrary to such pessimism, proponents of new developmentalism believe that state-capacity is rather transformative and versatile. The global challenge of envi-

ronmental disruptions is seen as presenting opportunity than threat to state-capacity as it just requires new methods of managing markets, reconfiguration of state-business-society relations, and new approaches to industrial policies still centered upon the state (Dent, 2017, p. 3).

The new developmentalism combines theories on state capacity (SCT) concerned with governance of development processes and ecological modernism (EMT) which sees environment and natural resources as factors of production that have values (Dent, 2017, p. 6-7). New developmentalism assimilates EMT ideas onto the strategic plans for economic development, where it prescribes state to support the drive towards new eco-industries and environmentally sustainable practices in business processes. As such, businesses can continue to make profit, expand markets, and obtain their corporate objectives while acting sustainably to meet state’s growth objectives (Dent, 2017, p.3-7).

Although new developmentalism is considerably more evident in newly developed countries, such as South Korea (Kim & Thurbon, 2015), Japan (Harrel & Haddad, 2021), and Singapore (Dent, 2017), it can be put in place in a wider geographical scope insofar a strong developmental state is exercised towards realising transformational sustainable growth (Dent, 2017, p. 2). In this context, it is applicable and of high interest not just to the advanced economies, but also to developing countries, including the Global South.

<sup>2</sup> The definition of sustainable development, as noted by the Brundtland Commission, reads “... development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”



This article follows the prescription of new developmentalism. In this understanding, we need to look at CBAM as both part and signifier of the changing development pattern. The exercise of new developmentalism in the Global South is closely tied to revitalised and refocused forms of state capacities aimed at realising transformative social and economic objectives—that is achieving sustainable growth (Dent, 2017, p. 2). In this article, we will first see how development policies of several Southern countries are crafted to respond to mounting pressures of sustainable growth, commonly marked by the reconciliation of material prosperity and sustainability goals.

Consequently, we also argue that new developmentalism is, in fact, workable in the context of helping other Global South countries meet their transformative sustainable growth and economic objectives. First, it aligns with the institutional context that is present in the majority of Global South countries, where state directives remain strong. This also means that policy prescriptions derived from the premise of new developmentalism can be argued as more effective in steering the structural transformation necessitated by the changing development agenda, for an exceptional advantage is already at disposal (Szalavetz, p. 110-114). Second, it recognizes the long-standing, continued pre-eminence of economic and industrial objectives in states' conformation towards sustainable growth. This fits the context of

the Global South which still regards them as relevant policy objectives (Rockström et al., 2009; Chen & Lees, 2016).

### The EU's 'Normative Power' and Policy Changes in the Global South

In understanding the CBAM, it must be first understood that the nature of the EU as an institution is that it manages trade not only as an economic issue, but also a strongly normative one. The EU has a long record of linking trade with normative ends such as labour, environmental, and human rights standards, which originated from its conception as a "normative power."<sup>3</sup> This is primarily reflected in the EU's constitutionalism as an elite-driven and treaty-based phenomenon (Manners, 2002). The EU constitution, or *acquis communautaire*<sup>4</sup>, contains an increasing number of normative provisions, including on environment and climate change (European Union, 2008). Those provisions then influence policy-making, including the CBAM proposal.

In imposing additional fees on carbon-intensive imports, CBAM would also induce policy changes globally. This is due to two factors relating to the EU's normative power in the CBAM case. First, as a trade bloc, the EU is a very lucrative market. Functioning as a single market, trade policy decisions are taken at the EU level. With around 450 million people, its size is third only to India and China. Not to mention its high purchasing power and strong currency. As

<sup>3</sup> Normative power, simply put, is the ability to shape what is considered 'normal' in international relations (Manners, 2002).

<sup>4</sup> *Acquis communautaire* refers to the accumulation of legislation, legal acts, and court decisions that constitute the body of European Union law that came into being since 1993.



more than 40% of the EU's merchandise is traded with the Global South, it is impossible to reject EU's trade policy without further ramifications (DG Trade, 2021). This has enabled the EU to use trade, especially the conditional opening of its market, to further their normative cause.

Second, the CBAM is helped by the increasing salience of climate issues internationally. Climate change was not a hotly debated global issue 50 years ago, but it is now. The increasing salience of climate change is influenced by a lot of factors and actors, including EU activism in advocating climate change internationally (Delbeke & Vis, 2015). With an international consensus in place, EU climate policies are well situated to induce policy changes globally in order to reduce emissions.

Facing the CBAM and other drivers of change, Global South governments have to act. The pattern of growth is undeniably shifting globally from carbon-intensive production to low-carbon production. This challenge would require the Global South to prove its commitment to fight climate change and match its development strategy.

### **Implementing Carbon Pricing as an Initial Solution**

In facing the CBAM, this section explores initial solutions that can be used by affected countries, including the Global South. This section discusses carbon pricing measures as the initial solution and primary means to address the CBAM in two parts.

### Levelling with EU ETS and Overstepping CBAM

The CBAM is directly related to the EU Emissions Trading Scheme (ETS). The ETS is a 'cap and trade' system that limits the total emissions that the EU member states (plus Norway, Iceland, and Liechtenstein) can emit and enables entities (mainly businesses) in the EU to trade emission allowances, essentially establishing a market-based approach to put a price on and gradually decrease emissions (DG Climate Action, 2015). The CBAM is basically an external extension of the EU ETS, that aims to put a similar price on carbon-intensive import goods (European Commission, 2021).

In this sense, the goal of CBAM is twofold. First, to provide a "level playing field" between EU and other international producers by imposing a similar amount of restrictions and fees. This goal was explicitly stated by President Ursula von der Leyen in her Political Guidelines, where she declared that the CBAM was going to be made to "ensure our companies can compete on a level playing field" (Von der Leyen, 2019). Second, to expand the implementation of carbon pricing internationally. This goal is a consequence of the problem statement in the CBAM Proposal as "differing ambitions related to climate policies" of the EU's international partners (European Commission, 2021). Although secondary, this goal is very related to the EU's normative power and the global nature of the fight against climate change.

In relation to the Global South, it was stated explicitly in the CBAM Proposal that

it will take into account carbon pricing measures in other countries. Moreover, countries that have established a comparable carbon pricing system to the EU ETS can be excluded from the CBAM (European Commission, 2021). Therefore, establishing a carbon pricing mechanism is a straightforward solution for countries whose exports are significantly affected.

Carbon pricing is loosely defined as an instrument that “captures the external costs of GHG emissions and ties them to their sources through a price” (World Bank, n.d.). However, there are two main forms of carbon pricing: carbon trading and carbon tax, which differs mainly in the market-based or state-centric approach to emission reduction. The Global South has these two options of carbon pricing to implement as an initial solution to respond to CBAM from the EU.

#### Accountable Progress, Pushing Transition, & Encouraging Innovation

Carbon pricing as a solution coincides with the current climate commitments in the Paris Agreement by almost all countries and trends towards a green transition. In this context, carbon pricing is being seen as an increasingly appealing policy option. A report from the World Bank found that there are 96 countries that are planning or considering implementing some forms of carbon pricing. This number has consistently risen each year (World Bank, 2019).

In the green transition, carbon pricing plays some important roles. First, the main function of, and main argument for, carbon pricing is that it provides an account-

able way to track progress in reducing GHG emissions. The EU ETS was made to give a certainty of the annual maximum quantity of GHG emissions. This is relevant for the EU's climate goals and international commitments (DG Climate Action, 2015). Second, carbon pricing also pushes transition to a greener economy by internalizing the cost of climate change to the producers. A price on carbon would provide disincentives for producers to keep emitting GHG, so they would need to transform or pay for their emissions. Third, in the same vein, carbon pricing would also encourage innovation of new, low-carbon production methods. As the old, carbon-intensive methods of production are becoming more expensive and obsolete, they would be incentivized to innovate more sustainable methods of production. Carbon pricing would also provide revenue for the government that should be used for green investments (World Bank, n.d.).

From this section, it can be inferred that implementing carbon pricing would not only serve to overstep the CBAM, but also help countries to reduce their emissions and fulfil their climate commitments. In the following section, this article looks at how the Global South countries have been using their state-capacities in advancing their growth needs aligned with the new sustainable development agenda.

#### **State Capacity and Green Transition Efforts of the Global South**

As the result of the CBAM and the world's turn into a more sustainable economy, this section explores the features of new

developmentalism that is already present in several Global South Countries. This section discusses demonstrated state capacities for green transition in three parts.

### State Directives in Mapping Sectoral Priorities: Sustainable Growth in National Development Agenda

Governments across the globe have started to recognize the importance of emission reduction in development. Although industrialization had brought to them extraordinary wealth and advancement, heavy pollution and high depletion were among the most unfavourable by-products lowering down their satisfactory level (Kaneko & Managi, 2004). This was then followed by an extensive demand for security and improved quality of life designated by a better environment, knowing that there was a significant loss caused by the environmental damage that society must pay at the end of the day, which accounted for almost 8% of China's total GDP; valued at USD 54 billion (Fang & Yang, 2008, p.29-30). Another push for China was the global trend of green growth<sup>5</sup> which regards impacts on environmental sustainability as a measure of competitiveness, determining its position in the international arena (Fang & Yang, 2008, p.35). This pressures then prompt the Chinese government to change their strategy and transform their growth pattern—that is, to green growth.

This commitment was later translated into a ground-breaking national development

agenda. The Chinese government issued the Eleventh Five-Year Plan in late 2005, an economic and social development plan that put tight restrictions on carbon emission as well as stipulated actionable steps to achieve sustainable economic growth (Asia Pacific Energy, 2006). It called for industries to develop hydro-powers; encouraged investment on clean power generation equipment; and pushed for the production and consumption of renewable energy sources (Asia Pacific Energy, 2006). This mirrors an essential feature of a state-capacity in new developmentalism: a proactive role of the government in deciding the development agenda, setting priorities, and steering its execution.

However, much of these plans are relatively short-term. To prevent returning environmental hazards prior to an economic turning point, a long-term plan has to be developed. To be able to respond to the changing pattern of growth, including CBAM and other upcoming regulations, sustainable growth must be introduced as a long-term agenda, as prescribed by new developmentalism.

### A Leap Forward: State's Role in Creating Supportive Environment for Green Transition

Interventions in supporting green transition are already evident in the Global South. As part of the Global South that possesses enormous potential for renewable energy, for example, the government of Brazil

<sup>5</sup> Green growth—known also by its alternative epithet, green economy—refers to a form of growth strategy that emphasizes the usage of natural resources in a sustainable manner and a low carbon consumption in the production processes, as opposed to the conventional industrial growth. In this article, we use the term 'green growth/economy' and 'sustainable growth/economy' interchangeably.

led the country's gradual transformation to green growth by enacting numerous research and development (R&D) programs dedicated to studying renewable energy and providing investment-funding in green technologies.

In Brazil, the establishment of a public Science and Technological Institutions (STI) came as early as 2004 in pursuit of technological autonomy as well as economic development.<sup>6</sup> However, it was the year 2012 that the government showed keen interest in developing environmentally-sensitive technologies (ESTs). From this point on, the government started ordering the STIs to engage with companies, private institutions, and other relevant parties to conduct joint R&D activities and promote ESTs (World Bank, 2010).

This was done in two ways. First, the government provided funding to help the business enter and engage in the innovation and investment projects. This funding is made available for the production and investment in ESTs and other modern low-carbon technologies that are projected to be available for a large-scale implementation in 2030 (World Bank, 2010). Considering that transitioning to green technologies is hard for businesses early on, this intervention can be understood as part of the government's effort to reduce the upfront costs and risks that the business had to undertake to realize green innovations (Freeman & Soete, 1997).

Second, the government guarantees their innovation from R&D results by working together with the National Institute of Industrial Property (INPI) to grant them a

fast-track in processing patent applications under the "Green Patent" program (WIPO Green, 2021). The patent would give its holder exclusive rights for up to 20 years; to decide who may or may not manufacture and sell the protected technology. This initiative did not only incentivized business, but also fostered competition and production of technologies alike in the market (WIPO Green, 2021).

A different approach is taken by Indonesia. Recently, Indonesia became a member of the Asia-Pacific Economic Cooperation (APEC) to have completed tariff reductions of around 5% for a total of 54 products in the APEC's 'List of Environmental Products,' which includes technologies like wind turbines, solar panels, biomass boilers, and other pollution-controlling equipment (APEC, 2012). This policy made the inflow of imported technologies easier and the goods cheaper for businesses and consumers. Considering that the renewable sector is knowledge-intensive by nature, the development of green technology can only be realized by first bringing in foreign technology that is comparatively more eminent to study (APEC, 2016).

Those cases showed another important feature of state-capacity that already exists in the Global South: nurturance of industries. In this context, governments of Brazil and Indonesia ran an R&D program and created a favourable environment for technology transfer activities, which will later push for domestic innovation. Both strategies nurture the industrial capacity to align

<sup>6</sup> Act 10,973 of December 2004.



with the new economic growth pattern.

However, one major issue pertaining to this support in the context of other Global South countries is that, oftentimes, the knowledge transition did not occur to companies and/or industries that produce significant pollution, such as manufacturing and electricity. The challenges are twofold. First, there is an existing cultural difference between STIs and companies; whereas STIs want to create knowledge and train human resources, companies are still inclined to achieve financial targets—which then drive them to do business-as-usual approach for short-term results (Figueiredo et al., 2019, p.3). Second, in the context of joint R&D, the issue of excessive bureaucracy is still hindering partnerships and innovation. Other than that, up to this day, not many countries in the Global South have implemented and/or properly executed the research funding and intellectual property scheme (Figueiredo et al., 2019, p.12).

#### Keeping Businesses on the Loop: Mobilizing Capital to Push Innovation

Several governments in the Global South have also helped mobilize the capital resources needed by their industries and companies through various monetary and fiscal policies. This capital mobilization took mainly in two forms: subsidy and lending.

In Bangladesh, the government issued a 'revolving fund' of USD 26 million under the green re-financing scheme in 2019 to disburse low interest loans to over 50 renewable energy and green industries. Later in 2015, the government had also mandated their

commercial banks to allocate no less than 5 percent of their lending to the renewable energy sector. Another additional fund of USD 200 million was also set up specifically for the textile industry to switch to greener technology in the following year, which is a big industry in Bangladesh (Volz, 2018).

Likewise, in India, the government provided parties with capital subsidies in instalments with a limit of 30% of the project cost for solar power (MNRE of India, 2013). The amount of capital incurred by the government for this kind of subsidy peaked in 2017 with an estimate of USD 154 billion (IISD, 2020). Other than that, the Indian government collaborated with the State Bank of India to introduce a 'green car loans' scheme for electric vehicles. This scheme has 20 basis points of lower interest rate and longer repayment window compared to the conventional car loans (Jain, 2020). The special lending scheme is aimed at enhancing the flow of credit, reducing the up-front purchase price, and thus encouraging more green vehicles in the country.

Those incentives are given with conditionalities. In both countries, the governments necessitated that the parties produce tangible impacts for society, one of the examples being electricity, if they were to continue receiving such assistance. The governments also entailed a monitoring and reporting mechanism to evaluate said projects after they incur the subsidy and loan (MNER of India, 2013). In this context, it must be understood that conditionality is another core element of developmentalism; this mechanism would induce companies to create con-



crete goals and actionable steps to achieve it, otherwise they would lose their benefits due to poor performance.

The seemingly persistent problem with businesses in the Global South, however, is that they have not been incentivized enough to modify their factor endowments and shift their production pattern from input-driven to productivity-driven practices. Coals and fossil fuels still dominates the Global South's energy mix; the abundant availability makes it the quickest, easiest, and cheapest source of electricity (Tritto, 2020). On the other hand, the Global South countries also face issues related to low human resources in a way that not many workers are familiar with how green technologies operate. The cost advantage of moving into an eco-friendlier practice, then, remains correlated to the issues of availability and extraction.

### Industrial Planning Strategies and Policy Options of the Global South

The aforementioned practices have shown that the Global South countries possess the capacity to implement new developmentalism in the past. However, adapting to CBAM and further changing patterns of growth would need more policy innovations from the Global South. This section breaks down several strategies and policies that can help them progress and further adapt with the changing pattern of growth. The discussion in this section is divided into four parts.

### Making a New Strategic National Development Plan

As discussed in the previous section, some of the Global South countries have integrated environmental targets and strategies in their respective national development plans. However, the current environmental targets and strategies are becoming increasingly irrelevant in the face of new challenges, one of which is the CBAM.

Most of the current development plans in the Global South only address energy and transportation problems, which even though are rightfully some of the main emitters, does not answer the CBAM challenge and the carbon problem comprehensively. For example, Nachamany and Fankhauser (2016) found that most of the existing environmental regulations only focus on electricity and heat producing emitters. There are more than twice as many regulations that govern electricity and heat production (450 regulations) than there are in agriculture (181 regulations), although each contributes roughly a quarter of greenhouse gas emissions globally (Nachamany et al, 2015).

Moreover, target-wise, the Global South is also accused of not being aggressive enough to meet their environmental commitments. While the EU is leading the way by committing to be carbon neutral in 2050, Global South countries are much less aggressive. China only pledged to be carbon neutral in 2060, and Indonesia in 2070, both deemed to be inconsistent with the Paris Agreement (You, 2021; IESR, 2021). The current emission reduction targets in Brazil, China, India, Indonesia, Israel, Malaysia, Mexico, South

Africa, South Korea, Vietnam, and Iran are also found to be relative rather than absolute targets, which can be subject of multiple interpretation (Nachamany et al., 2015).

As such, it is a must-do for governments all over the Global South to update their respective national development plans to be more aggressive, long-term, and in accordance with the commitments that they made. Both sweeping carbon pricing and sector specific interventions have to be made. These need to be done to meet the challenges of the CBAM and ensure sustainable growth in the long-term.

### Investments and Transforming State-Owned Enterprises

State-Owned Enterprises (SOEs) are a common feature in the Global South that could also be utilized in green transition. Having direct control over the companies, the state could issue any directives to adjust the SOEs to any goal that the government had in mind. Moreover, SOEs are usually in possession of vital national resources and strategic national industries.

For example, back in the New Order era, Indonesia relied on SOEs as the cornerstone of economic development. Under Suharto, the New Order government made, reconfigured, and invested in hundreds of SOEs to run the agriculture, manufacturing, and oil & gas industries.

One of them is Pertamina which, after its merger in 1968, is the single biggest SOE in Indonesia. Initially, state investment helped Pertamina acquire the critically needed refineries, oil terminals, and tankers (Wie,

2002). By the end of 1973, it directly produced 28.2% of Indonesia's oil, with agreements that the government helped to strike deals with Caltex and Stanvac to produce the rest. The timing is just right for Pertamina to profit from the first oil boom in 1974, which increased the revenues of Pertamina to an all-time-high of USD 4.2 billion in that year (Schwarz, 1999).

The flourishing of SOEs is enabled initially by state investments, some by foreign direct investments (FDI), and then it became self-sustaining later. Although initially deprived of capital, the New Order regime managed to reschedule old debt payments, and get new debt deals, particularly from Western countries and Japan, which wanted to give the new anti-communist government all the support it needed. By 1970 Indonesia ranked as the second-largest aid-recipient country after India (Wie, 2002, p. 205-206). The government also appealed foreign investors by revising a hostile Sukarno era investment law with a new Foreign Investment Law in 1967, which are much more welcoming (Sadli, 1972, as cited in Wie, 2002).

This development strategy is also very applicable in the context of green transition. By setting green transition as a national goal, SOEs would follow, which coincidentally, also emit collectively over 6.2 gigatons of carbon dioxide-equivalent annually in energy sector greenhouse gases globally (Benoit, n.d.). In this context, it would be likely that most loan-providing countries, which are also the countries prefer green policies, would provide generous financing. The government could also

simply inject state investments to this end.

### Loans, Subsidies, and Other Financial Incentives for Sustainable Growth

Aside from the SOEs, the private sector would also play an important role in pursuing a more sustainable growth. As a matter of fact, business-state relations have always been critical to the developmentalism of the Global South. Most sectors of private businesses of the Global South coordinate closely with the government in order to collaborate for mutual benefit.

However, business-state relations in the Global South tend to be pragmatist and not agenda driven, sometimes involving rampant rent-seeking. Low interest loans are mostly directed to the lower income class and MSMEs, while subsidies are often consumer oriented with most of them designated to SOEs that provide public goods. Loans, subsidies, and other financial means have mainly served the welfare, rather than the innovation ends (Bardhan, 2018). It has not come by much as a realization in most of the Global South that those policies could be used to mobilize the private sector to innovate for a greener mode of production.

As mentioned before, green innovation is a high input and high-risk process. Enterprises lack the incentive to innovate when they are not sure whether innovation could bring them more returns. Hence, it is highly needed to promote business green innovation by providing low interest rate loans and government subsidies for environmentally friendly projects. Through green innovation, enterprises could not only obtain excess ex-

pected earnings but also achieve an overall better corporate image (Chen, 2008).

Take the energy sector. Dzonzi-Undi and Li (2016) researched the development of Clean Coal Technology (CCT) in four countries, two developing countries (China & India) and two developed countries (Australia & US). The CCT is a new energy producing technology that can significantly reduce air pollution. However, in the adoption of CCT, constraints are met in terms of increased capital and operational costs, as well as reduced efficiencies in the operation, thereby translating to reduced profits. These four governments then overcome these obstacles by providing low-interest loans, subsidies, and tax exemptions (Dzonzi-Undi and Li, 2016). These financial incentives are especially critical in the initial phase. Over time, as more incremental or ground-breaking innovation occurs, it will gradually become self-sustaining and no longer need government support (Acemoglu et al., 2016).

Private enterprises are well suited to make green innovations, but they lack the incentives to do so. Thus, it is in the hands of governments and banks of the Global South to provide the necessary financial incentives to encourage private innovation, research, and development for a greener mode of production.

### Carbon-Intensive Trade Diversion and Exhaustion of Carbon Resources

In a relatively brief five years until its full implementation, the CBAM will bring some trade diversions because some goods are no longer competitive or have meaning-

ful demand. A model estimated that with some kind of carbon border tax, such as the CBAM, there would be some notable decrease of exports from Global South countries to the EU. Fouré, Guimbard, and Monjon (2016) estimated that there would be a decrease in exports ranging from 0.3% (USD 17 Million) from Brazil, 2.1% (USD 421 Million) from India, and 1.4% (USD 710 Million) from China & HK.

Without immediate response from the government, the decrease of exports worth millions of dollars could trigger economic instabilities. Industries might already be undergoing a green transition, but an abrupt change in production would still hurt industries. Meanwhile, the domestic demand might not substitute the missing demand.

The simple solution seems obvious: diverting carbon-intensive trade somewhere else. As the EU phased out coal gradually and as coal became less preferable in most of the developed world, new demand for coal could emerge in the Global South. China, the main consumer of coal, doubled its consumption from around 1300 Mt in 2000 to more than 3000 Mt in 2019. Demand continues to grow in Asia, and is expected to grow in Africa, offsetting the decrease in Europe and the US (International Energy Agency, 2020a; International Energy Agency, 2020b). The same goes for other products taxed by the CBAM: cement, iron and steel, aluminum, and fertilizer. The world might even see the decrease in price of those goods because of the EU's CBAM, possibly driving up consumption elsewhere.

In facing such future prospects, governments in the Global South should coordinate trade and match the supply & demand to optimize their coal production, mainly through South to South cooperation. However, this should not be taken as means to continue carbon-intensive exports indefinitely. This transition in trade should be understood in the larger context of gradual green transition. Eventually, carbon-intensive exports have to be reduced significantly, if not eliminated altogether.

## Conclusion

In light of the newly proposed CBAM by the EU, countries around the world are once again prompted to change their domestic practices to be in line with the global commitment to reduce carbon and the transition to a more sustainable economic growth. Contrary to popular belief which asserts that Global South is at disadvantage, findings of this article show that countries in the Global South instead own the potential to utilize their state-capacity to adapt to this changing pattern of economic growth. The evident transition is marked by the incorporation of environmental concerns in their broader development plans and its willingness to mobilize necessary resources to materialize a more sustainable development.

However, this article also noted several shortcomings that countries need to work further upon. To overcome such obstacles, this article proposed several policy recommendations as prescribed by new developmentalism. This article prescribes the Global South countries to: (1) implement some form



of carbon pricing; (2) incorporate a more extensive and ambitious goal of sustainable growth to their national development plans; (3) invest further in SOEs and provide strategic incentives as well as initiatives to induce the private sector undergo a green transition; and, lastly, (4) plan alternative trade strategies to optimize economic gains during the transition period.

On that account, Global South countries should address the CBAM not just as a measure from the EU to respond, but rather as a catalyst for change. As the global growth pattern shifts, governments should be the main drivers of change to a more carbon-neutral means of production and sustainable economic growth. Ideally, it should start with a wide-ranging carbon pricing mechanism. Policymakers are in the heart of change in Global South. The state once again has to prove its developmental capacity through multiple policy options to maintain growth and transition to a more sustainable economy.

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## Collective Actions and Challenges Analysis on Management of the

## Mekong River as Common Pool Resources

Ni Nyoman Clara Listya Dewi

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Department of International Relations,  
Faculty of Social and Political Sciences  
Udayana University, Indonesia  
claralistya@unud.ac.id

*The countries of the Indochinese peninsula think that the Mekong River is a shared resource that must be managed through cooperation between countries. However, because many countries exploit the resources in the Mekong River, it triggers an increase in environmental degradation. This phenomenon has prompted the establishment of the 1995 Mekong Agreement and the Mekong River Commission (MRC) which aims to agree on cooperation in sustainable development, conservation, and management of resources in river areas. However, as an upstream country, China did not want to join the Mekong River Commission. In fact, China initiated a new collaboration called the Lancang Mekong Cooperation Mechanism (LMCM) in 2016. In the concrete, China has implemented a mega dam construction project which is considered to be a contributor to environmental degradation. By utilizing Garret Hardin's (1968) views on the tragedy of the commons, this paper analyses the challenges, collective actions and efforts of countries in the Mekong River region in overcoming river management and the sources of the tragedy of the commons. Through several characteristics in the management of shared resources by Ostrom (1990) this paper finds that arrangements for shared resources are important to be systematically arranged by the government to prevent the tragedy of the commons. Institutions at the local level are very important to be able to develop appropriate institutional structures that are adapted to the social and economic life of the people along the Mekong River.*

**Keywords:** *Mekong River; tragedy of the commons; common pool resources; collective actions.*

### Introduction

For countries in the Indochina Peninsula, the Mekong River plays an important role in people's lives both economically, socially and culturally. The Mekong River as a water resource is also a transboundary common for countries along the river, such as China, Myanmar, Thailand, Laos, Cambodia and Vietnam. The Mekong River as a shared water resource faces a number of other challenges due to its open access. This means that the river can be used by anyone and there should not be

a ban on other parties who want to benefit from these resources.

However, sustainable resource management in the region still faces a number of challenges. One of them is China's reluctance to join the Mekong River Commission (MRC), a cooperative agreement for sustainable development in the Mekong River basin. China refuses to join as a member and prefers to play an observer role. Whereas as the most upstream country, China has used far more river water than other riparian countries, which is believed to be the source of the

problem of drought in the downstream area of the river.

In addition to the reasons above, massive exploitation of resources along the river is a source of tragedy of the commons that can cause harm to the community. Research published in a 2018 report by the Mekong River Commission warned that hydropower development on the river would result in fish stocks declining dramatically, shrinking the total biomass by 35-40% by 2020 and 40-80% by 2040 (Roney, 2021). Natural resources along the Mekong River are a form of common pool resources, where shared resources are considered to be able to provide benefits to a group of people, but these resources will be less useful if each individual pursues his own interests. Common Pool Resources (CPR), is a theory from Garret Hardin's (1968) thesis on the tragedy of the commons. Hardin's perspective departs from the prairie dilemma, how a group of herders consciously destroys a common resource, from which all parties depend on. There is an advantage for every shepherd to put more cattle in it, but the operational and land management costs are passed on to everyone. On the one hand, due to its open access and no strict regulatory mechanism, it is possible for other farmers to include additional livestock in the pasture, causing the pasture to experience overgrazing. This situation then caused the loss of not only one shepherd but all shepherds. Simply put, it can be said that when resources are starting to be limited in number, everyone has their own rationality to utilize these resources to the fullest for their personal gain. On this tragedy, Hardin (1968) concluded

that “*Each man is locked into a system that compels him to increase his herd without limit—in a world that is limited.*”

Hardin's view of the tragedy above implies that people will not self-regulate, so a regulatory or institutional system is needed. However, Elinor Ostrom (2000) stated that under various conditions, people can work together to manage resources well. Ostrom also believes that the grassland case is a common pool resource (CPR), which is an open access resource. Ostrom's critique of Hardin's view above is then explained in more depth through a concept called governing CPR. CPR management can be owned by the local or central government in the form of public goods. According to Samuelson's theory of public goods (1954), public goods are goods that can be consumed collectively by more than one individual. Examples are road lighting, internet signals, and public facilities. Samuelson also divides public goods into two types, namely pure public goods and impure public goods. Pure public goods are goods that are non-excludable (no party can be excluded from the consumption of goods) and are non-rivalry (consumption of goods from one party will not reduce the quantity of goods available to the other party). Impure public goods are goods in which one party can be excluded from consumption and the amount that can be consumed depends on the consumption of the other party.

Furthermore, Ostrom also found that CPR can be managed by the community which is very useful to prevent the tragedy of the commons. However, the management of CPR is often faced with a number

of challenges such as over consumption, over fishing or over cutting. This problem occurs because shared resources are continuously exploited without any party paying attention to the sustainability of these resources. According to Clark C. Gibson (as cited in Jensen, 2000) certain types of resources are inherently problematic with regard to property rights management and enforcement. Shared resources are resources that are difficult to exclude external parties, no matter who actually has the right to use those resources. Furthermore, Gibson (2000) also explains that another characteristic of CPR is economic subtractability, which means that whatever is taken by one user reduces what is available to other users. Water resources, in this context the Mekong River, is a shared resource.

### **Mekong River as Transboundary Commons**

Communities along the Mekong River are very dependent on the water, land, and food sources in the Mekong River. As one of the largest river systems in the world and flowing along 4,909 km through six countries; China, Myanmar, Thailand, Laos, Cambodia and Vietnam, the Mekong River is the twelfth longest river in the world and ranks tenth in terms of total volume of rivers. The Mekong River basin stretches for 795,000 km<sup>2</sup> and crosses the landmass of six riparian countries. The headwaters of the Mekong River flow from the Tibetan plateau, precisely in Qinghai Province, China and flows through Yunnan Province, to countries in Southeast Asia namely Myanmar, Thailand, Laos, Cambodia and Vietnam (Mekong River Commission for Sustainable

Development, 2021). The Mekong River is divided into two watersheds, namely the Upper Mekong Basin (upstream) and the Lower Mekong Basin (downstream). In the upper reaches, it is known as the golden triangle representing Laos, Thailand, Cambodia and Vietnam or known as the Lower Mekong Basin River States (LMRBS). The Mekong River is also the most diversified place after the Amazon. This river provides benefits for the fisheries, agriculture, supporting household needs, as well as transportation and trade routes. The Mekong River basin is also used as a place for the development of hydroelectric energy sources. The Mekong River is also the main water source for people in Laos and Cambodia.

Countries that are crossed by the Mekong River believe that the water in the river is a shared resource that must be managed through cooperation between countries. The institutional mechanism of cooperation among countries along the Mekong River was realized by the 1995 Mekong Agreement and the Mekong Water Resource Assistance Strategy. The 1995 Mekong Agreement signed by Cambodia, Laos, Thailand and Vietnam later formed the Mekong River Commission (MRC). The focus of the MRC is on sustainable development and water management of parts of the Mekong River Basin and associated resources. The MRC is also part of The Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin. This is an agreement between the lower Mekong River states namely Cambodia, Laos, Vietnam and Thailand (LMRBS) which agrees on cooper-

ation in sustainable development, river use, conservation, and related resource management. This agreement was formed as part of a collaborative effort that has been built for 40 years regarding the management of existing resources along the Mekong River. The Basin Development Plan and Strategy, which is part of the agreement contains various useful procedures for sharing water data, monitoring water use, maintaining flow and water quality.

The diversity of social, cultural, and economic preferences of countries along the river basin is a specific factor in determining the transboundary commons management strategy. So that the joint management of the Mekong River must be included in the water governance agenda, which includes governance at the regional and inter-country levels whose coordination cannot be separated. This means that the resources in the Mekong River are the shared responsibility of the local community, government at the local level, the central government to cooperation between countries that are fed by the Mekong River. The local community is very dependent on the flow of river water which is used for fishing activities, agricultural irrigation to trade transportation routes. However, because the Mekong River can be exploited by anyone, there is potential for exploitation that can tend to become a source of conflict. Moreover, conflicts can be exacerbated when there is a geopolitical element of the basin as a natural water flow that binds riparian countries that can sustain state power to shape and support certain political scales (Ming Li, 2013).

### **Chinese Dominance Over the Mekong**

The potential importance of the Mekong River for Indochina countries is also felt by China, where most of the Mekong River area is located in China with the headwaters of the river in the Tibetan plateau. Since 2009, China has built 11 of the largest dams in the world and plans to build more along the Mekong River. The three giant dams built by China are: Miaowei, Xiaowan, and Jinghong, which are estimated to hold more than 47 billion cubic meters of water and can generate 21,000 megawatts of electricity (Mekong River Commission, 2021). However, China did not want to join the Mekong River Commission.

In fact, China initiated a new collaboration called the Lancang Mekong Cooperation Mechanism (LMCM) in 2016. The LMCM was formed with the aim that China could take full governance of water from the dam it built with other downstream countries. China's initiative to build a dam in the Mekong River area is part of China's Belt Road Initiative (BRI) implementation.

BRI is China's global infrastructure development strategy that was initiated in 2013. This grand strategy aims to increase China's strength in the global market by investing in several countries as well as international organizations. In addition, through the BRI strategy, China can strengthen its influence in the Asian region by establishing the Silk Road Economic Belt which aims to build a trade network. So, the improvement of infrastructure that includes the corridors of the Chinese peninsula and Indochina is considered a priority.



The tragedy of the commons situation arising from China's construction of dams along the Mekong River seems to threaten the livelihoods and socio-cultural structures of communities, such as Thai villagers living along the river (Ming Li, 2013). The construction of the dam intended for power generation has in fact caused great damage to water and land flows around the Mekong River. This development not only causes an imbalance in the flow of the Mekong River, but also blocks the flow of water in the Brahmaputra River which is the lifeblood of the countries of Bangladesh and India (Indra, 2020).

The construction of dams carried out by China in the upstream area causes drought in the downstream due to reduced water flow. Dams on the Mekong River built by China hold large amounts of water and cause droughts for downstream countries. However, the Chinese government rebuffed and said that the drought was not due to the construction of dams, but because of low rainfall and the El Nino disaster (Fuqiang & Liu, 2016). The tragedy of the commons due to the exploitation of the dam built by China on the potential of the Mekong River has caused ecological impacts, social and economic changes for communities along the river.

Changing river ecosystems make it increasingly difficult for people to manage the agricultural and fishery sectors. As a result, these sectors are no longer able to guarantee the sustainability of people's livelihoods.

## **Collective Actions for Mekong River Management and Its Challenge**

In order to prevent the spread of adverse impacts due to the exploitation of the potential of the Mekong River, a solution is needed in the form of CPR governance as described by Ostrom 'governing CPR'. Joint actions to protect the Mekong River have been formulated in the Plan for Protected Areas and Development in the Four Countries of the Lower Mekong River Region, which was formed by four countries in the Indochina region and the international community, but does not include China. To maintain the sustainability of the region, the four countries conducted research on several things that were considered important for the management of shared resources in the Mekong River, such as; the distribution of the growing human population, the relationship between poverty and environmental degradation, issues of water and fisheries, energy, regional forests, agriculture, tourism potential to the formulation of initiatives that can be used to reduce tensions that may occur between countries, in relation to river management.

In addition, another example of awareness of collective action for forest conservation in the Mekong River area is the collaboration of The International Tropical Timber Organization (ITTO) with Thailand, Cambodia and Laos through the Management of the Pha Tam Protected Forests Complex to Promote Cooperation for Trans-Boundary Biodiversity. Conservation between Thailand, Cambodia and Laos Project. This project focuses on transboundary forest and biodiversity monitoring.



The Mekong River area as a trans-boundary protected area (TBA), can definitively be explained as a land and/or sea area that crosses one or more boundaries between states, sub-national units such as provinces and regions, autonomous regions and/or areas beyond borders. national sovereignty and jurisdiction, parts of which are specifically dedicated to the protection and maintenance of biological diversity, and related natural and cultural resources, and are managed cooperatively through lawful or other effective means (ICEM, 2003).

Moreover, the existence of the Mekong River involves cross-border boundaries. Therefore, in the planning and implementation of joint resource management actions, several important aspects are needed, such as political, technical and resource management aspects. This cross-border conservation initiative is crucial because forests in river areas are interconnected between countries. As in recent years, district authorities in Tay Ninh Province, Vietnam have held monthly meetings with their Cambodian counterparts to discuss issues of mutual concern, such as trade and cross-border security along the Mekong River (ICEM, 2003).

However, the action does not stipulate how the strategy can be carried out if there is domination of one country over all resources in the Mekong River area, such as the domination of China through the construction of dams.

Referring to the damage to the ecosystem in the Mekong River area, it can be said that the damage is a problem of a complex system, which includes the institutions and

social systems of the local community. The existence of complex systems in CPR raises attention to the properties of social and ecological systems that are not included in top-down decision making (Holling, 2001). So, it is necessary to regulate the resources that cover many aspects such as social, economic and political systems in an institution. According to Ostrom (as cited in Jensen, 2000), there are several characteristics in the management of shared resources. First, there is a need for a clear definition of who is entitled to use the resource and who is not. Second, everyone needs to understand that their contribution in managing and maintaining resources must equal the benefits received.

This means that there is a need for rules governing community obligations and rules about when and how resources are used that are adapted to local conditions. Third, every individual who is affected by the existence of the rules has the opportunity to participate in changing the rules. Fourth, resource utilization as well as compliance with existing rules must be actively monitored even by the users themselves. Fifth, everyone who violates the agreement and the rules has the right to get sanctions. Sixth, local institutions also play a role in mediating the possibility of conflict. Seventh, authorities from external governments do not have the authority to interfere in resource management schemes developed at the local level. Finally, that the resource management system is part of a larger system, which is then organized into smaller institutions at the local level.

From some of the characteristics described by Ostrom (2000), above, it is import-

ant that the arrangement of shared resources be arranged systematically by the government to prevent the tragedy of the commons. Institutions at the local level are very important to be able to develop appropriate institutional structures that are adapted to the social and economic life of the people along the Mekong River.

The implementation of the rules in the joint resource management plan must also pay attention to the patterns of interaction between actors. Actors involved in the management of CPR are not only actors at the local level. In the case of the Mekong River, the actors involved are also state actors, especially the countries through which the Mekong River flows. Bottom-up interaction is needed to facilitate coordination between institutions regarding the rules for managing shared resources. However, the presence of China with all its power is another challenge for the countries of the Indochina region.

Another aspect that must be considered in managing shared resources is a collaborative approach between actors and institutions at the local and central levels. The collaborative approach is meant by not ignoring the knowledge of local communities regarding resource management and environmental issues. There are social and cultural aspects that have been rooted in the community, which have become knowledge that is trusted and held by the local community, for example the life of the people in Chiang Khong, Thailand who depend on the sustainability of their livelihoods from the Mekong River.

Cross-border agreements or agreements, ultimately require a joint commitment to implement them. An understanding is needed that the existing resources need to be managed together and their use regulated so as not to cause over exploitation which can become a source of even greater disasters in the future. Countries in the Indochina region must also start thinking about China's dominance in the region.

Reflecting on the problems above, it is particularly important to manage the Mekong with a strong self-governing system. Involve the community in planning, changing rules, checking resource management to support the implementation of more fair use of resources in the region for the community. Community understands its environment and is considered experience creating organizations and institutions and has little external government interference. By involving more local communities in its management, there is a clear definition of who has the right to use resources and who is not included in the resource use limits. This is one way to encourage co-management of resources. Rules about when and how resources can be decided jointly by the community and those who violate them can be subject to sanctions or disciplinary action. Involving local stakeholders in resource management schemes will limit the intervention of external parties developed at the local level. Indirectly it will become a complete arrangement of who and how shared resources can be used. According to Ostrom (1990), there are several criteria that figure out success when the management of resource management is managed

jointly by the community. One of them is the existence of a clear definition of who has the right to use the resource and who does not. Communities that use resources must understand that their contribution to managing and keeping the resource must be fair to themselves. Rules can be formed; communities can regulate people's obligations and formulate rules about when and how resources are used and adapted to local conditions. In this context, Ostrom (1990) also emphasizes the role and presence of local institutions to resolve conflicts quickly. Social, economic and environmental consequences can occur, especially when resource users in the Mekong River do not coordinate sustainable behavior. For this reason, it is necessary to apply a management mechanism that supplies compensation to the state, community or institution for socially and economically sustainable conservation and use behavior.

### Conclusion

In conclusion, the construction of dams in the Mekong River area has both good and bad impacts at the same time. Hydropower development on the other hand is designed to meet the needs of new and renewable energy which is considered more environmentally friendly and able to increase socio-economic benefits for the community around the river. On the other hand, the imbalance in the ecosystem resulting from development shows the ignorance and lack of understanding of multi-stakeholders around the river area. An important effort to be intensified is to involve many sectors in cross-border water management research.

Like other countries, political economy stability is determined by water security. Building trust and cooperation between countries must also be accompanied by an understanding of rights and responsibilities in protecting the area around the river. China's actions, which are considered to be hegemony over water over downstream countries, have created an unprecedented challenge for riparian countries. As a country that has a major role in the construction of dam projects, China needs to realize the importance of cooperation to map out a long-term strategy for sustainability around river areas. This is because large-scale environmental degradation in the region is also triggered by regional instability and tension, which in turn can threaten regional security. China's reluctance to join the MRC is a form of coordination instability among river basin countries. Whereas the initial dream of the 1995 MRC Agreement was the establishment of international cooperation and equitable distribution of water resources for countries around river areas. This effort will not work if there is no strategic collaboration to prevent the worst impacts of ecological damage due to Mekong River policies that vary from country to country.

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## From Friction to Acceleration: China's Ambition for a Post-Pandemic *Tianxia* World Order

**Demas Nauvarian; Filasafia Marsya Ma'rifat**  
 Department of International Relations,  
 Universitas Airlangga, Indonesia  
 Department of International Relations,  
 Universitas Islam Negeri Sunan Ampel, Indonesia;  
 demasnauvarian@gmail.com

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*This paper explores the relation between the Covid-19 pandemic and China's peaceful rise. In March 2020, the Covid-19 virus outbreak was declared by World Health Organization (WHO) as a global pandemic that knows no boundaries. While China received an enormous spotlight for being the ground-zero of the pandemic, China has managed to control the pandemic effectively. Not only that, China has also even been able to help other countries by providing Covid-19 assistance to other countries in need. More significantly, however, China was in a unique position when the pandemic hit—it was in a critical period for its rising era. China's rise has been framed as a 'peaceful rise' (heping jueqi). On the other hand, the pandemic forced China to re-think its national power usage while still striving to achieve an idealized order of Tianxia—all-under-heaven. This research analyses how China's pandemic cooperation is utilized in a greater framework of peaceful rise to accelerate the establishment of Tianxia world order. This research argues that the pandemic served as a critical juncture for the status-quo liberal international order, and China took the opportunity to indirectly disrupt the order. This is evident through two main pillars of China's pandemic cooperation: (1) asserting self-reliance by strengthening national response; (2) establishing cooperation to put China as a 'middle kingdom.' This research concludes that China, in some ways, successfully transform the pandemic from friction to an acceleration factor for its peaceful rise.*

**Keywords:** covid-19; post-pandemic world order; tianxia; peaceful rise; international cooperation

### Introduction

The global outbreak of the Coronavirus disease (Covid-19) started in Wuhan in December 2019. Then, in March 2020, the World Health Organization (WHO) declared the outbreak as a global pandemic that had proliferated worldwide. The Covid-19 pandemic has caused a wave of prolonged suffering as has been felt altogether. As of 6 April 2022, the World Health Organization (WHO) reported that the Covid-19 virus had killed

more than 6 million people (WHO, 2022), weakening long-term health and worsening economic and social conditions. Departing from the crisis, the need to immediately end the pandemic became a top priority for all countries. As time goes by, while China received an enormous spotlight for being the ground-zero of the pandemic, China has managed to control the pandemic effectively. Not only that, China has also helped other countries by providing Covid-19 assistance



to other countries in need. In other words, China had attached great importance to international cooperation, such as the knowledge-sharing on the pandemic with the international community and providing bilateral and multilateral assistance to other affected countries (Song, 2020).

More importantly, however, the pandemic hits China in a critical period during its rising era. The rise of China has become a concept to represent China's overall national power increase over the last decade. As an official discourse, China's rise has been framed by its government as a peaceful rise (*heping jueqi*), which promotes cooperative developmentalism approach as its grand strategy. An important figure that shaped this strategy, Zeng Bijian (2005), argues that China did not seek dominance among other states. Rather, it is trying to become a destined great power that would advocate for other third world nations.

The pandemic has affected China's rise in two ways. **First**, China's long-built image as a regional leader and benevolent great power is threatened by its status as the origin of Covid-19. The existence of anti-China sentiment in a few countries due to the pandemic's impact on many sectors of life evidence this. A major example was the sentiment happened in the US during President Donald J. Trump's administration, much shaped by identity politics, partisan rivalry, and the president himself. **Second**, China's rise was mostly revolved around its increasing economic growth and development, which was achieved by the aforementioned cooperative developmentalism approach,

as underlined by its peaceful development white paper (State Council of the People's Republic of China, 2021). The pandemic has created severe impacts on both domestic and international mobility of people and goods, causing damage to trade and other economic activities. Either way, the pandemic sure started as friction for China's rise.

However, two important developments happened in China during the early pandemic period. **First**, China succeeded in mitigating the domestic impact of the pandemic. China came out as one of—if not the earliest—countries to manage the pandemic's impact (Cheng et al., 2020; Xu, 2020). **Second**, while still focusing on domestic development and Covid-19 survival, China has also been trying to fulfill its international role perception by assisting other developing countries in need. The provision of international assistance has been done by China since the 1950s by providing economic aid and technical assistance to other countries and gradually expanding the scope of this assistance (State Council the People's Republic of China, 2011). Until now, China has always done its best to provide foreign aid, help countries strengthen their capacities, improve people's livelihoods, and promote economic growth and social progress (State Council of the People's Republic of China, 2011).

This research analyses how China's pandemic cooperation is utilised in the framework of peaceful rise. This research found that a particular world order element of the peaceful rise strategy, namely the idealised *tianxia* world order, motivates China's actions

in the pandemic era. This research argues that the pandemic served as a critical juncture for the status-quo liberal international order, and China takes the opportunity to indirectly disrupt the order. The discussion of this research is divided into six main parts. At first, this research will present a literature review to survey previous explanations to the research question, as well as to find novelty. A part on the research methodology will follow. In the third section, this paper will discuss the concept of *tianxia* as a world order theory and how it relates to policy-making. It then will be followed by two sections on the empirical discussion about China's Covid-19 policies and responses from various countries. The last section of the discussion will be the analysis section to correlate this research's theoretical and empirical portions.

### Literature Review

Some previous research has analysed the intention behind China's Covid-19 diplomacy and assistance. Just as the debate on China's rise is, the previous literature is well-divided into two main paradigms, although both have intersecting analyses. In the first category, some researchers focus on the landscape of great power politics. These neorealist, systemic researches, such as that of Rusli (2021), focused on how China is utilising Covid-19 as a moment to bolster its 'superpower status'. In the research, the researcher assumed that China's Covid-19 assistance and diplomacy are affected by the hegemonic struggle with the US and is an instrument to win it.

On the other hand, more research is categorised into the second explanation set. These researchers, mainly assuming peaceful rising, are conceptualizing diplomacy and assistance as a soft-power play of China. For instance, Lee (2021) focused on how these assistances are a measure for China to lever its nation branding as not only a great power who is able to manage the pandemic and produce vaccines, but also a benevolent one that is helping others. Similarly, Baruah (2021), Vannarith (2021), and Rudolf (2021), saw the assistance as a part of China's developmentalist foreign policy project under the Health Silk Road of the Belt and Road Initiative (BRI).

However, the two paradigms converge in conceptualising these assistances as soft power. For instance, Gauttam et al. (2020) research belongs to the first camp, as it tried to conceptualise diplomacy and assistance under the framework of geopolitical competitions. However, it still conceptualises them as a soft power play for China to achieve a hegemonic status.

This research tends to converge with the second paradigm. It starts from the paradigm of peaceful rise, which is implicated in the assumption regarding China's vision of the international role and overall world order. However, compared to the first camp, the research on the second one lacks a more grandeur theorisation to link China's massive Covid-19 diplomacy and assistance with its grand strategy. While research such as Gauttam et al. (2020) has linked them to China's hegemonic vision, the same logic has not been applied in the peaceful rise paradigm.

This research, thus, tried to fill the gap in linking these assistances as a soft power instrument to China's overall vision of peaceful rise.

### **Methodology**

In accordance with the type of research classification as written by Neuman (2014), this research is an explanatory research that seeks to explain the reasoning behind a certain policy and seek the relations between two concepts. This research required qualitative-deductive logic as it tries to apply a theory to explain a particular empirical phenomenon. It gathers secondary qualitative data from secondary sources through library studies. The data used in this research are primary and secondary data, focusing on data coming from publicly-available official publications from the Chinese government. This includes white papers, official statements, and other official ad-hoc publications.

The methodology of this research takes into account the ideas of global international relations as developed by Acharya (2014) and Acharya & Buzan (2019). This is applied by using indigenous, constructivist political theory to explain a state's policy. In this case, this is operationalized through the usage of *tianxia* and indigenous Chinese political thinking to explain its Covid-19 policies.

### **Theoretical Framework—*Tianxia* and Chinese Idealized World Order**

While the Covid-19 pandemic's impact extended to various aspects of life, an interesting research agenda related to it in

the realm of International Relations is how it affected the current world order. This research adopts a definition of world order developed by Georg Sorensen as a starting point. Sorensen (2006) defines world order as "a governing arrangement among states, meeting the current demand for order in major areas of concern." He developed this definition from the writings of John J. Ikenberry (2001), while trying to take out the 'liberal bias' and extend the dimensions of world order in his definition. In short, the current popular understanding of world order relates to a set of mechanisms that explains interactions between states or other political entities within an international system. Sorensen argues that there are four main dimensions to look for while analysing a world order: (1) security dimension, related to how states provide security for themselves; (2) governance and institution dimension, related to the rule of sovereignty and global governance; (3) ideas and ideology dimension, related to the accepted common values that is basing states' behaviour; and (4) political economic dimension, related to the distribution of resource pattern among states and entities.

It has been widely understood—mainly as a prescription of those of rise-and-fall-realists such as Gilpin (1981)—that the post-Cold War world order is a liberal international order. This is an impact of the emergence of the US as the sole global great power after the dissolution of the Soviet Union. It was only natural for the US to rank up as a hegemonic power that would define the future of world order, thus the liberal international order, often equiva-

lent to *pax Americana* was born. While we can use the variables of world order above to define this order, an interesting, simpler, and more deterministic conception of world order by Mazarr et al. (2016) could also be used. Mazarr et al. explain that an international order is developed from some ordering mechanisms, such as alliances, treaties, and other informal rules, often determined or controlled by the hegemonic power. These mechanisms would produce an output of regularised state behaviour. Then, the graduality of the world order would be defined by how much states are free to behave in contrast to the set of rules in the existing order.

The interesting thing about the world order theory is that states have the choice to adhere to or deviate from the existing order. While the state might receive punishment or other social sanctions from the adhering global community, states are free to have their idealised version of world order. The main question that arises then would be how compatible the idealised world order is with the *status-quo* world order, and how the state acts on it. There are three possible scenarios regarding a state's idealised world order with the *status-quo*. First, when the two are compatible with each other. In this case, the objected state often has similar political ideology or values with the hegemonic power. States in this scenario will adhere to the existing ordering mechanisms and even promote them, while trying to reach their national interests through those mechanisms. The second and third mechanism exists when the objected states have a different vision of world order than the *status quo*. In this

scenario, states who are willing and capable have two choices. The state can become a revisionist power and overthrow the existing order by becoming a hegemonic power. The alternative prescribes that the state could gradually transform parts of the existing order and create separate spaces—for example, regionally—and apply their idealized order in these spaces.

An emerging theory that explains China's idealized world order is *tianxia*—all-under-heaven. The political philosophy has emerged as an alternative concept to explain China's vision of its and other countries' roles in the world. The theory is much excavated by Tingyang Zhao, a Chinese political philosopher. Godehardt (2016) explained that, citing Edward Wang (1999), the concept of *tianxia* is an extension of how China sees the world—its worldview. It is an extension of the pre-excavated concept of China as *Zhongguo*—Middle Kingdom, and tries to explain what revolves around it. Godehardt also mentioned that the idea highly valued the principles of rites (*li*) and virtues (*de*) as the main variables of the order.

Zhao (2019) mentioned that the core concepts of *tianxia* were excavated from the 'international' politics thinking in the era of Zhou dynasty. *Tianxia*, as a world order theory, mainly prescribed two main features. **The first feature** is a definition of the actors in the order. *Tianxia*, should it be compared to contemporary western political thinking, would correlate to the idea of 'a cosmopolitan world', to the sense that the *tianxia* order goes beyond the conception of the traditional nation-state. However, it does not necessari-



ly mean that this order wishes to eliminate the idea of a state. Rather, as prescribed by Zhao (2019), *tianxia's* theory explains three tiers of political units in its order: *tianxia*, state, and family. The main difference with the Westphalian nation-state order is that the power distribution in this order is centralized heavily, almost entirely, to the *tianxia*. States, therefore, exist as an extension of the power of *tianxia*, while *tianxia* holds the supreme power of moral high ground that legitimizes its control.

The question that arose after the hierarchy as mentioned earlier would be on who holds the legitimacy in the *tianxia* world order? What gave it legitimacy? Zhou (2016) elaborated that the center of the *tianxia* world order would be *tianzi*—the son-of-heaven. As Godehardt (2016) explained, the authority based on virtue and morals surpasses territorial boundaries. It is important to note that another distinguishing feature of this theory compared to contemporary Western theories is the inclusion of a metaphysical dimension. While by no means is the theory a religious one, the historical socio-religious context that shaped the theory builds the conception of 'heaven'—a higher being interpreted in many contexts. However, in all of these contexts, the 'heaven' mandates a certain actor to 'rule *tianxia*'. While this 'son-of-heaven' is interpreted as the emperor in the Imperial China era, modern interpretations have also included the interpretation of *tianzi* as an institution. The basis of this mandate is what makes *tianxia* very close to the philosophy of Confucianism, whose basis of legitimacy is moral. *Tianzi's* rule is legitimised as a benign

rule that brings goodness to the world. It is not surprising to see that the current interpretations of the theory puts China (and in some cases, Xi Jinping) as *tianzi*. One important point to note in this case, however, as explained by Zhao (2019), is that the middle kingdom ruled by *tianzi* can be changed and that the order might collapse should the *tianzi* does not act in accordance with moral virtues.

**The second feature** of *tianxia* revolves around the rule on inter-entity interactions—the international relations in the order. Zhao (2019) prescribed that there are two main interactions ruled out in *tianxia*. First, how the *tianzi* should interact with other states. Zhao mentioned that while, at a glimpse the *tianxia* system looks like the hegemonic stability theory proposed by realists and neorealists, it argued a different proposition. *Tianxia* suggested that the leader of the system did not exist from coercion or conquest, but rather legitimised from the consent and the occupation of moral high ground. Second, how the rest of the states should act. The state's national sovereignty is not eliminated, but rather is supervised and limited by the *tianxia* sovereignty. Zhao (2019) mentioned that this 'conscious submissiveness is a product of Confucian thinking of relational virtuosity. Furthermore, this relation is enhanced by a proposition in *tianxia* theory: no-outsider (*wuwai*). As the *tianxia* world's scope is the whole world, the system should include all nations with no exceptions. The combinations of the features above would result in a 'heavenly invoked order' (*tianming*), visioned to bring peace to the world.



## **China's Covid-19 Diplomacy and Assistance**

China is a developing country that is still trapped in the middle-income trap situation. However, while still focusing on domestic development, China also strives to fulfill its international obligations by providing development assistance to other developing countries. Since China adopted reform and openness systems in the late 1970s, the Chinese economy has grown rapidly, and its national forces have increased significantly. However, China is still classified as a developing country with medium per capita income, and some populations are still hit by poverty. Even so, China continues to do its best to provide foreign assistance, help various countries to strengthen their capacity, improve community livelihoods, and promote economic growth and social progress (State Council of the People's Republic of China, 2011).

On the sustainability in providing assistance in the Covid-19 pandemic, it can be observed that even though China is battling its own Covid-19 problems, Chinese leaders have also placed a high value on international cooperation in the anti-pandemic policy. In this regard, China always strives to reaffirm that it is ready to assist responsibly, based on sympathy for the countries affected by the Covid-19 pandemic. According to Song (2020), up until mid-May 2020, President Xi Jinping had attempted to exchange views with nearly 50 foreign leaders and heads of international organisations via "telephone diplomacy" or face-to-face discussion in two months. On March 26, 2020, President Xi

Jinping also actively participated in the G20 special summit on the epidemic, emphasising the importance of the international community stepping up efforts to carry out joint prevention and control measures effectively.

China generously shared information about the Covid-19 pandemic with the international community in terms of information-sharing and knowledge-sharing. Regarding this, China established an academic sharing platform and a communication mechanism to facilitate the exchange of genomic information and capacity building (Song, 2020). For example, China has provided information about the Covid-19 virus and its treatment guidelines to Fiji. This assistance enabled Chinese medical experts to hold video conferences with the Fijian side to share China's experiences in preventing, diagnosing, and dealing with the pandemic, as well as exchanging views on other issues of mutual concern (Embassy of the People's Republic of China in the Republic Fiji, 2020).

Furthermore, at the opening ceremony of the WHO's 73rd World Health Assembly, President Xi Jinping declared a package of humanitarian and development aid to the least-developed countries and other countries seriously infected (Song, 2020). Based on the latest data released by the Embassy of the People's Republic of China in the Republic of Fiji (2020), China had sent workers and medical supplies to 28 Asian countries, 16 European countries, 26 African countries, nine countries in America, and 10 countries in the South Pacific. Not only bilaterally, China has also actively participated in inter-

national cooperation within the multilateral framework. Overall, China has sent medical supplies to more than 150 countries and 13 international organisations, providing more than 280 billion masks, 3.4 billion protective suits, and 4 billion testing kits to the world (Ministry of Foreign Affairs of the People's Republic of China, 2021). Furthermore, China has also contributed to the WHO, the United Nations, and the G20. China has contributed \$55 million to the WHO (Song, 2020) and has been supporting the role of WHO in the coordination of international action against the Covid-19 pandemic (Embassy of the People's Republic of China in the Republic of Fiji, 2020). In addition, China has also made significant progress in the China-UN joint project to establish a global humanitarian response. China has also fully implemented the G20 Debt Service Suspension Initiative for Poorest Countries, deferring debt repayment of over \$1.3 billion—the highest deferral amount among G20 members (Ministry of Foreign Affairs of the People's Republic of China, 2021).

The other type of assistance that can be the game-changer in this Covid-19 pandemic is the presence of vaccines. Vaccines have become the most desirable item by many countries since vaccines had been proven to be an extremely effective means of dealing with epidemics. As a result, many parties seek to develop Covid-19 vaccines—including China. Although China generally lags in non-Covid-19 vaccine R&D compared with other developed countries, in this Covid-19 pandemic the Ministry of Science and Technology (MOST) of China quickly initiated

the emergency response research projects to accelerate vaccine R&D and rollout (Hu & Chen, 2021). China has been trying to develop vaccines through five technological routes involving international collaboration: inactivated vaccines, live attenuated influenza vaccines, recombinant protein vaccines, adenovirus vaccines, and nucleic acid-based vaccines. After a long development process—including several pre-clinical tests—two Chinese vaccines are exported globally, namely Sinopharm and CoronaVac. Both are proven 50% to 79% effective in preventing symptomatic Covid-19 infection (Wong, 2021).

China's efforts to continue leading the Covid-19 vaccinations and vaccines export then became known as China's vaccine diplomacy, which began in July 2020, with the first Chinese vaccine trial outside of China in Brazil (Lee, 2021). As early as November 2020, China's vaccine companies signed agreements to supply Chinese-made vaccines to many countries, the majority of which are low and middle-income. To date, China has directly provided vaccines to four geographical regions—a total of 104 countries worldwide (Bridge Consulting, 2021). Out of these four regions, Asia Pacific has received the most significant number of Chinese vaccines, with 38 countries receiving the vaccines. Then, the second-highest number of Chinese vaccines went to Latin America, and the last one was Africa. Even though Africa is experiencing a slowdown in receiving Chinese vaccines, China remains the largest supplier of vaccines to Africa. Not only that, China has also helped African countries with

localised vaccines production. In this case, Egypt started producing China's CoronaVac vaccine and became the first country in Africa with a Covid-19 vaccine production capacity (Hui & Aixin, 2021). The authors further emphasised that China's enthusiasm to continue developing and exporting vaccines was also motivated by China's ambitions to win the Covid-19 vaccine development race so that China can be seen as part of a responsible and reliable global community (Kobierecka & Kobierecki, 2021).

On May 21, 2021, President Xi Jinping participated in the Global Health Summit via video conferences in Beijing and made important remarks on "Working Together to Build a Global Community of Health for All." He suggested boosting countries' solidarity confidence to combat Covid-19 and pointed the way forward for international anti-pandemic cooperation (Ministry of Foreign Affairs of the People's Republic of China, 2021). President Xi also stated that China will continue its support for global solidarity against Covid-19 by providing an additional \$3 billion in international aid over the next three years. The aid is to support Covid-19 response and economic-social recovery in other developing countries as well as to provide more vaccines to the best of China's ability (Ministry of Foreign Affairs of the People's Republic of China, 2021). Related to the provision of vaccines, this year, China's government has pledged to supply more vaccines that protect against Covid-19 to other countries, with a target of two billion exports and a call for greater international cooperation as the Delta variant spreads (Aredy, 2021).

## **Responses to China's Covid-19 Diplomacy and Assistance**

Through the amount of aid that China has poured out to various countries and international organisations, the authors noted that every party who has received assistance had undoubtedly made good use of the assistance. In other words, the Covid-19 assistance provided by China is always well-targeted and following the needs of the recipient. The authors will underline some examples that can illustrate and strengthen the statement regarding this.

**First**, in the aspect of medical equipment and experts, the authors noted that around 150 countries and 13 international organisations have received medical supplies from China. As some evidence, in mid-March 2020, Indonesia received Covid-19 assistance provided by China based on the list of the assistance agreed upon by the Minister of Defense of the Republic of Indonesia, Prabowo Subianto. In this case, Indonesia openly accepted medical supplies assistance from China, such as portable ventilators, Polymerase Chain Reaction (PCR) test kits, medical masks, surgical masks, and Personal Protective Equipment (PPE) (Yasmin, 2020). Covid-19 assistance from China to Indonesia did not just stop there. Covid-19 assistance for Indonesia continues to date following President Xi Jinping's commitment to helping Indonesia fight the pandemic. This certainly makes China a strong partner for Indonesia (Rakhmat, 2020). The authors also look upon how China concentrates its efforts on African countries. In this case, a cooperation mechanism has been established for

Chinese hospitals to pair up with 41 African hospitals, and construction for the China-assisted project of the Africa CDC headquarters officially started at the end of last year (Ministry of Foreign Affairs of the People's Republic of China, 2021).

**Second**, in providing vaccine assistance, China received many positive responses from various countries. For example, Asia has been a critical linchpin in China's vaccine diplomacy strategy as the region that has received the most significant number of Chinese shots (Wong, 2021). More than 30 Asian countries have purchased or received the donated vaccine, and Indonesia is one of the largest buyers of Sinovac vaccines, with a total order of around 125 million doses. Slightly shifted to the Pacific region, Fiji is one of the countries in the Pacific islands that have received Covid-19 vaccine doses from the COVAX Facility, but remains open to becoming one of the recipients of vaccines assistance from China. Ambassador Qian Bo said that China would cooperate with the Ministry of Foreign Affairs, Prime Minister's Office, and Ministry of Health in preparing for the arrival of vaccines from China (Embassy of The People's Republic of China in The Republic of Fiji, 2020). The favourable response given by Fiji to the offer of vaccine assistance from China has strengthened the strategic partnership between the two countries. China and Ethiopia have also made significant progress in solidarity against Covid-19 and fruitful achievements in health cooperation. Despite capacity constraints and high domestic vaccination needs, China became the first and only country in March

2020 to make ongoing vaccine donations to Ethiopia through inter-government bilateral channels. This is part of an active effort to fulfil President Xi's pledge to make African countries the first recipients of Chinese vaccines (Ministry of Foreign Affairs of the People's Republic of China, 2021).

**Finally**, while providing aid, China has also received material assistance and moral support from many countries, such as Iran, Israel, Pakistan, South Korea, Japan, Cuba, Russia, and some European countries (Song, 2020). In return, China continues to assist the international community by providing medical materials and knowledge-sharing. By so doing, many countries will be able to adopt some strategies based on China's experiences in preventing, diagnosing, and dealing with the pandemic as well as exchanging views on other issues of mutual concern.

### **China's Self-Image and Intention in Pandemic and Post-Pandemic World Order**

Departing from the various types of assistance provided by China during the pandemic, the authors examine the reasons for solidarity to profitability that motivate cooperation and consistency in providing assistance. In this context, solidarity talks about aspects of sympathy that motivate good relations between China and other countries. Solidarity also has implications for stronger coordination and mutual trust between the two countries to share common interests. In contrast to solidarity, profitability talks about the interests of making profits, such as achieving a good international image, profits



at the economic field, to efforts to win the vaccine development race.

In the context of solidarity, the authors argue that China's ambition to continue providing assistance during the pandemic is in line with China's new white paper entitled *China's International Development Cooperation in the New Era* (State Council of the People's Republic of China, 2021). President Xi Jinping further stated China's responsibility in the international order and proposed a global Community of Common Destiny and Belt and Road Initiative visions in the white paper. Furthermore, China is also committed to pursuing an interest in joint cooperation by upholding the principles of sincerity, closeness, and good faith, and upholding the principle of friendship, solidarity, mutual benefit, and inclusion to expand relations with neighbouring countries. Referring to the commitment, President Xi Jinping seeks to take advantage of many international opportunities to carry out various steps of cooperation. This includes solving the problem of global development, implementing the United Nations Agenda 2030 for Sustainable Development Goals, and increasing foreign aid to be an international development cooperation model (State Council of the People's Republic of China, 2021).

Noting that China upholds multilateralism, Chinese State Councillor and Foreign Minister Wang Yi said the country will raise the banner of a community with a shared future for humanity, uphold the principle of extensive consultation, joint contribution, and shared benefits, protect the international order based on the United Nations Charter,

and improve the global governance system (Huaxia, 2021). Moreover, at the Global Health Summit on May 21, 2021, President Xi Jinping emphasised that the world should work together through thick and thin and build a global community of health to fight the Covid-19 pandemic:

Colleagues, the ancient Roman philosopher Seneca said, "We are all waves of the same sea." Let us join hands and stand shoulder to shoulder with each other to firmly advance international cooperation against COVID-19, build a global community of health for all, and work for a healthier and brighter future for humanity. (Ministry of Foreign Affairs of the People's Republic of China, 2021)

In contrast to solidarity, the authors also underline that China took advantage of an early opportunity to use soft power by launching a comprehensive and well-targeted humanitarian response. Furthermore, all of China's assistance in the pandemic also brought diplomatic interests referred to as Coronavirus diplomacy and were part of China's public diplomacy (Kobierecka & Kobierecki, 2021). Through Coronavirus diplomacy and efforts to provide aid, China seeks to show off as a reliable partner. On the other hand, as one of the largest exporters globally, China also feels responsible for providing solutions to prevent global economic collapse. Furthermore, the obscurity when the Covid-19 pandemic will end makes China continue to take advantage of this moment



for diplomatic purposes. More specific on China's vaccine diplomacy, Modak (2021) argues that China's vaccine diplomacy is motivated by geopolitical motivations because most of the countries to which China pledged doses were participants in the BRI. In another sense, that could be one of China's ways of ensuring that those countries will remain indebted to Beijing and continue supporting and allowing Chinese infrastructure and connectivity projects on their territories.

### **Towards *Tianxia*: Covid-19 and China's Peaceful Rise Acceleration**

The authors argue that the use of Chinese soft power—such as providing assistance—is closely related to the sustainability of China's peaceful rise ambitions. Related to this, the peaceful rise ambition motivates China to be friendly with various countries by conducting exchange and cooperation with other countries based on equality and mutual benefit principles and contributing to peace efforts. In addition, the ambition also made China's foreign policy tend to emphasise the importance of the implementation of harmonious diplomatic relations that could support China's national development (Dugis, 2015). Furthermore, efforts to establish good relations with various countries also encourage China to play more active and responsible, which relates to efforts to build a good international image. The authors understand that China seeks to frame itself as a responsible force to encourage China to be involved in international affairs and provide assistance to more developing countries (Guixia, 2015).

According to Ambassador Zhang Ping's speech (Ministry of Foreign Affairs of the People's Republic of China, 2016), basically China has a foreign policy based on an assessment of the international environment and seeks to serve the overall goal of nation-building. Therefore, China strives to stick to the path of peaceful development without having to give up national rights and interests. The spirit of internationalism and the path of peaceful development was then re-emphasised in China's International Development Cooperation in the New Era, China's latest white paper. The document emphasises that China would continue to uphold the vision of the global community and a shared future so that China will continue to strive to advance its interests. With the vision of the global community and efforts to establish good relations with various countries, China has become increasingly compelled to play an active and responsible role which has implications for efforts to build a good international image. This research found two main characteristics that China showcase during the Covid-19 pandemic era as a challenge to the liberal world order. These characteristics showed similarities with the principles of the *tianxia* theory.

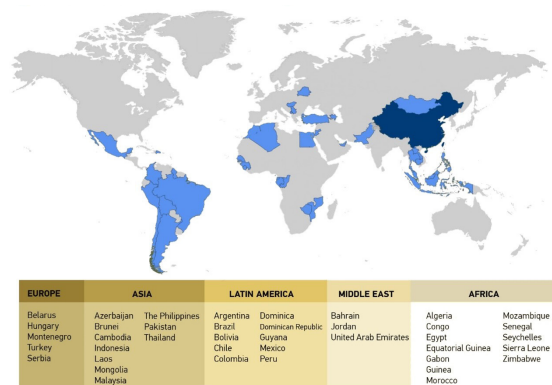
**First**, China's victory against Covid-19 has been glorified by its government as a success story. As reported by its Covid-19 white paper (State Council of the People's Republic of China, 2020), China has intoned on the use of "centralized and efficient command" and a "total war" paradigm in mitigating the impacts of the pandemic. China's success in managing the virus

at home allowed it to claim the superiority of its authoritarian system. Even more timely, as Zhao (2020) found, China used the opportunity to boost its international image by managing a number of diplomatic propaganda campaigns that compared itself to the US and its non-existent Covid-19 strategy, then led by President Donald Trump. Zhao (2020) also found traces of some Chinese scholars who created a comparative discourse on the effectiveness of the Chinese authoritarian political system in handling the pandemic. A good example of this propaganda campaign could be seen in the *Global Times*—a Chinese government media—editorial that underlined the unpreparedness of the US and other western democratic states in handling the virus' spread: As a typical Western democracy, the US apparently had a huge loophole in its understanding of the early COVID-19 situation. Its strategy has also shown surprising mistakes. (*Global Times*, 2020).

China's propaganda campaign for authoritarianism superiority is a combination of imperial political values such as those of *tianxia* and Confucianism and the internationalism spirit under Marxism-Maosim (Tatlow, 2018). The propaganda campaign is a media for China's rise to the higher moral ground with better governance than many other countries, supported by clear scientific evidence. By doing this, China establishes its position as the 'good force' that is destined to shape the world order. Most importantly, however, China seems to be mainly engaging its vaccine diplomacy with third-world states, ensuring its position as an advocate and lead-

er for developing countries (for quantitative data, see Karaskova & Blablova, 2021). This shows China's outreach to ensure the principle of no-outsider in the *tianxia* theory.

**Map 1.** Countries that Have Received or Used China's Covid-19 Vaccines by 23 March 2021



**Source:** CGTN 2021

**Second**, as Lee (2021) underlined, China's various diplomacy and assistance during the Covid-19 pandemic is a clear sign of its soft power usage towards countries. The different assistance and diplomacy, specifically in medical assistance, are a clear means to reverse its previous branding as the ground-zero of the pandemic and shaped its image as both a savior and a humanitarian power in the world. Vaccine diplomacy would be significant evidence for this argument. Anholt (2008) came up with a great concept that helped to explain this phenomenon—competitive identity. The idea argued that certain identities and roles in the international order are often contested. China's gamble for vaccine development and its massive distribution indicated two strives for a superior identity. First, this shows China's generosity to other states without undermining its capability to provide public goods for

its people. Second, this shows China's advancement in research and technology, as vaccines are considered only to be produced quickly by those with enough technological capability and capital. Lawler (in Lee, 2021) found that China is currently the biggest producer of Covid-19 vaccines in the world.

The previous analysis has shown how much China benefited from the Covid-19 pandemic. While the liberal international order has been built as a network of mechanisms ranging from institutions to regimes, power distribution is still important. The system's main support still has to provide public goods. This is evident especially in a crisis such as the Covid-19 pandemic. However, the US' failed response to the Covid-19 pandemic in its early years left a considerable disadvantage for future policies. As Wardhana (2020) underlined, the US under President Trump's administration adopted a "willful ignorance" strategy that deepened its decline of national image and impacted its foreign policy. This condition, combined with pre-existing 'America First' doctrine echoed by the administration, created a notion of 'American decline' in the current world order.

However, China does not necessarily and hastily take up the opportunity to stage a power transition. Most notably, China benefited from the current liberal international order. China's rise, specifically in economic growth and development, is a combination of globalisation forces and a mercantilist economy that shaped a large network of trade and diplomatic ties. China has no interest in becoming a hegemonic power, yet is

striving to become a great power to fulfill its destiny. The two differ in the idea that China did not wish to take the obligations to become a hegemonic power, such as to provide public goods. This correlates to the concept of *tianxia*, which, as Zhao (2016) underlined, is very different from hegemonic stability. China, in this case, attempted to become a moral force in this world by proving that it is more capable than the US in terms of governance and helping other states. However, in a post-pandemic idealized *tianxia* order, the idea of state and nationalism still exists and is well-running, but in a much more cosmopolitan interaction. China is hoping to establish a world order where no one needs to take a systemic burden, yet is living in a peaceful, cooperative development, exactly operationalized in its Peaceful Development white paper (State Council of the People's Republic of China, 2021).

## Conclusion

In the beginning, the Covid-19 pandemic is seen as friction towards China's rise. Not only that much of its containment measures become a challenge to China's thriving economic activities, but China's position as the ground-zero of the pandemic left a bad national image. However, China managed to mitigate the effects of the pandemic well, and came out as the first country to manage the virus in its jurisdiction successfully. Furthermore, China strategically takes this opportunity to step up its international engagement. On the other side, the current liberal international order received a massive disruption from the pandemic. The US—China's main

rival in the global great power competition and the pre-existing hegemonic power—seems to be declining in its role in the international order. This left the international community of states to decrease its confidence in the US. China then offered some assistance through diplomacy around the world. The diplomacy and assistance cover several sectors related to Covid-19 management, such as those of medical staff, medical equipments, and ultimately, vaccine diplomacy. China expected to reverse a pre-existing image as the cause of the pandemic and become a saviour and humanitarian actor of the world.

This paper explains China's policies amid the Covid-19 pandemic era through the theory of *tianxia*, conceptualising it as an idealized world order. This paper has highlighted the moderation between China's *tianxia* vision and the current world order in the discussion. China, already benefitting from the liberal international order, does not show any intention of becoming a hegemonic power in the post-pandemic world order. It does, however, show a huge interest in becoming a great power. China's gradual penetration and fixation on the liberal international order increase its position in the international hierarchy of power and build a more positive image of itself. This is very much related to the strong intonation for the use of soft power in *tianxia* theory, as a hierarchy in this system is built on the basis of moral power.

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# China's National Interest in Vaccine Development Cooperation with Indonesia in Handling the Covid-19 Pandemic: Normative and Material

Anisa Risanti Suhita, Filasafia Marsya Ma'rifat,  
Trisni Salsa Ramadina

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Department of International Relations, Universitas Gadjah Mada, Indonesia  
Department of International Relations, Universitas Islam Negeri Sunan Ampel, Indonesia;  
Department of International Relations, Universitas Gadjah Mada, Indonesia  
anisarisanti96@mail.ugm.ac.id

*The scarcity of medical equipment has been inevitable since the Covid-19 pandemic emerged in 2020. Developing countries, part of the Global South, might have unfortunate conditions due to their lack of medical equipment. As part of the Global South, China has been providing assistance, having Indonesia as one of its main recipients. This study focuses on China's assistance and vaccine cooperation with Indonesia during the COVID-19 pandemic. Since the earlier outbreak, China has provided Indonesia with multiple assistance, such as PCR test kits, medical and N95 masks, Personal Protective Equipment (PPE), and then engaging on vaccine development. The study recognizes two types of interests, the normative and material ones, shaping China's motives. By analysing both interests, it is found that the cooperation between China and Indonesia shows that China has allowed Indonesia to be actively involved in dealing with the impact of the global pandemic. In addition to solidarity (normative interest), China's assistance is also a form of its effort to pursue economic expansion (material interest).*

**Keywords:** COVID-19 pandemic; Indonesia; China; assistance; interest

## Introduction

As the COVID-19 pandemic is the major disaster that the world is currently facing, it creates such a massive significance in any aspect of human life. The virus is spreading quickly and continues to increase because of the people's mobility. There were many Chinese travelling abroad plus the mobility of residents to various regions of the world, including China itself, causing the transmission to happen faster. As of July 2021, there had been approximately 185 million Covid confirmed cases of Covid-19 globally with

an estimated 4 million deaths (Worldometer, 2021).

As the Covid-19 virus spreads fast in Indonesia, the Indonesian government is quite overwhelmed. Medical facilities and health workers had not been sufficient. The scarcity of medical equipment is inevitable. The community were panicked that they hunted for medical equipment, resulting in medical workers having difficulties getting them. Besides, the emergence of panic buying has been increased since they were fighting for food supplies and daily necessities.

The Covid-19 pandemic forced the Indonesian government to implement many policies such as PSBB (*Pembatasan Sosial Berskala Besar*, Large-Scale Social Restrictions) to minimise the spread of the virus. As a developing country, the economic impact of the virus is perhaps the biggest threat that Indonesia faces now. One of the consequences is the increase in unemployment due to the number of employees forced to be laid off. According to Badan Pusat Statistik (BPS; Central Statistics Agency) data, the unemployment rate in Indonesia, jumped sharply to 7%, or around 9.7 million people (Badan Pusat Statistik, 2021).

Like other countries, Indonesia is also threatened by an economic recession. The pandemic has forced many entrepreneurs to go out of business because export activities have been hampered by restrictions imposed by several countries. In this case, the Indonesian government has made various efforts to restore the country's economy, such as enacting a New Normal policy where people can carry out activities as usual by complying with applicable health protocols. Sadly, in practice, the policy is not that easy to implement and causes the number of cases to increase from day to day.

Because of the spike in cases in Indonesia, the government encourages a few countries and international organisations to deliver assistance and loans for Indonesia to handle this difficult situation. Not only developed countries, like the United States and Australia, other countries such as South Korea and Singapore are also participating as a form of solidarity. The assistance pro-

vided by these countries includes grants and loans, alongside medical equipment such as a ventilator, oxygen concentrator, PCR test, x-ray machine, and APD (personal protective equipment) (Aida, 2020).

In this case, the authors understand how unfortunate the condition is for many countries, especially for the Global South. In fact, in world politics the Global South refers to a term of spaces less advantaged socio-economically than the centre of world economy (Haug et al., 2021). China has been one of those Global South countries that assist Indonesia during the pandemic. The assistance was delivered when the Covid-19 virus entered Indonesia's territory. On 23 March 2020, as Covid-19 has been detected in the country, the Indonesian government represented by Minister of Defense Prabowo Subianto confirmed that it had received assistance of 8 tons of medical equipment in the form of N-95 masks, virus test kits, and others (Yeremia, 2020). This is interesting considering that China itself was still experiencing difficulties due to the surge in cases and the economic impact of the pandemic.

Considering the impact of the pandemic, the authors realise the importance of harnessing South-South cooperation. It was evident that the pandemic proved many countries are unprepared for such catastrophe, let alone upending their economic gains. Indonesia and China are no exception. Although both struggles to manage the increase of the cases, they are quite different in response to the outbreak. In China's case, its government quickly took non-medical measures such as lockdown and flight restrictions and medical



measures (Yu & Li, 2020). In Indonesia, both measures were taken slower as Indonesia did not issue any restrictions as early as possible (Djalante, et al., 2020). Regardless of the differences, both countries should be mutually beneficial in managing the pandemic.

In this study, the authors agree that China is significant in providing medical assistance to Indonesia. Not only that, assisting Indonesia by providing medical equipment would be a strategic partnership between the two to revitalise their economies. The assistance is relevant with SSC (South-South Cooperation) which both Indonesia and China are part of. As Adel Abdellatif, Director of the United Nations Office for South-South Cooperation, said, the cooperation among South-South countries allows developing or least developed ones to obtain the required facility (UNGA, 2021). This study will explain the motives and reason behind China's assistance to Indonesia by emphasising two points. First, normative interests, seeing assistance provided by China as a form of solidarity. Essentially, solidarity appears as responsibility and sympathy towards a group where certain actors promote mutual support (Wilde, 2007). China is known as a global donor for humanitarian assistance. Specifically, China's Ambassador for Indonesia Xiao Qian stated in *China Daily* that both countries are "good brothers" in fighting against the Covid-19 pandemic, as well as the good partners in promoting economic recovery (Embassy of the People's Republic of China in the Republic of Indonesia, 2020). This led the authors to consider the partnership an example of mutually benefi-

cial cooperation between countries. Second, material interests, in this case they are related to the development of China's 'signature' vaccine, Sinovac, which has been distributed to Indonesia. Such assistance could be directly related to China's economic interest in Indonesia. This study will compare which interests are more dominant to help recover the Indonesian economy. By comparing, the authors hope this research would demonstrate how humanitarian assistance carries motives, both in explicit or implicit ways.

## **Methodology**

### Descriptive-qualitative method

This paper is descriptive research that aims to understand the phenomenon by clearly describing the situation in the field. In this study, the authors use literature study, including books, journal articles, media reports, and articles from Internet sources. The research is not intended to create new theories or challenge existing theories, but to use the concepts and theory in describing the phenomenon.

### Global Health Governance

Although the Covid-19 pandemic emerged in early 2020, it does not imply that countries are not discussing global health preparedness. Before this, we have witnessed how several regions responded to epidemics, such as swine flu, Ebola, and others. Still, Global Health Governance (GHG) emerged as the transition of International Health Governance (IHG). GHG comprises new actors, some are not traditionally related to the health sector, making them as more com-

plex than IHG. According to the Council on Foreign Relations, GHG refers to formal or institutions, rules, and processes by states, intergovernmental organisations, and non-state actors in dealing with health issues that require collective action to address them effectively (Fidler, 2010).

### South-South Cooperation

According to the United Nations Office for South-South Cooperation (n.d), South-South Cooperation is a broad framework of collaboration among countries of the South in the political, economic, social, cultural, environmental, and technical fields. The birth of the South-South Cooperation was initiated by the Asian-African Conference, which was held in Bandung in 1955. In its principle, South-South cooperation is a common endeavour of peoples and countries of the South. It must be pursued as an expression of South-South solidarity and a strategy for economic independence and self-reliance of the South based on their common objectives and solidarity (South Centre, 2009).

In the other words, South-South Cooperation must be based on equality, mutual respect, mutual benefit, and broad-based partnership—as written in the principles of South-South Cooperation. Cooperation within the framework of South-South Cooperation can take the forms of bilateral, regional, or intraregional cooperation. Developing countries share their knowledge, skills, expertise, and resources to meet their development goals through concerted efforts (United Nations Office for South-South Cooperation, n.d). In addition, the SSC also

emphasises the goal of developing countries to destabilise and denaturalise the existence of the hegemony of developed countries in the international system (Muhr, 2016). Following geographical migrations of manufacturing and production activity from the North to the Global South and diplomatic action by various states, this collaboration has become a popular political and economic notion (Acharya, 2016).

### Normative Interests

Brian Barry defines interests as a policy, law, or institution that is in someone's interest if it increases his opportunity to get what he wants (Swanton, 1980). In this research, the authors recognize two types of interests, the normative and material ones. According to Stan Husi (2015), normative interests involve a considerable degree of subtleness. Using illustration given by David Owens, Husi provides an example of friendship in which when certain subjects become friends, a range of normative interest becomes engaged. More broadly, a normative interest could be interpreted as an interest in the existence of certain normative landscapes through which actors navigate in virtue of their choice and in some instances to exert an element of control over it (Husi, 2015). The normative interests refer to one of the purposes of the South-South Cooperation, which is about how Southern countries build solidarity together to rise and become a new force to minimise the hegemony of Western influence. Apart from adhering to solidarity, South-South Cooperation also emphasises the mutual benefits obtained by

the parties involved. China has been assisting developing countries, including Indonesia, in handling the spread of Covid-19. In other words, based on the normative interests, we could underline that the assistance provided by China to southern countries is a form of solidarity (Winanti and Alvian, 2019). Even though China has become a new economic power that is becoming a serious rival to developed countries, such as the United States, China still places itself as part of the southern countries. China feels that it also has the same fate as the countries of the South: victims of the colonisation by developed countries.

### Material Interests

In contrast to normative interests, which are based on solidarity as part of the southern states, material interests have different basic reasons. This type of interest nudges actors to stick to certain preferences more in line with their economic conditions (Cavaille & Neundorf, 2016). Indeed, in this regard, material interests refer to aspects of economic interests. In addition to providing mutual benefits for the parties involved, South-South Cooperation also emphasises how a country can reap the maximum benefit from the cooperation. The problems in the Indonesian economy have also affected the Chinese economy, as this is related to export-import activities which are also affected by the pandemic. This is a major material interest for China in assisting Indonesia as a form of recovery for its own economy.

### The Covid-19 Pandemic

The World Health Organization (WHO) declared Coronavirus disease (Covid-19) as a group of viruses that infect both animals and humans that was first discovered in December 2019, in Wuhan, China (WHO). It is an infectious disease caused by the SARS-CoV-2 virus. Many people infected might experience mild to moderate respiratory illness, requiring special treatment to recover.

Unlike the previous flu, such as swine flu or bird flu, this Covid-19 is considered a pandemic for certain reasons. The WHO Director-General stated that it is characterised as a pandemic by assessing the outbreak and concerned by the alarming levels of spread and severity and the alarming levels of inaction (WHO, 2020). Consequently, nearly all aspects of human life have been still affected by the pandemic, including the global economy. This happens because of reduced productivity, loss of life, business closures, trade disruption, and decimation of the tourism industry (Pak et al., 2020).

## **Result and Discussions**

### Literature Review

The authors seek to analyse two forms of interest that underlie the provision of assistance by China to Indonesia during the Covid-19 pandemic. Regarding this, the first literature tells us how the pandemic could define the future economic impact on any country. The authors assume its impact is unequal among countries. The variety of responses to the pandemic shows the gaps between them. Based on the United Nations

Office for South-South Cooperation report on 2021, countries may arrange which scenarios would suit them the most to recover from a pandemic (United Nations Office for South-South Cooperation, 2021). This report is significant, considering it was a result from the forum to promote and facilitate South-South Cooperation. China had launched a considerable effort of humanitarian action to over 160 countries and international organisations. It also assists developing countries with a large number of public health facilities. On the other hand, the Indonesian government encouraged building preparedness to health systems to accelerate economic recovery. Such acts and principles show that strengthening solidarity is the norm for facing global challenges.

Generally, there is a simple logic in which a country needs to form cooperation, particularly in these difficult times. In one of our literature, Bump and colleagues (Bump, 2021) argue that it is obvious a country could not single-handedly manage the pandemic. Countries should collaborate in bilateral meetings or multilateral forums to do that. We may assume that for the sake of people, being rational is the simplest action yet the most essential step, considering no single state leader in this century has been experiencing such a pandemic before. This article is interesting because it provides us a deep insight that a country that simply denied any suggestions or warnings could have poor performance in managing Covid-19. However, this article does not give a detailed explanation of which country has been acting contrary to WHO's guidelines.

The second literature gives the authors brief insight into how important collaboration is for any country. Not every country has had such experience of high-damaged health issues such as MERS or Ebola outbreaks, including Indonesia. Therefore, the current pandemic is everyone's first experience. Some countries did learn how an epidemic could change the pattern of life, but a pandemic is something we should learn altogether, as everyone can see now. The article written by Morgan et al. (2021) taught us that the Covid-19 virus could be seen as a challenge since it threatens nearly every aspect of our lives, including the economy. There are countries whose global spread of Covid-19 disrupted supply chains, a few countries having their stock markets fall, others triggered by a recession and experiencing a decline in annual growth. We are also concerned by one question: how effective policymakers will be in mitigating the damage of pandemic. We may agree with what the writers said that cooperation is the main key to containing the pandemic, especially for developing countries. The reason is quite simple, with or without the pandemic, they are already financially struggling by debt worsened by tepid economic growth. Even so, the article seems to have lost its focus because it puts concern on sustainability issues and economic threats, yet it somehow lacks relevance between them. Also, it does not explain how previous epidemics were mitigated, suggesting that past recession left economic scars profoundly and persistently.

Last but not least, this pandemic certainly shows us that there are too many coun-



tries left unprepared and fragile, especially in terms of health facilities and equipment. Although we may believe that pandemic preparedness does not only consist of health infrastructure, this virus requires huge effort to prevent further spreading. Therefore, the authors assume that it is important to recognise how much the damage affects countries, so maintaining collaboration is still necessary.

China, the ground-zero of the pandemic, has become one of the countries that has been swift in assisting Indonesia shortly after the Covid-19 virus infected the country. The Chinese government submitted its offer to Minister Prabowo for providing assistance to Indonesia in handling Covid-19 in mid-March 2020. It was reported that Prabowo established a personal and closer working relationship with his counterpart, General Wei Fenghe, the Chinese National Defense Minister. This sustaining relationship might occur since Prabowo's visit to Beijing in early December 2019, weeks before the first case of the virus was even discovered. At the time, Prabowo met General Wei and Deputy Chairman of the Central Military Commission, General Xu Qiliang (Yeremia, 2020). In this meeting, Prabowo provided several lists requested by China regarding what assistance needed to be given to Indonesia. On Monday, 22 March 2020, Indonesia received 8 tons of medical supplies in ventilators, oxygen concentrators, PCR tests, x-ray machines, and Personal Protective Equipment (PPE) (Yeremia, 2020). Those aid was flown in from Shanghai using a Xiamen Airlines aircraft and landed at the Halim Perdanakusuma International Airport, East Jakarta

(Sutrisno, 2020).

After initial assistance in March 2020, China added more assistance to Indonesia in early June 2020. Not stopping here, China continued to distribute medical equipment supply to Indonesia on the principle of solidarity and responsibility. On Friday, 4 June 2020, Xiao Qian, the Chinese Ambassador to Indonesia, handed over several aids in the form of medical devices to the BNPB (Badan Nasional Penanggulangan Bencana, the National Agency for Disaster Management), 100,090 PCR (Polymerase Chain Reaction) test kits, 70,000 PPE (Personal Protective Equipment), 70,000 N-95 masks, and 1.3 million medical masks.

After China's aid for medical devices has gradually flowed to Indonesia, China has again offered to Indonesia and several other countries related to vaccine development. China has been aggressively developing Covid-19 vaccines since the beginning of the virus spreading. China has succeeded in developing several vaccines, which are Sinovac, developed by Sinovac Biotech Ltd., and Sinopharm, developed by the Beijing Institute of Biological Products. Indonesia purchases those two vaccines to deal with the Covid 19 pandemic. Not only that, Indonesia is also one of the countries that is used for the Phase III trial of the Sinovac vaccine. In this regard, China collaborates with Indonesia through Bio Farma to develop the Sinovac vaccine. Bio Farma imported raw materials to manufacture Sinovac, which will be formulated in Indonesia (CNN,2020). This shows that China has given Indonesia the confidence to be actively involved in efforts



to deal with the impact of the global pandemic.

The Cabinet Secretariat of the Republic of Indonesia website reported that until September 2021 Indonesia had received more than 243 million doses of Sinovac, both in the form of raw material and ready to use vaccine (Office of Assistant to Deputy Cabinet Secretary for State Documents & Translation, 2021). Besides Sinovac, Indonesia also imported Sinopharm, which Bio Farma also owns. What distinguishes it from Sinovac is that up until now Bio Farma is still getting Sinopharm in the form of a finished vaccine and still making efforts to get it in the form of raw materials like Sinovac. It is projected that Indonesia will continue to increase the import quota of vaccine raw materials to launch a national-wide vaccination program. That makes cooperation on vaccine imports very important for Indonesia and China, considering the urgency and significant funds in vaccine development cooperation.

#### China's Normative Interests in Providing Assistance to Indonesia in Handling the Covid-19

As discussed earlier, the normative interest generally relates to the solidarity aspect among countries in the Global South. China is part of the Global South and it has experienced rapid growth. China considers the assistance as part of the Global South solidarity, which reflects mutual benefit and non-intervention in domestic affairs. The assistance provided by China to Indonesia is seen as a form of solidarity and concern

for fellow southern countries (Antara News, 2021a).

With regard to solidarity, each subject needs to understand that they are "esteemed" by all citizens to the same degree. In a more significant way, solidarity could only be achieved if people learn more about unfamiliar subjects and become sensitive to their suffering (Wilde 2007). China has been consistently providing health assistance to answer humanitarian issues. None of this is new, considering that global public health is one of China's foreign policy elements. Since the pandemic hits, the inequality shows the inability of many countries, especially the least developed ones, to afford medical equipment. These countries, particularly in Africa, have weak public health systems. Therefore, any humanitarian aid could bring significant help for those in need.

Despite the competition between China and other major actors in the economic sector, it is important to put Covid-19 as a common enemy. Obviously, the pandemic exposes weaknesses and deficiencies for health security; it has been this way since several epidemics have hit many countries before. Solidarity could lead the international community to understand that mutual support would be more helpful than managing the pandemic single-handedly.

It should be noted that long before the assistance provided by China to Indonesia during this pandemic, the two sides had had good relations for a long time. In the context of the assistance and considering its position as part of the Global South, China also considers its longstanding relations with

Indonesia. Indonesia has cooperated for 70 years with China in various fields such as economy, education, and culture, and recently focused on health diplomacy in vaccine development. China-Indonesia cooperation related to vaccine development is also a form of China's involvement as part of the Global Health Governance actor.

China embraced Indonesia in cooperation in Sinovac and Sinopharm vaccine development. In this case, Indonesia through Bio Farma has also gained the trust to obtain raw materials from the Sinovac vaccine to facilitate the vaccination program that the Indonesian government is intensively carrying out. In addition, the vaccine quota given by China to Indonesia had been quite large compared to the number of vaccines from other countries, such as Moderna from the U.S. and AstraZeneca from the U.K. Normatively, the assistance provided by China to Indonesia reflects a sense of solidarity, so that the cooperation is horizontal and produces mutual benefits between them.

#### China's Material Interests in Providing Assistance to Indonesia in Handling the Covid-19

Material interests have a different point of view from normative interests. While normative interests focus on solidarity as the basis of cooperation, material interests demonstrate that cooperation is carried out by considering the existence of material values to be obtained. Regarding this, material interests emphasise economic interests as the main basis for cooperation between countries. Cooperation is the main consideration in conducting bilateral and multilateral co-

operation. Cooperation is seen to maximise profits—and this became one of the main reasons for China's assistance to Indonesia. This part of research would further explain how China and Indonesia built strong partnerships during the pandemic, from collaboration on providing Covid-19 vaccine for the public to expanding economic cooperation.

*Vaccine Development.* Material interests emphasise economic interests as the main basis for cooperation between countries; they consider the existence of material value. Material interests could manifest by obtaining China's vaccine as Indonesia has been hunting for the vaccines. In this regard, Indonesia welcomes the cooperation and any options that should mutually benefit. At the same time, China has actively worked to generate vaccines for Covid-19 virus since the beginning of the pandemic. Now, many Covid-19 vaccines have been given to the public. But, considering the strong relations between them, there seems to be a massive demand for China's vaccine to be delivered for Indonesian citizens. There are five vaccines that China developed: Sinopharm, CoronaVac, Sinopharm, Convidecia, and Anhui Zhifei (Mallapaty, 2021). The first two vaccines are the most reliable among them all. Now, China is considered as one of the lead actors in Covid-19 vaccine development.

The rapidity of the Covid-19 virus to spread is unpredictable, that is why the faster a vaccine is developed, the faster pandemic could be managed. Unfortunately, developing Covid-19 vaccine could take months, as other vaccine developments could. Hence, it

poses an unprecedented challenge for developers, regulators, and political constituencies (Excler et al., 2021). Not only speed, clinical development of vaccines also requires the safety and surveillance of virus variants – the latter is one of the current challenges the world is facing on now, not to mention the manufacturing and distribution mechanism.

Despite the maximum effort to develop vaccines, some researchers argue that a lack of transparency could lead the public to doubt vaccination. Moreover, mask wearing has been controversial for many at the beginning of the pandemic. We conclude this is what many experts would expect because not only physically, the pandemic also affects people in emotional and social ways. Since the pandemic is arguably everyone's first experience, the public might absorb information from anywhere, which determines how they would act in dealing with it, or whether they should be vaccinated. In this way, perhaps there is a need for any policy regulator to assure the public the importance of vaccines. Many experts estimate that to achieve herd immunity, a country needs to vaccinate 70-90% of its population (Wen et al., 2021). In conclusion, the vaccination rate could determine the vaccine's effectiveness.

Unfortunately, to manage pandemics, economic and security needs to be highly considered by each country and Indonesia. In its simplest form, bilateral efforts have been undertaken with pharmaceutical companies (Prakoso et al., 2020). Not only in a bilateral way, President Xi Jinping also urged countries to build cooperation to combat the pandemic through vaccines (Wang, 2021).

This is relevant to China's commitment to ensuring the Covid-19 vaccine is a global public good (Ministry of Foreign Affairs of the People's Republic of China, 2021).

#### *China-Indonesia Vaccine Cooperation.*

Any foreign or domestic policies a country makes should meet its national interest. As the Covid-19 virus is spreading worldwide, there is one diplomatic priority of Indonesia as Minister of Foreign Affairs Retno Marsudi stated, which are specifically related to managing pandemics: building national self-reliance and resilience in health care (Wangke, 2021). The authors understand the importance of cooperation, since providing health security is one of the keys to a secure society.

In the case of the pandemic, achieving self-reliance and resilience lies in the proper strategy to prevent the worsening situation. Since the Indonesian government has been actively seeking partners on vaccines, they were finally in joint production of China's vaccine. It should be noted that cooperation in vaccine development is one of the material benefits for China. The collaboration was made since the Indonesian Embassy contacted Sinovac Biotech in March 2020 (Yeremia & Raditio, 2021). Since then, Sinovac cooperates with PT Bio Farma to conduct clinical trials and vaccine manufacturing. The cooperation sees that Bio Farma would carry out mass vaccine production. Plus, Indonesia would continue to require for additional quotas for Sinovac raw materials and seek Sinopharm to facilitate cooperation of vaccinations. This is important considering that

Western countries are also embracing Indonesia in the issue of vaccines, such as the United States with Moderna and the U.K. with AstraZeneca (Merdell, 2020).

In December 2020, 1.2 million doses of Covid-19 landed in Jakarta. Indonesian President Joko Widodo said that Indonesia is considered a success in receiving vaccines, considering a hundred other countries have not secured access for it yet. China gave a price for the vaccines of \$13.3 or around Rp192.000 per dose (with the exchange rate of Rp14,436 per US dollar). However, imports of Sinovac vaccines in raw materials cost \$10.9 or around Rp157.000. In other words, buying bulk vaccines is cheaper at around \$3 per dose (Bestari, 2021). The Indonesian government then considered making more efforts to produce its own vaccine. Besides being more efficient, Indonesia is also expected to get technology transfer if it produces its own vaccine (Bestari, 2021).

As of March 2021, China's Minister of Foreign Affairs Wang Yi affirmed his country to prepare Indonesia as a hub for vaccine production for Southeast Asia. At that time, Indonesia had the highest Covid-19 infection in the region. Not only the strategic cooperation to expand partnership, in an interview conducted by Global Times, Indonesian Ambassador to China Djauhari Oratmangun told that it is trust and confidence which brings Sinovac to deliver its vaccine to Indonesia. We conclude the deepened political mutual trust has successfully strengthened both countries as comprehensive strategic partners. Moreover, President Widodo was the first person to re-

ceive Sinovac in Indonesia (Yuwei, 2021).

As the Indonesian government strongly encourages citizens to get vaccinated, many individuals or groups decide to get vaccinated independently. The Indonesian government is not the only one relying on the vaccine development cooperation with Sinovac as a part of Covax Facility multilateral cooperation with China (Office of Assistant to Deputy Cabinet Secretary for State Documents & Translation, 2021). The private sector, mainly business, is also helping the government to accelerate the inoculation by creating "Vaksinasi Gotong Royong" (VGR) (Bio Farma, 2021). According to Minister of Health Regulation No. 10 of 2021, those who can get the VGR include employees, families, and individuals related to the family of a legal or business entity, communities around the location of activities of the legal or business entity, and foreign citizens who are employees of the legal or business entity. However, this program uses a different vaccine from that used in government programs. While the government uses Sinovac and AstraZeneca, the VGR program uses a vaccine from Sinopharm. Sinopharm is one of Chinese vaccines which was declared safe by the Food and Drug Supervisory Agency (Badan Pengawasan Obat dan Makanan), alongside its halal certificate from the Indonesian Ulema Council (Majelis Ulama Indonesia). Like Sinovac, Sinopharm is a part of the supply contract between Kimia Farma and Sinopharm in which they will provide 15 million doses as part of the VGR program. As of July 2021, there had been 7.5 million doses of Sinopharm vaccine re-



ceived by Indonesia (Antara News, 2021b).

*China-Indonesia Cooperation during Pandemic.* It should be noted that China and Indonesia have established diplomatic relations for more than 70 years. The two countries are now strategic partners. This strong partnership resulted in cooperation in trade and investment, resulting in Indonesia as China's main market among the Southeast Asia countries. Despite the difficulties both countries face due to the pandemic, it seems the Covid-19 vaccine is not the only public goods they are still concerned about. In addition to imports and exports, both countries also have other cooperation, such as the high-speed rail project, which is currently under construction and cooperation related to foreign investment. This assistance could be determined as an effort to sustain China's economy amid the huge role the Western countries, the United States in particular, play, which similarly strengthens their investment in Indonesia. In terms of economy, the rising competition between China and the United States often resulted in developing countries to 'pick a side' or finding themselves caught in the middle. Regardless, this assistance can be regarded as an attempt to maintain Indonesia as its major partner for profit-oriented cooperation. Badan Pusat Statistik (BPS) stated that in March 2022 Indonesia reached its record of imports, worth \$21.97 billion. Of this amount, \$15.79 billion came from China as the exporter of non-oil commodities and gas. This shows that China targeted Indonesia as a major partner to gain economic

profit. (Badan Pusat Statistik, 2022).

This is also what is considered as China's motivation in assisting Indonesia during this tough situation. Despite these falling circumstances, as the pandemic started in 2020, Indonesia's exports increased in that year, compared to its value of exports in 2019. As reported by the Chinese Customs, Indonesia's trade with China accounted for \$78.5 billion (Ministry of Foreign Affairs of the Republic of Indonesia, 2021). For Indonesia, China ranks as the second largest foreign investor with its investment reaching \$4.8 billion in 2021.

Realistically, any country would face both opportunity and challenges that need to be overcome due to the pandemic, so are Indonesia and China. In this way, Ambassador Oratmangun said that Indonesia-China cooperation, especially in 2021, would focus on many commitments after signed agreements, such as Regional Comprehensive Economic Partnership (RCEP) (Yuwei, 2021).

Despite the pandemic complicating countries in many aspects, Sino-Indonesian relations had seen the inaugural meeting of the high-level dialogue cooperation mechanism on 5 June 2021 (Xinhua, 2021). Luhut Binsar Pandjaitan represented Indonesia as President's special envoy and Indonesia's coordinator for cooperation with China. Wang Yi, the Chinese State Councillor and Foreign Minister, represented the Chinese side. Both sides decide to develop long-term goals focusing on political security, trade and investment, people-to-people and cultural exchanges, maritime cooperation, anti-epidemic, and public health cooperation. From



this meeting, we can argue that both parties have realised the importance of the partnership to increase and expand ties between them. Investment is still growing, with China becoming the second largest investor in Indonesia (Rakhmat & Pashya, 2020). There are so many agreements both countries have achieved, such as using both yuan and rupiah in investment and trade transactions between them (Rakhmat, 2020). The agreement would minimise both China and Indonesia's dependence on the American dollar as the current world's main currency.

Furthermore, President Xi also conveyed economic interests directly to President Widodo regarding various matters, namely economic cooperation, which must still be maintained during the pandemic and planning for long-term diplomatic cooperation between the two countries (Pinandita, 2020). According to Rakhmat (2021), Indonesia's total bilateral trade with China already reached \$53.5 billion in the first half of 2021, a 50.3 percent increase over the same period last year. Indonesia's exports to China were recorded at \$26.2 billion, a 51.4 percent increase, while imports from China were recorded at \$27.3 billion, a 49.3 percent increase. In addition, the two countries agreed to expand infrastructure and maritime projects, with a particular emphasis on Indonesia's less developed eastern islands. Jakarta stated that its relations with Beijing are guided by a commitment and a joint effort to improve all sectors post-pandemic (Rakhmat, 2021).

## Conclusion

The assistance provided by China to Indonesia in dealing with the Covid-19 pandemic has two interests, namely normative interests and material interests. Even though normative interests are still frequently mentioned, material interests are the most apparent reason China maintains its relations with Indonesia. Although China has maintained the aid as solidarity among southern countries, it also has material interests in conducting vaccine development and economic cooperation. The assistance provided by China to Indonesia and other countries is also a form of China's efforts to improve its image due to various stigmas and conspiracies related to Covid-19. In other words, the authors underlie that the major reason for China assisting Indonesia in handling the pandemic is the material interests. Although China continues to voice normative reasons regarding its actions, economic interests remain the main motive.

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## Indonesia's Interest in The South-South Triangular Cooperation

### (SSTC) Policy to Fiji during Joko Widodo's 2014-2019 Government

**Ica Cahayani**

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Department of International Relations,  
Faculty of Social and Political Sciences,  
Universitas Gadjah Mada, Indonesia  
icacahayani2998@mail.ugm.ac.id

*This study was conducted to explain Indonesia's interests in the South-South Triangular Cooperation (SSTC) policy towards Fiji in the Joko Widodo administration in 2014-2019. This study uses the theory of national interest and foreign policy. The research method used is descriptive qualitative. The research method is used to explain and explore Indonesia's interests through the SSTC's policy towards Fiji with three interests, namely economic, political and security interests. The results showed that Indonesia chose Fiji as a country to implement the SSTC policy because Fiji is one of the south Pacific countries, especially Melanesian countries and Indonesia still failed to carry out diplomacy with Vanuatu. Fiji is a country that has an important role in the internal organization of the Melanesian Spearhead Group (MSG), Fiji's involvement is very large in making MSG policies, because Indonesia's goal of being included in the MSG requires a major country that has an important role in the MSG, Besides Indonesia having economic interests, Fiji provides opportunities big for economic development and new market share for Indonesia in the south Pacific region, considering that this region is very strategic, this region has become the location of a trade war between China and the United States. Indonesia's strategy to gain economic, political and security interests by providing through the implementation of the SSTC policy is a form of great concern for Fiji.*

**Keywords:** *Indonesia; Fiji; South-South Triangular Cooperation; Melanesia; Melanesian Spearhead Group*

#### Introduction

The Indonesia-Fiji bilateral relationship is a form of cooperation initiated by the Indonesian government. Indonesia-Fiji have conducted diplomatic relations since 1974 with the signing of the Agreement by the Indonesian Ambassador and the High Commissioner of Fiji, in New Zealand. The development of cooperation was seen significantly during the administration of President Susilo Bambang Yudhoyono. At that time the issue of the independence of Papua and

West Papua and violations of human rights continued to be discussed internationally. International criticism continues to occur at every annual UN Human Rights session (Cramer & Carleton, 2015). The criticism came from South Pacific countries who considered the Papuan people to be part of South Pacific Melanesian ethnic group (Wardhani, 2009). These countries also encouraged the independence of West Papua from Indonesia as evidenced by the membership of West Papua in the MSG (Melanesian Spearhead Group)

(Ministry of Foreign Affairs of the Republic of Indonesia, 2016). MSG also urges Indonesia to withdraw from West Papua by granting self-determination to its people (Chauvel, 2021).

The support of the Melanesian community for the independence of West Papua is substantial (MacLellan, 2015). Melanesian countries recognize West Papua as an independent country despite it still internationally acknowledged as the territory of the Republic of Indonesia (Somare, 2015). This statement is an effort of Indonesia's domestic politics so that the government continues to carry out diplomatic activities in the Melanesian Spearhead Group. One of the opportunities for Indonesia in the MSG is that it requires assistance from the Melanesian countries of the South Pacific. Before Indonesia carried out its diplomacy to Fiji, Indonesia carried out diplomacy with Vanuatu to enlist the support of Melanesian countries that influence and increase separatism in Papua. However, it continues to experience failure up to four diplomatic attempts (Sabir and Fitriani, 2018). Thus, the Indonesian government is trying to improve its diplomatic reach by developing a more robust relations with MSG member countries besides Vanuatu. As an MSG member country which has the same position as Vanuatu, Fiji had given a positive response to Indonesia's initiative and helped Indonesia to be involved within the MSG (Zahidi & Musfiroh, 2018). To maintain this relationship, Indonesia provides various assistances to Fiji through the South-South Triangular Cooperation (SSTC) policy. Indonesia's diplomacy towards Fiji gave significant

results for Indonesia's foreign policy, notably by joining the MSG organization (Bhakti, 2006).

In 2017 Indonesia's defence cooperation with Fiji aims to increase a positive image in the South Pacific region as a good military and member of the MSG (Maula, 2018). But behind the security interests of reducing separatism in West Papua, Indonesia also has other interests in its relations with Fiji. These interests include political and economic interests where Fiji is considered as a new market for Indonesia and Fiji is the target for Indonesia to spread its democratic values. As part of Indonesia's strategy to achieve its economic, political and security interests, Indonesia has been implementing SSTC policy to Fiji by providing various economic, educational, and humanitarian assistance, as well as development in the political field such as women empowerment and encouraging good democratic practices (Kedutaan Besar RI, Fiji, 2015).

In 2019, Indonesia's diplomacy was aimed to achieve a globally competitive economy. In this regard, Fiji provides a great opportunity for Indonesia's economic and market development in the South Pacific region, considering that the region is very strategic because it is located between China and the United States. Therefore, Indonesia needs a new market in the region, with Fiji serving as the main trading centre (Ministry of Foreign Affairs of the Republic of Indonesia, 2016). Through the policy of SSTC, Indonesia's interests towards Fiji include security, political, and economic interests. Indonesia has the same vision in security through the mandate

of the UN Security Council. Apart from traditional security in Indonesia and Fiji, there are also non-traditional security such as natural disaster, transnational crime and climate change. In 2017, Indonesia and Fiji's Minister of Defence and National Security Fiji Ho, Ratu Inoke Kubuabola signed a Memorandum of Understanding on defence cooperation with the Indonesian Minister of Defence (The Fijian Government, 2017). This cooperation is to increase the confidence of the two countries in their commitment to support each other politically and security. This commitment is very meaningful for Indonesia because it is able to provide opportunities to obtain its interests even though it has to go through long diplomacy and through the assistance of the SSTC. Thus, there are three main interests of Indonesia in choosing Fiji to implement the SSTC policy.

Thus, the study refers to two research questions (1) Why did Indonesia choose Fiji as one of the destination countries for implementing the SSTC policy? (2) How does Indonesia achieve its political, security and economic interests with Fiji through SSTC framework?

### **Framework**

The SSTC framework for bilateral diplomacy is used by Indonesia to achieve its national interests in Fiji. Through the SSTC, Indonesia can achieve three main interests, namely short-term, medium-term and long-term political, security and economic interests. According to Isnaeni and Wardoyo (2017) Indonesia chose SSTC as a political tool to increase power and prestige.

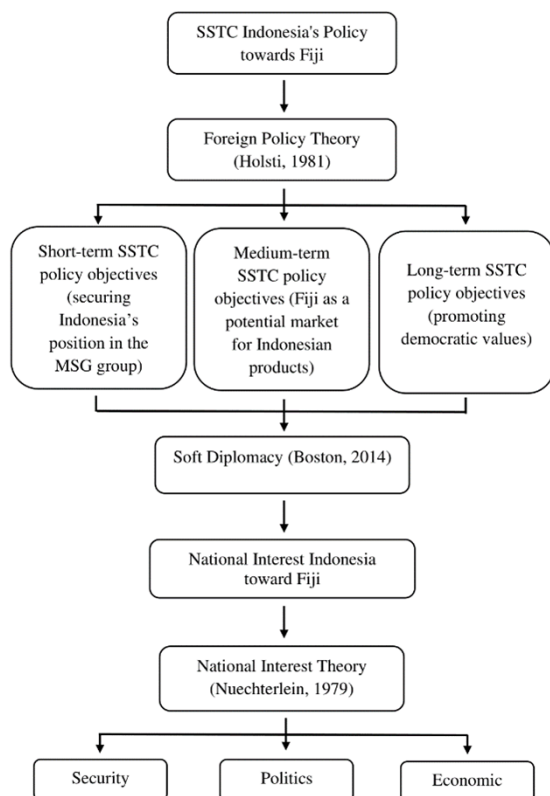
According K.J. Holsti (1987) foreign policy has short-term, medium-term and long-term policy objectives in three classifications, namely:

1. Core values are the most important interests of the state concerning the existence of a state.
2. Middle term objectives, economic interests.
3. Long term goals desire to realize world peace.

These policies are compiled in economic, political and security interests as explained by Donald E. Nuechterlein that the result of the formation of foreign policy is the national interest of the country, namely Indonesia's SSTC policy towards the country of Fiji contains several Indonesian interests. Donald E. Nuechterlein, classifies national interests into: (1) security interests; (2) economic interests; (3) political interests; (4) ideological interests. To obtain these interests, Indonesia uses soft diplomacy, namely through the SSTC to enter the MSG as an organization of Melanesian countries. Through soft diplomacy, it can have an impact on the future of West Papua and reduce human rights violations in Indonesia. Boston (2014) in stated that the diplomatic space varies greatly for countries to obtain their national interests. Diplomacy is a method for conveying messages and interests of the State in the fields of politics, economy, trade, social and culture, defence and other interests in international relations, in order to achieve mutual understanding between two countries (bilateral) or several countries (multilateral). Diplomacy is one of the im-

portant instruments in the implementation of a country's national interest. According to S.L. Roy (1995), diplomacy is also said to be a two-way interaction process between two countries carried out to achieve each country's foreign policy.

Related to some of the theoretical foundations above, the relevance of determining the state to implement its national interests is a natural action for a country. Briefly, it can be seen from the following chart:



**Figure 1.** SSTC Policy to National Interest

## Methods

Indonesia's SSTC policy in Fiji show a lot of interests both for Fiji and for the South Pacific region. To strengthen the analysis, this study uses the conceptual basis of foreign policy according to K.J Holsti (1981), national interests according to Donald E. Nuechterlein and diplomacy ac-

ording to Boston (2014). To support the results of this study, researchers used primary data and secondary data to present research results. The primary data and for this section were collected mostly from Indonesian government documents and analysed qualitatively. While secondary data obtained by researchers through various reference journals and official websites. Quoting Susan E Wyse's opinion, qualitative research is more exploratory research (Bakry, 2016). The research method is used to explain and explore Indonesia's interests through the SSTC's policy towards Fiji with three interests, namely economic, political and security interests. And the reason why Indonesia chose Fiji as the destination country for implementing the SSTC policy compared to other countries in the south pacific region.

## Indonesia's Political and Security Interests through the SSCT Policy towards Fiji

Indonesia's cooperation with Fiji represented Indonesia's interests in politics and security in the territory of the Republic of Indonesia. The political support of the state of Fiji and the Melanesian countries of the South Pacific or the previous MSG for the independence of West Papua to break away from Indonesia greatly disturbed the political stability and internal security of Indonesia. Political stability and security in question is that Indonesia will tend not to show the chaotic domestic political conditions due to the upheavals in West Papua which are influenced by other countries. Therefore, the policy of cooperation with Fiji is important for Indonesia. This foreign policy is man-



ifested in the SSCT policy, namely the formation of trust in the south pacific countries towards Indonesia on human rights issues in West Papua. Human rights violations in Papua have always been criticized by MSG countries in every annual UN Human Rights session. Fiji plays an important role in the association of these organizations.

Cultural and racial differences between the Papuan people and the Indonesian people in general are one of the reasons that are often cited by the Papuan people as a justification for their claim as not being part of Indonesia. According to Wonda (2007) he claimed that Papuans are not Malays, but Malenesians (Wonda, 2007). This can be proven that West Papua are not part of the Indonesia apart from history and skin colour (race) which tend to be different from the Indonesian people who are Malay. Another strong reason is that they are not part of the Indonesia, namely when the youth oath day on October 28, 1928 was not attended by any representatives from Papuan youth (Viartasari, 2018).

Therefore, it continues to be used as the basis for support for South Pacific countries including Fiji that West Papua have a different history, race while the racial similarities with the Melanesian countries of the South Pacific are much greater. There are Melanesian countries in the South Pacific that have a basic constitutional basis, where their domestic political policies always lead to the Melanesian race. These Pacific Melanesian countries which have a constitution that their country will not be fully independent if there are Melanesian racial areas are

still experiencing human rights violations. This means West Papua which are still within the territory of the Republic of Indonesia. This policy was also adopted by the state of Fiji before receiving education on governance from Indonesia. Indonesia's SSTC policy towards Fiji aims to influence Fiji's domestic policy for the sake of Indonesia's political and security interests.

Indonesia with the support of Fiji entered the MSG organization with political reasons that Indonesia has a number of scattered Melanesian communities compared to South Pacific Melanesian countries spread over several provinces, namely Maluku, East Nusa Tenggara and Papua (Lawson, 2015, Wangge and Lawson, 2021). Indonesia through Fiji plays politics in the South Pacific, especially in the MSG policy. Indonesia as a country that has a good level of economic growth compared to South Pacific countries so that Indonesia contributes to the management of various commodities in Fiji. In the field of education, Indonesia provides scholarships for Fijian students. The policy aims to promote good relations with Fiji (Jaelani, 2020).

Since Indonesia has carried out diplomacy towards Fiji, Indonesia has been included as a member of the MSG. The admission of Indonesia has had a significant impact for Indonesia to approach the Melanesian countries of the South Pacific so as not to create the issue of human rights violations in West Papua and not to support the separatist actions of the region leaving Indonesia. However, the criticism continues to this day but its significance tends to decrease

because at the 2020 UN session there is only one Melanesian country that still criticizes human rights violations in Indonesia, namely Vanuatu at the 2020 UN Human Rights Annual Session. Even Indonesia became a member of the UN Human Rights Council in 2020- 2022 with Japan, South Korea and the Marshall Islands.

Based on the statement of the Deputy for Politics, Defence, Security, and Human Rights in the Office of the Presidential Staff of the Republic of Indonesia, the security interest in Indonesia's contribution to Pacific Peacekeeping is an emphasis on the security of West Papua. Indonesia and Fiji are not only concentrated on economic development and human resources but also on maintaining the harmonization of social security and stability in West Papua, respecting the use of national criminal law, as well as instruments with due observance of the legal process and human rights in carrying out free law enforcement. Indonesia and Fiji put more emphasis on Security Building Capacity (Kementerian Hukum dan Hak Asasi Manusia RI, 2016).

Based on K.J. Holsti's framework, security and political interests are integrated into national interests, namely, *first*, the short-term entry of Indonesia into the MSG organization and participating in dialogue at the MSG Summit. *Second*, the medium-term support from South Pacific countries not to criticize human rights violations that have an impact on the image of democracy and the enforcement of human rights values in Indonesia. *Third*, in the long term, so that Indonesia will continue to maintain peaceful relations, secure territory, and break the

chain of conflicts in Papua and West Papua. There is no permanent condemnation of human rights violations in Indonesia as well as spreading democratic values and good cooperation with South Pacific countries.

### **Indonesia's Economic Interests Behind SSCT Policy towards Fiji**

Indonesia's economic interests until 2019 based on the statement of the Foreign Minister Retno L.P Marsudi initiated trade relations with Fiji through the Indonesia-Fiji Preferential Trade Agreement (IF-PTA) which was previously committed to increasing economic growth between Melanesian countries (Ministry of Foreign Affairs of the Republic of Indonesia 2019). The Fiji government affirms its support for Indonesia's commitment to increasing cooperation with South Pacific countries as Indonesia's contribution to regional peace and security stability. Indonesia invites Fiji to collaborate in the 2020 Pacific Fair organized by the Indonesian government. Pacific Fair 2020 is expected to produce many partnerships in the economic field, maintaining the positive momentum that has been built with South Pacific countries during the Pacific Exposition. The agreement will expand opportunities for cooperation between the two countries in the fields of investment, infrastructure and connectivity (Ministry of Foreign Affairs of the Republic of Indonesia, 2019)

A number of Indonesian products already exist in the Fiji market, including lubricating oil, soap, automotive products, buses, construction materials, and electronic equipment. According to BPS data, the Indone-

sia-Fiji trade balance in 2017 was US\$23.5 million, with a surplus on Indonesia's side (Dante, 2019). Indonesia's total trade in the Pacific region in 2018 was US\$10.67 billion. This figure rose 3.05% to US\$10.37 billion. In January-March 2019, Indonesia's total trade reached US\$2.04 billion. Indonesia's largest export destinations to the Pacific region are Fiji, Australia, New Zealand, East Timor and Papua New Guinea. Indonesia's main export products to the Pacific include electronics, palm oil and tobacco. Meanwhile, Indonesia's imports from the Pacific region are coal, livestock products, wheat, iron ore concentrate and raw sugar. Fiji has the natural resource potential of the MSME sector and the potential of the industry-based tourism sector is considered capable of being globally competitive (The Fijian Government, 2021). Abdul Kadir Djaelani, Director General of Asia & Africa, Ministry of Foreign Affairs of the Republic of Indonesia emphasized that Fiji has a high commitment to development cooperation by taking into account the changing dynamics of regional and international cooperation that will support strategic areas of development (Jaelani, 2020).

An Indonesian construction company opened an office in Fiji, namely Audie Pacific Engineering. Fiji has become a global communications and transportation hub (sea and air) for the South Pacific region. Entering the Fiji market, the company can export products to other archipelagic countries with low import duties. Based on the statement of the deputy foreign minister, Indonesia will open a Second Exposition in the Asia Pacific

because knowledge about Indonesia is still lacking so that it is considered that Indonesia's existence is not yet clear (Siregar, 2020). According to Donald E. Nuechterlein (1976) economic interests are the goal of close economic relations between Indonesia and Fiji in improving the trade and investment process and product exports (Jaelani, 2020). Fiji provides a new market for Indonesia so that it can be used as an initial jump for Indonesia to enter the Pacific Islands market. Foreign policy based on K.J.Holsti consists of short-term, medium-term and long-term policies. Indonesia's national interest in Fiji as stated by the Indonesian ambassador to New Zealand that the economic interests. Indonesia through its proximity to Fiji and several South Pacific countries is a long-term policy (Kementerian Luar Negeri RI, 2017).

Indonesia's economic interests in Fiji have not brought huge profits, but these interests are long-term. If Indonesia does not make an early jump, Indonesia will not get trading space in the south pacific, considering that the south pacific are countries that have become the new economic axis after China and America carried out a trade war in the Asia Pacific region (Ministry of Foreign Affairs of the Republic of Indonesia 2019). The South Pacific is the world's trade and telecommunications route, the axis of trade in Asia and South America. (Sukawarni, 2020). The implementation of the policy looks significant because of Indonesia's geographical structure. Indonesia has a potential interest in the maritime area of the South Pacific countries with a composition of 80% of the sea area. The important role of

the maritime sector is closely related to the trade war between China and America in the region. However, Indonesia is approaching the South Pacific region, namely Australia/Pacific Set Up, New Zealand/Pacific Reset, United States of America/Pacific Pledge Indo Pacific Command, China/Belt Road Initiative (BRI), UK/Pacific Up Lift, ASEAN/Indo Pacific Outlook, Indonesia/Pacific Elevation, all of this is related to SSTC (Yahaya, 2020). Meanwhile, the largest donor countries in the South Pacific are Australia, the United States, China, New Zealand and Japan (Matthew and Pryke, 2017).

In addition, Indonesia's political interests are political competition and position at the United Nations. The United Nations adopts a one country one vote system regardless of the size of the county, regardless of the number of populations of the country. In consideration of world politics in various major UN forums, each country has the same voice even though it has a small demographic number (Yahya, 2020). Indonesia needs the support of every policy plan in every session or nomination of the head of the UN special delegation. So, efforts to approach Fiji and the South Pacific countries to obtain a positive image in international relations that prioritize soft power (Bandoro, 2014). Based on the senior diplomat from the Ministry of Foreign Affairs, Indri Hapsari stated that Indonesia has not achieved maximum results in cooperation and diplomacy with Vanuatu (1) the implementation of Indonesian public diplomacy is still dominated by state actors and does not involve non-state actors; (2) the non-optimal implementation of the three di-

mensions of Indonesia's public diplomacy strategy; and (3) the strong influence of Melanesian doctrine (Ahmad, 2018). Therefore, Indonesia chose Fiji as a country that is considered capable of having a positive impact on Indonesia's political interests in the South Pacific region. Fiji assists Indonesia in diplomacy and in carrying out political communication to encourage the security of the West Papua regions to remain within Indonesian territory.

### **Indonesia's Foreign Policy Strategy Behind SSTC Policy to Fiji**

Through the SSTC, Southern countries want to improve their reputation, gain support from other Southern countries in international forums, and pursue a broader economic agenda. By leveraging an analysis of domestic politics, Indonesia's experience shows that a more pragmatic approach to SSC reflects a broader transformation of Indonesia's domestic political configuration (Wiranti and Alfian, 2019). The political transformation of the SSTC is considered as a mechanism to change the asymmetric relationship of the Global South with the dominant Global North. The material approach highlights SSTC's strategic values for Southern powers. Through the SSTC, Indonesia wants to improve its reputation, gain support from other Southern countries in international forums, and pursue a broader economic agenda. Indonesia under the administration of President Joko Widodo, Indonesia's leadership and role in SSC (South-South Cooperation) was strengthened (Kementerian Luar Negeri RI, 2017) President Joko Widodo de-



fined the implementation of SSC as one of the government's priorities, so that from the above policy, a cooperation policy between Indonesia and Fiji was obtained through the Development Cooperation Agreement (DCA) policy (Saripudin, 2013).

The SSTC policy is Indonesia's strategy in strengthening cooperative relations between the two countries. Indonesia's strategy involves Fiji in security politics collaborating in training and sending female peacekeepers in the UN Security Council until 2020 has reached 2700 personnel. Through an interview, the Fijian Ambassador Amena Youvoli did not specify the exact number of female Fijian personnel sent as international peacekeepers (RZN, 2021). However, the training is to encourage Fiji to contribute to international peace and development. The peacekeeping training also involved Fiji as a form of training and education in the military field. Indonesia emphasizes external security interests which are considered very related to Fiji's military development which will have an impact on internal security including maritime security, nature borders, terrorism and climate change. In 2017, Indonesia and Fiji's Minister of Defence and National Security Fiji Ho, Ratu Inoke Kubuabola signed a Memorandum of Understanding on defence cooperation with the Indonesian Minister of Defence (The Fijian Government, 2017). Fiji reaffirmed its commitment to strengthening and expanding cooperation in the defence sector on the principles of equality, mutual benefit, mutual respect and trust.

Following Rosenau's opinion, the author concludes that the Indonesian govern-

ment's policy in cooperating with Fiji is based on internal and external factors. Utilization of natural resources, considering that Fiji is a maritime country with marine wealth that has not been managed properly. Diverting Fiji's attention to focus on economic growth for his country rather than being heavily involved in Indonesia's foreign policy affairs in Papua and West Papua. The importance of the country's economic growth is the main emphasis of Indonesia's foreign policy in Fiji. On the other hand, the Indonesian government wants no other interpretation of the human rights violations that have occurred in Papua and West Papua. In 2016, Fiji received 14 assistance programs from the Indonesian government such as the Skills Training Program, Expert Delivery, Knowledge Sharing, Workshops and Internships (The Fijian Government, 2017).

Skills training programs are programs that are often held up to about 56%, workshops 16%, knowledge sharing 12%, integrated programs 8%, internships and dispatch of experts 4%. The training is carried out in class which is equipped with field visits. The SSTC program also includes a development problem program with a percentage of activities reaching 74%, economic problems 14%, and good governance and peace 12% (Annual Report of Indonesia's South-South and Triangular Cooperation, 2016). Development includes student exchange, manufacturing product development, macro and microeconomic management, and public finance. Meanwhile, Good Governance and Peace Building include human relation skills in setting government protocols to achieve



a good policy implementation development system.

Indonesia also facilitates 30 companies engaged in the halal food and beverage sector, electronics and finance. In the Pacific exposition activity, there are 50 companies from Pacific countries participating in tourism, trade, investment, and cultural exhibitions (Jaelani, 2020). Indonesia's economic diplomacy for South Pacific countries can increase Indonesia's role in the Pacific, encourage an integrated Pacific market, and introduce the potential of countries in the Pacific region. At the Pacific exposition, Indonesia displayed superior products from East Indonesia, represented by five provinces, namely Papua, West Papua, Maluku, North Maluku, and East Nusa Tenggara. The presence of the Indonesian industry is accompanied by the cooperation of the Indonesian Embassy in Wellington, the Canberra Trade Attaché and the Indonesian Trade Promotion Centre (ITPC) to bring potential buyers and increase transaction potential (Kementerian Perdagangan RI, 2019).

Indonesian programs are participated by Indonesian Melanesian youth from East Nusa Tenggara, Maluku, and Papua. The involvement aims to encourage the development of a network of field observations and assistance, market surveys, industrial visits, field assistance, and online assistance. The Fiji Ambassador appreciated the Indonesian government's commitment to assisting the economic development and human resources in Fiji. The partnership between Indonesia and Fiji continues to be enhanced for more strategic directions (The Fijian Government,

2017). Indonesia assists Fiji in managing climate change and its small population, limited state income and limited resources (Hauger, 2015). According to the 2017 SSTC Indonesia annual report, Fiji has ranked as the largest beneficiary because Fiji has significant appeal to Indonesia's larger role, both bilaterally and regionally. Indonesia's preference for providing assistance to Fiji is either in the program to change the governance system for the better to make a positive contribution to the balance of Fiji's domestic and foreign politics (Pamasiwi and Arsyani, 2016)

The Indonesia-Fiji relationship reflects its support for the consistency of cooperation and the exclusion of any movement to support Papuan separatism. Indonesia and Fiji support each other in international forums such as the United Nations, IMO, ECOSOC and others. Indonesia's strengthening of relations with Fiji is also reflected in the number of collaborations (Pamasiwi and Arsyani, 2016). Relations between Indonesia and Fiji in increasing the intensity of involvement in various sectors of the economy, tourism, governance, fisheries, development and even military ties. The proximity of the geographical conditions in the region gives it the privilege to improve relations between Indonesia and the South Pacific countries as well as the cultural similarity of the South Pacific countries and the population of eastern Indonesia (Pamasiwi and Arsyani, 2016).

Indonesia also sees another potential for Fiji as one of the areas for capacity building projects between Indonesia, namely the Gender Responsive Planning and Budgeting (GRPB) pilot project for Fijian officials.

The program tends to influence the internal policies of the Fijian government. Cooperation in the field of women's empowerment began in 2013 with a memorandum of understanding between the Indonesian ministry of women's empowerment and child protection (I-MWECP) and the Fijian ministry of women, children and poverty alleviation (9F-MWCPA) (Alata and Mukhtarov, 2022). The agreement establishes technical cooperation to discuss gender project ideas. In 2017, Indonesia committed to assist Fiji in gender mainstreaming by implementing the framework and tools for implementing and implementing gender responsiveness (GRPB) in seven Fijian Ministries. Thus, Fiji has a Strengthen Gender Mainstreaming (SGM) program (USIP-1, 2017).

Indonesia is considered advanced in GRPB implementation, so Fiji adopts GRPB as an effort to organize the GRPB governance and governance system. As for Indonesia's interests, firstly, a pilot project on the real and sustainable implementation of Indonesia's GRPB in Fiji. Indonesia will acquire medium- and long-term access to monitor and evaluate the development of GRPB implementation within the Fiji government. Second, by holding the reference privilege to implement the GRPB, Indonesia can direct Fiji to adopt the implementation of the GRPB to support Indonesian politics going forward. Third, the process of drafting the GRPB regulations is supervised by Indonesia. Opportunity to lead Fiji in narrowing down the country's regulations with different regulations. The implementation of the Fiji policy is beneficial for Indonesia to gain

access to the development sector (Pamasiwi and Arsyani, 2016).

Sustainability of cooperation between Indonesia and Fiji after significant political changes. Changes in democratic governance have made the country of Fiji more respectful of women's involvement. Women take up national leadership positions, with eight women elected as Members of Parliament (out of 50 MPs), the first female Speaker and four women appointed as Ministers/Assistant Ministers. The progress of political democracy and the economy shows that Fiji has become part of the MSG country which has succeeded in obtaining significant developments (Aid Investment Plan Fiji, 2019). These political changes have made Indonesia continue to strive to make Fiji a partner for cooperation in various fields, Fiji has become a new country that has become the centre of attention for the economic markets of various countries, especially Australia, as stated in the collaboration with the Department of Foreign Affairs and Trade (DFAT). Indonesia continues to be aware that there will be competition in paying attention to change in Fiji even though through the SSTC program Indonesia has succeeded in providing a transformation of political values, democratic governance.

### **Indonesia-Fiji Cooperation**

There are several areas of cooperation between Indonesia and Fiji through the SSTC in order to strengthen the cooperation between the two countries. Cooperation includes political, economic, security and educational cooperation.

## Politics

Politically, the government of Fiji supports the territorial integrity of the Unitary State of the Republic of Indonesia, as stated by the President of Fiji during the submission of the Indonesian Ambassador's credentials, Indonesia and Fiji have established cooperation in fighting for common interests in various UN and non-UN forums. Unity of view on various issues, including the principle of an archipelagic state, anti-nuclear and attention to the issue of climate change has been a pillar of bilateral relations so far. Fiji has provided support for Indonesia's candidacy in UN (Embassy of Indonesia, Suva, 2015).

The similarity of Indonesia's agenda in paying attention to humanitarian issues between Indonesia and Fiji. In the field of Human Rights, both of which focus on the United Nations Human Rights Office of The High Commissioner (OHCHR) on human rights abuses. Indonesia-Fiji relations at the UN can be seen at the 72nd UN General Assembly in 2017 with an agenda of focus on people, vows to prioritize peace, do even more in tackling myriad challenges. In the general assembly, Indonesia used human rights for the first time to answer when other countries mentioned the issue of human rights violence that occurred in West Papua. The issue was raised by Vanuatu and the Solomon Islands, Tuvalu, Saint Vincent and the Guardian. However, the Fijian government has shown its defence of Indonesia against accusations by other Pacific Island countries. During the process of Indonesia applying as a permanent member of the MSG, Fiji was

one of the countries that played an important role in Indonesia's membership of the MSG. In March 2011 Indonesia officially became a member with observer status thanks to the assistance of Fiji and Papua New Guinea in the 18th MGS Summit in Fiji. Indonesia's status increased to an associate member at the 20th MS Summit in Solomon Islands 2015 (Zahidi & Musfiroh, 2018).

## Economics

Cooperation between Indonesia and Fiji in the economic field covers the fields of trade, investment and tourism. The cooperation is a form of collaboration to support each other's national development.

*Trade and Investment.* In the field of trade and investment, Indonesia sees the great economic potential in Fiji so that through SSTC. Fiji has a strategic area to become a new market for Indonesia in the South Pacific. This is supported by the Fijian people who have the same taste in products as the people of eastern Indonesia. Fiji has a fairly large market potential for Indonesian products because Fiji can be used as an entry point for Indonesian export goods to the Pacific region considering Fiji's strategic position in the South Pacific and the only country that has an adequate capacity ocean port. Various Indonesian products that have entered the Fijian market are paper products, textile fibres, electrical appliances, household electronic equipment, furniture, gifts and crafts, clothing, instant food, coffee, plastics, shampoo, bath soap, detergents, industrial products, chemical products, and manufacturing tools.

The high level of per capita income is supported by a very high level of consumption and there are few daily necessities that are produced domestically. This situation is an opportunity for Indonesian products to produce daily necessities at competitive prices compared to export products from Australia and New Zealand. Ministerial Statement on Launching Negotiations for the Indonesia-Fiji Preferential Trade Agreement Director General for Asia Pacific and African Affairs, Ministry of Foreign Affairs of the Republic of Indonesia, H.E. Desra Percaya and the Main Secretary of Fiji Industry, Trade and Tourism, Shaheen Ali in March 2019 announced that there were negotiations on the Preferential Trade Agreement between the two countries. Joint commitment to improve bilateral trade and economic relations between Indonesia and Fiji. This commitment is in line with the results of the meeting between the Indonesian Ambassador to Fiji, H.E. Benjamin Camadi and Fiji's Minister of Industry, Trade and Tourism, Hon. Premila Kumar, January 2019, in Fiji. The two countries agreed that strengthening trade and economic partnerships would bring economic, social benefits and improve the living standards of Fiji and Indonesia. Structured economic development is able to promote trade, technical cooperation, and exchange of information (Kementerian Keuangan RI, 2019).

Fiji and Indonesia established a Preferential Trade Agreement (PTA) to realize and facilitate cooperation between companies, including small and medium enterprises. The Indonesia-Fiji Preferential Trade

Agreement (IF-PTA) negotiations cover trade in a limited number of priority products (Andri, 2019). In addition, Indonesia can be a gateway for Fiji to enter the ASEAN market as well as Fiji as a trade entry point for the South Pacific Island countries. Fiji is the most developed island nation in the South Pacific, with a population of approximately 900 thousand people, with stable political conditions and positive economic growth. According to BPS data, Indonesia Fiji's trade balance in 2017 was USD 23.5 million dollars (Indonesian Embassy, Suva, 2015). The Fiji Islands Trade and Investment Bureau (FTIB) plans to invest in Indonesia, focusing on joint ventures, namely: tourism, manufacturing and food processing.

*Tourism.* As one of the world's tourist destinations, Fiji tourism contributes significantly to national income. However, Fiji still relies on imports of goods to support the tourism industry, such as hotel interior decoration, furniture and others. This is a big enough opportunity for Indonesian products. Many hotels and resorts in Fiji bring furniture from Indonesia (Yahya, 2020). Indonesian cooperation in the tourism sector is better known as ecotourism, namely training to make handicrafts from wild plants in Fiji to be used as interior accessories for hotels, houses and so on. Fiji is known as a country that has wild plants that are identical to wild plants that live in eastern Indonesia. So that through the Pacific Expo, Indonesian youth conducted weaving training to produce products that support tourism in Fiji. (Yahya, 2020).



### Indonesia-Fiji Relations in the Field of Education and Security

Indonesia and Fiji are also cooperating in education in an effort to improve human resource development in Fiji. In addition, they also cooperate in the security sector, in this case Indonesia and Fiji conduct joint military training.

*Education.* Cooperation between the governments of Fiji and Indonesia is also established in the fields of culture, education. Cooperation in the field of education between Indonesia and Fiji has been going on since 2003. Cooperation is implemented in the form of scholarships and student exchanges for Fijian students. Cooperation in education between Indonesia and Fiji consists of three scholarships awarded by Indonesia namely in Indonesian arts and culture, postgraduate scholarships and student programs (Indonesian Embassy, Suva, 2015). In addition, Indonesia Fiji is also increasing cooperation between youth organizations and sports development. Fiji and Indonesia formed a Memorandum of Understanding for exchange, trainers for sports medicine experts, science and technology as well as other information exchanges (The Fijian Government, 2014).

*Security.* Fiji is a country with a small military, about 3500 troops. Although it is a maritime country, the emphasis is on land security. State security is more emphasized on personnel, than on equipment and weapons. Fiji's military and police personnel are well known for serving in the Middle East and

other conflict areas under the United Nations. The head of the Fiji Police Force (FPF) and the Indonesian police have collaborated in the field of military education and several matters related to countering terrorism and transnational crime (Indonesian Embassy, Suva, 2015). In 2017, Indonesia and Fiji's Minister of Defence and National Security Fiji Ho, Ratu Inoke Kubuabola signed a Memorandum of Understanding on defence cooperation with the Indonesian Minister of Defence (The Fijian Government, 2017).

### **Conclusion**

Indonesia's policy in providing development assistance through the STTC scheme is inseparable from the national interest. The policy of providing international development assistance plays a role in strengthening Indonesia's interests and affiliations in the South Pacific region. SSTC Indonesia strengthens Indonesia's unfulfilled interests. The framework of Indonesia's bilateral diplomacy through the SSTC is a form of Indonesia's strategy in obtaining national interests, both political, economic and security. Indonesia chose Fiji as the country to implement the SSTC policy because Fiji is a Melanesian South Pacific country that has a position and a major role in the internal organization of the MSG. Fiji consistently supports the integrity and sovereignty of Indonesia. In addition, Indonesia's interest in joining the MSG has not been achieved through the state of Vanuatu which continues to criticize Indonesia, and provides support for independence for Papua and West Papua out of the Unitary State of the Republic of Indonesia. On



the other hand, the implementation of policies reflects the fulfilment of international roles. The implementation of the SSTC policy is closely related to fulfilling Indonesia's role as a middle power country. Indonesia as a developing country became the basis for selecting SSTC as a policy scheme for providing international development assistance services. This research also encourages an understanding of the SSTC which has not been sufficiently publicized both nationally and internationally. Therefore, to fully fulfil the potential of Indonesia's SSCT diplomacy in realizing Indonesia's interests in the eyes of the international community, efforts to strengthen Indonesia's international policy narrative.

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## Authors Biography

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**Ahmad Rizky M. Umar** is an Associate Lecturer at the School of Political Science and International Studies, University of Queensland, Australia. He completed PhD in Political Science and International Studies from the University of Queensland (2022), MSc in Politics with Research Methods from the University of Sheffield (2016), and BA in International Relations from Universitas Gadjah Mada (2013). Previously, he was a researcher at ASEAN Studies Center, Universitas Gadjah Mada, where he also became executive secretary between 2016-2017, and a sessional teacher at Griffith University between 2021-2022. His PhD thesis traces the history of the idea of Asia in world politics. His essays were shortlisted for the Northedge Prize, Millennium Journal of International Studies (2020), and awarded Junior Scholar Paper Award by the English School Section, International Studies Association (2021). His research interest spans around Indonesia's foreign policy, regionalism in Southeast Asia, and global intellectual history.

**Ferdian Ahya Al Putra** is a lecturer at the International Relations Department, Universitas Sebelas Maret, Surakarta, Indonesia. He is also awardee of LPDP Scholarship provided by the Ministry of Finance of Republic Indonesia. He has finished his study from the Program of Master in International Relations, Universitas Gadjah Mada and previously finished his bachelor degree from International Relations Department, Universitas Sebelas Maret. He is already involved in various researches related to International Studies. His specialization is on international development and cooperation studies, especially on labor issues. He is also active in following the current issues and writing his thoughts regarding the developing issues and publishing his articles for mass media.

**Ikhlas Tawazun** is a graduate of International Relations from Universitas Indonesia. Graduated in 2022, he chose to research the policymaking of EU CBAM as his bachelor's thesis. In his study, Ikhlas specializes in international political economy. Ikhlas also held a long-standing interest in US and European politics. Ikhlas is currently working as a policy advocate intern at the American Chamber of Commerce in Indonesia. Ikhlas aspires to develop his career and expertise in relating to business, policy, and international affairs. Previous to writing for the Global South Journal, Ikhlas has also published several articles in ASEAN Insights and BALAIRUNG: Jurnal Multidisipliner Mahasiswa Indonesia.

**Natasya Dewi Shafira** is a graduate of International Relations from Universitas Indonesia. A pronounced winner of several regional essay competitions, her previous works encompass the issue of cooperation and diplomacy, human rights, and ASEAN.



She has spent the last 4 years researching and curating writings for professional matters or in her down time, with topic of interests that span across international political economy, international development, foreign policy, and multinational companies. Natasya now works in the field of development, where she cultivates relationship with key stakeholders working to reduce poverty and disseminates lessons from research for policy-making.

**Ni Nyoman Clara Listya Dewi** is a lecturer of International Relations at Udayana University and Director of Engagement at BASAbali Wiki, an organization that empowers the local community to preserve local language and culture. Her research interests are related to circular economy issues, global political economy and gender studies. She is awarded as a National Geographic Explorer in 2019 with her project entitled “Using a Digital ‘Superhero’ to Promote Reduction of Ocean Plastic Pollution as Local Indonesian Values.” She is also known as a speaker for many various youth events and in academic forum. Effective teamwork begins and ends with communication, is her motto. She can be reached at [claralistya@unud.ac.id](mailto:claralistya@unud.ac.id) and [nyomanclara@gmail.com](mailto:nyomanclara@gmail.com).

**Demas Nauvarian** is a research staff at the Center for Strategic and Global Studies, Department of International Relations, Universitas Airlangga, Surabaya, Indonesia. He previously graduated from the Master of International Relations programme of the same university. His research interests include Chinese foreign policy, Identity in International Relations, and World Order Theories. His most recent writing, ‘ASEAN, COVID-19 and Myanmar crisis: Dealing with critical juncture’, was published in *International Area Studies Review*. He could be contacted through [demasnauvarian@gmail.com](mailto:demasnauvarian@gmail.com).

**Filasafia Marsya Ma’rifat** is currently a junior lecturer in International Relations Department, Universitas Islam Negeri Sunan Ampel Surabaya. She graduated from International Relations Universitas Gadjah Mada in 2020. Her previous writings were about ‘the Walt Disney Company’s strategy in expanding its theme park in China’, and ‘China’s Economic Openness vis-à-vis Barriers to Foreign Investment: China’s Policy on the Mode of Entry of Audiovisual Entertainment Product’. If you have any further inquiries, you can contact her at [filasafiamarsya@gmail.com](mailto:filasafiamarsya@gmail.com).

**Anisa Risanti Suhita** is a final year of Master International Relation of Universitas Gadjah Mada. She is currently writing her thesis about Global Value Chain on Beauty Industries and also focusing her career on the study of sustainable development and climate resilience on developing countries. If you have any question, you can contact her at [anisarisanti96@mail.ugm.ac.id](mailto:anisarisanti96@mail.ugm.ac.id)

**Trisni Salsa Ramadina** graduated from International Relations Department Universitas Gadjah Mada. She has always been interested in learning politics of China. The latest of her research was The Sinicization Policy of the Chinese Government in the Era of President Xi Jinping: Motives & Impact on the Uyghur Ethnic Group in Xinjiang. If you have any further inquiries, you can contact her at [trisni.salsa@mail.ugm.ac.id](mailto:trisni.salsa@mail.ugm.ac.id)

**Ica Cahayani** is a graduate student in International Relations, Universitas Gadjah Mada. Enthusiastic, passionate and a high desire to explore knowledge related to environmental and economy sustainability, climate change, international cooperation and development covering the realms of global political economy, security, global value chains and diplomacy. Currently, focusing on conducting research on the relationship between politics in global south countries, climate change, economy and ekonomi sharia, digital finance, the environment and the role of international regimes in climate change issues such as the G20, UNFCCC and the Paris Agreement.

## Author Guidelines

Global South Review

Even pages: Author (edited by editor)

### Title

**Must be brief and informative, between 15-20 words  
(16pt, bold, single paragraph spacing, 0 before-after)**

**First Author; Next Author; Last Author – without academic title (12pt, bold)**

First Author's Affiliation (Department, University, Country) (12pt);

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Third Author's Affiliation;

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### Abstract (13pt, bold)

*Abstract should be typed in italic, font size 10pt, single-spacing format and justified. The abstract should briefly summarize the aim, findings, or purposes of the article. Authors encouraged to write clear explanation on methodology or conceptual framework used in the article, followed by short summary of the research findings. The end part of the abstract should give conclusion that indicates how this paper contributes to fill the gap in previous studies, or any practical implication that might occur. The abstract should be written in one concise paragraph of no more than 250 words.*

**Keywords:** *contains; three to five; relevant keywords; separated by semicolon; written in lower case, italic 10pt*

### Guidelines (13pt, Bold, Title Case)

The manuscript should be written in English on A4-sized papers (21x29.7 cm), with custom margins as follows: left 2.5 cm, right 2 cm, bottom 2 cm, and top 2 cm. The manuscript should use Callisto MT, 12pt font size, 1.5 line spacing. Manuscript should consist of 4,000—7,000 words (research article) and 3,000—4,000 words (book review). Referencing and citing technique used is APA 6th edition, with in-text citation format

### Guidelines - Introduction

All sources quoted or paraphrased should be listed in the reference list. Cite source using APA in-text citation format, by writing author's last name followed by the publication

year, for example: (Hudson, 2014). Direct quotations, tables, or figures referred should include the page number, for example: (Hudson, 2010, p. 44).

The introduction part should explore these elements: (1) Explanation about the research background and the general theme or topic; (2) Provide clear and convincing answer to the question: Why is this article is important? (3) A concise literature review of available literature or research. Please cite the most imperative part, theories, or debates from existing studies; (4) Indicate how your article will contribute to fill the gap to the current studies. This is also important to show that your idea is original; (5) Offer explanation on specific problem or question<sup>1</sup> and hypothesis

that will be the main point(s) of the article.<sup>2</sup> We encourage authors to bring only one or two questions.

Author should also describe objectives of the research and offer the brief structure of the article.

### **Guidelines - Methodology**

Author is encouraged to describe methodology clearly. Put it in a dedicated subchapter if necessary. This part should contain a brief justification for the research methods used.

This part should contain enough detail to enable the reader to evaluate the appropriateness of your methods and the reliability and validity of your findings.

### **How To Write Your Subchapters**

**[This is an example text]**

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<sup>1</sup> Fewer question or hypothesis is better, we encourage author to bring only 1-2 questions

<sup>2</sup> Footnote may be used to provide additional description (terms, concept, specific event, etc.) that might be too excessive to be included in-text.

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est ac elementum ullamcorper. Duis ut lectus non nibh dictum malesuada. Quisque convallis lectus non justo posuere venenatis. Nam bibendum sem et nibh eleifend placerat sit amet a nibh. Vestibulum quis varius purus.

If You Have 2<sup>nd</sup> Level Subchapters, Use 12pt, Underline, Title Case

**[This is an example text]** Proin non consequat justo. Praesent tempor aliquam nibh vitae venenatis. Praesent pulvinar nulla ut ligula ultricies, bibendum pretium mi hendrerit. Quisque luctus, purus in tincidunt consequat, nibh metus laoreet ex, at rutrum nisi metus ut lacus. Integer commodo purus orci, non pharetra nisi iaculis non. Aenean eget rutrum risus, eu egestas erat. Sed lobortis diam dolor, at porttitor dolor consequat tempus. Etiam erat felis, porttitor sed enim a, aliquam commodo elit. Cras ac posuere est, eu interdum mi. Maecenas posuere lacus vitae nisi efficitur, sed malesuada erat tincidunt. Nullam a dignissim massa. Fusce molestie finibus augue id lacinia. Integer tincidunt at metus ac pharetra. Vivamus hendrerit, mauris quis pharetra fringilla, orci ipsum interdum lacus, et imperdiet massa mauris quis lorem. Pellentesque placerat fermentum imperdiet. Fusce scelerisque purus eget suscipit semper.

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- Sed sit amet massa felis. [This is an example text for 2nd level subchapter]

and discussion. It is strongly recommended to avoid mere repetitive statements or phrase from the previous section. Author may also discuss implication of the findings and point out prospect for further research.

Conclusion should followed by reference list format. Reference list is based on American Psychological Association (APA) style. Reference list should appear at the end of the article and include only literatures actually cited in the manuscript. Citation should be sorted alphabetically and chronologically, written in single spacing and 0pt before-after spacing format.

## **Guidelines - Conclusion**

Conclusion is a brief summary of findings

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