



Realignment in Asia? U.S. Regional Allies' Responses to China–U.S. Competition

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Abstract

The implementation of the United States' Indo-Pacific Strategy signifies a fundamental shift from a mere "power transition" to a profound "order transition". This shift has not only intensified China–U.S. competition but also reshaped the alliance pattern in the Asia-Pacific region. Three perspectives dominate discussions on China–U.S. strategic competition and the evolving realignment patterns in the Asia-Pacific: geopolitical dynamics, institutional contestation, and geo-economic factors. However, the reconfiguration of alliances in the Asia-Pacific is inherently tied to the level of commitment demonstrated by the U.S. allies. Rather than adopting a binary stance of pure bandwagoning or complete autonomy in their policy choices toward the U.S., most states adopt a spectrum of strategic approaches, including limited alignment, neutrality, and strategic distancing. This paper conducts an in-depth analysis of the extent of the U.S. Indo-Pacific allies' alignment and examines it through the perspectives of sensitivity and vulnerability across various fields. Sensitivity depends on the level of attention these allies devote to the China–U.S. competition, and vulnerability refers to the potential costs they may incur by acting against the preferences of either China or the U.S. The findings indicate that higher sensitivity increases the possibility of adherence among Asia-Pacific allies to the U.S., whereas heightened vulnerability reduces the propensity for adherence. The divergent strategic interests and varying levels of alignment among Asia-Pacific allies with the U.S. suggest that the establishment of NATO-style security architecture in the region is currently unfeasible.

Introduction

With the dynamic interplay of international relations, the evolving balance of power between China and the United States has triggered notable shifts in their relative positions, profoundly influencing the regional order. Their intensifying competition extends beyond geopolitical posturing, encompassing multifaceted interactions across political-economic-security spheres that fundamentally reshape both bilateral relations and regional order.¹ Over the past decade, the trajectory of China–U.S. relations has undergone a significant transformation. Whereas the U.S. once exhibited a more accommodating posture, it has increasingly adopted a firmer stance toward China—a recalibration driven by mounting concerns over China's rising capabilities and its expanding institutional influence in the

¹ Huiyun Feng and Kai He, eds., *China's Challenges and International Order Transition: Beyond "Thucydides's Trap"* (Ann Arbor: University of Michigan Press, 2020); Kai He and Feng Liu, eds., *China's Bilateral Relations and Order Transition in the Indo-Pacific* (Singapore: World Scientific, 2024).

Asia-Pacific. Such developments, in turn, pose a challenge to American preeminence, potentially diluting its capacity to shape and maintain the regional order.

Both the Asia-Pacific rebalancing strategy and the Indo-Pacific Strategy epitomise the U.S. strategic approach towards China. The aims of these strategies are to reshape the regional order and enhance its competitive posture through global alignment. These initiatives have spurred a reconfiguration of alliance patterns, as reflected in the gradual expansion of the North Atlantic Treaty Organization (NATO)'s engagement in the Asia-Pacific. From China's perspective, there is a growing concern that the U.S. Indo-Pacific Strategy is an endeavour to forge a coalition that deliberately excludes China.² This view has gained traction among Chinese scholars and policymakers, who increasingly discuss the emergence of an "Asia-Pacific NATO". Proponents of this interpretation argue that, while the Indo-Pacific Strategy ostensibly advocates for freedom and openness, its underlying motive is to consolidate its alliance in the region into one much like NATO. This is a move designed to sustain the hegemony of the U.S. and undermine the central role of the Association of Southeast Asian Nations (ASEAN) in regional cooperation.³ Debates on the adaptation of the NATO model in the Asia-Pacific mainly involve its causes as well as responses of regional states to NATO-isation.

Some observers focus on the trend of applying the NATO model in the Asia-Pacific,⁴ as seen in the United States–Japan–Republic of Korea trilateral (U.S.–JAPAN–ROK), the Australia–United Kingdom–United States trilateral security partnership (AUKUS), and the Quadrilateral Security Dialogue (Quad). From the perspective of Chinese scholars, such multilateral arrangements demonstrate the U.S. pursuit of integrated alliances and partnerships aimed at constructing a comprehensive counter-China coalition, grounded in bloc-based and networked alignments. Several scholars examine the underlying drivers of the NATO-isation in the Asia-Pacific. Existing studies investigate the relationship between the U.S., its allies, and China, suggesting that mutual threat perception and strategic dependency serve as pivotal factors that contribute to various forms of multilateral security cooperation in the Asia-Pacific.⁵

A body of literature identifies the content and characteristics of an "Asia-Pacific NATO", exploring the potential evolution of the U.S.-led alliances in the region into a multilateral framework. This emerging alliance is characterised as targeted, trans-regional, adaptable, multi-level, network-based and nested structure. It is designed to fulfil multiple objectives,

² Feng Liu, "The Recalibration of Chinese Assertiveness: China's Responses to the Indo-Pacific Challenge," *International Affairs*, Vol. 96, No. 1 (2020), pp. 9–27.

³ Wang Yi, "'Yintai zhanlue' shi qitu gao yintaiban 'bei yue' (The 'Indo-Pacific Strategy' Is An Attempt to Create An Indo-Pacific Version of 'NATO')," Ministry of Foreign Affairs of the People's Republic of China, 7 March, 2022, https://www.fmprc.gov.cn/wjzbzd/202203/t20220307_10648866.shtml; Qin Gang, "Renhe lengzhan juebu rong zai yazhou chongyan, wukelan shi de weiji juebu rong zai yazhou fuzhi (No Cold War Can ever Be Repeated in Asia, and No Ukrainian-style Crisis Can ever Be Replicated in Asia)," Ministry of Foreign Affairs of the People's Republic of China, 7 March, 2023, https://www.fmprc.gov.cn/wjzbzd/202303/t20230307_11036932.shtml; Ling Shengli and Wang Yanfei, "Baquan de luoji: Meiguo yatai anquan zhanlue de duobian zhuanxiang (Logic of Hegemony: The Multilateral Transformation of the US Asia-Pacific Security Strategy)," *Guoji Anquan Yanjiu (Journal of International Security Studies)*, No. 4 (2022), pp. 120–1; Yang Fei and Fang Changping, "Meiguo 'yintai' xiao duobian hezuo de buju yu qianjing (U.S. Indo-Pacific Minilateral Cooperation: Layout and Prospects)," *Xiandai Guoji Guanxi (Contemporary International Relations)*, No. 10 (2022), pp. 1–9.

⁴ Wang Fan, "meiguo yatai lianmeng duobianhua de kenengxing: Jiyu xietongxing he weixiyuan de fenxi (The Possibility of A U.S.-Led Multilateral Asia-Pacific Alliance: Analysis of Synergy and Threat Recognition)," *Dangdai Meiguo Pinglun (Contemporary American Review)*, No. 1 (2023), pp. 1–23; Xu Wansheng and Gao Hongyu, "Lun 'meiri +' xiao duobian hezuo de tongmenghua qvxian (The Alliance-oriented Trend of 'Mini-Multilateral Cooperation' in the Context of 'AUKUS' and 'Quad')," *Riben Xuekan (Japanese Studies)*, No. 2 (2024), pp. 1–24.

⁵ Li Dejie, "Tixi de jiban: Yatai xiao duobian anquan hezuo de hudong luoji (The Fetters of Alliance System: The Interactive Logic of Asia-Pacific Minilateral Security Cooperation)," *Guoji Zhanwang (Global Review)*, No. 2 (2024), pp. 120–40; Ye Xiaodi, "Meiguo 'yintai' xiao duobian zhuyi de shengcheng jizhi tanxi (The Analysis of the Generation Mechanism of the US' Minilateralism in the Indo-Pacific Region)," *Shijie Jingji Yu Zhengzhi (World Economics and Politics)*, No. 3 (2024), pp. 94–126.

such as creating a framework that aims to enhance deterrence, restructure supply chains, and advance technological competition.⁶ Existing studies also focus on the evolving trend of NATO model adaptation in the Asia-Pacific. The prevailing academic consensus acknowledges that forming a highly institutionalised, broad-based multilateral alliance remains challenging due to divergent threat perceptions of China, internal divisions among allies, and variations in alliance status. However, scholars note an increasing possibility of multiple small-scale, issue-specific multilateral coalitions being established.⁷

Some scholars assess the perceptions of regional actors regarding the concept of an “Asia-Pacific NATO”, with particular attention to ASEAN and middle powers in the region. They observed that ASEAN remains concerned about the potential erosion of its “ASEAN centrality” status. Furthermore, the attitude of Asia-Pacific states towards the NATO-isation of the region is comparatively more complex due to the confluence of perceptions, strategic dependence and risk avoidance in the China-U.S. strategic competition. In addition, the academic community discussion on NATO’s pivot to the Asia Pacific argues that the “global NATO” strategy has prompted NATO to deepen its engagement in the region and enhance interactions with regional states. This is conducive to the integration of U.S. allied forces in Europe and Asia, thereby adding complexity to the security environment in the Asia-Pacific region. However, scholars also highlight the constraints on NATO’s expansion in the region, citing challenges posed by Russia, internal divisions within the alliance, and broader global uncertainties, which collectively hinder efforts to extend its influence in the Asia-Pacific.

The U.S. Indo-Pacific Strategy represents a pivotal shift from a mere realignment of global power to a more profound transformation of the international order. This strategic pivot has significantly amplified the geopolitical, institutional, and geo-economic competition between China and the U.S. At the core of Washington’s strategy is the establishment of an Indo-Pacific framework, strategically designed to maintain a strategic advantage over China and to assert dominance in the region. A central pillar of this strategy involves bolstering ties with allies and partners across the Indo-Pacific, a move that has become increasingly synonymous with the formation of counter-China coalitions. This realignment and intensification of alliances not only heightens the risk of polarisation but also signifies a reshaping of the traditional alliance pattern within the Asia-Pacific.

Debates surrounding alignment models in the Asia-Pacific have predominantly centred on the evolution of the U.S. alignment strategies, with increasing attention directed toward the network-based security framework and the potential adaptation of the NATO model in the region. Notably, however, an emerging consensus suggests that smaller states and middle powers in the region display a reluctance to align exclusively with either Chinese or U.S.-led blocs, preferring instead a hedging strategy to maintain neutrality. This tendency has prompted scholars to speculate on the possible emergence of a contemporary Non-Aligned Movement.

⁶ Yue Shengsong, “‘Yintai beiyuehua’: Neihan, biao zheng ji yingxiang (The NATO-ization of the Indo-Pacific Region: Essence, Performances and Impacts),” *Yatai Anquan Yu Haiyang Yanjiu (Asia-Pacific Security and Maritime Affairs)*, No. 1 (2023), pp. 16–35; Bao Guangjiang and Rao Jinshan, “Meiguo suzao yintai zhixi de xiao duobian zhuyi lujing (Minilateralism and the US Approach to Shaping the Indo-Pacific Order),” *Dongnanya Yanjiu (Southeast Asian Studies)*, No. 3 (2023), pp. 111–32; Chengqiu Wu, “Decoding US–China Strategic Competition: Comparative Leverages and Issue Selection,” *Chinese Journal of International Politics*, Vol. 16, No. 1 (2023), pp. 31–60; Nurullah Gur and Serif Dilek, “US–China Economic Rivalry and the Reshoring of Global Supply Chains,” *Chinese Journal of International Politics*, Vol. 16, No. 1 (2023), pp. 61–83; Stephanie Christine Winkler, “Strategic Competition and US–China Relations: A Conceptual Analysis,” *Chinese Journal of International Politics*, Vol. 16, No. 3 (2023), pp. 333–56.

⁷ Sun Xingjie, “Yintai diqu zai ‘beiyue hua’ ma (Is the Asia-Pacific Region NATOizing),” *Shijie Jingji Yu Zhengzhi Luntan (Forum of World Economics & Politics)*, No. 6 (2023), pp. 1–25; Jiang Liyuan, “Duobian anquan hezuo yu meiguo yatai mengguo de diwei ceduo yanjiu (A Study on the Measurement of Multilateral Security Cooperation and the Status of U.S. Allies in the Asia-Pacific Region),” *Shijie Jingji Yu Zhengzhi Luntan (Forum of World Economics & Politics)*, No. 2 (2024), pp. 24–47.

This paper aims to examine whether the U.S. Indo-Pacific Strategy, in the context of escalating China–U.S. competition, might result in the application of the NATO model in the Asia-Pacific, thereby transitioning the traditional bilateral alliances of the United States in the region into a more multilateral framework. Considering data availability, the analysis focusses on how this evolving strategic dynamic between the U.S. and China impacts the overall alliance architecture in the Asia-Pacific from 2017 to 2022. The analysis assesses whether the Indo-Pacific Strategy will forge a counter-China coalition as anticipated by the U.S. and also examines whether initiatives such as the “IP4” (four allies in the Indo-Pacific region) mechanism, AUKUS, and the broader adaptation of NATO model in the Asia-Pacific would herald the advent of an “Asia-Pacific NATO.” Since 2022, there have been notable developments—for example, the Philippines’ President Marcos Jr. has recalibrated the Philippines’ alignment strategy. Nonetheless, the analytical framework and core assessments of this study remain robust. The tepid responses to Shigeru Ishiba’s proposed “Asia-Pacific NATO” reflect the persistent reluctance among U.S. regional allies to embrace a multilateral alliance. Notably, in the first half-year of U.S. President Donald Trump’s second presidential term, his foreign policy agenda does not explicitly prioritise the Asia-Pacific, thereby leaving the main argument unchallenged.

The structure of the paper is as follows: The first section investigates the ramifications of China-U.S. competition on the U.S. alliance framework in the Asia-Pacific, analysing it from three critical perspectives: geopolitical dynamics, institutional contestation, and geo-economic factors. The second section is dedicated to evaluating the extent of the NATO model integration in the Asia-Pacific region’s strategic landscape. The third section critically assesses the constraints and challenges associated with implementing the NATO approach within this regional context. Finally, the fourth and concluding section examines the multifaceted and intricate effects that the reshaping of the Asia-Pacific alliance structure has on the China-U.S. bilateral relationship, as well as the broader regional dynamics and implications that extend beyond the Asia-Pacific.

Great-Power Competition and Changing Pattern of Realignment: Three Approaches

Three principal perspectives inform the study of strategic competition and changing alliance patterns in the Asia-Pacific region: geopolitical, institutional, and geo-economic. The geopolitical perspective highlights the efforts of the U.S. to mobilise allies against China by focusing on alliance networking and the prospect of an “Asia-Pacific NATO.” From an institutional perspective, there is a shift away from traditional ASEAN-centric models toward new regional frameworks, as both China and the U.S. contend to establish institutions that cater to their interests, marking a new era of institutional competition. Meanwhile, the geo-economic perspective emphasises that the intensifying competition between China and the U.S., especially in trade and supply chain dynamics, is seen as driving regional fragmentation and spurring the formation of competitive economic blocs in the Indo-Pacific region.

Geopolitical Approach

The U.S. endorsement of the NATO model in the Asia-Pacific region is intricately linked to the geopolitical dynamics and its strategic recalibration in the area. Guided by a pronounced geopolitical dynamism, the U.S. is actively advancing the Indo-Pacific Strategy to counterbalance China’s regional influence through strategic geopolitical restructuring. In pursuit of this objective, the U.S. is intensifying its military presence and fortifying alliances across the region by bolstering joint military exercises and support, as well as advocating for a NATO-like multilateral alliance network.

The U.S. is advancing a geopolitical reconfiguration to address the evolving contours of major power competition. American scholars contend that the geopolitical competition between China and the U.S. stems from the shifting power dynamics between these two countries. The transition of China from a predominantly land-based power to a combined land and maritime force has been a significant factor in escalating tensions with the U.S., a power traditionally reliant on maritime capabilities.⁸ This has contributed to the intensification of the geopolitical contest between China and the U.S. The U.S. Indo-Pacific Strategy represents a departure from the conventional land-centric geopolitical paradigm by reorienting the focus of major power competition toward maritime domains. The strategy emphasises maritime linkages among allies, seeking to counterbalance a “land Asia” with a “maritime Asia”.⁹ As a geopolitical counterweight, the strategy helps the U.S. rally Indo-Pacific states to mitigate China’s growing influence.¹⁰ By implementing this strategy, the U.S. is expediting the adoption of a NATO-like framework in the Asia-Pacific through active engagement with India and Australia in East Asian affairs, thereby forging a new Indo-Pacific alliance. This approach is explicitly designed to encircle China geopolitically, which in turn markedly intensifies China-U.S. geopolitical competition.

Concurrently, the U.S. has substantially augmented its military presence in the Indo-Pacific region as a strategic manoeuvre to integrate the NATO model into the region and to heighten security pressures on China. Key actions include deploying a significant portion of its naval forces to establish a military presence, prioritising the Indo-Pacific in its defense strategy with increased funding for the “Pacific Deterrence Initiative”, bolstering military ties and integrated deterrence with regional allies, and escalating the frequency and intensity of military exercises and naval operations, particularly with Japan, Australia, and India. These measures not only challenge China’s maritime activities in critical areas, such as the South China Sea (SCS) and the Diaoyu Islands, but also heighten the potential for maritime conflicts.¹¹ As a result, security tensions with China intensify and foster a consolidation of the counter-China alliance in the region.

The U.S. recalibration of its alliances to cultivate an “Asia-Pacific NATO” is instrumental in sharpening its competitive edge in the Indo-Pacific major power contest. The alliance framework has been a focal point for both the Trump and Biden administrations. Under the first term of the Trump administration, there was a pronounced emphasis on security cooperation, often at the expense of economic considerations.¹² In contrast, the Biden administration has shifted from an “America First” doctrine toward prioritising investments in allies and partners, thereby establishing strategic pivots in the Indo-Pacific.¹³ This shift is evident in the U.S. promotion of the U.S.–JAPAN–ROK trilateral, the AUKUS, and the Quad. These initiatives indicate a transition towards a more multilateral format in the U.S. Asia-Pacific security cooperation, underlining a gradual adoption of the NATO approach

⁸ Scobell Andrew, “Constructing A U.S.-China Rivalry in the Indo-Pacific and Beyond,” *Journal of Contemporary China*, Vol. 30, No. 127 (2020), pp. 1–16.

⁹ See Cai Hongpeng, “Meijun tuijin ‘yintai’ haishang anquan zhanlue xin dongxiang: Yingxiang yu tiaozhan (U.S. Indo-Pacific Maritime Security Strategy: Effects and Challenges),” *Guoji Zhanwang (Global Review)*, No. 4 (2020), pp. 24–41; Liu Qing, “Meiguo dongnanya zhengce zhuanxiang ji qianjing (The Shift of America’s Southeast Asia Policy and Its Prospects),” *Guoji Wenti Yanjiu (International Studies)*, No. 5 (2020), pp. 60–76.

¹⁰ Liu Xuelian and Guo Hongwei, “‘Yintai’ gainian xia dongya diyuan zhengzhi jigou de zhuanbian ji zhongguo de zhanlue xuanze (The Transformation of the Geopolitical Pattern in East Asia and China’s Countermeasures under the Indo-Pacific Concept),” *Dongbeiyu Luntan (Northeast Asia Forum)*, No. 4 (2021), pp. 54–68.

¹¹ Cao Pengpeng and Shi Bin, “‘Yintai’ shiyu xia ‘siguo jizhi’ de tongmenghua ji qi xiandu (The Alliance of the ‘Quad’ from the Perspective of the Indo-Pacific and Its Limits),” *Taipingyang Xuebao (Pacific Journal)*, No. 10 (2021), pp. 41–54.

¹² Ling Shengli, “Telangpu zhizheng yilai meiguo yatai lianmeng guanxi xin tiaozheng (Trump’s Asia-Pacific Alliance Adjustments),” *Xiandai Guoji Guanxi (Contemporary International Relations)*, No. 5 (2020), pp. 31–9.

¹³ Zhao Pu and Li Wei, “Baquan huchi: Meiguo ‘yintai’ zhanlue de shengji (Hegemonic Maintenance: Upgrades of The U.S. Indo-Pacific Strategy),” *Dongbeiyu Luntan (Northeast Asia Forum)*, No. 4 (2022), pp. 24–46.

in the region and bolstering the U.S. capacity for international mobilisation. However, the U.S. efforts to strengthen its Asia-Pacific alliance network face several challenges. These challenges include constrained American input, a waning credibility of the U.S. hegemony, and divergent strategic interests among allied states. The efforts of the U.S. and the challenges it faces collectively shape the trajectory and effectiveness of the U.S. alliance strategies in the region.¹⁴

In summary, the U.S. is actively constructing a new alliance framework in the context of geopolitical competition, exerting significant security pressure on China, and altering the Asia-Pacific region security landscape to one that is increasingly exacerbated. This U.S.-led initiative, characterised by its distinct exclusivity, is fostering a relatively insular bloc in the Asia-Pacific, which deepens regional polarisation and reshapes security dynamics. As a result, many countries in the region face an increasingly acute dilemma of strategic alignment, with rising pressure to take sides. This evolving scenario heightens the risk of direct confrontations between China and the emerging Asia-Pacific alliance. It also introduces greater complexity into regional security governance, affecting both the security challenges and the mechanisms designed to manage them.

Institutional Approach

From the perspective of institutional competition, the traditional paradigm of alliances is increasingly losing its dominance. Furthermore, the effectiveness of ASEAN-centric frameworks, once a defining feature of regional governance in the Asia-Pacific, is perceived to be diminishing amid the intensifying strategic competition between major global powers. Specifically, China and the U.S. are actively engaged in shaping regional institutional architectures that serve their respective strategic interests. A clear demonstration of such efforts is the advancement of the U.S. Indo-Pacific Strategy, which aims to establish a regional multilateral institutional framework more attuned to its interests. Initiated during the first term of the Trump administration, this strategy represents an exclusionary institutional counterbalance designed to constrain China's growing influence. The objective of challenging and constraining China's role in regional affairs is achieved through fostering deeper economic and security cooperation among Indo-Pacific states. In comparison to previous administrations, the U.S. Indo-Pacific Strategy represents a strategic shift that reflects a significant recalibration of the U.S. approach to institutional competition and regional influence in the Asia-Pacific.¹⁵

Under the Biden administration, there was a renewed focus on the strategic importance of international institutions, particularly within the Indo-Pacific region. This shift has led to a concerted effort to reinvigorate the U.S. institutional influence in the region, encompassing the enhancement of existing institutions, the establishment of new frameworks, and reassurance of prior commitments. These measures are designed to reassert the pivotal role of the U.S. in shaping key regional agendas, but unfortunately, they lead to the intensification of institutional competition between China and the U.S. Nevertheless, this endeavour faces challenges primarily due to a lack of clear executive and conceptual leadership, ultimately hindering the effective regional institutionalisation.¹⁶ The ongoing China-U.S. institutional competition is not merely a by-product of shifting international dynamics but also a critical component of the U.S. Indo-Pacific Strategy. In the regional context, the institutional

¹⁴ Zhao Minghao, "Mengban tixi, fuhe zhenying yu meiguo 'yintai zhanlue' (The Latticework of Alliances and Partnerships, the Multilayered Coalition and US Indo-Pacific Strategy)," *Shijie Jingji Yu Zhengzhi (World Economics and Politics)*, No. 6 (2022), pp. 26–55.

¹⁵ He Kai, "Meiguo yintai zhanlue shizhi yu zhongguo de zhidu zhiheng: Yi Zhong ji yu guoji guanxi lilun de zhengce fenxi (The Substance of U.S. Indo-Pacific Strategy and China's Institutional Checks and Balances: A Policy Analysis Based on International Relations Theory)," *Xiandai Guoji Guanxi (Contemporary International Relations)*, No. 1 (2019), pp. 26–55.

¹⁶ Kai He and Huiyun Feng, "The Institutionalization of the Indo-Pacific Problems and Prospects," *International Affairs*, Vol. 96. No. 1 (2020), pp. 149–68.

competition will have profound implications for the region's governance structure and strategic alignment in the future.

The U.S. is actively advocating for a paradigm shift in the regional institutional framework, moving from an "Asia-Pacific" to an "Indo-Pacific" orientation, which has significantly undermined the centrality of ASEAN. Although the U.S. promotes its "Indo-Pacific Strategy" ostensibly to sustain cooperative structures within the Asia-Pacific, the prevailing competitive framework remains predominantly closed and exclusionary. The tactics of institutional reform, selective withdrawal, and reshaping the landscape of the international institutions further undermine the ASEAN-centred framework in the Asia-Pacific.¹⁷ Since the first term of the Trump administration, the institutional competition between China and the U.S. over the Asia-Pacific region has undergone a fundamental transformation, marked by a shift from a previously benign competition to a more adversarial one. The intensification of both inter- and intra-institutional competition between China and the U.S. has, in various ways and to varying degrees, weakened ASEAN's role in the regional multilateral framework. ASEAN now faces mounting challenges in providing a mediating platform and establishing negotiation rules within its existing mechanisms amidst the escalating China-U.S. competition. As a result, ASEAN is progressively losing its relevance in the institutional competition over regional issues and norms while struggling to uphold the "ASEAN way".¹⁸

The competition over regional economic institutions has polarised regional cooperation. The U.S. Indo-Pacific Strategy, while aspiring to establish a new regional economic framework, has in fact contributed to a divergence in economic collaboration across the Asia-Pacific region. Yunling Zhang characterises the region as demonstrating both "multi-wheel" and "multi-directional" drives, casting doubt on the feasibility of creating a closely-knit Asia-Pacific mega-market.¹⁹ The contest over regional economic architecture intensified as the U.S. seeks to counter China-promoted agreements, such as the Regional Comprehensive Economic Partnership (RCEP), through initiatives like the Trans-Pacific Partnership and the Indo-Pacific Economic Framework (IPEF). The resultant economic decoupling and division of regional camps make it unlikely that China and the U.S. will reach a consensus on economic institutions in the near term. Exacerbation of the rift in regional economic cooperation is to be expected. Consequently, many countries may find themselves compelled to align with multiple regional economic frameworks as a means to maintain strategic balance.

The institutional competition of the U.S. with China has resulted in heightened fragmentation within the Asia-Pacific region. A key characteristic of the U.S. Indo-Pacific Strategy is the "institutional lock", which seeks to construct a "rule-based" international order explicitly targeting China. This approach is evidence that the U.S. has intentionally excluded China from key institutional designs. Politically, the U.S. strategy aims to pivot the regional focus from "Asia-Pacific" to "Indo-Pacific", empowering India and Australia to play more significant roles and dilute the original ASEAN-centric framework. Economically, initiatives like the "Blue Dot Network Program", "Indo-Pacific Economic Framework" and "Partnership for Global Infrastructure and Investment (PGII)" emphasise the creation of high-standard rules that strategically sideline China. Such measures, which promote market segmentation and industrial chain restructuring, are likely to engender economic

¹⁷ Chen Yu, "'Yintai' diyuan zhengzhi zhangli yu dongnanya guojia duichong zhanlue de xiandu (The India-Pacific Geopolitical Tension and the Limits of Southeast Asian Countries' Hedging Strategy)," *Guoji Guanxi Yanjiu (Journal of International Relations)*, No. 4 (2021), pp. 125–7.

¹⁸ Wu Lin, "Zhong mei zhidu jingzheng dui dongmeng zhongxin diwei de chongji: Yi dongmeng diqu luntan (ARF) wei li (U.S.-China Institutional Competition and ASEAN Centrality: An Analysis Based on ASEAN Regional Forum [ARF])," *Waijiao Pinglun (Foreign Affairs Review)*, No. 5 (2021), pp. 88–117.

¹⁹ Zhang Yunling, "Zhuan bian zhong de yatai quyue guo xi yu jizhi (Evolving Regional Relations and Institutions in the Asia-Pacific)," *Waijiao Pinglun (Foreign Affairs Review)*, No. 3 (2018), p. 1.

polarisation—a development that is misaligned with the interests of Asia-Pacific states. In terms of the security domain, the U.S. has pushed for a multilateral transformation of its bilateral alliances, notably institutionalising cooperation among the U.S., Japan, Australia, and India—a shift that raises the prospect of a NATO-like approach in the region and complicates the formation of an inclusive regional security framework.²⁰

In conclusion, the U.S.-centric institutional framework was constructed in response to its competition with China. It is poised to generate overlapping institutional roles, create fragmentation within the Asia-Pacific region, and produce a more pronounced formation of institutions aligned against China. For the majority of Asia-Pacific states, aligning with regional institutions entails a delicate balancing act, wherein states must reconcile their national interests with the institutional pressures arising from the China–U.S. competition while striving to maintain strategic autonomy. The extent to which institutional pressures could influence different countries and issue areas is not uniform, as regional actors maintain varied degrees of strategic autonomy. While the fragmentation observed in the array of regional institutions offers Asia-Pacific states the opportunity to engage in strategic hedging, it simultaneously fosters institutional inefficiencies. These inefficiencies, in turn, pose significant challenges to the advancement of regional cooperation, reflecting the complex interplay of global power dynamics and regional strategic considerations.

Geo-Economic Approach

The Indo-Pacific region stands as the world's most economically dynamic area. The U.S. Indo-Pacific Strategy, influenced by both strategic and economic considerations, has undergone notable evolution across different administrations. Under the “America First” doctrine, the Trump administration, in its first term, predominantly pursued American economic interests through bilateral or unilateral approaches, resulting in a markedly limited scope of the U.S. involvement in multilateral economic activities within the region. In contrast, the Biden administration placed a greater emphasis on fostering multilateral economic cooperation in the Indo-Pacific. It had aimed to cement the U.S. economic leadership in this key region. This strategic shift is designed not only to assert American economic influence but also to counterbalance China's growing prominence in the regional economic landscape.

The U.S. strategy in the Indo-Pacific region counters China's Belt and Road Initiative (BRI), especially in infrastructure development. Under the perception that BRI has geopolitical and geo-economic impacts,²¹ the U.S. not only opposes the initiative but also seeks to deter other countries from participating in it. The Trump administration initiated projects such as the “Trilateral Partnership for Infrastructure Investment in the Indo-Pacific” and the “Blue Dot Network Program” as responses during its first term. The Biden administration further escalated these efforts with the “Build Back Better World” and “Partnership for Global Infrastructure and Investment” initiatives, aiming to establish global infrastructure standards and curb China's regional influence.²² However, these U.S. endeavours face challenges such as funding limitations, institutional framework constraints, varying interests of the target countries, and the specific modes of operation, which collectively impact the effectiveness of the U.S. counter-strategy to the BRI in the region.²³

²⁰ Weixing Hu and Weizhan Meng, “The US Indo-Pacific Strategy and China's Response,” *The China Review*, Vol. 20, No. 3 (2020), pp. 143–76.

²¹ Michael Clarke, “Beijing's Pivot West: The Convergence of *Innenpolitik* and *Aussenpolitik* on China's ‘Belt and Road’?” *Journal of Contemporary China*, Vol. 29, No. 123 (2019), pp. 1–18.

²² Chou Chaobing, “Meiguo ‘yintai zhanlue’ xia de jichu sheshi hezuo ji qi dui Zhongguo de yihan (Infrastructure Cooperation Under US' Indo-Pacific Strategy and Implications for China),” *Guoji Jingji Hezuo (Journal of International Economic Cooperation)*, No. 2 (2022), pp. 20–9.

²³ Mao Weizhun, “Meiguo de yintai jijian gongshi: yanbian, luoji yu juxian (U.S. Indo-Pacific Infrastructure Push: Evolution, Logic and Limitations),” *Nankai Xuebao (Zhhexue Shehui Kexue Ban) (Nankai Journal [Philosophy, Literature and Social Science Edition])*, No. 2 (2021), pp. 85–97.

Regional economic cooperation at the multilateral level went from stagnation to flourishing across different U.S. administrations. During the first term of the Trump administration, the Indo-Pacific Strategy was weakened by stagnation in multilateral economic engagements, resulting in a notable divergence among the U.S., Japan, Australia, and India. In contrast, the Biden administration elevated multilateral economic cooperation in the region, particularly through the promotion of the IPEF. The geo-economic contest with China heightened in areas such as supply chain reorganisation, the digital economy, and regional infrastructure.²⁴ Despite the U.S. efforts to deepen its interconnected interests with allies and partners in the Asia-Pacific to bolster its leadership in multilateral economic cooperation, challenges to the IPEF persist. For instance, India's constraints in regional industrial transfer had led to its withdrawal from IPEF trade negotiations.²⁵ Additionally, the growing apprehension among Asia-Pacific countries that the IPEF might redirect regional economic cooperation has become a challenge for the U.S. to garner full support for the IPEF while concurrently dissuading these states from maintaining economic and trade ties with China.²⁶ Consequently, the U.S. is currently not in a position to form an economic alliance to directly oppose China.

Simultaneously, the Biden administration advanced economic decoupling between China and the U.S., citing supply chain security concerns as a pretext. The issue of supply chain security, particularly in high-tech sectors, very quickly came to the forefront of the Indo-Pacific Strategy. Most prominent was the U.S. strengthening its collaboration with allies and partners in semiconductor technology to apply pressure on China. This development was observably a continuation of Washington's broader strategy to decouple technologically from China and impede China's economic progress, which dates back to 2018 when measures were implemented against companies like Huawei due to security concerns. The conflation of economic and national security in the Biden administration's supply chain policies effectively securitises economic relations.²⁷ In pursuing supply chain security, the U.S. had adopted a "small yard, high fence" strategy, enhancing cooperation with Asia-Pacific allies in supply chains and proposing initiatives like the Chip 4 Alliance. These approaches, marked by politicisation and securitisation, were designed to extend the NATO model into the economic sphere in Asia-Pacific. The aims were to create economic decoupling between China and the U.S. and pressure other states to disengage economically from China.

Washington's economic policies have significantly heightened geo-economic competition in the Asia-Pacific region, leading to a reconfiguration of the regional geo-economic cooperation framework and dividing countries into conflicting blocs, particularly in the digital economy.²⁸ This trend is troubling, as the realignment of supply chains in the region, driven by the U.S. redefinition of economic rules, contravenes established norms of economic cooperation. The U.S. persistent application of a NATO-like approach in the Asia-Pacific's economic domain is set to markedly impact regional economic cooperation, potentially altering long-standing economic relationships and alliances in the region.

²⁴ Zhao, "The Latticework of Alliances and Partnerships, the Multilayered Coalition and US 'Indo-Pacific Strategy,'" pp. 26–55.

²⁵ Huang Zhengliang, "Yindu dui 'yintai' de canyu, juxian yu zhanwang (A Global Value Chains Perspective on Outlooks for and Limitations of India's Participation in the Indo-Pacific)," *Nanya Yanjiu (South Asian Studies)*, No. 2 (2022), pp. 110–32.

²⁶ Xin Qiang and Yu Jingyi, "Baideng zhengfu 'Yintai zhanlue' shiyu xia de zhong mei anquan jingzheng (China-U.S. Security Competition under the Biden Administration's 'Indo-Pacific Strategy')," *Eluosi Yanjiu (Russian Studies)*, No. 4 (2022), pp. 50–75.

²⁷ Guan Chuanjing, "Anquanhua caozuo yu meiguo quanqiu gongyinglian zhengce de zhanluexing tiaoshi (Securitization Practices and Strategic Adjustments in U.S. Policy on Global Supply Chain)," *Guoji Anquan Yanjiu (Journal of International Security Studies)*, No. 1 (2022), pp. 73–99.

²⁸ Yan Xuetong, "Bipolar Rivalry in the Early Digital Age," *Chinese Journal of International Politics*, Vol. 13, No. 3 (2020), pp. 313–41.

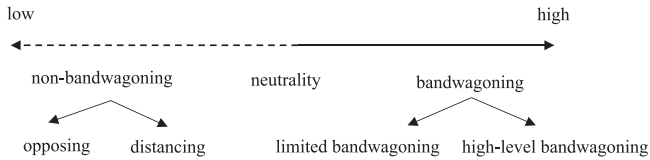


Fig. 1. The Level of Asia-Pacific Allies' Bandwagoning with the U.S.

The “Asia-Pacific NATO” Is Still an Embryo

In its bid to surpass China and restructure its alliances in the Asia-Pacific, the U.S. has implemented various strategies. However, unity among Asia-Pacific states, particularly on issues related to China, remains elusive. Even U.S. allies in the region, which include Japan, Australia, South Korea, the Philippines, and Thailand, exhibit varying degrees of policy alignment with the U.S. regarding China. As a result, their coordination with the Indo-Pacific Strategy is affected, as seen in their reactions to the BRI and responses to the SCS disputes. Inevitably, divergence raises questions about the feasibility of forming an “Asia-Pacific NATO” and whether U.S. alliances in the region will fragment into disparate groups.

The competition between China and the U.S. does not solely determine the realignment of alliances in the Asia-Pacific region; rather, it is essential to consider the perceptions and responses of states within the region. The current strategic competition between China and the U.S. is not a confrontation between camps. Despite increased systematic pressure, Asia-Pacific states continue to retain a degree of strategic independence. Thus, when considering the formation of an “Asia-Pacific NATO”, it is essential to look beyond the prism of China-U.S. strategic competition and consider the strategic pursuit of Asia-Pacific states.

Traditionally, the policies of Asia-Pacific allies towards the U.S. have been categorised as either bandwagoning or seeking autonomy. However, this binary view does not accurately capture the nuances of each ally's stance. In practice, high-level bandwagoning or autonomy is rare; instead, limited bandwagoning, neutrality, and distancing are more common.

An alliance, as high-level international security cooperation, often involves military aspects and can exhibit both consensus and disagreement among members. It does not necessarily imply high-level bandwagoning. The extent of an ally's bandwagoning within an alliance is a strategic decision that balances the costs and benefits of cooperation. This level of alignment is critical in the context of an “Asia-Pacific-oriented NATO.” It can be assessed through policy statements, examining the consistency of allies' views with the U.S. on cooperation principles and specific issues, as well as through policy actions, evaluating whether allies independently support U.S. objectives, facilitate U.S. actions, or engage in joint actions with the U.S.

As illustrated in Figure 1, regional allies' policies toward the U.S. can be categorised into three types based on the level of their alignment with the U.S. policies: bandwagoning, neutrality, and non-bandwagoning. Bandwagoning can be further classified into *high-level bandwagoning* and *limited bandwagoning*, while non-bandwagoning can be classified into *distancing* and *opposing*. The level of alignment among allies with U.S. policies ranges from *opposing* at one end of the spectrum to *high-level bandwagoning* on the other end.

“High-level bandwagoning” entails robust endorsement and alignment with the U.S. policy direction, including active coordination with its strategic actions. “Limited bandwagoning” refers to partial support for the U.S. strategy, adhering to the alliance framework but with certain reservations, which can lead to occasional contradictions and disagreements. “Neutrality” indicates an indifferent position, with allies neither explicitly supporting nor opposing the U.S. strategy. “Distancing” involves maintaining a stance that is distinct from the U.S. policy, marked by differences in both actions and statements. Finally, an “opposing”

stance is characterised by a clear rejection of the U.S. strategy, with explicit refusal to align with U.S. policies and actions, as evident in policy declarations and behaviours.

The extent to which regional allies align with U.S. policies across twelve major issues from 2017 to 2022 reveals varying levels of bandwagoning among Asia-Pacific allies. These issues can be categorised as follows: three security concerns—the South China Sea dispute, the Indo-Pacific Strategy, and the Taiwan Strait crisis; five political issues—Hong Kong, Xinjiang, human rights, the Beijing 2022 Winter Olympics, and the COVID-19 pandemic; and four economic matters—BRI, Asian Infrastructure Investment Bank (AIIB), IPEF, and Huawei's 5G technology.

Generally, Japan and Australia exhibited the highest degree of alignment across multiple sectors. In most cases, the Republic of Korea and Thailand displayed neutrality and even distancing. The Philippines, however, had only bandwagoned with the U.S. in the security domain. Furthermore, allies demonstrated multiple levels of bandwagoning depending on the issue at hand. In the security domain, particularly concerning the SCS dispute, the Indo-Pacific Strategy, and the Taiwan Strait crisis, Japan and Australia presented the highest level of alignment. In the political realm, addressing issues such as Hong Kong, Xinjiang, human rights, the Beijing 2022 Winter Olympics, and the COVID-19 pandemic, the bandwagoning level is relatively lower. Japan and Australia have been more active, but others generally maintain a neutral stance. In the economic domain, the engagement of the U.S. allies in the BRI, the AIIB, the IPEF, and Huawei's 5G technology reflects a level of restraint in bandwagoning that tended towards hedging and, in some cases, distancing and opposing. In sum, the policies of Asia-Pacific allies towards the U.S. demonstrate significant variability, suggesting that the concept of an "Asia-Pacific NATO" is still in a nascent stage of formation, with varying degrees of consensus and cooperation among the involved states.

The variability in the alignment of Asia-Pacific allies with U.S. policies can be discerned by examining three key cases—the SCS dispute, Hong Kong issue, and the BRI—spanning across security, political, and economic domains respectively.

The U.S. has increased its involvement in the SCS dispute by promoting the multilateralisation and internationalisation of the dispute, alongside exerting pressure on China. However, the extent of allies' bandwagoning with the U.S. on this issue is mixed. Japan and the Philippines, where the latter, under the Benigno Aquino III administration, exhibited high-level bandwagoning by critiquing China's stance and engaging in military actions in the region. In comparison to Aquino III's predecessor, the Philippines under Rodrigo Duterte's leadership displayed limited bandwagoning, opting to address the SCS dispute with China based on its domestic economic development needs. During the same period, Thailand maintained a neutral stance, advocating for a peaceful resolution and refraining from U.S.-led military operations to prevent the conflict from escalating. The ROK kept a relatively detached stance, showcasing pronounced neutrality by largely avoiding involvement in the SCS dispute.

The Hong Kong issue has nevertheless become a focal point of U.S. criticism in recent years.²⁹ The U.S. has not only imposed sanctions and deterrence measures against China but has also supported anti-China elements in Hong Kong. Japan's position on the Hong Kong issue aligns somewhat with that of the U.S., yet it has endeavoured to avoid provocative actions, adopting a policy of limited bandwagoning.³⁰ On the one hand, Japan has to respond to the U.S. pressure. On the other hand, it is unwilling to offend China. As a result, Japan imposed some sanctions on China, including freezing the bank account of Carrie

²⁹ The Committee on Foreign Affairs of the U.S. House of Representatives, "Meeks and McCaul Lead Bipartisan Resolution Condemning China's Abuses in Hong Kong," 19 February, 2021, <https://foreignaffairs.house.gov/press-releases?ID=19108390-ADC6-4D47-8570-898A5228AACB>.

³⁰ The Japan Times, "As Xi Visit Nears, Abe Urges China to Maintain Free and Open Hong Kong," 25 November, 2019, <https://www.japantimes.co.jp/news/2019/11/25/national/politics-diplomacy/shinzo-abe-china-hong-kong-xi-jinping/>.

Lam, who was Hong Kong's Chief Executive at the time.³¹ But these measures have been comparatively mild. Meanwhile, Australia demonstrated more explicit bandwagoning with the U.S. in its Hong Kong policies, openly criticising China and aligning actions with U.S. policies. The ROK, on the other hand, has maintained a more neutral stance. It refrained from making significant commentary on Hong Kong and did not undertake substantive measures related to the issue. Then-President Moon Jae-in stated that "Hong Kong and Xinjiang affairs are China's internal affairs."³²

The U.S. has been critical of China's BRI and actively sought to undermine it. Japan's response to the BRI exemplifies limited bandwagoning with the U.S. as it maintained caution towards the initiative while not entirely closing the door on potential third-party market cooperation with China. However, Japan's strategic alignment with the U.S. in relation to the BRI intensified when Washington increased its efforts in the infrastructure sector. Australia's stance on the BRI largely mirrors that of the U.S. The BRI was met with scepticism and criticism across various sectors in Australia,³³ with some even advocating for direct competition with China in infrastructure development.³⁴ Policy-wise, Australia has been participating in U.S.-led infrastructure initiatives as a counterbalance to the BRI. Conversely, South Korea has adopted a more receptive approach towards the BRI. Both the Park Geun-hye and Moon Jae-in administrations had recognised that participation in the BRI was beneficial for South Korea's economic interests and conducive to regional peace and prosperity. In terms of policy, South Korea aligned its development strategies with China while remaining open to U.S. infrastructure projects to seek cooperative opportunities with both powers. Thailand and the Philippines have shown a positive inclination towards the BRI, viewing it as a means to enhance their infrastructure and boost domestic economic growth. This perspective has led them to distance themselves from the U.S. strategy and present a divergence in regional responses to the BRI.

In conclusion, the extent to which U.S. allies align with American policies varies, as evidenced by their diverse stances on multiple issues related to China. Given this trend, it is improbable that other states in the Asia-Pacific region will fully bandwagon with the U.S. and join any counter-China coalition it seeks to establish. Consequently, the observed dynamism also meant that recent efforts by the U.S. to promote a NATO-like approach in the Asia-Pacific region are unlikely to come to fruition. The varying levels of cooperation and alignment among U.S. allies indicate a complex and nuanced regional response, which does not support the formation of a unified front against China.

Sensitivity, Vulnerability and the Strategic Bandwagoning

The intensity of China-U.S. competition in the Asia-Pacific region varies significantly across different sectors. Rather than adopting a uniform stance, U.S. allies in the region engage in varying degrees of bandwagoning based on their respective interests in a diverse range of issues and domains.³⁵ To effectively assess the level of bandwagoning of Asia-Pacific

³¹ Julian Ryall, "Hong Kong's Carrie Lam Faces Japan Bank Freeze-out as Tokyo Says It Will Abide by US Sanctions," *South China Morning Post*, 10 December, 2020, <https://www.scmp.com/week-asia/politics/article/3113258/hong-kongs-carrie-lam-faces-japan-bank-freeze-out-tokyo-says-it>.

³² Xinhua Net, "Xi Jinping huijian hangou zongtong Wen Zaiyin (Xi Jinping Meets with ROK President Moon Jae-in)," 23 December, 2019, http://www.xinhuanet.com/politics/leaders/2019-12/23/c_1125378479.htm.

³³ Jon (Yuan) Jiang, "The Belt and Road Initiative in Australia," *Asia & The Pacific Policy Society*, 22 July, 2020, <https://www.policyforum.net/the-belt-and-road-initiative-in-australia/>.

³⁴ David Wore, "Australia Will Compete with China to Save Pacific Sovereignty, Says Bishop," *The Sydney Morning Herald*, 17 June, 2018, <https://www.smh.com.au/politics/federal/australia-will-compete-with-china-to-save-pacific-sovereignty-says-bishop-20180617-p4zm1h.html>.

³⁵ Liu Ruonan, "Zhong mei zhanlue jingzheng yu dongnanya diqu zhixu zhuanxing (Sino-U.S. Competition and Regional Order in Southeast Asia)," *Shijie Jingji Yu Zhengzhi (World Economics and Politics)*, No. 8 (2020), pp. 20–44; Wen Zha, "Southeast Asia amid Sino-US Competition: Power Shift and Regional Order Transition," *Chinese Journal of International Politics*, Vol. 16, No. 2 (2023), pp. 241–61.

allies with the U.S., it is crucial to consider the variables of sensitivity and vulnerability in each domain. The concepts of sensitivity and vulnerability are grounded in interdependence theory, yet they exhibit distinct characteristics. The reconfiguration of the alliance in the Asia-Pacific region is influenced by the strategic competition between China and the U.S., as well as how Asia-Pacific countries perceive and respond to this competition. Thus, both sensitivity and vulnerability are relevant to explain the observed dynamics.

Sensitivity

In the context of strategic competition between China and the U.S., sensitivity refers to the promptness with which the strategic competition influences cost dynamics for Asia-Pacific allies. Sensitivity hinges on two key factors: the level of attention these allies pay to the nature of the China-U.S. competition and the degree of pressure exerted upon them by either China or the U.S. The primary source of this sensitivity lies in how directly the competition impacts the core interests of Asia-Pacific countries. The more these states' central interests intersect with the China-U.S. competition, the higher their sensitivity tends to be. Kai He and Huiyun Feng's framework provides a comprehensive approach to understanding this dynamic. It suggests that "the three aspects (power, institutions, and norms) and the three sectors (security, economy, and politics) of international order constitute nine dimensions of the international order in the Asia-Pacific."³⁶ Thus, this article will focus on the domains of security, economy, and politics to analyse the main facets of competition between China and the U.S., and examine the sensitivity of Asia-Pacific allies to the strategic competition.

Firstly, the competition between China and the U.S. in the security domain primarily manifests as power competition, and the threat perceptions of Asia-Pacific allies significantly influence their sensitivity towards the competition. The divergence in security norms between China and the U.S. has had a limited impact on U.S. allies in the region. While China has introduced new security concepts, it consistently reaffirms its commitment to the principles of the UN Charter. In terms of security rules and institutional structures, the Asia-Pacific alliance remains a vital component of the U.S.-led security architecture in the region.³⁷ Despite China's efforts to establish multilateral security institutions, the impact of entities like the Shanghai Cooperation Organisation (SCO) and the Conference on Interaction and Confidence-Building Measures in Asia (CICA) remains relatively modest. The growth of China's military capabilities, despite the apparent power gap with the U.S., has heightened the U.S. concerns over potential security threats.³⁸ The power competition is particularly prominent on critical issues, including territorial disputes, ASEAN's central role, and the maintenance of U.S. leadership in the region.³⁹ Therefore, threat perception emerges as a crucial determinant in shaping the sensitivity of Asia-Pacific states within the security domain. Exhibition of higher sensitivity is more likely to be found in states that face less favourable external security conditions, such as territorial sovereignty disputes with China, or apprehensions about China's military intentions. The heightened sensitivity reflects the complex interplay of regional security dynamics and the strategic positioning of these states in the face of evolving strategic competition.

Secondly, the competition between China and the U.S. is most evident in the economic domain, and the interests of the Asia-Pacific states have a significant impact on their

³⁶ He Kai and Feng Huiyun, "Zhongguo jueqi yu guoji zhixu zhuanxing: Yizhong leixinghua fenxi (China's Rise and International Order Transition: A New Typological Analysis)," *Dangdai Yatai (Journal of Contemporary Asia-Pacific Studies)*, No. 3 (2020), pp. 4–29; Kai He and Huiyun Feng, "International Order Transition and US-China Strategic Competition in the Indo Pacific," *The Pacific Review*, Vol. 36, No. 2 (2023), pp. 234–60.

³⁷ Brookings Institution, "Alliances & Partnerships: U.S. Commitments in the Asia-Pacific," 13 July, 2016, <https://www.brookings.edu/research/alliances-partnerships-u-s-commitments-in-the-asia-pacific/>.

³⁸ US Department of Defense, "Military and Security Developments Involving the Peoples' Republic of China 2021," <https://media.defense.gov/2021/Nov/03/2002885874/-1/-1/0/2021-CMPR-FINAL.PDF>.

³⁹ Mohammad Tehseen, "Sino-US Competition: Implications for South Asia and the Asia-Pacific," *Strategic Studies*, Vol. 37, No. 4 (2017), pp. 1–17.

sensitivity. At the power level, the U.S. perceives China's growing economic strength as a threat to its technological and military security,⁴⁰ leading to efforts to undermine China's economic competitiveness through tariffs, industrial chain restructuring, and sanctions against Chinese companies. Normatively, the U.S. labels China as a non-market economy and "authoritarian country", reflecting divergent perspectives between the two powers on established international economic norms. The U.S. displays a form of hegemonic revisionism, while China actively participates in and leads the reform of global economic governance. At the rules level, China has taken a more proactive stance toward reforming global economic governance and has played a leading role in establishing institutions, such as the AIIB and the RCEP. In contrast, the U.S. aims to counterbalance China's influence by forming infrastructure alliances and promoting the IPEF,⁴¹ which is indicative of its exclusive institutional balancing strategy. The China-U.S. competition, in developing or expanding regional economic institutions, has prompted Asia-Pacific states to assess the situation primarily through the lens of their economic interests. States like Japan, the ROK, and Australia, which aspire to elevate their economic status, along with the Philippines and Thailand, which have pressing development needs, exhibit high sensitivity to the China-U.S. economic competition.

Finally, in the political domain, China and the U.S. are increasingly locked in a normative competition, with ideological factors playing a significant role in shaping the sensitivity of Asia-Pacific states. However, the political competition between China and the U.S. is less pronounced in terms of power and rules. China does not seek to export its political system, nor does it possess the capability to establish an anti-American bloc in the West. Despite their differences, both powers acknowledge ASEAN's central role in the Indo-Pacific and participate in regional ASEAN-led mechanisms. Similarly, at the normative level, the U.S. positions itself as a "beacon of liberty and democracy", often criticising China's political system and social governance model. It strives to rally allies and partners to censure China on issues relating to Hong Kong and Xinjiang.⁴² China, on the other hand, consistently opposes external interference in its internal affairs, especially on matters related to its core interests. The extent to which Asia-Pacific states engage in the China-U.S. competition over political norms largely depends on each state's political leanings and ideological stance. For example, Japan, which aligns closely with Western values, has a strong sense of superiority in its values over China.⁴³ Similarly, Australia underscores the protection of common Western values and lifestyles that reflect its unique identity.⁴⁴ In contrast, countries like the ROK, the Philippines, and Thailand exhibit less inclination towards engaging in ideological competition or value-based diplomacy.

The sensitivity of Asia-Pacific states to the China-U.S. competition is significantly shaped by the extent to which both China and the U.S. endeavour to woo and pressure these countries. Each power views garnering support from more states as crucial to establishing regional dominance.⁴⁵ Considering the extensive spectrum of interests that tie Asia-Pacific

⁴⁰ Gao Cheng, "Zhongmei jingzheng shijiao xia dui wending fazhan zhongmei guanxi de zaishenshi (Reconsideration of 'Developing Steady Sino-U.S. Relations' from the Perspective of Sino-US Competition)," *Zhanlue Juece Yanjiu (Journal of Strategy and Decision-Making)*, No. 2 (2018), pp. 14–25.

⁴¹ Maj Christy Jones, "Selective Engagement: A Strategy to Address A Rising China," *Journal of Indo-Pacific Affairs*, July 2021, p. 7.

⁴² Zhao Yihei, "Daguo jingzheng beijing xia meiguo duihua de hunhe zhanzheng weixie (U.S. 'Hybrid Warfare' Threat to China against the Backdrop of Great Power Competition)," *Guoji Guanxi Yanjiu (Journal of International Relations)*, No. 5 (2021), pp. 92–112.

⁴³ Lian Degui, "Meiguo duihua zhengce de diyuan zhengzhi sikao moshi yu riben de waijiao xuanze (The Geopolitical Thinking of the United States' China Policy and Japan's Diplomatic Choice)," *Yatai Anquan Yu Haiyang Yanjiu (Asia-Pacific Security and Maritime Affairs)*, No. 4 (2021), pp. 107–24.

⁴⁴ Brendon O'Connor, "That 'Special Something': The U.S.-Australia Alliance, Special Relationships, and Emotions," *Political Science Quarterly*, Vol. 135, No. 3 (2020), pp. 409–38.

⁴⁵ Ling Shengli, "Shuangchong kunjing yu dongtai pingheng: zhongmei yatai zhudaoquan jingzheng yu meiguo yatai mengguo de zhanlue xuanze (Double Dilemmas and Dynamic Balance: Sino-U.S. Leadership

states to both China and the U.S., these states often find themselves intertwined with the strategic objectives of both major powers. As a result, the intensity and frequency with which China and the U.S. seek to influence and place strategic demands on these states directly correlate with the level of sensitivity these states exhibit towards the China–U.S. competition. The greater the efforts by China and the U.S. to court and pressure these states, along with the attachment of substantial strategic demands, ultimately result in each Asia-Pacific state’s heightened sensitivity. Conversely, a lesser degree of engagement or pressure from China and the U.S. typically results in lower levels of sensitivity within these states.

The interactions between China and the U.S. with Asia-Pacific states exhibit three distinct characteristics, significantly affecting these countries’ sensitivity to the bilateral competition. Firstly, the zero-sum nature of the China–U.S. competition, especially in security and political domains, is prominent. The U.S. frequently tests China’s limits in these areas, leading to heightened tensions and compelling Asia-Pacific states to navigate a challenging “taking sides” situation, thereby increasing their sensitivity. Economically, the U.S. “decoupling” from China is a complex process,⁴⁶ resulting in Asia-Pacific states adopting cautious responses and a hedging strategy for balance. The methods of engagement by China and the U.S. differ markedly. The Trump administration favoured “maximum pressure” and issue-based alliances against China in his first term.⁴⁷ In contrast, the Biden administration leaned more towards institutional coordination and benefit exchanges for strategic adherence. China, on the other hand, focuses on reinforcing economic and trade ties, promoting mutual benefit, and good-neighbourliness, but only resorts to tougher stances when its core interests are at stake.⁴⁸ Generally, Asia-Pacific states experience greater pressure from the U.S.

Secondly, both China and the U.S. tend to target countries with significant strength or unique resources. Middle powers, due to their ability to influence international affairs and lead regional cooperation, often become focal points for attraction or contention in the strategic competition, thereby heightening their sensitivity. Additionally, smaller states’ sensitivity to the China–U.S. competition can also be amplified due to the leverage of their strategic positions, participation in international institutions, and roles in regional cooperation.

In sum, we can observe that Japan and Australia are highly sensitive to China–U.S. competition. The ROK demonstrates medium sensitivity in the security and economic domains but maintains low sensitivity in the political domain. The Philippines, influenced by developments in the SCS, shows high sensitivity in the security domain. However, its sensitivity drops to medium in the economic domain and is low in the political domain. Thailand displays medium sensitivity in the economic domain but maintains low sensitivity in both security and political domains.

Vulnerability

Vulnerability refers to the potential costs incurred by Asia-Pacific states for acting against the preferences of China and the U.S. Strategic dependence, particularly relevant for small and medium-sized countries, is a measure of their reliance on major countries to achieve

Competition in the Asia-Pacific Region and the Strategic Choice of America’s Asia-Pacific Allies,” *Shijie Jingji Yu Zhengzhi (World Economics and Politics)*, No. 3 (2018), p. 79.

⁴⁶ Jeffrey Kucik and Rajan Menon, “Can the United States Really Decouple from China?” *Foreign Policy*, 11 January, 2022, <https://foreignpolicy.com/2022/01/11/us-china-economic-decoupling-trump-biden>; Cathy Xuanxuan Wu, “A Bargaining Theory of US–China Economic Rivalry: Differentiating the Trade and Technology Wars,” *Chinese Journal of International Politics*, Vol. 17, No. 4 (2024), pp. 323–45.

⁴⁷ Yan Dexue and Zhang Xuayan, “Telangpu zhengfu yatai diqu lianmeng zhengce diaozheng: dongyin, kun jing ji qianjing (The Adjustment of Trump Administration’s Asia Pacific Alliance Policy: Motivation, Dilemma and Prospect),” *Dangdai Shijie Yu Shehui Zhuyi (Contemporary World and Socialism)*, No. 5 (2020), pp. 149–57.

⁴⁸ Ling Shengli, “Juyou zhanlue: zhongmei yatai zhudaoquan jingzheng (Advantages-Resisting Strategy: China-US-Competition over Leadership in Asia Pacific Region),” *Dangdai Yatai (Journal of Contemporary Asia-Pacific Studies)*, No. 1 (2017), p. 134.

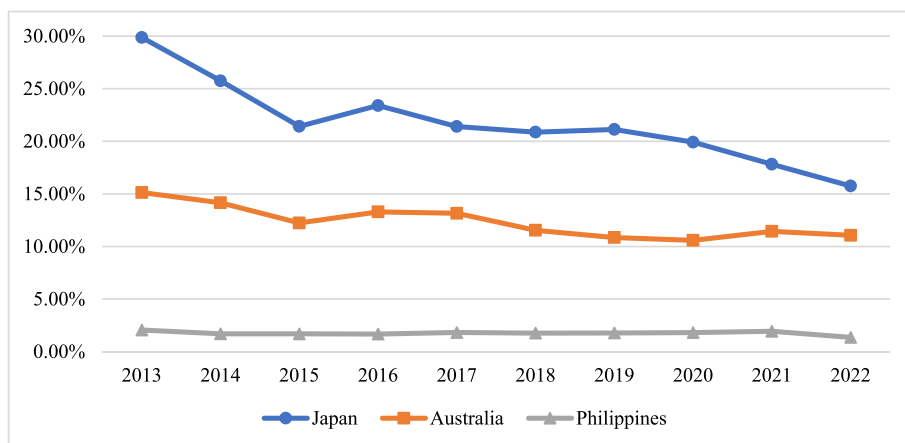


Fig. 2. Japan, Australia, and the Philippines as a Percentage of Military Spending Relative to China (2013–2022). Source: The SIPRI Military Expenditure Database, <https://sipri.org/databases/milex>

specific objectives. This concept is useful for evaluating the vulnerability of Asia-Pacific states within the security, political, and economic domains in the context of China–U.S. competition.

Firstly, security dependence is mainly influenced by four factors: the military strength of allies, their ability to provide support or assistance, the degree of conflict with potential rivals, and the choice of realigning.⁴⁹ In the Asia-Pacific region, the option of realignment is largely absent in the short term, and the level of assistance each country receives from the U.S. determines how threatened they are.

It is evident that Japan and the Philippines are entangled in territorial sovereignty disputes with China, and thus, perceive China as their primary threat. In contrast, Australia views China more as a challenge to the regional security order.⁵⁰ Japan leads in terms of military expenditure relative to China, as indicated in Figure 2, followed by Australia and then the Philippines. The ROK perceives North Korea as its top security threat, primarily due to concerns over North Korea’s weapons of mass destruction and their implications for stability on the Korean Peninsula. Despite spending significantly less on its military, the ROK’s security concerns are heavily oriented towards the threat from North Korea.⁵¹ Thailand, facing fewer immediate security threats, engages in security cooperation with the U.S. that largely centres on non-traditional areas, such as counter-terrorism and maritime cooperation. Consequently, the ROK and the Philippines exhibit a higher degree of security dependence on the United States, driven by their immediate security challenges. Meanwhile, Japan, Australia, and Thailand demonstrate a lower degree of security dependence, reflecting their distinct security environments and differing threat perceptions.

Secondly, economic dependence can be effectively gauged through their foreign trade dependence. This metric is determined by the proportion of a country’s total foreign trade relative to its gross domestic product (GDP). Analysing U.S. allies in the Asia-Pacific region,

⁴⁹ Glenn Snyder, “The Security Dilemma in Alliance Politics,” *World Politics*, Vol. 36, No. 4 (1984), pp. 461–95. Since there is basically no security cooperation between U.S. Asia-Pacific allies and China, this paper mainly focuses on the degree of security dependence of Asia-Pacific allies on the U.S.

⁵⁰ Ross Babbage, *Australia’s Strategic Edge in 2030, Kokoda Paper No.15* (Canberra: Kokoda Foundation, 2011), p. 4.

⁵¹ KBS, “Defense White Paper Avoids Directly Referring to N. Korea as Enemy,” *KBS World*, 2 February, 2021, https://world.kbs.co.kr/service/news_view.htm?lang=e&Seq_Code=159313.

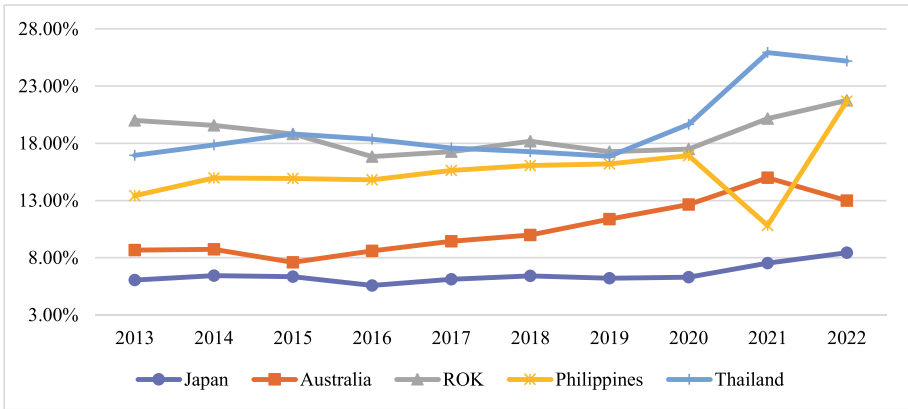


Fig. 3. Asia-Pacific Allies' Trade with China as a Percentage of their GDP (2013–2022). Data Source: The World Bank.

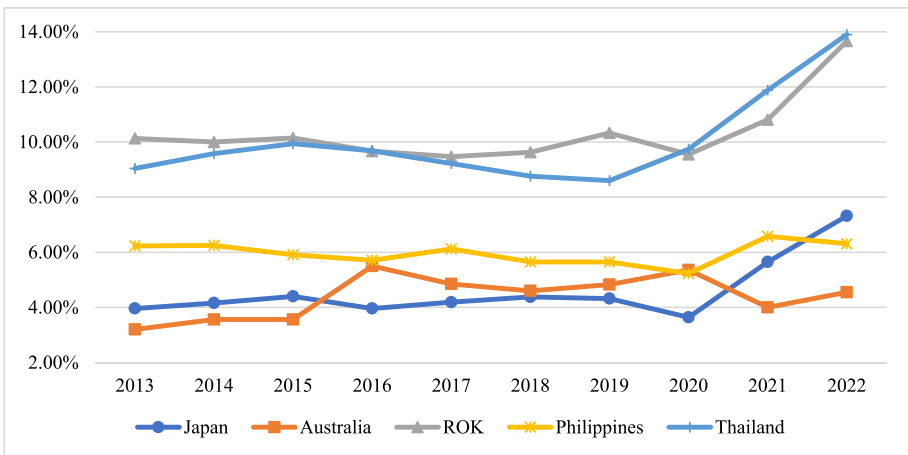


Fig. 4. Asia-Pacific Allies' Trade with the U.S. as a Percentage of their GDP (2013–2022). Data Source: The World Bank.

it is evident that the trade dependence of the ROK, the Philippines, and Thailand on China and the U.S. is considerably higher than that of Japan and Australia. Specifically, the trade dependence of the ROK, the Philippines, and Thailand on China typically ranges between 15% and 20% of their GDP. In comparison, their trade dependence on the U.S. generally does not exceed 10%. This pattern indicates a stronger economic reliance of these three countries on China. To quantify economic dependence in this paper, the following criteria are applied: if the total trade with China or the U.S. constitutes more than 15% of a country's GDP, the economic dependence is considered high; if it ranges between 10% and 15%, the dependence is moderate; and if it falls below 10%, the dependence is low. As indicated in Figure 3 and Figure 4, Japan exhibits low economic dependence, while Australia has a moderate level of economic dependence. In contrast, the ROK, the Philippines, and Thailand demonstrate high levels of economic dependence.

Finally, political dependence mainly refers to the degree to which a country's domestic legitimacy is dependent on other countries. In contrast to the concept of "autonomy," political dependence can be understood as the external restriction on a state in exercising

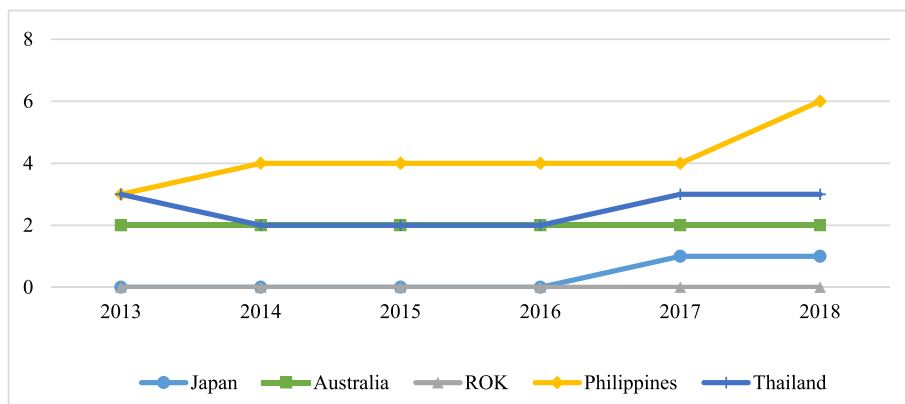


Fig. 5. Domestic Legitimacy Index of Asia-Pacific Countries (2013–2018). Data Source: Center for Systemic Peace, <https://www.systemicpeace.org/inscrdata.html>

its sovereign rights.⁵² Some scholars have assessed political dependence on the U.S. by analysing the voting alignment of Southeast Asian countries with the U.S. on key issues at the United Nations, as well as their political statements regarding alliances or partnerships with the U.S.⁵³ In this paper, the Polity IV index⁵⁴ is employed as a tool to assess the alignment of Asia-Pacific states with the political systems of the U.S. and China. The premise is that with closer polity indices of two states, their political institutions are more similar, and consequently, the higher the level of political affinity between them. Furthermore, the degree of social stability in Asia-Pacific countries is assessed using the Legitimacy Score.⁵⁵ A higher domestic legitimacy score typically indicates lower social stability, suggesting greater political dependence on major powers (see Figure 5).

Table 1 reveals that Japan, Australia, the ROK, and the Philippines have a high degree of alignment with the American democratic system, as the difference in their polity indices compared to that of the U.S. does not exceed 2. This alignment indicates a strong recognition and affinity for the American style of democratic governance among these four countries. However, Thailand's standing in the eyes of Western democracies has declined following a series of political reforms enacted after the 2014 military coup—widely perceived by the West as indicative of democratic backsliding.⁵⁶ Without an index exceeding 3 for Japan, Australia, the ROK, and Thailand, this suggests a relatively low degree of political dependence on either China or the U.S. Furthermore, it indicates stable domestic governance and a high degree of political self-determination. In contrast, the Philippines exhibits a

⁵² Cao Wei believes that the manifestation of a small country completely following a big country rather than pursuing independence includes political dependence; political autonomy refers to the right to exercise military command and management without restrictions from other countries within the scope of national sovereignty. See Cao Wei, “Zhanlue xinyu yu hanguo de anquan zhengce xuanze (Strategic Credibility and ROK's Security Policy Choice),” *Guojì Zhengzhi Kexue (Quarterly Journal of International Politics)*, No. 3 (2020), pp. 1–46.

⁵³ Zhu Lumin and Tao Lijiao, “Dengji zhi shijian: meiguo yu dongnanya guojia de guanxi ji qi bianhua (The Changing Hierarchical Relationship between the US and the Southeast Asian States),” *Zhanlue Juece Yanjiu (Journal of Strategy and Decision-Making)*, No. 2 (2019), pp. 62–3.

⁵⁴ Polity IV (–10, 10) reflects the characteristics of a country's political system; the higher the scores, the more obvious the characteristics of American democracy.

⁵⁵ Legitimacy Score (0, 20) reflects a country's ability to manage conflicts, formulate and implement public policies, and provide basic services. It consists of four indicators (security legitimacy, political legitimacy, economic legitimacy, and social legitimacy), the higher the scores, the lower the domestic legitimacy.

⁵⁶ Peter Symonds, “The US and Thailand's Military Coup,” *World Socialist Web Site*, 26 May, 2014, <https://www.wsws.org/en/articles/2014/05/26/pers-m26.html>.

Table 1. Polity Index of Asia-Pacific Countries (2013–2018)

	China	U.S.	Japan	Australia	ROK	Philippines	Thailand
2013	-7	10	10	10	8	8	7
2014	-7	10	10	10	8	8	-3
2015	-7	10	10	10	8	8	-3
2016	-7	8	10	10	8	8	-3
2017	-7	8	10	10	8	8	-3
2018	-7	8	10	10	8	8	-3

Data Source: Center for Systemic Peace, <https://www.systemicpeace.org/inscrdata.htm>

Table 2. The Mechanism of Asia-Pacific Allies’ Alignment Policy to the U.S.

Sensitivity Vulnerability	High	Medium	Low
High	Neutrality/Limited Bandwagoning	Neutrality/Limited Bandwagoning	Neutrality/Distancing
Medium	Limited Bandwagoning	Neutral/Distancing	Neutral/Distancing
Low	High-level bandwagoning	Neutral/Distancing/Opposing	Neutral/Distancing/Opposing

Note: This table reflects the sensitivity of U.S. allies in the Asia-Pacific to U.S.-China strategic competition in most cases. In some specific topics, there may also be cases of increased or decreased sensitivity. For example, in the case of the Terminal High Altitude Area Defense (THAAD) issue, there has been joint pressure from both U.S. and China for a period of time, which has made ROK more susceptible to perceiving changes brought by U.S.-China strategic competition.

slightly higher domestic legitimacy index, suggesting a certain level of political dependence on the U.S.

Overall, the U.S. Asia-Pacific allies exhibit varied degrees of vulnerability across security, economic, and political domains. In security, the ROK and the Philippines register high vulnerability, Australia stands at a medium level, and Japan and Thailand are at a low level. Economically, the ROK, the Philippines, and Thailand exhibit high vulnerability, while Australia and Japan are at medium and low levels, respectively. Politically, vulnerability is generally low among U.S. allies in the region, with the exception of the Philippines, which has a medium level of vulnerability.

From this analysis, it emerges that the higher the sensitivity to the China-U.S. competition, the more likely U.S. allies will align strategically with the U.S. Conversely, higher vulnerability tends to decrease the likelihood of such alignment (see Table 2).

The formation of “Asia-Pacific NATO” is contingent upon the high-level bandwagoning of the U.S. Asia-Pacific allies. It would enable the U.S. to facilitate the transition of its multilateral alliance in the Asia-Pacific into a cohesive multilateral alliance, thereby achieving the reconfiguration of alliances in the region.

The Consequences of Reshaping the Asia-Pacific Alliance

The U.S. is realigning its Asia-Pacific alliances to more effectively counterbalance China, which is producing a more rigid and extensive strategic competition in the process. This restructuring encompasses political, economic, and security dimensions, with the aim of encircling China and potentially adopting a NATO-like approach in the region. However, this strategy has led to a stalemate and expansion of competition areas between China and the U.S. and has significantly increased China’s strategic pressure in its neighbouring regions.

Furthermore, efforts of the U.S. to strengthen its international mobilisation and encourage Asia-Pacific states to join its alliance institutions have led to its greater conglomeration in the region. Prior to the rollout of the Indo-Pacific Strategy, the U.S. maintained five allies in the Asia-Pacific region. With the implementation of the Indo-Pacific Strategy, the U.S. has strengthened its ties with regional partners, where bilateral alliances are evolving into multilateral networked structures. At the same time, states in the Indo-Pacific region, like India and Singapore, are being persuaded to join. Asia-Pacific states now face an intensified “taking sides” dilemma, and the strategic space for countries in the intermediate strategic space is shrinking. This polarisation increases the risks associated with being drawn into China-U.S. competition and raises the costs for international actors. The result is greater difficulty in making strategic compromises and introducing more inflexibility into the strategic competition dynamics.

The expansion of issue areas in the China–U.S. strategic competition is a direct consequence of the U.S.’s competitive strategy towards China. This expansion, encompassing political, economic, and security domains, signifies a broadening trend of competition. In recent years, the U.S. has notably intensified its competition with China, particularly in areas such as economic and trade rules, high-tech sectors, and other economic fields, with a clear intent to curb China’s influence. China’s strong economic connections with its neighbours provide a solid foundation for regional cooperation, thereby diminishing these states’ inclination to counterbalance China.⁵⁷ Nonetheless, the U.S. has been actively working to undermine China’s regional economic clout. This involves reshaping economic rules, controlling trade flows, and encouraging the region to restructure its industrial chains by placing a heightened emphasis on supply chain security. These actions have significantly escalated the economic competition in the Asia-Pacific region. The comprehensive nature of the China-U.S. competition, which now spans a wide range of issues, utilises issue linkage strategies and narrows the scope for strategic manoeuvring in their competition.

Managing the complex relationship between China and the U.S. has become increasingly challenging. The “Thucydides Trap”, which posits the inevitability of conflict between a rising power and an established one, has framed much of the discussion around managing the strategic differences between these two powers. The U.S. Indo-Pacific Strategy, with its emphasis on multilateral cooperation, has bolstered the U.S.’s capacity for regional mobilisation, significantly challenged the pre-existing Asia-Pacific regional order, and exerted increased strategic pressure on China.⁵⁸ However, the difficulties in managing this relationship extend beyond the direct strategic differences between China and the U.S. The control of third-party factors also plays a crucial role. In reshaping its alliances in the Asia-Pacific region, the U.S. efforts have complicated the process of making strategic compromises and reconciliations between the two powers. The growing involvement of third-party factors and complexity in the strategic calculus of China and the U.S. has escalated the risk of unintended consequences or collateral impacts from their competition.

The dilemma of “taking sides” has become more acute for the states in the Asia-Pacific region. The dilemma is a direct product of regional states navigating a delicate balance between following the U.S., as laid out in the Indo-Pacific Strategy, and avoiding direct confrontation with China.⁵⁹ Most Asia-Pacific states strive to maintain an equilibrium between the U.S. and China, but the push by the U.S. towards an “Asia-Pacific NATO” has sharply exacerbated this dilemma.

The reshaping of alliances by the U.S. has also led to a narrowing of strategic space for its allies in the region. To enhance its alliance institution, the U.S. has restructured

⁵⁷ Zhen Han and T. V. Paul, “China’s Rise and Balance of Power Politics,” *Chinese Journal of International Politics*, Vol. 13, No. 1 (2020), pp. 1–26.

⁵⁸ Ling and Wang, “The Logic of Hegemony,” pp. 91–126.

⁵⁹ Kai He and Mingjiang Li, “Understanding the Dynamics of the Indo-Pacific: US–China Strategic Competition, Regional Actors, and Beyond,” *International Affairs*, Vol. 96, No. 1 (2020), pp. 1–7.

its Asia-Pacific alliance, broadening the scope of cooperation and enabling more effective mobilisation of alliance resources. This restructuring has facilitated stronger coordination among allies and garnered strategic support in the China-U.S. competition. The U.S. has solidified relations with allies like Thailand, the Philippines, and the ROK, which have experienced varying degrees of estrangement over time. However, the reconfiguration of alliances has placed U.S. allies in a complex double bind, caught between alliance commitments and the pressure to choose between China and the U.S. The observed dynamic balance of U.S. allies in their relations with the U.S. and China is the product of their dilemma.⁶⁰ The strategic decisions of both China and the U.S. significantly influence the fluctuating nature of the Asia-Pacific allies' hedging strategies. As the U.S. sustains its drive to reshape alliances, it further aggravates this "double dilemma" for its allies, constricting their space for strategic manoeuvring and forcing them to oscillate between maintaining autonomy and following alliance directives.

Alliance expansion has exacerbated the dilemma of "taking sides" for countries in the intermediate strategic space. This situation arises as the U.S. seeks to apply a NATO-like approach in the region, reshaping its alliances and broadening its membership base. The U.S. strategy aims to include both regional and extra-regional countries in its Asia-Pacific alliance. Notably, there has been a significant increase in interactions between India and the U.S. Asia-Pacific allies, as well as the enhanced involvement of the United Kingdom in the region through mechanisms such as AUKUS, and efforts to incorporate countries like Singapore, Vietnam, and Indonesia into a broad counter-China coalition. These expansion efforts have effectively squeezed the intermediate strategic space in the Asia-Pacific region, placing countries in a challenging position as they navigate the pressures to side with the U.S.

Furthermore, the fragmentation of issues complicates the ability of Asia-Pacific states to align their strategies in a cohesive manner. Due to the diversification of actors and decentralisation of power in the region, coordination of strategy has been and continues to be complex. The U.S. has been actively mobilising support across political, economic, and security domains to forge varied types of alliances for different issues. Given the diverse strategic positioning and interests of Asia-Pacific states, policy differences are inevitable. The reconfiguration of the U.S. alliances requires minimising differences among its allies and partners on various issues while enhancing issue linkage strategies to support the strategic competition against China. However, this approach often comes into conflict with the strategic needs of Asia-Pacific states. It complicates their ability to respond flexibly to the China-U.S. strategic competition and coordinate across different issues and domains, thereby adding more layers of complexity to an already intricate geopolitical landscape.

In short, the U.S. is actively collaborating with various states to advance the Indo-Pacific Strategy that is aimed at extending a NATO-like approach into the Asia-Pacific region. In response to these developments, China needs to maintain strategic calm, skilfully manage its differences with Asia-Pacific states, and mitigate the negative impacts of the U.S. Indo-Pacific Strategy.⁶¹ In response to the U.S. consistent efforts to rally Asia-Pacific states and provoke regional confrontations, China should thoughtfully consider the perspectives and needs of these states and avoid actions that might compel them to take sides. In general, China should champion and foster a path of peaceful development that aligns with its interests and also contributes to the region's enduring peace and stability.⁶²

⁶⁰ Ling, "Double Dilemma and Dynamic Balance," pp. 70–91.

⁶¹ Wei Da and Xin Wang, "Cong 'yatai' dao 'yintai': Meiguo waijiao zhanlue de yanxu yu bianyi (From 'Asia-Pacific' to 'Indo-Pacific': The Continuity and Variation of U.S. Diplomatic Strategy)," *Dangdai Shijie (Contemporary World)*, No. 9 (2020), pp. 11–6.

⁶² Ling Wei, "Developmental Peace in East Asia and Its Implications for the Indo-Pacific," *International Affairs*, Vol. 96, No. 1 (2020), pp. 189–209.

The reconfiguration of alliances by the U.S. in the Asia-Pacific region has exerted substantial pressure on the region's institutional framework. This development poses a challenge to ASEAN as it undermines "ASEAN centrality" within the regional institutional frameworks and contributes to a decline in the effectiveness of regional governance. The U.S. Indo-Pacific Strategy focuses on structuring the Asia-Pacific alliance around the U.S., Japan, Australia, and India. This shift has sidelined ASEAN's traditionally central role in regional cooperation and institutions, which is a cause of concern among ASEAN member states and their striving to preserve ASEAN centrality in the face of evolving regional dynamics.⁶³ ASEAN member states recognise that the U.S. efforts to reconstruct the Asia-Pacific institutional framework through the Indo-Pacific Strategy could diminish ASEAN's centrality and disrupt the current institutional balance. As the China-U.S. competition intensifies, the hedging space traditionally utilised by ASEAN member states will gradually be eroded.⁶⁴ Aware of China's reservations about the Indo-Pacific concept, ASEAN countries have cautiously expressed acceptance of this concept while emphasising that their intention is not to contain China.⁶⁵ In response, ASEAN released its own "Indo-Pacific Outlook", representing a regional consensus. This document serves not only as a reaction to the strategic initiatives of major powers but also as a proactive measure to defend ASEAN's centrality. It is a testament to ASEAN's collective understanding of global affairs,⁶⁶ and its commitment to preserving its centrality in regional cooperation institutions.

The endeavour to establish a relatively open and inclusive regional institution in the Asia-Pacific faces substantial challenges due to the involvement of numerous major countries. These countries typically engage in two primary forms of coordination: "power coordination" and "institution coordination", highlighting the critical need for an open and inclusive regional institution. However, the U.S. Indo-Pacific Strategy, with its emphasis on institutional competition, diverges from the principles of open and inclusive regionalism. This strategy significantly complicates the process of establishing an inclusive institution in the Asia-Pacific. The U.S. approach, characterised as competitiveness and exclusivity, impedes the formation of an inclusive regional institution, even in the economic domain, where common interests are more pronounced. In the realm of security, the U.S. alliance structure is markedly confrontational, rendering it unsuitable as a foundation for a regional security mechanism. This situation leads to regional coordination being heavily reliant on "power coordination", which is less effective for regional governance, especially in the context of intensifying strategic competition.

The competition among regional institutions further exacerbates fragmentation and governance challenges in the Asia-Pacific. The international institutions are inherently non-neutral, as each institution has dominant forces competing within itself, while amongst institutions; there is an inter-institution competition of values. The institutional competition between China and the U.S. affects the legitimacy and authority of these institutions, diminishing their governance effectiveness and complicating the process for effective issue resolution. The U.S. pursuit of global hegemony, involving cooperation with Japan, India, and other major countries, amplifies competition among international institutions.

⁶³ Ling Wei, "Huoban guanxi zai shengji: Dongmeng guanqie, zhongguo zeren yu diqu zhixu (Re-energizing the Partnership: ASEAN Concerns, China's Responsibilities and Regional Order)," *Guoji Wenti Yanjiu (China International Studies)*, Vol. 6 (2021), pp. 32–53.

⁶⁴ Nguyen Cong Tung, "Uneasy Embrace: Vietnam's Responses to the U.S. Free and Open Indo-Pacific Strategy amid U.S.–China Rivalry," *The Pacific Review*, Vol. 35, No. 5 (2021), pp. 884–914.

⁶⁵ Ya Liu and Dongcheng An, "Dongmeng guojia shijiao xia de meiguo 'yintai zhanlue' (The U.S. Indo-Pacific Strategy from the Perspective of ASEAN Countries)," *Guoji Zhanwang Global Review*, No. 3 (2020), pp. 115–26.

⁶⁶ Aming Liu, "Dongmeng dui meiguo yintai zhanlue de renzhi yu huiying (ASEAN's Perceptions and Responses to the U.S. Indo-Pacific Strategy)," *Dongnanya Yanjiu (Southeast Asian Affairs)*, No. 2 (2020), p. 15; Jie Zhang, "Dongmeng jieshou le 'yintai' gainian (ASEAN Formally Accepts the Indo-Pacific Concept)," *Shijie Zhishi (World Affairs)*, No. 15 (2019), pp. 32–3.

This dynamic increases the fragmentation of international institutions in the region and, consequently, complicates regional and global governance. As issues in the Asia-Pacific region proliferate and regional institutions become more fragmented, the effectiveness of regional governance is likely to be increasingly challenged, necessitating new approaches and strategies to manage this intricate and evolving geopolitical environment.

Conclusion

The U.S., in its endeavour to maintain hegemony, perceives China as its principal adversary and is intensifying efforts to counterbalance China's ascendancy. A cornerstone of these efforts is the Indo-Pacific Strategy, which is a comprehensive approach designed to contain China's rise. Through a combination of geopolitical restructuring, institutional integration, and economic differentiation, the U.S. has and continues to mobilise its allies and partners within the Indo-Pacific region to apply pressure on China. Furthermore, the U.S. is actively engaging NATO allies in the Indo-Pacific region to enhance their involvement and bolster its strategic position against China. This approach aims not only to strengthen the U.S. competitive edge over China but also to promote the concept of "Asia-Pacific NATO", which effectively reshapes the alliance dynamics in the region.

The implementation of the U.S. Indo-Pacific Strategy across political, security, and economic domains signify a strategic shift in the region. Politically, the U.S. has redefined the region's geopolitics by promoting the transition from an Asia-Pacific to an Indo-Pacific focus. The broader geographical definition enhances the roles of India and Australia in the region's geopolitics. In terms of security, there is a noticeable transformation in the American alliance pattern towards a more multilateral structure, which serves to further contain China's influence. Economically, the U.S. strategy leans more towards countering China's regional economic dominance through offsetting tactics, as opposed to successfully establishing new regional economic cooperation frameworks. Significantly, the Indo-Pacific Strategy has disrupted the ASEAN-centred order in the Asia-Pacific, leading to shifts in regional power dynamics and advantages. This strategy not only challenges China's regional influence but also necessitates a proactive and nuanced response from China. In the face of these strategic developments, China should not remain a passive observer. It is imperative for China to develop a more refined strategy to reassure its neighbours, enhancing regional power coordination, and actively respond to the Indo-Pacific Strategy. This response should be well-rounded, addressing both security and economic aspects, and effectively navigate and counterbalance the evolving geopolitical context shaped by the U.S. Indo-Pacific Strategy.

In the China–U.S. strategic competition, the U.S. is increasingly enlisting Asia-Pacific countries to collaborate in countering China's influence. Nevertheless, the notion of NATO's expansion into the Asia-Pacific warrants close scrutiny. The implementation of a NATO-style approach in the region is still emerging, marked by varying degrees of alignment among Asia-Pacific countries with the U.S. and their respective policies towards China. When Trump imposed his "Liberation Day" tariffs on Asia-Pacific states including U.S. allies—in his second term, China was presented with both challenges and opportunities. Intensified U.S. pressure on regional states would heighten their sensitivity to China–U.S. competition and may reshape their perceptions of vulnerabilities, potentially prompting some to deepen their level of bandwagoning with Washington. On the other hand, Trump's reassertion of "America First" and his inconsistency have undermined the region's confidence in U.S. leadership and accelerated the adoption of hedging strategies to manage emerging uncertainties.

Conflict of interest statement. None declared.