The emergence of Minilateralism in the Indo-Pacific

Dnyanashri Kulkarni

ABSTRACT

From the League of Nations in the aftermath of World War I to the formation of the United Nations and several other multilateral frameworks in the post-World War II period, these forums introduced new dawn for global governance and ensuring cooperation among nations. International cooperation flourished as states employed multilateral architectures to meet the rising global problems. One of the key achievements of these multilateral forums has been the globalisation and development of international economic cooperation. However, more recently, the changing power dynamics at the regional and global levels have impacted the functioning of multilateral institutions.

Keywords—League of Nations, scourge of war, UN system

Introduction

Countries have started to look for alternatives as “the consensus seems impossible and reforms remain elusive” in multilateral institutions. Recently, states have started to indulge in smaller, informal and more targeted interest-based groupings, dialogues and forums that are comparatively difficult to resolve at larger forums. One common argument for the shift toward small groupings is the failure and ineffectiveness of building traditional regional multilateral institutions.

This growth of minilaterals is often considered an alternative due to the inefficiency of multilaterals in the region. Therefore, this paper ponders to understand and analyse the concept of minilateralism through existing minilateral groupings. The study seeks to

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2 Aarshi Tirkey, 28 December 2020, Addressing the inefficacy of multilateralism — Are regional minilaterals the answer?, ORF https://www.orfonline.org/expert-speak/addressing-inefficacy-multilateralism/
focus on the rising minilateral arrangements since the late 20th century. Firstly, this paper attempts to define minilateralism and draw its features. Secondly, it focuses on the emergence of minilateral groupings in the Indo-Pacific region with the help of the Balance of Power Theory.

Defining Minilateralism

One of the challenges that come with minilateralism is determining the magic number itself. Bhubhindar Singh and Sarah Teo argue, “minilateral arrangements occupy the space between bilateralism (both the US- and China-led) and broader regional multilateralism (such as the ASEAN), involving three to nine countries and are rather “exclusive, flexible and functional in nature.”

In terms of trade, minilateralism is also known as plurilateralism. It refers to trade and investment negotiations between three or more countries but fewer than all World Trade Organisation (WTO) members. They may occur both inside and outside WTO. The reason for plurilateral trade agreements to succeed lies in the failure to achieve consensus across all WTO members due to varied domestic policies. The United States–Mexico–Canada Agreement (USMCA) is an example of a successful plurilateral mechanism.

Vannarith Chheang explains two dimensions of minilateralism such as economic and political-security minilateralism. He views economic minilateralism as cooperation between three or more countries on economic issues, aiming to promote trade, investment, infrastructure development, cross-border connectivity and tourism.

He argues by referring to the minilaterals such as the Indonesia-Malaysia-Singapore Growth Triangle and the Cambodia-Laos-Vietnam Development Triangle (CLV-DT) that these minilateral groupings are relatively effective in cooperation among all the member countries as well as poverty alleviation and narrowing the development gap. It is pertinent to mention that Indonesia-Malaysia-Singapore Growth Triangle is the first among the many to consider geographical proximity for trade and investment cooperation. Furthermore, the Brunei-Indonesia-Malaysia-Philippines East ASEAN

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5 Naoise McDonagh, 17 February 2021, Is plurilateralism making the WTO an institutional zombie? East Asia Forum https://www.eastasiaforum.org/2021/02/17/is-plurilateralism-making-the-wto-an-institutional-zombie/
6 Naim, M 2009, ‘Minilateralism: the magic number to get real international action’, Foreign Policy.
7 It was created in 1989 which later became the Indonesia-Malaysia-Singapore Growth Triangle in 1994.
Growth Area (BIMP-EAGA) was formed in 1994 with the aim of promoting trade, investment and tourism, and free movement of people. Similarly, the CLV-DT grouping has been considered the most dynamic growth triangle in the region. For instance, in 2018, at the biannual summit, World Bank and ASEAN representatives were present, thus indicating that the grouping has drawn the attention of multilateral institutions.

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) of Bangladesh, India, Myanmar, Sri Lanka and Thailand is also a great example of economic minilateralism. It can be rightly said that these minilateral groupings aid in serving the larger aim of regional economic cooperation and integration as they complement multilateral institutions like ASEAN by narrowing the development gap within member countries of ASEAN, facilitating practical and sector-driven cooperation and embedding norms of regional economic integration in ASEAN.9

The security minilateralism intends to deal with non-traditional security threats and issues like terrorism, natural disasters, transnational crimes etc.10 Since the security issues are not likely resolved in multilateral forums, the minilateral cooperation in the security and defence realm provides an opportunity for a more flexible and effective way to deal with them. For instance, the Five Power Defence Arrangements (FPDA) of Malaysia, Singapore, Australia, New Zealand and the United Kingdom formed in 1971 is considered the first ‘minilateral defence coalition’. In the maritime domain, against the backdrop of the attacks by the militant Abu Sayyaf in 2016, Malaysia, Indonesia and the Philippines discussed setting up trilateral patrols in the Sulu-Celebes Seas.

**Rise of Minilaterals in the Indo-Pacific**

In the context of minilaterals a closer look at the Indo-Pacific which has emerged as one of the most important arenas for trade and security cooperation and well as the competition; becomes pertinent. The emergence of minilateralism in the Indo-Pacific region can be analysed by referring to the balance of power theory. The theory of Balance of Power, coined by Kenneth Waltz fundamentally states that nations will form an alliance against a dominant power posing a threat to the other nation’s security.11 In more recent times, against the backdrop of rising conventional and non-conventional

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9 Vannarith Chheang Minilateralism in Southeast Asia: Facts, opportunities and risks, MINILATERALISM IN THE INDO-PACIFIC The Quadrilateral Security Dialogue, Lancang-Mekong Cooperation Mechanism, and ASEAN Edited by Bhubhindar Singh and Sarah Teo pg. 104-119
10 Vannarith Chheang Minilateralism in Southeast Asia: Facts, opportunities and risks, MINILATERALISM IN THE INDO-PACIFIC The Quadrilateral Security Dialogue, Lancang-Mekong Cooperation Mechanism, and ASEAN Edited by Bhubhindar Singh and Sarah Teo pg. 104-119
security threats, countries in the Indo-Pacific region have started to adopt a more power-centric and pragmatic approach.\textsuperscript{12}

The United States has always put the Indo-Pacific at the forefront of its foreign policy. Emphasising a free and open Indo-Pacific, Washington’s aim has been freedom of navigation and building a strategic partnership to promote stability in South Asia.\textsuperscript{13} In order to achieve these goals, the US has adopted an alliance mechanism such as the “QUAD” (America, Japan, Australia, and India), the AUKUS alliance (the U.S., the UK, and Australia), the U.S.-Japan-ROK (Republic of Korea) etc.

Similarly, in September 2021 the European Union also announced its Indo-Pacific strategy. For the EU, the region is of paramount importance as more than one-third of all European exports go to the region, a majority of those transiting through the sea lanes of the Indian and Pacific Oceans.\textsuperscript{14} While the EU’s participation in the region through minilateral groupings is not that evident, however, the Australia-UK-Netherlands trilateral dialogue on building Countering Violent Extremism (CVE) capacities in Indonesia is considered a success.\textsuperscript{15}

China, on the other hand, views Indo-Pacific as a gateway to extend its influence in the region. Recently, China signed a security pact with the Solomon Islands that allows China to deploy security forces in the island nation. This security pact points out China’s desire to deploy its forces abroad.\textsuperscript{16} Over a span of the past few decades, Beijing with its “string of pearls” and the “maritime silk road”, China has aimed at strategically cooperating with the countries in the region.

Furthermore, in 1995, the Mekong River Commission was signed between Cambodia, Laos, Thailand and Vietnam to address the water security issues. Recently, the focus has been on enhancing the communication and resources of the basin and developing institutional efficiency. China, for its part, in 2015, initiated the Lancang-Mekong Cooperation (LMC) with Cambodia, China, Laos, Myanmar, Thailand and Vietnam. Similarly, China conducts joint patrols with lower Mekong countries like Laos, Myanmar and Thailand for ensuring the safety of navigation. On contrary, as a direct

\textsuperscript{14} Garima Mohan, December 2019, A European Approach to the Indo-Pacific? Global Public Policy Institute https://www.gppi.net/media/Mohan_2019_A_European_Approach_To_The_Indo_Pacific_final.pdf
\textsuperscript{15} Ibid.
\textsuperscript{16} Ananth Krishnan, 24 April 2022, Why has the China-Solomon Islands deal become the latest flashpoint between China and the U.S.? The Hindu https://www.thehindu.com/news/international/explained-why-has-the-china-solomon-islands-deal-become-the-latest-flashpoint-between-china-and-the-us/article65347803.ece
challenge to the LMC, the Mekong-US partnership was established. Nonetheless, since China shows hesitation to formally abide by the UNCLOS, minilateralism in a way accommodates China’s way to advance its approach in the region.

As for Japan, in April 2017, Tokyo announced the Free and Open Indo-Pacific strategy. Japan, in fact, was the first country to emphasise the Indo-pacific region. For instance, in 2007, at a joint Lok Sabha and Rajya Sabha sitting, Japanese Prime Minister Shinzo Abe in his speech referred to Dara Shikoh, and, in particular, a Sufi text he authored in 1655, Majma-ul-Bahrain which translates as ‘Mingling of the Two Oceans’. While Dara Shikoh’s purpose was to find common ground between the two universes of Islam and Hinduism, for Abe, it was the perfect metaphor for a “broader Asia”, one in which the “Pacific and the Indian Oceans are now bringing about a dynamic coupling as seas of... prosperity”.

Japan, along with QUAD, has engaged in the Indo-Pacific region through other minilateral groupings such as US-Japan-ROK, US-Japan-India etc.

**Climate Change and QUAD formation**

On 26 December 2004, a Tsunami in the Indo-Pacific region became a catalyst for the formation of the Quadrilateral Security Dialogue wherein countries with naval capacities- India, US, Australia and Japan had set up a coalition to rescue and rehabilitate those trapped and affected. For instance, Indian naval helicopters were deployed within 24 hours with relief packages in Colombo. Out of these four countries, Japan was keen on establishing “value-based” connections in order to create an “arc of freedom and prosperity” throughout the region. 3 years later, in 2007, on the sidelines of the Association of Southeast Asian Nations (ASEAN) Regional Forum summit in the Philippines, the four countries decided to meet and discuss the prospects for engagement. The same year marked their participation with Singapore in naval exercises. More recently, in 2017, during the ASEAN Summit, the four counties rejoined to revive the QUAD forum. In 2021, the QUAD grouping met for its first in-person summit on 24th September in Washington. Concerning the formation of QUAD against the backdrop of the tsunami in the Indian ocean, the QUAD, consequently, proved to

19 Taro Aso, “Arc of Freedom and Prosperity: Japan’s Expanding Diplomatic Horizons,” speech on the Occasion of the Japan Institute of International Affairs Seminar, November 30, 2006
be an instance of successful cooperation between the four Indo-Pacific states in comparison with ASEAN’s response.

In recent years, the Indo-Pacific region has attracted states to forming minilateral groupings. As Alfred Mahan, the nineteenth-century American naval strategist, rightly stated, “Whoever controls the Indian Ocean will dominate Asia, the destiny of the world will be decided on its waters”, the maritime domain has become a crucial space in establishing new and emerging powers, shaping regional dynamics and the larger security architecture.  

Geographical asymmetry, differences in the political system and divergent threat perceptions in the Indo-Pacific region have resulted in an institutional deficiency where multilateral forums are unable to address these concerns. Consequently, states are moving towards informal, target-oriented and relatively smaller groupings for reaching consensus. Forums such as ASEAN in the region have been criticised for being “talk shops” where no notable results are reached. Therefore, the emergence of minilateral groupings in the Indo-Pacific region has gained significant attention. Along with QUAD, several other minilateral groupings are formed in the region, for example, Japan-US-India, Japan- Australia-India (JAI), India-France-Australia etc.

**China Challenge in the Indo-Pacific**

Be it economics, trade, military or technology, China is emerging and has resulted in a shift in the balance of power, especially in the Indo-Pacific region. In addition, the recent and ongoing Russia- Ukraine war too, has changed the dynamics in the region. European Commission’s President, Ursula Von der Leyen, in her address at the Raisina Dialogue 2022 highlighted that “what happens in Ukraine will have an impact on the Indo-pacific”. She further added that the impact can be seen through the price gain in grains and even energy and fertilisers for that matter. Furthermore, the bilateral trade surplus of China (US$396.58 billion) makes the US the biggest trading partner of China. On the other hand, keeping Beijing and Moscow closer ties into consideration as well as balancing the trade surplus and its relations with Russia is likely challenging for China.

While the world hopes for China’s peaceful rise, it has territorial disputes with many countries in the Indo-Pacific region. For example, Japan over Senkaku island and its

claims over the South China Sea include countries like the Philippines, Brunei, Malaysia, Taiwan, and Vietnam. It is pertinent to mention that in 2021 China’s President Xi mentioned that "reunification" with Taiwan "must be fulfilled." Therefore, Taiwan continues to be a priority for China which has led to heavy militarisation, raising concerns about security in the Indo-Pacific region. China has also been fully militarising the islands in the disputed South China Sea.

Further, the Belt and Road initiative of Xi Jinping intends to “develop better transport connectivity within Asia which includes the Association of South-East Asian Nation (ASEAN) Connectivity initiative, the Central Asia Regional Economic Cooperation (CAREC) Program, the Greater Mekong Sub-Region (GMS) Cooperation Program, the South Asia Sub-Regional Economic Cooperation (SASEC) Program, and the Belt and Road Initiative (BRI).” Speaking of China’s investment in the region, it has already taken over Sri Lanka’s Hambantota port on lease for 99 years. Besides, since China is the manufacturing hub of oil and gas imports that comes from the Persian Gulf through the Malacca Strait, this region further strategically becomes important for China.

With respect to China’s economic ties in the region, over the years, China has witnessed an increased high trade volume with Indo-Pacific countries, due to its key position in the regional value chains. China equally leads the Foreign Direct Investments with ASEAN and other Indo-Pacific countries.

As per the Annual Threat Assessment of the U.S. Intelligence Community report, China continues to expand its ‘global intelligence’ and ‘convert influence posture’ for advancing the Chinese Communist Party’s (CCP) political, economic and security goals that ultimately challenge U.S. influence. Consequently, the United States’ strategical goal over the past few years has been strengthening allies and partners to establish a web of security in the region. The following table indicates the U.S. presence in the region through minilateral groupings:

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26 Office of the Director of National Intelligence, February 2022 (with information as of January 2022), Annual Threat Assessment of the U.S. Intelligence Community
The US is not new to the minilateral mechanism, for instance, Australia, New Zealand, and the US treaty was signed in 1951. In addition to the above table, though officially defined as a multilateral mechanism, Blue Dot Network is also an important minilateral initiative of Australia, Japan and the US for promoting infrastructure development, particularly, in the Indo-Pacific region. It has also been perceived by scholars as a counter to the Belt and Road initiative of China.

Though several other countries are dependent economically on China, they have now started to engage in groupings like the Quad-Plus, New Zealand and South Korea. While Quad-Plus is not a security grouping, it has emerged in the context of the Covid-19 pandemic to calibrate its policies to deal with post-pandemic economic recovery, vaccine diplomacy and other non-traditional security issues. Furthermore, an assertive China has also led the major powers in the region to come up with Australia-United Kingdom- United States (AUKUS) trilateral pact.

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28 https://www.state.gov/blue-dot-network/
Thus, it can be said that Lee Brown rightly argues, “the Asia Pacific to Indo-Pacific is an exemplar of an emerging minilateral security regionalism, rather than the predominant forms of bilateral and multilateral security and economic regionalism that have dominated Asia in recent decades”\textsuperscript{29}

Apart from these minilateral groupings involving major powers and rivalry, several other regional minilateral security groupings have emerged in recent years. For instance:

1. The Mekong River Commission- Cambodia, Laos, Thailand, and Vietnam
2. The Malacca Strait Sea Patrols- Indonesia, Malaysia, Singapore, and Thailand

**Conclusion**

Based on the above discussion, it can be said that minilateral groupings provide a target and issue-based operational efficiency that involves a relatively small number of member states. While multilateral forums aim for “inclusivity” in the region, minilateral groupings, on the other hand, share common threat perceptions and envision adopting a more targeted approach to mitigate those challenges.

The summits of these groupings take place at different levels, for instance, the QUAD grouping takes place at the level of the head of states and foreign ministerial level. Similarly, Japan-US-India meetings also take place at the head of the state level. Depending upon this, the meetings may or may not occur on the sidelines of a multilateral summit. E.g., Japan-US-India meetings take place on the sidelines of G20 summits.\textsuperscript{30}

By referring to the above discussion, certain features can be drawn of minilateral groupings- firstly, they are smaller in numbers, from 3 to 9 member countries. Secondly, they are informal with an absence of formal institutional structure and adopt more targeted initiatives with the intention to deal with a specific threat or issue, involving fewer states. These forums have also made room for indulging in novel discussions such as emerging technologies (5G, digital trade), supply chain and cybersecurity. They are often viewed as ad-hoc and a place that bridges bilateralism and multilateralism. Today, minilateral groupings are being formed to discuss vital areas of concern such as security,

climate change, trade, cross-border connectivity and people-to-people exchange. In fact, these groupings have now become even more important because they aim to achieve a specific goal. The formation of minilateral groupings in fact suggests that there is a pragmatic shift from emphasising overall global cooperation to forming strategic alliances with like-minded nations, for instance, the India-Japan-US, the India-France-Australia etc.

Nonetheless, the Indo-Pacific region has remarkably emerged as a pivot for minilaterals. Be it the US-China rivalry in the region or rising challenges such as climate change, cybersecurity, infrastructure development etc, states have now started to resort to minilateralism for advancing their interests in the region. Evidently, these groupings provide a pathway for political dialogue and “confidence-building” between key partners in the Indo-Pacific region.31

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