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THE US ECONOMIC INTERESTS IN THE INDO-PACIFIC REGION UNDER BIDEN ADMINISTRATION: A CRITICAL ANALYSIS

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Abstract

For strategic importance and dynamic economic growth, the Indo-Pacific Region (IPR) has emerged as a focal point of American economic interest. With more than half of the world's population and more than 60 percent of the global Gross Domestic Product (GDP), the region comprises the important economic powerhouses of China, Japan, India, and ASEAN nations. In the face of China's growing dominance, the U.S. wants to deepen its engagement in the Indo-Pacific to gain access to important trade routes, as well as maintain economic influence and establish stable economic partnerships. The U.S. has initiatives including the Indo-Pacific Economic Framework (IPEF), and regional trade agreements to strengthen supply chain resilience, support digital trade as well as promote sustainable development. In addition, American companies have the opportunity to participate in sectors such as Technology, Energy, and Infrastructure development. Free and open markets, rule of law, and transparency in economic practices are also of the highest priorities in Washington, seeking to oppose China's protectionist and coercive economic measures. The U.S. promotes economic integration and allies with others in the region to ensure long-term prosperity and security in one of the world's most economically dynamic regions, which, it does, is essential for its role as a global economic leader.

Keywords: Indo-Pacific Region (IPR), Indo-Pacific Economic Framework (IPEF), ASEAN, American, China

Introduction

The IPR has always been significant to America in terms of alliance, trade relations, and defense. It includes major shipping routes, rapidly developing and industrializing states, and a large percentage of world trade. The US has continued to raise its stake in the region due to China's growing influence, security threats, and the need for free and open seas. First of all, its importance for strategy is considered from different aspects. In terms of economics, the region consists of some of the world's fastest economic growth rates and potential trading partners like Japan, South Korea, India, and Australia. Geopolitically, the Indo-Pacific is an arena of power contest or struggle, mostly between the U.S. and China. US military operations are also strong in Asia, for as it would be observed, several US bases and major deployments are in places such as Japan, South Korea, and the Philippines (Medcalf, 2020).

The Biden Administration has planned for the IPR. They have significantly shifted the focus of the US strategy toward the Indo-Pacific, thus continuing and developing the major trends of American foreign policy. This shift entails a complex political, economic, and security approach whose principal focus is countering what is seen as China's dominance while underlining reviving partnerships and alliances (Deblock, 2024).

Free and Open Indo-Pacific (FOIP) Policy

The FOIP strategy constitutes the foundational notion within the Biden administration's Indo-Pacific policy; while the Trump administration conceived this concept, the Biden administration provided substantial support and augmentation to this model. This strategy underscores the commitment to preserving a rules-based

international order, emphasizing the following key elements: This strategy underscores the commitment to preserving a rules-based international order, emphasizing the following key elements: Upholding International Law: As part of the FOIP strategy, there is a need to strengthen the legal framework of international law, including the United Nations Convention on the Law of the Sea (UNCLOS). Since the Cold War, the US has sought to uphold international legal standards and criteria as opposed to unilateral maritime claims and has sought legal methods for the settlement of maritime disputes. This approach was seen when the administration endorsed the Permanent Court of Arbitration verdict of July 2016 on the SCS, which declared China's larger application as legally invalid (Song, 2022).

Freedom of Navigation

The FOIP strategy focuses on guaranteeing freedom of navigation and overflight in international waters and airspace. The US Navy has thus sailed through specifically to challenge these excessive maritime claims and to show the principle that these particular global waterways have to be accessible to the navies and the nations of the world. These are rhetorical and genuine actions being performative of the American intentions toward upholding international maritime law (Darmawan, 2023).

Transparent Trade Practices

The FOIP strategy promotes fair and open trade, which entails publicly displaying the organization's policies regarding trading standards. This is available under the non-recognition of economic blackmail and calls for fair competition in world markets. It corresponds with the more extensive principles of the American trade policy aimed at combating pertinent unfair conduct and ensuring that rules governing the trading environment are fair for everyone, not just for the giants (Wei, 2015).

High-Profile Diplomatic Initiatives

The Biden administration has pursued several high-profile diplomatic initiatives to bolster its strategic objectives in the Indo-Pacific: The Biden administration has pursued several high-profile diplomatic initiatives to bolster its strategic objectives in the Indo-Pacific. The Quad Leaders' Summit took place in 2021 can be regarded as one of the most significant diplomatic events; it was the Quad Leaders' Summit. This leaders' meeting introduced the principles of the United States, Japan, India, and Australia, referring to the revived mechanism of Quad, which was launched in 2007 (Sarkar, 2023).

The summit addressed several critical areas

Regional Security

The Quad leaders touched upon the idea of improved regional security, which can be achieved through cooperation. They advocated for strategies that would respond to the calls for battling terrorism, enhancing the security of seas and oceans, and encompassing powers' assertiveness in the SCS and other sea regions.

Economic Cooperation

The summit was also aimed at the issue of economic stimulants towards recovery after the COVID-19 pandemic. All agreed to foster collaboration on the delivery of the vaccines, especially the provision of more vaccines in the IPR. Moreover, they

spoke about the need to enhance the supply chains and awoke economic weaknesses that occurred due to the COVID-19 impact (Verma et al., 2024).

Climate Change

The Quad nations pledged to work together and invest in combating this menace and advancing clean technologies. There is a growing acknowledgment that climate change is an important factor in shaping regional stability and growth.

US Economic Interests in Indo-Pacific

Indo-Pacific is central to America's economic vision of the world it wants to build, firmly anchoring itself as the backbone of the United States economy. This section digs deeper into the complex economic relationship of the US with the Region through trade relations, investment strategies, and developmental aids. The Biden administration has also prioritized strengthening bilateral relationships with key Indo-Pacific countries, addressing both strategic and economic dimensions: The Biden administration has also prioritized strengthening bilateral relationships with key Indo-Pacific countries, addressing both strategic and economic dimensions.

Major Trade Agreements

Trade relationships with the countries in the IPR are crucial for the US economic fabric since this area includes some of the largest and quickest-growing markets globally. Two of the most critical trade deals that reflect this economic exchange relationship are the US-Japan trade agreement and the US-Korea free trade agreement (Park, 2023).

US-Japan Relations

The US-Japan alliance has been stable for decades as a key pillar of American strategies in the IPR. Since the coming of Biden, the cooperation has been diversified by improving security and economic relationships. The US has backed up Japan to enhance its defense power and meet security risks in the Asia Pacific region, including North Korea and assertive China (Deblock,2024). There are ties between the two states in different sectors. In defense, ties between the US and Japan have advanced to more sophisticated levels; today, the two countries stage regular military maneuvers to counter security risks. This includes cooperation in the sphere of missile defense and boosting the overall sea security in the IPR. Economic ties have also been directed at bilateral economic cooperation, though strategies for solving trade deficits and investments have also been of concern. As strategic partners, the US and Japan have cooperated in areas like digital trade, the supply chain, and infrastructure (Baldauff, 2023). The US-Japan Trade marked a momentous shift in the economic relations between the two countries. This deal, with its formal name, the US-Japan Trade Agreement on Agricultural and Industrial Goods, focuses on lowering tariffs and increasing access to this market. Agricultural Exports This gave better access to the Japanese market for things like beef, pork, and wheat that are produced in the United States of America. Japan which is among the major importers of beef from the United States, has consented to ease tariffs when importing these products, which will be a positive outcome for the farmers and producers in the United States. This pact also covers issues related to hindrances to the export of industrial products from the US to Japan, including machinery, chemicals, and

pharmaceuticals. In this sense, the effects estimations of the agreement are optimistic because by allowing decreasing tariffs and other non-tariff barriers, US products are anticipated to become more competitive in Japan.

US-India Relations

Biden has focused a special focus on the relationships in the IPR, especially with the US-India partnership. The administration has sought to deepen strategic and economic ties through various initiatives: The administration has sought to deepen strategic and economic ties through various initiatives: Strategic partnership the relationship between the US and India in terms of defense has been advanced through increasing defense cooperation, conducting joint exercises, and the focus on regional security between the two parties. The two parties also work together in counter-terrorism and intelligence (Konwer, 2023). Economic and Trade Issues The Joe Biden administration has tried to stabilize the relations and trade relations between the United States of America and India by addressing trade issues, including tariffs, property rights, and market access. To some extent, attempts have been made to make trade relations more balanced and mutually beneficial, focusing on upgrading bilateral investment cooperation and its promotion (Abdullah et al., 2024).

US-Korea Free Trade Agreement (KORUS)

KORUS was first signed in 2012 and then amended under the Trump administration. It is still central to US economic cooperation with South Korea (Small, 2022). The agreement has been crucial in increasing the volumes of exports and foreign investments between the two nations.

US-ASEAN Relations

Biden's team has taken measures to improve the relationship between the United States of America and the ASEAN. In recent years the US has desired to advance its bilateral cooperation with the ASEAN member states in key areas such as trade and investment, non-traditional security including terrorism, climate change, and the like. In this regard, it encompasses efforts to develop infrastructure and connect digital networks to promote sustainable development goals (Calabrese, 2023).

The Biden-Harris Administration is building on US economic cooperation with Southeast Asia and ASEAN aimed at inclusive growth and prosperity. Southeast Asia is the largest Foreign Direct Investment source of America, as the US contributed \$520.3 billion to total trade in 2022. It has added 625,000 jobs in all 50 states and 1 million jobs in Southeast Asia. At the ministerial US Trade Representative Ambassador Tai co-chaired August 2023 with ASEAN economic ministers on trade facilitation, regulatory practices, the digital economy, and small and medium-sized enterprises SME's support. In June 2023, the US Department of Transportation co-chaired a U.S.-ASEAN Senior Officials Dialogue on Transportation about transportation infrastructure and building a consolidated regional electric vehicle ecosystem (House, 2023).

American Initiatives Enhancing ASEAN's Connectivity

The Biden administration is helping Southeast Asia's digital economy grow for all by working with the private sector to upskill and train entrepreneurs, workers, and students in the United States. The US is also beefing up its cooperation with ASEAN

through the ASEAN U.S. Digital Work Plan, including artificial intelligence, cybersecurity, and fighting online scams. In addition, the annual U.S.-ASEAN Cyber Policy Dialogue is helping to expand cyber cooperation in the U.S. Based on our experience supporting the development of the ASEAN Single Window, the US has helped ASEAN traders save over \$6.4 billion and reduce transit times. The ASEAN Electric Vehicle Implementation Roadmap is also under development in the US, as are improvements in container shipping and the enhancement of cross-border transport efficiency. The US is also boosting ASEAN's energy security and resilience, promoting renewable and emerging energy technologies, and assisting energy market reform. It is also supporting the ASEAN Power Grid, bringing connectivity and resilience. The U.S.-ASEAN Science Prize for Women helps create stronger linkages among government, the private sector, and academia for growth through research and development (State, 2024).

Investment Priorities and Development

Investment in Technology

Technology is a critical area of investment, and it can be done by partnering with countries located in the IPR, the United States. It is known that the region is one of the main centers for developing innovations and technologies, which is why US investment in this area is focused on partnership creation and mutually beneficial cooperation. Tech Partnerships US has had different stints about technological cooperation and collaboration with the IPR countries. This also involves collaborations in such sectors as artificial intelligence, the 5th generation technology, and cybersecurity, among others. For instance, collaborations with nations such as Japan and South Korea have boosted the development of 5G networks and cybersecurity defense. Startups and Innovation: The US has also invested its stakes in innovations and created companies in the IPR. These made a plurality to fund emerging technologies and business setups that tend to create employment opportunities and technologies.

Infrastructure Development

Infrastructural development is another focal sector of the United States' investment in the IPR. New investment promotion in the region has sought to satisfy this need for infrastructural development through the infusion of American capital, not only for development's sake but also for cogent stability considerations (Zhao, 2023).

Infrastructure projects have provided funding for different regional infrastructure programs, from transport and energy to urban infrastructure. Based on the figures, expenditures in infrastructure, for instance, on ports and railways, are targeted at enhancing market access. The US has incorporated the Public-Private Partnership (PPP) in financing and the execution of infrastructure projects. All these partnerships harness public and private cooperation and resources to fund large-scale infrastructure projects of both regional and global importance to the US and the IPR. Thus, regional impact investments benefit regional economic stability and growth since the Development Finance Cooperation (DFC) funds projects that respond to emergent development needs. Such undertakings range from trying to bridge the gap in the availability of clean water to developing the health sector and expanding

education.

Technological Collaboration

5G Development and Innovation

Technology has radically transformed communications and connectivity in general, especially with the introduction of 5G technology; the United States has actively developed 5G collaborations and partnerships throughout the IPR. The US aimed to restrict matters related to 5G technology and the establishment of the same in Indo-Pacific nations, including but not limited to Japan, South Korea, and Australia. Such partnerships are meant to improve the networks' performance, foster creativity, and provide safe and dependable communication links. There has been cooperation with South Korea for solution sharing through joint ventures and exchange of technologies in the absorbing country where the plan of technology sharing was implemented in the case of 5G with South Korea. So, this collaboration implies the exchange of best practices in laying down network structures and determining security measures.

Cybersecurity

Cyber security is another significant field of cooperation with the US and the countries of the IPR owing to the emerging rates of cyber threats and attacks. Collaborative work is centered on the improvement of the protection of cyberspace, its security, and the fight against cyber threats. The Cybersecurity Initiatives As part of engagement with the leaders of the IPR, the US has worked on creating and implementing cybersecurity policies and measures. This includes Capacity building training and technical assistance delivery to enhance the regional partners' cybersecurity capacity. These include business simulations, knowledge transfer, and learning on various techniques used to fight cybercrime. Incident Response: Sharing in handling incidents and managing information to counter cyber-related threats. This includes cooperation and collaboration in simulating incidents and attacks and managing the cyber domain. Lastly, policy development consulting is instrumental in formulating cybersecurity policies and laws to improve national and/or regional cyber preparedness. This is done by lobbying and enacting policies about cybersecurity between governments and organizations (Dzulkifli, 2023).

Environmental Collaboration

The problem which is especially urgent for the United States is climate change and sustainable development in the Indo-Pacific countries. Joint measures mainly concern themselves with fighting the effects of climate change, enhancing the surrounding environment, and enhancing the climate resilience level (Yan, 2019). Some of the climate initiatives schemes and grants that we have delivered to Indo-Pacific nations to fight climate change are as follows. Major initiatives encompass climate change mitigation and adaptation, environment, climate financing, and risk reduction and preparedness in the context of the IPR. Such activities include bargaining on climate change adaptation measures, funding measures that lower the emission of greenhouse gases, and measures that advance the use of renewable energy. It explains that environmental protection activities are directed at preserving natural resources and ecosystems, regarding measures that focus on protecting

species and marine life, excluding pollution control. Climate financing is a central element as it helps provide funds for climate projects, encourage green energy, and improve disaster risk management. Also, disaster response and resilience programs work towards minimizing disaster risks and enhancing the institutions and systems required for management and response to disasters in the nations of the Indo-Pacific (Alenda, 2023).

Challenges and Opportunities

The Biden administration's approach to the Indo-Pacific faces both opportunities and challenges. The Chinese response has been a major challenge to China since the launch of the US's Indo-Pacific strategy. More so, China, in recent years, has boosted its military practices and assertive strategies in the region, which has challenged the US to balance between the many powers strategizing and positioning in the Asia-Pacific region. The challengers must adapt their approaches to containing China without provoking the country and destabilizing it (Montolalu, 2022). Regional variability The IPR makes up a vast area where the political, economic, and security situation differs. Thus, the US has to focus on its interactions by identifying the nature and the intensity of the relations the parties share to meet partners' needs and priorities. This needs diplomacy and a higher tendency to change strategies that fit the region at different times.

Conclusion

The United States is helping Southeast Asia's digital economy become more inclusive and is supporting the private sector in helping entrepreneurs, workers, and students upskill and train for new opportunities. Under the US ASEAN Digital Work Plan in 2018, the focus is artificial intelligence, cybersecurity, fighting online scams, and building a safe, secure, open, and reliable Internet and information and communications technology ecosystem. In addition, the US has stepped up cooperation with ASEAN through the ASEAN Digital Ministers' Meeting and ASEAN Digital Senior Officials Meeting on artificial intelligence, cybersecurity, combating online scams, and promoting a safe, secure, open, reliable, and secure Internet and information and communications technology ecosystem with 5G and Open Radio Access Networks (RAN) networks, clouds, and undersea cables. Through promoting renewable and emerging energy technologies, supporting energy market reform, energy security, and resilience, and helping to build ASEAN's capability in clean and sustainable growth, the US has helped position ASEAN as a leader in clean and sustainable growth. The US is also providing technical assistance to facilitate the power grid connectivity and resilience within the ASEAN region, allowing more clean and renewable energy to come online. The Indo-Pacific region is at the center of the Biden administration's approach to strengthening American economic interests with wider geopolitical objectives. The initiatives under the leadership of Biden to provide a counterbalance to China's economic clout, include initiatives such as the Indo-Pacific Economic Framework (IPEF) and other challenges around climate change, supply chain resilience and digital trade. This strategy becomes a success it will decide America's future role in global economic governance and its standing as a counterweight to China's growing presence in the Indo-Pacific.

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