



## Indo Pacific Strategy: Impact on Sea - Economic Fields in The East Sea Region

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**Abstract:** Indo Pacific's not only place which has the largest population in the world, but also developed the economy, vibrant, concentrated wealth, in which exist many hot spots of the world. Due to the location, role increasingly important regional countries, especially the major powers such as the US, Russia, China, Japan, India have the strategic adjustments, to increase the influence and defend its interests in this area. The US deployed strategic Indo-Pacific initially have a certain impact on the marine economic field in the East Sea. In this article, the author focuses on analyzing and explaining the impact of the Indo-Pacific Strategy on the regional economy, especially the areas of the marine economy in the East Sea in the present context.

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### 1. Introduction

At the Economic Cooperation in Asia - Pacific (APEC) on 11 November 2017, President Donald Trump mentioned the idea of building an Indo - Pacific free and open, then, on 18 December 2017, for the first time in the National Security Strategy of the United States mentioned its new strategy covers a large area Indian Ocean - the Pacific, also known as strategic Indo-Pacific. According to analysts, the nature of this strategy 's the previous Asia-Pacific strategic alliance with the United States and extends to the Indian Ocean. The core of the strategy is to build a four-axis coalition of the United States, Japan, Australia, and India, to curb and prevent the rise of China in the region, to gain mainstream, while the US will control the entire area of the Indo- Pacific. The changes in this strategy brought many opportunities, but also posed many challenges for countries in the Indo -Pacific region, especially small, developing countries. The process of planning and implementing the policy of the State of Vietnam sea through the feudal dynasty was clearly expressed during all stages of the history, content that has been formed and is continuously developing legacy through state institutions. In particular, the policy content of the island sovereignty of the State of

### 2. Goal's research

Study authors analyzed, interpreted to give some direction as follows (i) The role of the Indo - Pacific during the US strategic deployment; (ii) Strategic importance of

the East Sea and evaluation (iii) Some of the economic impact on the region's sea.

### 3. The methods' research

The author uses the methodology of combining historical logic to analyze and interpret international and regional contexts; from there, we will analyze the strategic content and impacts on Vietnam's marine economy. In addition, the use of expert methods, international methods combined with the methodology area to clarify the strategic Indo-Pacific contributes strategic advising in the foreign policy, security and defense of our country.

### 4. The result's research

Indo-Pacific region plays a role in the economic development and strategy for curbing China.

#### 4.1. A general overview of the Indo-Pacific region

The Indo-Pacific 's a geographical space that includes countries located along the Indian Ocean and the Western Pacific, along with connecting the two oceans seas together, divided into 03 main areas as follow:

Western Indian Ocean, including the western and central Indian Ocean, including the East coast of Africa, the Red Sea, the Gulf of Aden, the Pecksich Bay, the Arabian Sea, the Bay of Bengal and the Andaman Sea, as well as the coastal waters of Madagascar, the Seychelles Islands, the Comoros, the Mascarene Islands, the Maldives and the Chagos Islands.

The Indian Ocean-Pacific Ocean, which includes many seas and straits connecting the Indian Ocean and the Pacific Ocean, includes the waters surrounding the Indonesian archipelago, the East Sea, the Philippines (Thayer, 2016), Australia Northern sea, the waters around New Guinea, West and Central Micronesia, Solomon Islands, Vanuatu, Fiji and Tonga.

The Indo-Pacific Ocean, which includes the waters surrounding most of the volcanic islands in the central Pacific, stretches from the Marshall Islands to Central and Southeastern Polynesia, Easter Island and Hawaii.

The Indian-Pacific region has a population of almost half the world, including the most active countries in Northeast Asia, Southeast Asia, and South Asia, along with many Middle East and African countries which abundant natural resources and sea routes pharynx economic importance of global trade. Currently, the Indian Ocean region - Pacific 03 largest economies in the world are the US, Japan, China. There 're 07 of the 08 fastest growing markets in the world, typically India, China, Bangladesh, Timor Leste, Papua New Guinea, etc., and 07 of the world's 10 largest military forces such as US, China, India, Japan, Korea, Pakistan, Australia. The region 's not only the fastest growing economy in the world, but it also witnessed the most intense competition in natural resources as well as the creation of dangerous strategic hot spots. One can recognize that the Indo-Pacific region 's key to global security.

#### 4.2. Assess the position and role of regional

In the traditional sense, the Indian Ocean and the Pacific are independent, but the new development of the regional situation has given a strategic perspective to the Indo-Pacific as a whole, formed a strategic arc covering many countries including the Indo-Pacific, of which:

The Indian Ocean is located between Asia, Oceania, Africa, and Antarctica, bridging the four continents. The Indian Ocean with important traffic route connecting the Atlantic Ocean - the Pacific Ocean, through the Strait of Malacca to the East Sea. This's also the link between Europe, Middle East, Africa, and Asia. All resources harvested from Africa and the Middle East to India, China and Japan are bound to pass through the Malacca Indian Ocean Strait and vice versa. This 's the fourth regional cargo hub in the world and 80% of oil imports from China passing through the area. This's the one-fourth of the world's cargo transshipment and 80% of the oil imports from China go through the region. The Indian Ocean with natural resources abundant. Mineral resources with oil and natural gas are mainly distributed in the Pecs Bay. Oil accounts for 62% of the world's total oil reserves, natural gas accounts for 35% of the world's total reserves. Also, the continental shelf near Australia, the Bay of Bengal, the Red Sea, the Arabian Sea, the east coast of Africa, as well as surrounding areas Madagascar have all discovered oil and natural gas (Buszynski, 2012). About metals, Manganese,

Vanadium, Chromium, uranium Indian Ocean accounts for 85%, 60%, 86% and over 50% of world reserves of the world's leading iron and relatively good quality. According to experts, any country that gains a key position in the Indian Ocean will be able to control its energy supply not only in East Asia but also in other parts of the world. The Indian Ocean's the focus many of the world's most important sea lanes of any ocean. The Indian Ocean accounts for one-ninth of the world's ports, one fifth of exports and imports. Each year about 50% of containerized 46.5% crude oil and 70% of crude oil production worldwide shipping through this area (Scott, 2015). Each year more than 100,000 boats through here, including tankers 2/3, 1/3 sized cargo ships, container ships and half the world, two-way international trade across the Indian Ocean to reach more than 1000 billion dollars. Significant traffic routes in the Indian Ocean, the Straits of Malacca and the Strait of Hormuz are the most important. In particular, the Malacca Strait is a world oil mine, with about 1,500,000 barrels of crude oil transported daily (Buszynski, 2012). According to analysts, if the Indian Ocean 's controlled, it will not only control the abundance of natural resources, but also control important shipping routes across the region, thereby curbing the other country. Geostrategy, the Indian Ocean 's very important not only to US interests, but also related to 03 nuclear powers in the region are Pakistan, China, and India. This area's also where the US, China and India have many strategic interests and there is fierce competition, thereby forming the strategic alliance between big countries like the US - India (Liow, 2016), China - Pakistan, both coopean ration and struggle, compete. Because of this important role, major countries in the world and the region are keen to take the lead in the Indian Ocean, or at least not be restrained by other countries. Although the battle for control of the Atlantic and Pacific Oceans have always been the main battlefield in the duel between major nations, the reality of the 300-years history has confirmed that the Indian Ocean still an area which the harshest of the major countries.

The Pacific region, also known as the Asia-Pacific region, home to the world's most important sea and ocean routes, such as the Yellow Sea, the East China Sea, the Philippine East Sea, Strait of Malacca, Bering Strait, etc., connecting the continents. This's one of the areas with the most vibrant economic development and most concentrated today. At present, the GDP of the Asia-Pacific region accounts for 61% of global GDP, 47% of total international trade and 48% of the foreign direct investment. This area focuses 65% of the global raw materials, exports accounted for 30% and foreign exchange reserves accounted for 2/3 of the world total. Nowadays, Asia-Pacific's still the fastest growing region in the world and continues to be a driving force in the global economy. China plays the world's second-largest economy and has foreign reserves up to \$ 3,200,000. After the global crisis, the Asia - Pacific region's still the United Nations



considered the world's leading areas for economic recovery. According to international analysts, the Asia-Pacific region's a relatively stable international order, formed in the course of their existence and development. However, there're also hot spots in the Taiwan Strait, Northeast Asia, South China Sea, and Strait of Malacca. There're also potential conflicts due to territorial disputes, racial or religious conflicts; terrorism, piracy, border arms trafficking, drugs, and illegal immigrants continued raging. In particular, territorial disputes, these islands are tense and complicated. The most recent of these are the escalating tensions in the dispute between China and Japan over the islands in the East China Sea, rich in energy and seafood, which Beijing calls Diaoyu, while Tokyo calls Senkaku, raising public concern about the possibility of armed conflicts out of control. Besides, the relationship between Japan and South Korea soured after a surprise visit by former President Lee Myung-bak to South Korea islands that Seoul called Dokdo Takeshima while Tokyo called on the Sea of Japan. Relations between Japan and Russia also strained by a dispute over islands in the North Pacific that Russia called Kurin, while Japan called the Northern Territories ... However, still, the most stressful moves by China reflects the essence expansionist claims over the nine-dashed line and recently Tu Sa theory of China in the East Sea. Accordingly, China wants to occupy more than 80% of the East Sea, including the two most important islands are the Paracel and Spratly Islands, belong to the sovereignty of Vietnam. At present, nuclear-owned countries in the Asia-Pacific region are constantly increasing; the pursuit of nongovernmental organizations for weapons of mass destruction and the deployment of US missile defense systems from the region are likely to lead to an arms race in the region, more and more intense. In 2017, Korea has conducted seven missile and nuclear test missions, leaving South Korea and Japan at an alarming rate. The world 's concerned that these tests sparked a new arms race, even leading to nuclear conflict between the United States, Japan, and South Korea. Although North Korea and South Korea have recently reached pledge to end the war in 2018, the nuclear crisis on the Korean peninsula 's unbelievably complex.

Many experts have predicted that in the coming years, the Indo region - Pacific will contribute more than half of world economic output. Therefore, any large country's very important and desires to occupy the leading position in this strategic area. However, this area's also latent potential instability, attracting the concern of mankind. The risk of military conflicts over territorial disputes can easily break out at any time, thereby damaging the stability of the area, particularly dangerous as it's home to many shipping lanes commodity and crude oil in the world. Therefore, the role of major countries in stabilizing the situation's very important. Today, the focus of the 21st century 's on the oceans, along with a shift of central, strategic, economic and international politics to the region,

making the Indo - Pacific capital's vibrant even more vivid. US policy toward the East Sea's shown very clearly under President Barack Obama and Trump. From 8 November 2016, when Donald Trump's elected president of the United States, anyone interested in the East Sea's aware of the new president of the White House and key figures in the squad who take control of what the new East Sea policy looks like. However, after three months in power, the fact that the government of the East Sea Trump still not clear shape. President Donald Trump himself has not made any official statement on this issue. Meanwhile, two key figures - new Secretary of State Rex Tillerson and New Defense Secretary James Mattis have made contradictory statements on how to respond to China's assertive behavior in the East Sea. Mr. Tillerson said at the US Senate hearing on 11 January 2017, stating a tough line, while James Mattis spoke at a joint press conference with his Tokyo counterpart on 4 February, express attitude's very soft (Minh, 2017b). Content Tillerson his statement can be summarized as follows: Unable to China controls the East Sea because the whole world economy would be harmed. Therefore, the US needs to force China to stop the militarization of the East Sea, cessation of activities built on artificial islands, while China does not block access to the artificial island. However, nearly one month later, in a joint news conference with Japanese counterpart Tomomi Inada, Defense Minister James Mattis insists the situation 's not that force the US to conduct military operations large, that just diplomatic efforts and dialogue to solve the problem (Nga, 2018).

#### 4.3. Strategic Importance of the East Sea:

The East Sea's located on the sea transport route connecting arterial Pacific - Indian Ocean, Europe - Asia, Middle East - Asia. Among the top ten sea lanes in the world, the East Sea has four main routes:

The service goes from Western Europe, North America via the Mediterranean, Suez Canal, the Middle East to India, East Asia, Australia, New Zealand. The service from East Asia crosses the Panama Canal to the East Coast of North America and the Caribbean. The route from East Asia to Australia and New Zealand, South Pacific. The route goes from Western North America to East Asia and Southeast Asia.

It 's considered to be the world's second busiest international shipping route just behind the Mediterranean. Every day there're between 150-200 vessels crossing the East Sea kinds, of which about 50% are vessels of over 5,000 tons, more than 10% are vessels of 30,000 tons or more. There 're 536 seaports in Southeast Asia, of which the two largest and most modern ports in the world are Singapore and Hong Kong (Nga, 2018). Trade and maritime industry are growing in the region. Many countries in East Asia have a vital dependency on this sea route, such as Japan, South Korea, Taiwan, Singapore, and even China. This 's an essential oil transport route and

commercial resources from the Middle East and Southeast Asia to Japan, South Korea, and China. More than 90% of the world's commercial shipping's by sea and 45% must travel through the East Sea (Nga, 2018).

On the sea, route serves Asian strategy's two key points: First, the Strait of Malacca between Malaysia and Sumatra of Indonesia. This position's very important because all the goods of South East Asia and North Asia must go through. The three straits under the sovereignty of Indonesia's Sunda, Blombok, and Makascha that play a backup role in the Malacca Straits shut down for some reason. However, if it's transported through the strait, the goods between the Indian Ocean to the ASEAN and North Asia will bear higher charges for longer distances. The second key point 's the East Sea where many maritime routes pass, especially in the area around the Paracel and Spratly Islands.

The amount of oil and gas transported through this area 's 15 times greater than that of the Panama Canal. The East Sea 's important straits for many countries, with four of the world's 16 strategic routes in Southeast Asia - Malacca, Lombok, Sunda, Ombai - Wetar. Particularly the Malacca Strait 's the strait bustling world second only to the Strait of Hormuz. Piracy and terrorism in the East Sea with the high level, especially after the terrorist attacks on tankers suicide of France in October 2002. Therefore, these waters are very important for all countries in the area of geostrategic, security, maritime traffic, and the economy, especially the US and Japan. The East sea also's contacts and influence to other regions, especially the Middle East. Therefore, the East Sea 's country or group of allied countries govern will seriously affect the interests of security, politics, the economy of the region countries. Approximately 70% of the volume imported oil and about 45% the volume of exports from Japan are transported through the East Sea. Chinese maritime routes 29/39 and approximately 60% of imported goods, 70% of its oil imports are transported by sea via the East Sea (Bong, 2009).

#### 4.4. Some Economic Impact on the Region's Marine:

The main objective of the Indian Ocean Economic Strategy's to bring the United States out of trade deficits and compete unequally with regional countries, continuing to be the economic driver of the region and the world. The US National Security Strategy of 2017 determined that the United States would encourage regional cooperation to maintain free, open, safe and transparent financial lines for infrastructure, Trade unrestrained and peaceful settlement of disputes. The US will pursue bilateral trade agreements on the basis of fairness and reciprocity.

##### 4.4.1. Create the free development of marine economic sectors

As can be seen, the economic goal of the administration's President Donald Trump 's to address the

liberal, extended and secure aspects. Accordingly, the liberal aspect includes: Countries in the Indo - Pacific region can freely pursue their own economic development paths without being forced: The US also wants the countries in the Indian Ocean region - Pacific enjoying the freedom of managing both marine economic sectors, and asset transparency and anti-corruption. The East Sea area must be safeguarded for the circulation of goods, especially in the field of military and commercial shipping. In terms of expansion, the strategy further expands, first of all by sea and air, in the Indo-Pacific region, extending both in infrastructure and investment, to encourage countries to better integrate into the region and develop their economies. Along with freedom and expansion, the strategy's well-defined, ensuring security, safety and not affecting US economic interests. Particularly sea lanes from the Indian Ocean cross the Strait of Malacca to the East Sea and other waters in the Pacific Ocean. According to US officials, free, open and safe sea transport will play a vital role in the region, with more than 50% of commercial cargo going through the Indo-Pacific. In particular, sea lanes Indian Ocean plays an important role in the flow of oil, gas, and commodities in the world. It is also home to the two most important straits with oil transit routes from the Middle East to Australia and East Asia. On the other hand, this's also the famous sea of instability with piracy and terrorism. Over the years, China's investment in the construction of the road, rail and sea infrastructure in Central Asia, South Asia, and Africa to expand its influence. Especially China to strengthen its military presence in the Indian Ocean with military bases overseas first in Djibouti (East Africa) and 's promoting the opening of the air base - other naval, risk threatening security, safety, and US interests. Thus, along with freedom and expansion, safety's the United States' first priority in its economic strategy for the Indian Ocean-Pacific region.

With that, the United States will also promote free trade policies on the basis of equality, reciprocity and, of course, the United States. Two-way trade between the United States and the Indian Ocean-Pacific region 's estimated at \$ 1.4 trillion a year, and 's expected to continue to grow in the near future. In order to promote free trade in the region, some senior US officials have proposed a new idea for building the Indian-Pacific Economic Corridor. Accordingly, the United States will build a network linking South Asia with Southeast Asia to India as a nucleus, boosting trade liberalization with related countries, boosting regional economic integration for counterbalance. belt initiative and the road of China, eliminate the influence of China in South Asia and Southeast Asia. At the same time strengthening the US strategic layout of the area around the Indo - Pacific. Besides, the US's also paying special attention to the imbalance in trade between the US and other countries, warned the economic competitiveness and bloody from countries like China and concerns national security. In this

strategy, President Trump detailed the plan to reverse China's economic ambitions on a global scale. Accordingly, China alleged abuse of trade, intellectual property infringement and continued to be the main target of the US protecting economic security. At the same time, the US also intolerance against abuses of commerce extends to other countries in the world (Minh, 2017b).

In terms of expansion, the strategy further expands, first of all by sea, especially in the East Sea, where many of the world's major shipping routes pass. US interest in the oceans generally free to trade on important maritime routes, preventing any country from occupying regional waters (US Department of Defense, 2017). On the dominant view of the United States will not let the waters of this military conflict as congested shipping lanes that US military transport regular and passing trade. At the same time, it does not allow any country to declare its anti-aircraft area, so the maritime economic sectors of the countries in the East Sea're expanding international trade, especially in the port area sea transportation, marine resources exploitation, etc. It can be seen that the East Sea 's not only strategic area, living space of development security occupies important geopolitical positions for countries in the region but also Asia-Pacific Ocean and America. In particular, the East Sea has become a traditional competitive landscape of major countries in history. This's also the place where the diverse political, socio-economic and cultural patterns of the world are gathered, including the interference of civilizations: China, India, and Southeast Asia continent. Maritime sovereignty disputes in the East Sea're also considered to be the longest, most complex, the most historic. Legal position: The East Sea contains relevant elements such as: coastal state, archipelago country, landlocked country, waters under national jurisdiction, fishing grounds, demarcation , semi-enclosed seas, international straits, collaborative management of biological resources, migratory fish stocks and cross-border fish stocks, joint exploitation, marine conservation, marine scientific research, anti-robbery sea, safety and freedom of navigation, search and rescue and especially cooperation in the protection of the marine environment, etc.

#### *4.4.2. Expand the international marine economic cooperation in the region*

On the development of marine science and technology: The United States 's deploying marine scientific and technological potential to meet the requirements of US strategic deployment in the Asia-Pacific region, serving the development. America's maritime economy. Promote research and international cooperation in the field of science and technology, serving for basic surveys, forecasting natural disasters and exploiting marine resources with countries such as Japan, Korea, Philippines, Singapore etc ... Currently, the US 's investing in enhancing the scientific potential - the

technology for research and exploitation of marine resources, meet the requirements of the comprehensive development of the country (Minh, 2018). On building maritime infrastructure: Strategy thriving seaport system for allies in the region has combined economic and defense-security. To build a number of ports strategically located in service of US economic and military development, paying special attention to deep-water ports in Japan, Korea, and the Philippines, creating open-sea activities trade with the world. The United States 's also intensifying its intensive investment, improving and modernizing its facilities, at several US military ports in the area, civil increasing cargo handling capacity, minimize costs and ensure competitiveness in the region, especially in strategic competition with China.

Strengthen trade and economic relations and cooperation in the marine oil and gas exploration dispute with the countries concerned. The East Sea and ASEAN region as well as a major investment, trade and trading partner of the United States. The East Sea's hotspot even with the United States because foreign companies, including the United States, are allowed to exploit oil that has been entangled in disputes between claimants. In recent decades, military collision in the East Sea 's increasing and involving US forces. Interests in the East Sea within the diverse interests of the US and spread to East Asia - Western Pacific as a regional power and global. These benefits are sustained even if the US government changes. Increasing US involvement in the Asia-Pacific region 's also to serve these interests. All in all, the US policy toward the East Sea issue 's very flexible, depending on the specific circumstances to compromise or restraint Chinese strategy (Minh, 2017a). The US's Asia-Pacific strategic goal 's to secure economic prosperity while taking into account the true national interests of the United States. The deployment of military strategy, maintain the dominant position and ensure stability in the military space sector, the stability of the alliance system, relations with strategic partner, maintaining power and control settings maritime routes will remain the most important strategy in Asia - Pacific America.

#### **5. Conclusion**

Donald Trump's government has affirmed that economic security's the national security. Thus, the top priority in national security for President Trump's to balance the trade balance with the number of countries in the region, including Japan, South Korea, and China, etc. In terms of trade, President Trump still refers to free trade, open ocean, but in the two regions based on the principles of balance, fairness between the parties, reciprocity. US President also stressed the country must not abuse the US grow again, which should open in the degree of similarity as the US. With this strategy has an impact on the activities of the economic sectors in Asia sea in general, in particular, the East Sea.



The maritime economy, port construction, military transport of the East Sea area has had some impact. At the same time, the United States expresses its determination to protect the vital shipping lanes, including routes that cross the East Sea. Today, as trade develops, especially at sea, the dependence of nations on sea lanes through the East Sea 's growing. Therefore, if the East Sea 's controlled by one or the group of national alliances, it'll seriously affect the region's security, political and economic prosperity, including Vietnam.

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