

The post-Cold War era has witnessed a significant transformation in global politics, with Edward Luttwak highlighting the diminishing importance of military power. Economic factors and interdependence, coupled with a reduced significance of military alliances and nuclear threats, have given rise to a new paradigm known as geoeconomics. This paradigm fuses conflict and commerce, where economic instruments supplant military ones in international disputes, emphasizing economic power as a focal point for achieving strategic goals. China's remarkable economic growth over two decades has challenged the United States' hegemonic status. This shift is evident in the transition from Hu Jintao's 'Peaceful Rise' to Xi Jinping's 'Chinese Dream.' China's proactive approach to expand its political influence can be observed through initiatives such as the Belt and Road Initiative and the Asian Infrastructure Investment Bank. In response, the United States has pursued a 'Pivot to Asia' policy, introduced initiatives like the Trans-Pacific Partnership and 'Free and Open Indo-Pacific,' positioning the Indo-Pacific region as a key arena for competition. Among the strategic battlegrounds in this geoeconomic rivalry, the Association of Southeast Asian Nations (ASEAN) has taken center stage. Indonesia, boasting the largest economy, population, and military within ASEAN, has become a focal point for both China and the United States. These great powers have made concerted efforts to gain influence and secure their interests in Indonesia, aligning with the country's Global Maritime Fulcrum initiative. Indonesia, however, remains committed to its non-aligned stance, guided by the policy of 'Politik Luar Negeri Bebas-Aktif.' Rather than choosing sides, Indonesia has embraced a position of neutrality, often described as "rowing between two reefs." In contrast to the prevailing realist perspective, which suggests that smaller powers tend to either balance against or bandwagon with great powers, Indonesia has charted its unique path. It resists alignment with any faction, and neither the United States nor China has succeeded in swaying Indonesia's position. Despite its relative power, Indonesia adeptly manages regional conflicts, benefiting from its neutral stance. This raises a fundamental question: Why do great powers continue to provide aid, investment, and cooperation to Indonesia, despite its non-alignment in the competitive arena?