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## **BELT AND ROAD INITIATIVE (BRI) AND ITS IMPLICATION ON MARITIME SECURITY IN ASIA PACIFIC: CASE STUDY ON CHINA-AUSTRALIA TRADE COOPERATION**

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### ***Abstract***

*Belt and Road Initiative (BRI) or One Belt One Road (OBOR) first introduced by Xi Jinping on September 2013 in Kazakhstan, when he stated “Silk Road Economic Belt”, specifically. One month later, he stated the term “Maritime Silk Road” in Indonesia. OBOR is both a concept and a work plan that designed by China to connect towards Eurasia, Africa, and Oceania. The connections are both distance and political influence. China’s bargaining position on Australia is considered strong enough, and vice versa. Australia is important for China for its iron ore that exported to China. China will not put their position at a stake considering its 60% dependency of iron ore from Australia, based on the research by Professor Rory Medcalf from Australia National University (Medcalf 2017, 110). The complexity of the struggle for power in this region is increasing since Australia has been the ally of The United States of America (USA) to whom China is declaring Trade War. China’s expenditure and development of the Navy growing increasingly reflects the higher attention on maritime security. Political condition in Asia Pacific will be effected by this condition with the growing influence of the superpower of the South China Sea, the People’s Republic of China. This paper will explore about sea power in Asia Pacific and its relations with the growing and more advanced China-Australia relations.*

*Keywords: OBOR (One Belt One Road), Maritime Security, Sea Power, Asia Pacific.*

### **Abstrak**

Istilah Belt & Road Initiative (BRI) atau dikenal juga dengan jargon One Belt One Road (OBOR) pertama kali digaungkan oleh Xi Jinping pada bulan September 2013 di Kazakhstan, ia mengucapkan “Silk Road Economic Belt”, secara spesifik. Sebulan kemudian, ia menyinggung konsep “Maritime Silk Road” dalam kunjungannya ke Indonesia (Davies, 2016, 218). OBOR adalah sebuah konsep, sekaligus juga *workplan* yang dirancang sedemikian rupa oleh China untuk mendekatkannya dengan Eurasia, Afrika, dan Oceania. Dekat dalam artian keterhubungan melalui kemudahan transportasi, dan dekat secara pengaruh (*political influence*). Tulisan ini akan mengambil studi kasus kerja sama perdagangan yang dilakukan antara China dan Australia. Posisi tawar China terhadap Australia cukup kuat, dan begitu pula sebaliknya. Australia diunggulkan dengan komoditi biji besi yang diekspor ke China, sehingga membuat China memiliki ketergantungan terhadap Australia. Professor Rory Medcalf dari Australia National University (ANU) mengatakan bahwa China tidak akan mempertaruhkan hubungan perdagangannya dengan Australia, mengingat dependensi China terhadap impor biji besi dari Australia sebesar 60% (Medcalf 2017, 110). Australia adalah sekutu Amerika Serikat (AS) yang kini sedang dalam kondisi perang dagang dengan China, membuat hubungan diantara negara-negara ini menjadi kompleks. Anggaran belanja pertahanan dan percepatan pertumbuhan Armada Laut China cenderung meningkat, sehingga dapat disimpulkan adanya keseriusan dalam hal peningkatan keamanan maritim (*maritime security*). Kondisi politik regional di kawasan Asia Pasifik akan terdampak atas kedigdayaan maritim China di kawasan. Tulisan ini akan membahas mengenai *Sea Power* di kawasan Asia Pasifik dan kaitannya dengan hubungan dagang China-Australia yang semakin intens.

Kata kunci: *OBOR (One Belt One Road), Keamanan Maritim, Sea Power, Asia Pacific*

## 1. Introduction

### 1.1. Background

Belt & Road Initiative (BRI) or One Belt One Road (OBOR) first introduced by Xi Jinping on September 2013 in Kazakhstan, when he stated “Silk Road Economic Belt”, specifically. Recently, after five years the words Road and Belt was announced, the world has never seen such massive infrastructure planning since The Marshall Plan. So far, we have not yet seen drastic change in Asia Pacific concerning its infrastructure and construction development that built by China in all of Asia, nonetheless the influence is eminent. It is not only constructing new seaports, airports, toll roads, or even mass rapid transportation system that can give impact to foster business in around 60 countries (the number is reported growing more), but also include building influence and the pursue of the title to be more recognized. OBOR is both a concept and a work plan that designed by China to connect towards Eurasia, Africa, and Oceania. The connections are both distance and political influence. This connection is impossible to be implemented if the countries around China are underdeveloped.

I remember my own personal experience working in one of the most trusted Bank in Indonesia. I was there as part of the team that organized the whole training for about three months from start to end. It was Organizational Learning Management Division that planned and executed everything so that the middle manager in this bank could come up with new ideas that contribute to the organization. After a few weeks we organized training in five-star hotel and other buildings, one thing stuck in my mind. One of the trainers said one motivational word that blew my mind once I heard it. This sentence was really astonishing and unforgettable as if I just heard it yesterday. At that time, we discussed about breakthrough product in a blue print that proposed by the participant of the training to the forum to be criticized so that some improvement and ideas might prevailed from it. He said to the participant that if you want to grow your business (in this point the business is concerning credit card and other leasing mechanism), you have to make your surroundings to be “bankable”. This means that how much you struggle to deliver your financial product, it is not giving any benefit if the person or organization that you expect to buy or use your service is not bankable. This might be the proper analogy of why should China build so much infrastructure across other 60 countries if the person living in its surrounding areas has no potential of using it, or to make the most out of it.

On the contrary, why should China help others to grow their business, as we can see in Pakistan, especially the booming infrastructure development in small fishing town, Gwadar (cpecinfo 2019), despite the fact that the profit may not be seen in five or ten years from now. China is not trying to help Pakistan, indeed. It is trying to shape the future. What is really happening in Zimbabwe, Angola, and Sri Lanka concerning foreign loan from China is more likely to be the similar phenomenon as it is in Gwadar, Pakistan. China would like to offer solution that gives benefit for these countries in which the benefit would multiply for China beyond the value of the solution itself. To make these countries “bankable”, some legitimate institution should take the lead and do something. In this case, the institution may come from some other institution outside the form of state institution such as United States of America (USA) or China. This could be International Monetary Foundation (IMF) or World Bank or may be from regional institution such as European Union (EU). China Overseas Ports Holding Company (COPHC) has already *walked the talk* when Gwadar and other cities around the BRI area received and signed the contract concerning project that was driven by one ambitious emerging super power: China. Gwadar has now transformed itself to be

“bankable”, thanks to the foreign investment that can move the stagnant economic wheels in this small and underdeveloped town.

The next thing come as the investment goes smoothly as it is planned, upon how China would receive Return on Investment (RoI) from each project they contributed. If we try to answer this question by implementing the case in Gwadar, the answer is more likely to benefit Gwadar rather than China. However, if we change the perspective, from Business to Business (B to B) or Government to Government (G to G) perspective to something more down-to-earth and simple, we can see that Gwadar’s case is just a tiny dot China has left in. Imagine the benefit that can be grasped by Chinese contractors, architects, and other related industries from the massive development they accomplished in many part of the world. As China’s trade has grown, Chinese materials and other utilities are often carried to their destinations aboard by using Chinese-owned hulls. This means that by growing business outside, China simultaneously growing its own. Two of the ten largest container-shipping companies in the world are Chinese state-owned enterprises: China Ocean Shipping (Group) Corporation, or COSCO, and China Shipping Container Lines, LTD, or CSCL.

One month after the sentence “Silk Road Economic Belt” was announced publicly by President Xi Jinping, he stated the term “Maritime Silk Road” in Indonesia. To state the term “Maritime” in a maritime country is not a coincidence. This emphasizes the need of China in building influence in this country. Not long after that, in 2014 the country appointed Luhut Binsar Pandjaitan for the position of Coordinating Ministry for Maritime whose one of the visions is to accelerate conflict resolution concerning, but not limited to, border issues in correlation with maritime diplomacy. A ministry that has never before existed in the history of the country had been established not long after the word “maritime” announced by Xi Jinping. A ministry that still exists up to this moment despite the fact that the country already had similar organization named the Ministry of Marine and Fisheries. The focus of this paper is to describe what kind of peculiarities concerning the global trade changes that has been aroused China towards Australia, and *vice versa*. This is interesting because China is now a head-to-head competitor with USA on the issue of Trade War, how would Australia position itself in this harsh, unforgiving global competition.

Maritime Silk Road and Economic Belt is both a concept and a work plan that designed to connect the dots that spread widely across Eurasia, Africa, and Oceania (this included Australia on the map as the part of “One Big Asia Pacific Family”) for the benefit of China’s ambitious economic goals. Albeit no ports in Australia that was planned and built as a military base for China, we can still argue that China still needs Australia and *vice versa*. If this were the era of Cold War, Australia would be asked to choose between USA or China, thus the complexity of the Bipolar Trend would never be this involute: just pick one of the options and the grouping would be crystal clear. The game is more challenging for Australia to take cautious decision in every aspect that involved China’s political maneuver. The “Maritime Silk Road” seems curving outside the Australian region, rerouting the Global Trade that has been there long before this BRI emerged. China’s bargaining position on Australia is considered beneficial, and *vice versa*. Australia is important for China for its iron ore that exported to China and, for China, Australia is one of the few strategic partner in the region that has different culture and contrasting ideology, apparently.

## 1.2. Problem Identification

There is only one main problem on China-Australia relations in this paper. It is the problem of how Australia position itself towards its imperishable ally, USA, and on the other hand, how China foster this relationship in spite of the rejection from some interest groups in Australia that seems allergic to any political-economy maneuver made by China in which the

decision making process involved the legitimacy of Chinese Communist Party (CCP). Australia has been the ally of USA for some reasons, such as the common perception upon how the idea of democracy should be enforced in any sovereign country in the world and for the common interest concerning Global War on Terrorism. Australia-USA relations come in to existence through multilateralism such as Quadrilateral Security Dialogue or known for its nickname as “Quad”, a form of “mini-lateralism” that included USA, Australia, Japan, and India to enhance strategic dialogue concerning security issues. Australia-USA relationship also included The Five Eyes, or “FVEY, an Anglophone intelligence alliance of USA, Australia, Canada, New Zealand, and United Kingdom (UK). Between the options of how to increase the trade relationship with China so that Australia would not be left alone outside the BRI scheme, or to maintain harmony with USA and its allies concerning security issue, Australia has to decide where their national interest should be put at the first place.

Another potential problem, something more serious, but is not the main focus of this writing, is that the threat of “Debt Trap”. China has performed some political-economic maneuver in some countries that left the country with debt that cost disadvantages for the national economic development. Zimbabwe failed to pay its debt worth \$ 40 million to China. At the end of the day, on January 2016, the government decided to change its currency into Renminbi as the pay off. Zimbabwe is not the only country affected by this aggressive political-economic maneuver, but there are also Angola, Nigeria, Pakistan, and Sri Lanka with almost the same story as the one happened in Zimbabwe (Kompas 2018). The Government of Australia, especially The Federal Government of the state should pay more attention on this threat, despite the fact that Australia’s economic is far ahead of these countries. The potential threat is real and can strike any country that is prone to debt. From all the countries mention previously, there is one thing they have in common, which in line with the BRI main focus which is to fund infrastructure that believed to bring economic improvement.

### 1.3. Purpose and Objectives

This paper would highlight the shifting trend that has been going on in China-Australia relations since 1993 up to these days. Objects of the writing are China, Australia, in emphasis on The Belt and Road Initiative implemented by China that affects Australia. The methods used do not include field research. Qualitative Method is used in collecting data from Journals, Books, and websites from January 2019 to February 2019.

### 1.4. Benefits of the Research

The findings in this research can be used to understand the tendency of Australian Foreign Cooperation towards China, especially on the trend shifting made by Australia. The trade behaviour changes in Asia Pacific may also influence its political condition. This paper may help understand the “how”, rather than the “why” of such phenomenon. It can also be used to identify the tendency to whom Australia may cooperate in the Asia Pacific Region.

## 2. Literature Review and Framework of Thinking

The Influence of sea power from Alfred Thayer Mahan (Nohara 2017, 211) is used in analyzing the cooperation between China-Australia on BRI issue. The theory that was spotlighted in 1890 as the theory that already viewed as “classic’, still have inspiring effect up to these days. The famous sentence of theory is such follows: “The great empires of history have been built on control of the seas.” This resonance the importance of one country to own

a strong control of the seas. This simple view from Mahan has driven some of the navy soldiers around the world at that time so that they would improve their sea power to reach the best performance they could achieved. However, the ownership of vast ocean is not enough for a country like China to emerge, it still needs to pay attention on some variables that are called The Elements of Sea Power that includes: Geographical Position, Physical Conformation, Extent of Territory, Number of Population, Character of the People, and Character of the Government (Mahan, 1889, 15). This significant role of control over the ocean may inspire the People’s Liberation Army Navy (PLAN), and any other navy in the world, to put some priority on their Maritime Security.

This geostrategic view gave a simple frame of thinking for us as a resercher in understanding the political behaviour of China. In fact, China’s movement towards certain regional issues in Asia Pacific is somehow uneasy to understand. Political manuever that China made, inter alia increasing their trade with Australia and signing agreement with Australian beraucrats are some of the means of political elements in order to gain China’s interest towards its position in Asia Pacific.

### 3. Result and Discussions

#### Trend Shifting in Australia: From USA to China

In order to show that there is a trend shifting in the orientation of Australian Trade, this table is presented from the government of Australia (Australia Department of Foreign Affairs and Trade/DFAT 2018).

**Table 1. Composition of Trade Australia 2018**

#### Exports: The top ten markets over time

Top ten export markets by decade						
	1993-94		2003-04		2013-14	
	Market	Share (%)	Market	Share (%)	Market	Share (%)
1	Japan	22.7	Japan	15.7	China	32.5
2	United States	8.9	United States	9.5	Japan	15.4
3	Republic of Korea	6.3	China	8.4	Korea	6.8
4	New Zealand	6.2	New Zealand	7.4	United States	5.1
5	United Kingdom	5.6	Republic of Korea	6.6	New Zealand	3.5
6	Singapore	4.8	United Kingdom	6.4	Singapore	3.3
7	Hong Kong (SAR)	4.4	India	3.8	India	3.2
8	Taiwan	4.0	Singapore	3.6	Taiwan	2.5
9	China	3.5	Hong Kong (SAR)	2.9	United Kingdom	2.4
10	Indonesia	3.0	Taiwan	2.9	Malaysia	2.2
	Subtotal	69.4	Subtotal	67.3	Subtotal	76.8
	Memo:		Memo:		Memo:	
	ASEAN	14.1	ASEAN	14.3	ASEAN	11.2
	EU	13.4	EU	12.1	EU	6.6

Source: Department of Foreign Affairs and Trade (DFAT), Released 4 February 2019 (in Tang 2019)

From the table shown based on Australia’s perspective, we can conclude that there was a steady downward trend in the trade activity with USA. This trend, from 9.5% share in 2003 has fallen to 5.1 % in 2013. On the other side, the trade with China from 8.4 % in 2013 to 32.5 % in 2013, showing that the activity has increased. Since 1993 to 2013, there has been

rise in the export to China, which seems to continue up to this moment. The table shows that China is the main export market for Australia. This makes China as the most important country for Australian businessman to trade their service and products. However, we can not say that USA is no longer Australia's best ally. In 2013-2014, USA still recorded as the 4th largest export market for Australia. USA is above the Australia's neighbour country, New Zealand. USA recorded 5.1% of the total market share in Australia's export, meanwhile New Zealand only recorded 3.5%. One thing we can highlight is that there is a trend shifting in Australia's export market from USA and Japan from 1993 – 2003, to China as the top export market in the year 2013-2014.

In reading this table, we might connect the trend with current economic and trade condition. China and USA is declaring trade war by increasing tariff on some goods. Meanwhile, Australia's export to China is increasing recently, so what ever the political-economy maneuver taken by China must have influenced the trade relationship between these two countries. Based on the table, we can say that Australia would likely to cooperate with China rather than to USA. Moreover, the iron ore Australia produced was consumed by China with its large market that need large amount of metal and iron material for its construction across the globe. We can not jump into conclusion by saying that Australia is part of the ambitious project called BRI. However, Australia can not reject the fact that China needs more iron ore than ever before to implement its vision towards Maritime Silk Road and Silk Road Economic Belt that requires China building infrastructure in Pakistan, Zimbabwe, and other 60 countries that have signed the cooperation concerning Silk Road and Belt.

In connecting the phenomena with *The Influence of Seapower*, this writing is trying to establish an argument that China is trying to build Soft Power by using trade and other related instruments, instead of using arms race as a Hard Power. This argument based on the aggressive cooperation that has been made by this country for the last decades. Eventough the announcement of the modern Silk Road was stated in 2013, the maneuver has long been implemented. Not to mention the offering made by The Government of China to The Government of Pakistan in 2001 on The Gwadar Project. In 2018, the Highway and Railway that cross the area has already became \$ 62 billion project. This is one of the most astonishing project in which the Gross Domestic Product (GDP) of Pakistan has been raised from 2010 to 2016. It seems that China realizes that military repression and annexation is no longer relevant to gain trust from other country. The success of China in Gwadar has given China the opportunity to spread the message that by cooperating with China, even an underdeveloped country can gain benefit that increase its economic growth. China would like to be recognized as the new Maritime Power that possessed The Control over the sea, not by its navy, but by its ability to boost economic growth. The great history of China has been built on control of the seas recently. China today is trying to control anything in their length as long as it is beneficial and potentially contribute to the implementation of BRI.

China is quite often thought of as a continental power instead of Maritime Power for some reasons. First, because China's Mainland is very vast that makes it vulnerable to be taken by other country, so the military effort is very needed to cover the vast area of land. Second, because controlling the sea as not as easy as controlling land. For instance, Somalian Pirrate is more challenging to eradicate than the other criminal activity done in the continental area with limited movement and logistics. For China, to control the ocean by Hard Power is almost impossible rather than it might be done by USA, as the owner of the Super-Hard Power in the ocean. Eventough Admiral Zheng He (or "Laksamana Cheng Ho" in Indonesia) was very famous for its "treasure fleets" on some expeditions sailing South China Sea and the Indian Ocean, China is no longer recognized by the Global Player in the world as the country that put ocean as its main priority. This BRI is trying to prove that China has now put the ocean matter one way forward. In recent days, China is in need of trading with countries by

using its leverage in the participation on World Trade Organization (WTO), Chinese trade with other countries has risen exceeding its national economic activity, for around 60-70 % affecting its domestic economy (Dean Cheng 2019). It is said that for China, it is almost impossible that China could sustain its economy without trading with other countries. Therefore, China would likely to strengthen its trade relations with Australia and might as well reject USA as their trading partner by increasing tariff as a respond to USA's aggressive maneuver in the recent trade war.

After China succeeded in identifying its desperate need in trade with other countries, and its eagerness in showing the world that accessibility of the Ocean and Road is their main concern, China then seek the Maritime Security in a more secure way. China tried to make sure that the economic plan that has been made will run smoothly along with around 60 countries that have signed the agreement. The only way of protecting this valuable asset is by military means. China can not wait until United Nations (UN) or WTO discussing the Somalian Piracy in Indian Ocean while waiting for their people and assets being robbed. By posting military force in some of the strategic location, it can create a safe atmosphere that may foster business acceleration. So again, China realized its weakness and would not to compete head-to-head with USA on naval arms race, but they still consider military means is undoubtedly advantageous. So how can China accelerate the BRI project and the military strength as well. The answer lies in the so called "The String of Pearls". There is a prediction that China is securing the route by building naval base along the BRI. However, this prediction takes more years to be implemented because the variables are not yet to be implemented. The effort to transform the other 60 countries that have signed the contract to be "bankable" is crystal clear. The demonstration of China's naval revival in Asia Pacific is one of the instrument in convincing its allies that it is safe for them to do business with China. As if China would say that it is "bankable" enough for China to hold such huge mandate that would be given by 60 countries after China took the lead in shaping the Global Economic Chain in the future, through the implementation of BRI as a whole. The military force China has showed in Asia Pacific is part of making the idea of BRI to be more rationale.

The choice for China to build strong maritime force is contested with the fact that China has other priority, such as infrastructure development and financing some countries as a part of their strategic political-economy maneuver. Unlike USA that has been dealing with Maritime Security for centuries, China is more likely to face difficulties in managing their needs and assets. Responding to this condition, China then, has reduced the number of larger combatants in its navy, choosing instead platforms with much greater individual capabilities (Dean Cheng 2019). This is very important because they try to focus on person, rather than to the equipment which is expensive and risky. The Type-052C *Luyang-II* destroyer, for example, is equipped with a phased-array radar for its HQ-9 surface-to-air missile (SAM) system. The HQ-9 is pretty much trusted to be comparably as same as the early-model Patriot missiles with its ability to combat most air-breathing systems. Similarly, the Type 054A *Jiangkai-II* frigate is equipped with the HQ-16 SAM system, which is much more effective than previous Chinese naval air defense systems. Eventhough these new ships are not replacing the previous Chinese surface combatants on a one-for-one basis, the overall capability of Chinese Naval (PLAN) surface force is improving in a significant way. To make the long story short, we can conclude that there is significant improvement in China's Naval Armed Forces.

### **The Legallized Trend Shifting**

As we elaborated the Trend Shifting in Australia-China relations, some bureacrats in each country apprently work so hard in order to legallized this "backstreet" relationship. On

October 8, 2018 The Victorian Government has released an agreement it signed with China over its controversial global infrastructure initiative. (abc.net.au 2018) However, The Victorian Government says the agreement does not bind both parties to be involved in any specific project. The four-page Memorandum of Understanding (MoU), stated that the two parties will “work together within the Belt and Road Initiative”. “Based on existing cooperation, the Parties will enhance policy cooperation, facilities connectivity, unimpeded trade, financial cooperation, people-to-people bond, and promote Digital Silk Road Cooperation”, it stated. It stated that China and Victoria will encourage “businesses, organizations, and relevant agencies” on both sides to “play facilitating roles and foster long-term stable, sustainable partnerships” and “create an enabling, growth-friendly policy environment for investment cooperation between the businesses on both sides”. The executive director of the Australian Strategic Policy Institute, Peter Jennings, responded to this agreement as follows:

*“I think it was extremely unwise for the Victorians to do this, because they're really involving themselves in areas that constitutionally are the responsibility of the Federal Government,”*  
*“The (Federal) Government’s view is that they will look case-by-case on specific investment proposals, but no blanket support, and China knows that, so to go to the Victorians which really don't have the authority to make binding commitments on behalf of the Commonwealth in foreign affairs, I think is really a form of interference in Australian domestic politics on the part of the Chinese.”*

There are 2 (two) important thing we can analyze from the MoU. Before we do that, first we must understand the rule concerning MoU and other agreement between two organization or government institution in different countries. I earned this knowledge and experience from my several years of career working in Bureau for Cooperation that handle International Agreement and Cooperation in one of the largest Research Institution in Indonesia. The rule is simple, it is said that when you analyzing the agreement “You have to read between the lines”. It means that you have to use your competence in combining imagination, intuition, sensitivity, and rationale in order to guess what would the MoU be implemented when it comes to the field. What is stated in the document is not wrong, but it may not be implemented and *vice versa*. Some points of the MoU may be multi-interpreted and this might cause different point of view in understanding the text.

First, the title of The MoU is as follow: “The Silk Road Economic Belt and The 21st Century Maritime Silk Road Initiative.” The title emphasize the World Silk Road Economic Belt in order to show the world that Australia (or in this case is the government of Victoria) is on the same boat as China in implementing the ambitious project initiated by China. This title is so important to hedge other issues and to make the cooperation is not overlapping or neglecting other agreement that may had been made before between each parties. The emphasize tone on “21st Century” is also important to be stated because this shows the ambition of China in shaping the future. The Government of China through The National Development and Reform Commission (NDRC) is trying to say that this BRI project is not a short term project. This project may be implemented in years to come, but the benefit will and should affects this century (approximately 100 years). It seems that China would like to emphasize that the benefit of this project might only be seen clearly, and can only be evaluated in around 50-100 years from now. We may not evaluate or criticized the project in just a few years ahead, but advantage that comes within will echo for more than a century.

Secondly, I would like to highlight the process of the signing of the agreement. China understands that The Federal Government of Australia would never sign such agreement because its dilemma with the relationship with USA as it is mentioned in the previous part that

explain the difficult positioning of Australia between Australia and other multilateralism, such as FVEY and The Quad. Therefore, China targeted smaller institution that is strategic enough to deal with. This maneuver is not wrong, but is not the most well-mannered-way of building harmonious bilateral cooperation. China then targeted Victoria as the representation of Australia to sign and to legalised the cooperation concerning specific issue, which is BRI.

#### **4. Conclusion and Recommendation**

We have come to conclusion that there is a Trend Shifting from Australia-USA cooperation to Australia-China trade cooperation. The evidence is clear enough to argue that the shifting has begun to be maintained and protected by a legal and legitimate agreement. China has shown its capabilities to challenge any other nations that would play dominant role in the Indian Ocean and the Asia Paific. The control of the sea is now being organized by China and its allies. Australia, at least currently, is not in the map of The Silk Road and Economic Belt that drawn by China, but the future is unpredictable. The signing of the MoU between Victoria and NDRC has remarked the whole new begining of a relationship. The recommendation for further research would likely be heading towards the implementation of the MoU and the response from The Quad and FVEY. Would The Federal Agreement and the Commonwealth legalize BRI project by prevailing Umbrella Agreement, or on the other hand, for the Government of Victoria (and other regions that may follow), that is brave enough to sign the controversial agreement, would they be facing the fact that The Stick be more emphasized rather than The Carrot?

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