

The Role of Competitive Intelligence In Shaping Australia's Defence Strategy To Mitigate China's Influence In The Indo-Pacific Region

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ABSTRACT

China's significant economic development and military modernization in the last few decades has resulted in a change in the global geopolitical situation in the Indo Pacific Region. China is increasingly aggressive in spreading its influence and one of the steps taken by China is the Belt and Road Initiative (BRI) project. In carrying out BRI through maritime routes, China has made the South China Sea the main route. On the basis of the Nine-Dashed Line, China is aggressively asserting its control claims in the South China Sea. This made the situation in the South China Sea heat up due to protests from several countries. As one of the countries in the Indo Pacific Region, Australia, by using a competitive intelligence mechanism, views what China has done as a threat to its national security, as written in the National Defense: Defense Strategic Review 2023 report. Therefore, Australia must create a defense strategy to mitigate this threat. The author conducted this research using qualitative methods by collecting data from observation, document study, and literature study. This study aims to determine the role of competitive intelligence in the framework of forming a defense strategy carried out by Australia as a mitigation measure against China's defense advances and China's influence spread in the Indo Pacific Region.

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Introduction

The Indo-Pacific region currently plays an important role in global geopolitics. What is meant by the Indo Pacific region is an area that covers the Indian Ocean to the Pacific Ocean, Mainland Asian Continent, Australian Continent, Southeast Asia and developed countries such as South Korea, Japan, Australia, India, the United States and Canada. This region is recorded as the fastest growing region in the world covering 60 percent of the world economy or two-thirds of the total world economic growth in the last five years (USembassy.gov, 2020).

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China as one of the countries in the Indo Pacific region has played a dominant role in the region in recent years. After the end of the Cold War between the United States and Russia, China emerged as one of the fast-growing countries and became one of the world's economic powers and military powers in the 21st century. China has ambitions to become a stronger nation economically, politically, and militarily by expanding its influence in the world. This is done by China to become a global leader and take over the role previously played by the United States. China's political changes under Xi Jinping's leadership and the strengthening of the Chinese Communist Party emphasize the importance of maintaining China's security and stability and abroad.

One of China's efforts to spread its influence in the world is by carrying out an ambitious project called the *Belt and Road Initiative (BRI)*. The project, currently known as the "*One Belt One Road*" project, is a connectivity project for infrastructure development and transportation routes both land and sea that connects China with Asia, Europe and Africa. China is making the project to revive the glory of the *Silk Road* in the 21st century by involving massive investment and infrastructure development in 152 countries in Asia, Europe, the Middle East, Africa and Latin America (Widowati, 2020).

In carrying out the *Belt and Road Initiative (BRI)* through maritime routes, China has made the South China Sea the only way through the Strait of Malacca into the Indian Ocean and reaching Middle Eastern and African countries before reaching Europe. The South China Sea is a peripheral sea part of the Pacific Ocean. These waters are an area that has many advantages so it is not wrong if contested by several countries such as China, Taiwan, Vietnam, the Philippines, Malaysia, and Brunei Darussalam. From a strategic aspect, the South China Sea is the fastest route from the Pacific Ocean to the Indian Ocean connecting East Asia with West Asia, Europe, and Africa. In addition to strategic aspects, the South China Sea also holds various kinds of economic potential, namely natural resources and abundant marine products worth trillions of dollars.

Currently, the South China Sea is a strategic issue due to China's unilateral claim that 80 to 90 percent of the South China Sea is under its control. China's claim is based on ancient Chinese history where the territory belonged to China from the time of the Han Dynasty which ruled in the 2nd century BC to the Qing Dynasty in the 13th century BC. This historical aspect eventually led China to produce a map of the South China Sea in 1947 with the "nine-dashed line" or known as the "*Nine-Dashed Line*" (CNN Indonesia, n.d.). *The Nine-Dashed Line* is a boundary line drawn by the Chinese government around the South China Sea and parts of the East China Sea to indicate claims to maritime areas and islands in the region. The *Nine-Dashed Line* cuts through waters claimed by several countries in Southeast Asia, such as the Philippines, Vietnam, Malaysia and Brunei Darussalam, which claim the same maritime territory. China's claim to territory via the *Nine-Dashed Line* drew strong protests from affected countries and sparked tensions and disputes in the region. What's more, China is building a number of artificial islands around the Spratly Islands in the South China Sea, which are contested and claimed by several countries including the Philippines. China even built a military base on the island, precisely on Mischief Reef.

Barry Buzan explained that there are five categories of threats to national security, namely military, political, social, economic, and environmental threats (Buzan, 1983). China's dominance in the Indo-Pacific region through both economic and military power as in the South China Sea has received various responses from countries in the region. This is because China's efforts are a threat to the national security of several countries in

the Indo-Pacific region including Australia in it, although the threat is not a direct threat militarily.

As one of the countries responding to China's power of influence and dominance in the Indo-Pacific region as it did in the South China Sea where China is increasingly aggressively defending claims to the South China Sea, Australia through competitive intelligence made a defense strategy to mitigate this to maintain the stability of its national security by issuing the "*Defence Strategic Review 2023*". It is therefore interesting to discuss the role of competitive intelligence in shaping the defence strategy taken by Australia as a response in mitigating China's defence progress and China's influence spread in the Indo Pacific Region.

Research Methods

The measurement method that I will use in this research approach is qualitative method. Qualitative research methods are research that connects relationships between variables, phenomena and others using qualitative data (Hanita, 2020). The qualitative method in data analysis does not use statistical analysis but narrative (Yusuf, 2014). Qualitative methods will be used to determine the role of competitive intelligence in shaping defense strategies carried out by Australia in an effort to mitigate China's increasingly aggressive influence in the Indo Pacific region.

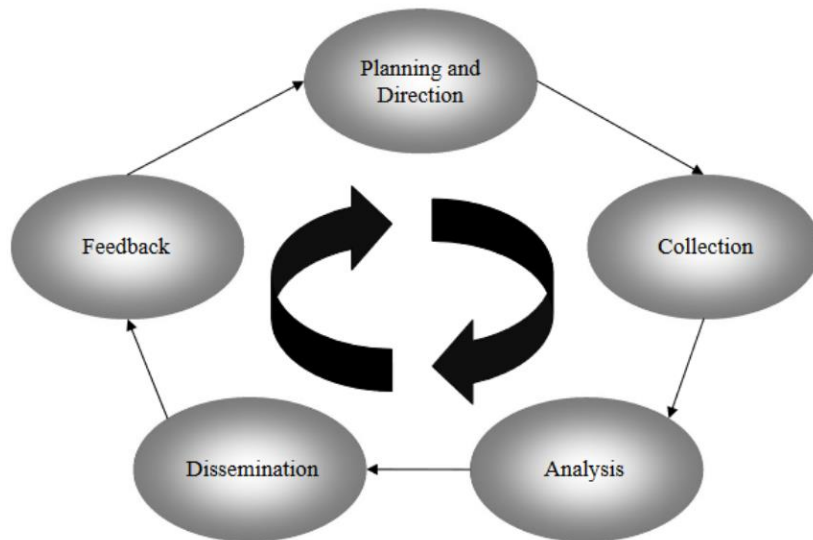
Results and Discussions

A. The role of competitive intelligence in defense strategy

Not only plays an important role in the company, competitive intelligence also has an important role for the state in shaping the country's defense. Moreover, if competitive intelligence is used in a war, it is very necessary in terms of finding information about the strengths and weaknesses of the enemy, besides that the data and information obtained are also very useful for decision makers in making strategies to win the war. Effective competitive intelligence according to the *Society of Competitive Intelligence Professionals (SCIP)* is run in a continuous cycle called the Competitive Intelligence Cycle (Bose, 2008).

The Competitive Intelligence cycle describes a process from the time raw information is received, then collected, evaluated, analyzed and becomes an intelligence product that is ready for decision makers to use to make decisions. Clearly the stages of the Competitive Intelligence Cycle can be explained with pictures and explanations as follows:

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Planning and Direction

The first stage is planning and direction. This stage is carried out interactively and involves between Competitive Intelligence analysts and decision makers. This stage aims to find what kind of intelligence needs are needed, why they are needed and when they are implemented. Furthermore, the planning is included in KIT (*Key Intelligence Topics*) (Krizan, 1999). *KIT* is a very important topic for senior organizational executives or decision makers by providing the objectives and direction of Competitive Intelligence operations.

Collection

The second stage is to collect all data or potential sources of information from all available sources and enter them into a database / *data base* for further research.

Analysis

The third stage is to analyze relevant data, information and knowledge by identifying patterns, relationships, or anomalies in it so that intelligence products generated from analysis can be followed up by decision makers to determine attitudes, decisions or strategies that will be carried out for victory.

Dissemination

The fourth stage, the products of Competitive Intelligence, are reported and communicated to decision makers in an easy-to-understand format (Prescott & Miller, 2001). Reports are often submitted in the form of reports, dashboards, or direct meetings to get input from decision makers for further analysis in relation to competitor profiles, scenario planning and scenario analysis.

Feedback

The fifth stage is to evaluate the impact of intelligence that has been decided by decision makers. Evaluation plays an important role because the results of the evaluation carried out can be material for making improvements in the information process needed in the future when the Competitive Intelligence process resumes from the beginning.

In an effort to create a strong national defense, competitive intelligence is needed to determine the strengths and weaknesses of other countries' defenses in order to determine qualified and targeted defense strategies. Things that need to be considered in designing Competitive Intelligence to create a strong defense include:

Collection

Information gathering is a very important basic component in Competitive Intelligence. Before collecting information, very careful planning must be carried out so that information collection can run effectively, efficiently, as needed and expected. In addition, this step is intended so that the information obtained gets a valid and reliable category. The information collected can use various methods and from various sources such as informants, letters or documents, the internet, social media, and others. Quality and relevant information will determine the results of the Competitive Intelligence produced.

Analysis

After the information is obtained, the next important stage is the analysis process. Analysts will analyze raw data and information by identifying patterns, relationships, or anomalies in it to be used as superior intelligence products and can be used by stakeholders in making decisions and strategies used for victory. There are four basic forms of analysis that can be used by analysts, namely deduction analysis, induction, pattern recognition and trend analysis (Bose, 2008). In addition to these basic forms of analysis, there are several analytical strategy techniques that can be used by analysts, including *strategic group analysis*, *SWOT analysis*, *value chain analysis* and industry analysis based on Michael Porter's five forces model. Meanwhile, there are two ways to conduct analysis methods, namely by doing attachment nets and *clustering / grouping*. The attachment net method uses a way to identify relationships or relationships between small and separate information to be used as a complete and complete picture of information. While the *clustering / grouping* method is using a way to group the information obtained. The grouping can be in the form of similar information groups, information groups that have relationships and need further testing.

With the results of valid, mature and reliable Competitive Intelligence, targeted and effective strategies will make the country's defense strong and resilient in the face of all threats, disturbances, obstacles and challenges.

B. The importance of the Indo-Pacific region to Australia

The Indo-Pacific region plays an important role in global geopolitics today. The Indo Pacific region covers the Indian Ocean to the Pacific Ocean, Mainland Asia, Australia, Southeast Asia and developed countries such as South Korea, Japan, Australia, India, the United States and Canada. Because in this region there are various advantages both in terms of natural wealth and the potential for significant economic projections, it is not wrong if a country that has great powers such as the United States and its allies play a role in this region. This makes countries make foreign policies and strategies to maintain open relations and freedom of navigation without causing regional or international conflicts. For example, the United States through *the Free and Open Indo-Pacific*, Indonesia with *the ASEAN Indo-Pacific Outlook*, or Australia with *the Foreign Policy White Paper* which also discusses the Indo Pacific Region.

In 2017, the Australian Government published a *Foreign Policy White Paper* which outlines Australia's foreign policy and is prepared taking into account the opinions and advice of the Prime Minister, state and territory government officials, the people, and organisations directly involved in public consultation in foreign policy making. In the report, it is explained that the Indo Pacific Region has advantages and advantages in Australia's international relations for its national interests by opening bilateral and multilateral cooperation with various countries in the Indo Pacific Region such as India, Indonesia, Japan, and others.

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The report also discusses how Australia's approach, strategy and diplomacy should respond to China's increasing influence in the Indo-Pacific region. Here are some of the points in the report related to the security and sovereignty of the country:

1. Creating an open, inclusive and prosperous Indo-Pacific region with respect for all rights shared by every country,
2. Oppose the concept of protectionism and provide more business opportunities for Australia,
3. Ensure the security and freedom of the Australian people while protecting against threats such as terrorism,
4. Promote international laws and regulations that support and ensure stability and prosperity and enable the establishment of cooperation between countries to face global challenges,
5. Increase support for the creation of an open and sovereign Indo-Pacific and Timor-Leste region.

C. The role of competitive intelligence in shaping Australia's defence strategy

As a result of data collection and analysis conducted through competitive intelligence mechanisms, it is concluded that it is possible that China's rapid economic development and military modernization in recent decades will make China the most powerful country in the future, surpassing the United States. China is predicted to become an influential country in international and global political contestation. In fact, according to Australia's strategic review, competition between the United States and China could lead the Pacific region towards "potential conflict". Following these conditions, Australia increased its defense spending to 2.4% of GDP by the mid-2030s. The number increased higher than current expectations of 2.1%.

In the *National Defence: Defence Strategic Review 2023 report*, Australia conveyed several important points such as:

1. The United States, Australia's alliance partner, has emerged as a unipolar leader since the end of the Post-Cold War Era or after the collapse of the Soviet Union. But now it is considered no longer the unipolar leader of the Indo Pacific due to competition between China and the United States in the Indo Pacific region. This has the potential to threaten Australia's interests including the potential for conflict to occur,
2. China's military build-up is the largest and most ambitious of any country since the end of World War Two. Coupled with the increasing capabilities of the Chinese People's Liberation Army (PLA). The military development also coincides with China's significant economic development in the Indo Pacific Region,
3. China's assertion of sovereignty over the South China Sea threatens the global rules-based order in the Indo-Pacific region and harms Australia's national interests.
4. The importance of enhancing alliances with Australia's key strategic partner, the United States, to achieve balance and stability in the Indo-Pacific region.

In order to deal with geopolitical developments that increasingly taper competition between the United States and China in the Indo Pacific Region, as well as threats to Australia's national security, as a follow-up to the results of competitive intelligence, Australia has implemented various strategies as mitigation efforts. The strategy is based on the results of competitive intelligence as an effort to strengthen Australia's national security and ensure readiness for future challenges. The *National Defence: Defence Strategic Review 2023* said the implementation of the report would make Australia "more independent, better prepared and safer in the years ahead". There are at least 6 (six) priority areas for immediate action listed in the report, including:

1. Development of nuclear-powered submarine capabilities in partnership with AUKUS
AUKUS is a military alliance between the United States, the United Kingdom and Australia that was established on September 15, 2021 as a form of stemming China's influence in the Indo Pacific Region. AUKUS in this case the United States and the United Kingdom will help Australia to develop and provide nuclear-powered submarines for the Royal Australian Navy to be built in Adelaide (Prakoso, 2024). Currently, Australia has strengthened its military by agreeing to purchase 5 (five) units of nuclear submarines from the United States (Arbar, 2020).
2. Development of *the ADF's (Australian Defence Force)* capability to strike targets precisely at long-range targets and produce munitions in Australia
As a result of this point, Australia purchased 200 Tomahawk cruise missiles from the United States (CNN Indonesia, 2024).
3. Increase the ADF's ability to operate from Australia's northern bases
The ADF considers northern Australia to be of strategic importance, both for national defence and forward bases for regional engagement, so it needs to increase its capability to use new defence equipment based and operating around northern Australia (Aph.gov.au, 2020). By 2024, Australia plans to double its naval combat ship fleet for the next decade by A\$11.1 billion from 11 combat-ready warships to 26 and an additional 25 smaller warships to support maritime security operations (Dw.com, 2020).
4. Increase capacity by accelerating the integration of new technologies into the military as part of a close partnership with Australian industry
The Australian Government is emphasising investment in research and development, manufacturing and supply chains to increase domestically produced renewable domestic production.
5. Retention and recruitment of skilled defense workforce
The Australian Government is working to recruit and train more Australians willing to work in defence and related industries.
6. Deepen diplomatic and defence partnerships with enhanced strategic cooperation between Australia and key partners in the Indo-Pacific
One implementation of the above points is that Australia has established Papua New Guinea's defense cooperation in countering and countering China's influence in the Indo Pacific Region (Voaindonesia.com, 2020).

Conclusion

Competitive intelligence has an important role in terms of analyzing the strengths and weaknesses of countries around the world, one of which is in the field of national defense. As one of the countries in the Indo Pacific region, Australia views the rapid economic development and modernization of China's military in recent decades, especially in the Indo Pacific region, making China a country that is predicted to be a country that has great influence in international and global political contestation. In mitigating China's growing influence in the Indo-Pacific region, Australia is developing a defense strategy as stated in the National Defence: Defence Strategic Review 2023. The defense strategies include building nuclear-powered ship capabilities through partnerships with AUKUS, developing long-range cruise missiles, enhancing ADF capabilities, increasing the integration of new technologies into the military, retention and recruitment of skilled defense workers, and deepening diplomatic and defense

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partnerships with key partners in the Indo Pacific. It is hoped that the implementation of the defense strategy can create balance and stability in the Indo Pacific region.

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