

## The Governance Gap: Is Power Growing Faster than Institutions?

Nazmul Islam Mahmud<sup>1</sup>



### Introduction

The world order is experiencing a crisis of timing. In the third decade of the 21st century, the military, economic, and technological power are expanding with greater speed than the institutions that manage them. This Governance Gap is in force when rules, laws, and diplomatic systems are left behind in lagging behind the speed and scale of human impact.<sup>2</sup> The case of the Indo-Pacific is the most vivid and dangerous one. Amid the U.S.-China competition, the region has become a testbed for the no-holds-barred competition. And gains

---

<sup>1</sup> Nazmul Islam Mahmud is working as a Research Assistant at the Bangladesh Institute of Peace and Security Studies (BIPSS). He is an International Relations graduate from Bangladesh University of Professionals (BUP). His research interest revolves around in the critical and interpretive aspects of the political discourses focusing on state security and sovereignty.

<sup>2</sup> Amitav Acharya, *Rethinking Power; Institutions and Ideas in World Politics*, 0 ed. (Routledge, 2014), <https://doi.org/10.4324/9781315885346>.

are usually acquired ahead of the slow, thorough processes of international law and multilateral diplomacy.

So, this article examines how the sudden growth in power in the Indo-Pacific breaks apart regional structures, calls into question the maritime norms, and redefines national sovereignty.

### **The Nature of the Gap**

There is now a temporal dissonance in the Indo-Pacific. On the one side are power changes that are rapid: military upgrades that alter the balance within the region within the span of years, digital platforms that alter the social discourse within the space of months, and economic strategies to weaponize supply chains within the span of weeks. On the other side are governance, law, and diplomatic arrangements that have evolved through consensus, debate, and review.

In the region, it is not just a matter of policy; rather, the gap is structural in nature. Technology and strategy run exponentially and institutions linearly. When any major power can bring a new hypersonic weapon or AI into its maritime militia, it redefines reality long before discussion and creation forums such as the ASEAN Regional Forum can even attempt to do so.<sup>3</sup> This leaves a vacuum of legitimacy in which the rules of the road are determined by those who can most quickly do these things, not by collective agreements.

### **From Pan-Regionalism to Minilateralism**

The most visible outcome of the Governance Gap is the decline of multilateralism as large-scale leadership and the rise of strategic minilateralism. For decades, the Indo-Pacific has relied on having inclusive, consensus-based groupings like ASEAN in order to maintain stability through dialogue.<sup>4</sup> The rise in US-China rivalry has laid bare deep cracks in this model.

### *The Decline of the Centrality of ASEAN*

Despite the advocacy of regional leaders who talk of ASEAN Centrality, the reality is one of gradual marginalization. ASEAN's commitment to non-interference and consensus, which once made it an arena in which conflict could be avoided, became a source of institutional exhaustion.<sup>5</sup> The organization finds it difficult to push through hard responses to the South

---

<sup>3</sup> Mely Caballero-Anthony, "The ASEAN Way and the Changing Security Environment: Navigating Challenges to Informality and Centrality," *International Politics (Hague, Netherlands)*, June 11, 2022, 1–21, <https://doi.org/10.1057/s41311-022-00400-0>.

<sup>4</sup> Caballero-Anthony, "The ASEAN Way and the Changing Security Environment."

<sup>5</sup> Kai He and Huiyun Feng, "The Institutionalization of the Indo-Pacific: Problems and Prospects," *International Affairs* 96, no. 1 (2020): 149–68, <https://doi.org/10.1093/ia/iiz194>.

China Sea disputes or the long-running crisis in Myanmar. These forums have become talk shops incapable of making difficult security decisions demanded in a high-velocity strategic environment. The resulting institutional lag contributes to the fragmentation, where outside arrangements are taking over arrangements at the regional level at the expense of the autonomy of smaller states.

### *The Growing Coalitions of the Willing*

Facing the slowness of broad multilateralism, the U.S. and its partners have turned to smaller and goal-oriented groups, called minilaterals. The Quad countries (U.S., Japan, India, Australia) and AUKUS (U.S., U.K., Australia) are examples of this change. These groups have several advantages in a post-institutional world. Small groups are more flexible and efficient in coordinating and integrating technology than large bureaucracies. Unlike the problem-solving paradigm, minilaterals focus narrowly on a particular area, such as undersea warfare, semiconductor supply chains, or infrastructure standards.<sup>6</sup> They unite in thinking that states have concerns over China's assertiveness.

However, the minilateral trend also increases regional disorder. It creates a noodle bowl of overlapping architectures with conflicting mandates upon the middle powers, such as Indonesia or Vietnam, which must dance in a complicated game with various types of competing loyalties.

## **Maritime Governance & the Grey Zone Challenge**

The maritime domain is the first area of the Governance Gap. The distance between the 1982 UN Convention on the Law of the Sea (UNCLOS) and the modern form of coercion is becoming more and more dangerous.

Revisionist powers have perfected grey zone warfare, which is coercive actions that remain below the threshold of open conflict but redefine the rules of the territory.<sup>7</sup> A major mechanism is the lawfare: that is, the use of strategic legal interpretations to sanction aggression or delegitimize the claims of the rivals.

In the South China Sea, the People's Armed Forces Maritime Militia (PAFMM), or paramilitaries pretending to be civilian fishing vessels, is working to perfect the practice of

---

<sup>6</sup> Sachin Tiwari, "Emerging Technologies and Geopolitical Challenges in the Indo-Pacific," in *Indo-Pacific Strategic Churn: Challenges & State Responses*, ed. Chintamani Mahapatra (Springer Nature, 2025), [https://doi.org/10.1007/978-981-96-5245-7\\_12](https://doi.org/10.1007/978-981-96-5245-7_12).

<sup>7</sup> Andrew S. Erickson, *Maritime Gray Zone Operations: Challenges and Countermeasures in the Indo-Pacific*, 1st ed. (Routledge, 2022), <https://doi.org/10.4324/9781003310723>.

power in the offenses of international law's voids. By blurring the lines between civilian and military actors, these actors paralyze the decision-making of target states. Traditional naval doctrines, therefore, tend to be caught in a deterrence trap, between futile diplomatic protest and excessive lethal force.

The FCC determines which technologies to send to market and mandates that internet providers use only the speeds the FCC deems EVENT.<sup>8</sup> The Governance Gap extends deeper, to underwater submarine communication cables, which carry 99% of the data traffic between continents.<sup>9</sup> These cables are the nervous system of the global digital economy, but poorly regulated and highly under-secured. Most flag states have not criminalized cable destruction outside their territorial waters. As a result, 1.5million kilometers of critical infrastructure are exposed to sabotage or espionage.

US - China competition is fragmenting the landscape. The US closes Chinese technology, and the Chinese increase their market share with HMN Technologies. New threats: GNSS jamming, spoofing, and cyber-attacks on landing stations are being added to grey-zone strategies faster than regional coordination bodies have been able to develop guidelines for their repair.

## **The Techno-Geopolitical Frontier**

In the Indo-Pacific, technology has shifted from being a neutral element in the process of development to being a key component of foreign policy and national power. The Governance Gap in this sector emerges due to competition between two fundamentally different models of digital order.<sup>10</sup>

China's Digital Authoritarianism utilises the tools of high-tech censorship and mass retrieval of data to serve to entrench state power and social control. This model is being exported through the Digital Silk Road to other autocratic regimes to establish what would be a new type of techno-sovereignty outside the bounds of traditional international norms.<sup>11</sup>

---

<sup>8</sup> Jagannath P. Panda, "China as a Revisionist Power in Indo-Pacific and India's Perception: A Power-Partner Contention," *Journal of Contemporary China* 30, no. 127 (2021): 1–17, <https://doi.org/10.1080/10670564.2020.1766906>; He and Feng, "The Institutionalization of the Indo-Pacific."

<sup>9</sup> Tiwari, "Emerging Technologies and Geopolitical Challenges in the Indo-Pacific."

<sup>10</sup> Wesley Morgan, "Large Ocean States: Pacific Regionalism and Climate Security in a New Era of Geostrategic Competition," *East Asia* 39, no. 1 (2022): 45–62, <https://doi.org/10.1007/s12140-021-09377-8>; Tiwari, "Emerging Technologies and Geopolitical Challenges in the Indo-Pacific."

<sup>11</sup> Glen Fukushima, "The Geopolitics and Economics of Technology in the Indo-Pacific: Security, Prosperity And Values," SSRN Scholarly Paper no. 4388461 (Social Science Research Network, January 20, 2023), <https://doi.org/10.2139/ssrn.4388461>.

India's response is the Digital Public Infrastructure (DPI) model in the form of the India Stack. It is promoted as a democratic, open-source alternative to the Global South, a population-scale inclusion, maintaining digital sovereignty.<sup>12</sup> Even this model has a governance gap. As AI is built into public systems, urgent human-centered governance is required to prevent these soft systems from becoming tools of discrimination and/or surveillance.

### *The Semiconductor War*

The global semiconductor supply chain is brutally restructuring itself under techno-geopolitics. The Chip 4 alliance (US, Japan, South Korea, Taiwan) is a new consensus about how geographically diversified supply chains are a national security imperative. This shift moves faster than traditional trade organizations, such as the WTO, and is moving into a new era of industrial policy and weaponized interdependence.<sup>13</sup>

Vietnam and Japan have been responding to that with landmark legislation in late 2025 and early 2026. Japan amended the Economic Security Promotion Law to support data centres and sea ports; Vietnam passed the Law on Digital Technology Industry. These efforts focus on institutionalizing resilience, but there remains a 20-year disruption that the global economy will face if things go terribly wrong.

### **Domestic Stability, Crisis of Capacity of the State**

The Governance Gap affects the internal stability of the states in the Indo-Pacific region. When the demands made on a state are greater than its institutional ability to fulfill them, the result is institutional decay or political fragmentation.

### *Case Indonesia: Military and Economic Strains*

As of early 2026, in place of their former weaknesses, Indonesia has started a radical military increase under President Prabowo Subianto, which should result in a large 1.2 million strong Force by 2029.<sup>14</sup>

---

<sup>12</sup> Fukushima, "The Geopolitics and Economics of Technology in the Indo-Pacific."

<sup>13</sup> Fukushima, "The Geopolitics and Economics of Technology in the Indo-Pacific"; Michael N. Barnett and Martha Finnemore, "The Politics, Power, and Pathologies of International Organizations," *International Organization* 53, no. 4 (1999): 699–732, <https://doi.org/10.1162/002081899551048>; Michael Barnett and Raymond Duvall, "Power in International Politics," *International Organization* 59, no. 1 (2005): 39–75, <https://doi.org/10.1017/S0020818305050010>.

<sup>14</sup> Fiky Zarya, *Indonesia's Institutional Strategy in RCEP: Analyzing Economic Liberalism and ASEAN Centrality through Neoliberal Institutionalism*, 11, no. 4 (2025); Muhamad Arif et al., "Grey Zone Conflict in the South China Sea: The Challenges for Indonesian Maritime Security Governance," *Contemporary Southeast Asia* 46, no. 3 (2024): 407–34.

Soldiers are also increasingly saddled with non-military duties dealing with poultry farms or food security projects that critics claim have undermined the technical skills required for contemporary warfare.<sup>15</sup> The great increase in manpower alongside a lack of improvement in command structures has led to promotion bottlenecks and a command crisis. A new emphasis on bilateral agreements and personalised diplomacy threatens Indonesia's long-standing commitment to multilateralism centred on the Association of South-East Asian Nations.

### *The Emergence of Private Power*

Transnational technology giants have developed a new kind of private power that has the capacity to overwhelm public authority. In some instances, these behemoths are deputised by states for censorious activities; in others, they put the state in between the state and its citizens, rendering traditional forms of accountability, such as civil disobedience, worthless.<sup>16</sup>

In extremes of institutional decay, states become Empty States: symbolic institutions tend to reside that simply predate legitimacy, and functional power occurs in shadow networks or rather outside actors.<sup>17</sup> This is particularly acute in post-colonial settings where extractive institutions are used to concentrate the benefits of this wealth among a small elite at the expense of any innovation that might be necessary for long-term growth.

### **Climate Change and Existential Sovereignty**

The most threatening embodiment of the Governance Gap is climate security. The Indo-Pacific region they face, particularly the Pacific Island countries, are on the epicenter of the crisis.

The gap is defined as the distance between sound scientific knowledge of the threats posed by climate and a piecemeal architecture of policy and/or program institutions to solve them. Nations such as Palau and Vanuatu take an assertive position of Fire Horse, calling for climate justice, at the International Court of Justice, but otherwise are at the mercy of hard power politics.<sup>18</sup>

Geopolitical rivalry has pushed infrastructure spending to record highs, and aid for education and health has plummeted to a 15-year low. The region faces problems in implementing the

---

<sup>15</sup> Marzena Żakowska and David Last, "International Organizations to Manage Modern War and Grey Zones," in *Modern War and Grey Zones* (Routledge, 2025).

<sup>16</sup> Stewart Clegg, "The State, Power, and Agency: Missing in Action in Institutional Theory?," *Journal of Management Inquiry* 19, no. 1 (2010): 4–13, <https://doi.org/10.1177/1056492609347562>.

<sup>17</sup> Aminah Rafa Laksita Azmi et al., "A WIDE-RANGING EXAMINATION: INDONESIA AND JAPAN'S BILATERAL VACCINE DIPLOMACY THROUGH THE INSTITUTIONALISM THEORY," *Journal of Comprehensive Science (JCS)* 2, no. 7 (2023): 2052, <https://doi.org/10.59188/jcs.v2i7.437>; Clegg, "The State, Power, and Agency."

<sup>18</sup> Mely Caballero-Anthony and Alistair D. B. Cook, "Understanding Climate Security in the Indo-Pacific," *Third World Quarterly* 45, no. 14 (2024): 2039–46, <https://doi.org/10.1080/01436597.2024.2428813>.

Pacific Regional Framework on Climate Mobility, which is a culturally-tuned response to displacement.<sup>19</sup> Climate change is a risk multiplier to fit the illustration of water scarcity and food insecurity, as it runs the risk of cross-border flash points in shared river basins.

## **Reclaiming the Balance**

The Governance Gap has instigated a wave of original institutional experiments in 2025 and 2026. Today, it is about agile regulation methods that are iterative, less restrictive, and capable of evolving as rapidly as the problems they target.

A historic milestone was reached when the Framework Convention on Artificial Intelligence and Human Rights, Democracy, and the Rule of Law was approved. This treaty is the first legally binding treaty on the governance of AI. It creates a global baseline for safe deployment, and requires the use of AI sandboxes, controlled environments in which systems can be stress-tested before being released into the public.<sup>20</sup>

Given that no consensus authority can handle a globalized region, there is a tendency towards polycentric governance, which is a network of interlinked bodies that coordinate at various levels. Efforts are being made to harmonize Digital Public Infrastructure (DPI) across ASEAN, and fill the space in between arrangements between the bilateral and multilateral outlooks.<sup>21</sup> Security experts are urging for integrated approaches tackling the multiple stresses of cybersecurity and climate adaptation, and that a failure in one area weakens the other.

## **Conclusion**

The governance gap is not a technical glitch; it is the defining geo-political challenge of institutional collapse. When power increases more quickly than the capacity of institutions, we have cascading fragility, a world where trust will be lost, inequality will be increased, and rules will be determined by brute power rather than consensus.

In the Indo-Pacific, fixing new committees is out to do with restoring balance. It demands getting past compliance theater and enabling entities like the ASEAN Secretariat with the resources and mandates they need to deal with high velocity crisis. Second, converting the hard power possibilities of groups such as AUKUS into stable regional groupings that also

---

<sup>19</sup> Yuzhu Wang, “New Regionalism Reshaping the Future of Globalization,” *China Quarterly of International Strategic Studies* 06, no. 02 (2020): 249–65, <https://doi.org/10.1142/S2377740020500116>.

<sup>20</sup> Michael Haus, *Chapter 4: Governance and Power* (2018), <https://www.elgaronline.com/edcollchap/edcoll/9781785364341/9781785364341.00009.xml>; Shintaro Hamanaka, “Inter-Regionalism in the Global South: Comparison with Extra-, Cross-, Trans-, and Pan-Regionalism,” *Cambridge Review of International Affairs* 36, no. 5 (2023): 697–719, <https://doi.org/10.1080/09557571.2021.1899135>.

<sup>21</sup> Barnett and Duvall, “Power in International Politics”; Barnett and Finnemore, “The Politics, Power, and Pathologies of International Organizations”; Clegg, “The State, Power, and Agency.”

encompass broader normative governance through the Quad and inclusive socialization through the medium of ASEAN. Finally, ensuring that the decision-making is regulated rather than innovative, that opinion and agreement are obtained before innovations and geopolitical changes become irreversible.

History shows that societies stabilize following a period of rapid change, flattening out on their curve. Yet if power continues to spread across the digital, bio-physical, and maritime sectors, then these institutional controls needed to contain that power must spread more quickly. It is only through a commitment to the collaborative and agile style of governance, networks, and collaboration that the Indo-Pacific can be the Free and Open zone of prosperity, not a fractured arena of unbridled competition.