

Overcoming Challenges to Indonesian Foreign Policy towards China¹

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ABSTRACT

Diskursus mengenai Cina telah mengemuka selama beberapa tahun di Indonesia, terutama setelah Indonesia menjalankan kembali hubungan diplomatik dengan Cina yang selama 24 tahun sempat vakum. Secara umum, banyak pihak sepakat bahwa hubungan Indonesia-Cina harus ditingkatkan. Namun, ada permasalahan yang sering muncul terkait bagaimana Indonesia seharusnya menyikapi pertumbuhan Cina di perpolitikan internasional. Tulisan ini menganalisis tantangan yang dihadapi dalam memperkuat hubungan Indonesia-Cina. Dinamika hubungan Indonesia-Cina ditelusuri secara historis untuk memperkuat analisis. Beberapa strategi dipaparkan dalam tulisan ini sebagai proposal dalam memperkuat hubungan kedua negara.

Kata-Kata Kunci: *hubungan Indonesia-Cina, tantangan, strategi.*

The discourse on China has over the years blossomed in Indonesia. Having re-established diplomatic ties in 1990 after over 24 years of freezing, questions have since been asked with regards to how Indonesia should deal with China's growing influence on international politics. In general, most people agree that engagement with China needs to be stepped up. However, as the usual case, the trickiest questions often remain unanswered; what must be done? How can it be done? This paper analyzes the challenges of strengthening contemporary Indonesia-China relations. It must be traced back historically to realize the dynamics of Indonesia-China relations. Following the analyses, there are few strategies which proposed to overcome the challenges of strengthening Indonesia-China relations.

Keywords: *Indonesia-China relations, challenges, strategy.*

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While Indonesia-China relations have grown since 1990, much of this has been attributed to the uncoordinated, exclusive engagement efforts of certain segments within the Indonesian Government and society. Officials carry out solo approaches towards Chinese counterparts, unaware of those conducted by others in the government. At the same time, the private sector is going about its business without sufficient recognition and guidance by the government. As a result, it is not rare that we see duplications in efforts.

China may need Indonesia as much as Indonesia needs China. However, if engagement with China continues to be carried out sparingly and with a lack of coordination, then Indonesia would unlikely be able to increase its overall leverage and ensure that its relations with China benefit the Indonesian people as a whole.

At a time when many countries are cozying up to China and trying to take advantage of China's growing power, Indonesia does not appear to be putting enough effort in strengthening its relations with China. Such a view was even expressed by the Chinese Ambassador to Indonesia during a lunch gathering with Indonesian businessmen in March 2010 (*The Jakarta Post*, March 18, 2010).

On the one hand, Indonesia sees China as a potentially beneficial partner in efforts to strengthen the national economy. On the other hand, China sees a considerable amount of significance in its relations with Indonesia, the largest and most populated country in Southeast Asia, and current Chair of ASEAN.

The rise of China is a fact; it is pure nonsense to even argue in favor of either "containing" China or not engaging it at all. As a leading Southeast Asia nation, Indonesia would do well in demonstrating its leadership in the region through a well-calibrated engagement with China. Yet, if Indonesia's understanding, approach, and effort in nursing this bilateral relationship remain lacking, sooner or later Indonesia would find itself at the short end of the relationship, unable to stand shoulder-to-shoulder with China and its growing power.

Challenges in Strengthening Indonesia-China Relations

Lingering Historical Animositities and Other Pending Issues

Trends seem to indicate that as long as Indonesia and China continue on the path towards greater economic ties, then cooperation in other fields would follow suit. When considering the two countries' historically

tumultuous relations, the way in which cooperation has evolved in the last two decades is in itself an achievement that merits a pat on the back. Nevertheless, a number of issues continue to cause frictions between the two countries. One of these is the continued debacle over the Chinese Embassy's former assets in Indonesia, which had been deserted in 1966 when diplomatic relations were frozen. Now, China is demanding their return and is basing its claims on international laws protecting diplomatic premises. Efforts are at the moment being conducted to find a solution, but its progress has not satisfied either sides.

The Taiwan issue is also a thorn on the side of the two countries' relations. Indonesians have long enjoyed benefits from strong economic and social cooperation with the Taiwanese. As such, while the Indonesian Government does not recognize Taiwan's claimed statehood, there is much interaction happening at the people-to-people level. China, in general, does not have any qualms over Indonesia-Taiwan trade, particularly because China itself conducts similar types of cooperation with Taiwan. However, on some occasions, the Chinese have accused certain segments of the Indonesian Government for allowing their relations with Taiwanese counterparts to be used as a means to raise Taiwan's stature in the international scene.

In addition to the challenges posed by the asset and Taiwan issues, there are also other problems such as disputes over food safety, illegal fishing, and illegal logging. As well, China's territorial claims in the South China Sea (inches away from waters surrounding Indonesia's Natuna Islands) could have spillover effects on Indonesia-China relations. In all of these, certain efforts have been developed to prevent problems from becoming full-blown disputes. However, there remains a potential for these issues to re-surface in the future and hinder efforts at better bilateral relations.

Structural Impediments and Challenges

During the diplomatic freeze which lasted from 1967 to 1990, relations between Indonesia and China were nurtured mostly by the private sector. Of course, the development of unofficial ties needs to be nurtured as they fill in the gaps left unattended by government-to-government cooperation. Nevertheless, efforts by the private sector need to involve a greater government role because sooner or later they will have an impact on how official ties evolve.

It is no secret that China uses its economic diplomacy – carried out both by the private sector and state-owned enterprises – to engage in soft power, spreading China's influence worldwide (Kurlantzick 2006). This should not be a cause for alarm. Neither is this a reason to start being overly careful about ties between Indonesian businesses and China.

However, a closer government attention and guidance would benefit Indonesia as a whole in a way that Indonesian business penetration into the Chinese market could also be used to enhance Indonesia's leverage vis-à-vis China.

At the same time, the government's role in engaging China must be conducted systematically so as to avoid duplications. As each government agency engages China with little appreciation – let alone understanding – of what has been carried out by other related agencies, there is likelihood that many are simply missing the bigger picture. Failures in bureaucratic coordination are not something unique to the Indonesians. Nevertheless, problems of coordination and cohesion can often be embarrassing, especially when compared to how visibly coordinated China's foreign policymaking is towards Indonesia.

Overcoming the Challenges

Ensuring the Strategic Partnership Work

The Joint Declaration on Strategic Partnership signed by the two countries' leaders in 2005 provides a solid framework to develop Indonesia's approach towards China. The document provides a guideline outlining the various fields of cooperation that can be explored. In a sense, built within the Joint Declaration is the "skeleton" of Indonesia-China cooperation to come as well as the ways and means to substantiate the strategic partnership ("the meat") through concrete programs.

To further concretize the strategic partnership, a Plan of Action for the implementation of the Joint Declaration of Strategic Partnership was signed in 2010 between the two countries' Ministers of Foreign Affairs. Such a Plan of Action will allow some form of control on the activities carried out by the many parties involved in Indonesia-China relations. It will also ensure that the Indonesian Government could measure the extent to which its cooperation with China has evolved.

As a blueprint for Indonesia-China relations, the Joint Declaration of Strategic Partnership and its complementing Plan of Action are foundations for a coherent, target-oriented, comprehensive, and cohesive Indonesian foreign policy towards China.

Overcoming Pending Issues

While it is understandably difficult to find solutions to all the pending issues that have caused impediments to greater relations between

Indonesia and China, there needs to be efforts to ensure that these issues are not linked one with another. In other words, matters concerning China's claims over "unreturned assets" should not cause difficulties in developing economic cooperation. As well, although it is common for the Chinese to cause tantrums over what they perceive as "official contacts" between Indonesian and Taiwanese foreign policy actors, this should somehow be kept to a minimum.

One of the ways in which this could be carried out is to have close, regular dialogues and to reach some form of agreement or codes of conduct so that "sensitive issues" do not flare up. The Joint Declaration of Strategic Partnership actually outlines numerous mechanisms for dialogue and discussion. Each technical sector such as trade, tourism, maritime, education and others have their own bilateral discussions to further efforts in promoting cooperation between the two countries.

In Indonesia's perspective, the need to develop a mechanism to deal with pending issues becomes urgent when considering that China is growing in many terms. A China that is strong would unlikely want to bend over backwards on issues which it regards to be its national interest. Trying to pretend that pending issues do not exist would be foolish because sooner or later they will re-surface and cause difficulties for both sides. At the same time, if the two countries truly believe each other's value as a "strategic partner", then serious efforts could be made to ensure that disputing issues are settled peacefully through diplomacy and with the goals of mutual benefit in mind.

Strengthening Structures, Coordination, and Attitudes within the Bureaucracy

The Ministry of Foreign Affairs must act not only as the coordinator, but also spearhead for bilateral Indonesia-China cooperation development. There are now Joint Commission mechanisms at the Senior Officials and Ministerial levels that could generate coordination across the board. The meetings at the Senior Officials' level have been carried out bi-annually on schedule. However, the Joint Commission on Bilateral Cooperation at the Ministerial level (JCBC) was last conducted in 2000 and has since never been repeated.

Another mechanism for coordinating government agencies in Indonesia is the Joint Commission at the Coordinating Minister/State Councilor level, which in Indonesia's case is lead by the Coordinating Minister for Political and Security Affairs. Efforts could be made to turn this forum into a comprehensive and inclusive dialogue mechanism encompassing all related sectors within the Indonesian bureaucracy. Indonesia has in

the past carried out similar dialogue mechanisms with Timor Leste and Australia; why then could there not be one with China?

Of course, as important as trying to optimize the existence of dialogues between the two countries, there is also a need to strengthen the capabilities of the Ministry of Foreign Affairs in conducting the role of coordinator and initiator of Indonesia's foreign policy towards China. It needs to be reminded that unlike engagement with western countries, efforts to build relations with China will require people who are not only knowledgeable of China, but also understands the intricacies, sensitivities, and other intangible factors governing approaches towards this rising superpower (Leonard 2008, 115-117).

Moreover, the strengthening of the Ministry's capacity should also be complemented by an increase in Indonesia's representation in Mainland China. This could first start with the possible opening of a mission in Shanghai, followed possibly by missions in key places such as Nanning (China's hub for ASEAN-China cooperation) and Xi'an (China's hub for economic growth in the western parts of the country).

These structural changes should also be complemented by changes in attitude among Indonesian Government officials, the diplomats notwithstanding. For decades, the forced disappearance of Chinese culture during the New Order era has resulted in a prevalence of ignorance on China issues. However, China during the Mao period is nothing like it is today. No longer wanting to quarrel along ideological lines with other countries, today's China is as capitalist as Indonesia or even the US. To continue believing that Communist China is nothing but a threat to Indonesia has no place in today's conditions.

Indonesian Government officials (and the rest of the society as a whole) also need to stop underestimating the potential of China and the Chinese. Indeed, to some, China may not be as modern as the West. But the fact is that China is at the moment making significant strides in technological development. For a country that has been capable of indigenously developing its nuclear weapons and sending men to space, China should also be seen as burgeoning center for science and technology.

Indeed, perceptions of fear and underestimation must to be addressed properly. China needs to be seen as a power the same way the US is regarded as a power. China has the capacity to behave belligerently in international relations. But with proper engagement, Indonesia can benefit from its close relations with China the same way it has in the past benefited from close relations with Japan and the US. At the same time, our appreciation of China's growing power should not be accompanied

with a sense of awe which could evolve into feelings of inferiority. Indonesia can engage China on a leveled playing field.

Involving Non-Governmental Actors

Considering that links between Indonesian and Chinese businesses are generally stronger compared to those among officials of the two countries, Indonesian diplomats would do well in developing greater engagement with the business sector. Engagement with actors in the economic sectors would shed light on certain aspects of the bilateral cooperation that often eludes Indonesian diplomats. In turn, knowing the ways and means of dealings and cooperation among businessmen would allow the Government to overcome the sense that Indonesia's relations with China is being dominated by the private sector.

In addition to engagement with the business community, there also needs to be close ties between the Government and the academia. In China, the Ministry of Foreign Affairs pays close attention to the efforts of think tanks such as China Institute for International Studies (CIIS), Chinese People's Institute of Foreign Affairs (CPIFA), China Institutes for Contemporary International Relations (CICIR) and China Academy for Social Sciences (CASS) with a view to enhancing its approach towards relations with the rest of the world. Much can be learned from the Chinese' efforts, as engagement with the academia allows a broader perspective on how bilateral ties and cooperation could be further developed.

Enhancing Indonesia's Position in ASEAN and the World

Among the Southeast Asian countries, there are indications that China's focus is increasingly targeted at ASEAN's largest country, Indonesia. As the only country with which China has a "strategic partnership" cooperation, Indonesia is increasingly being seen as China's reference for developing greater China-ASEAN cooperation. And despite enjoying greater economic relations with other ASEAN countries, Indonesia continues to be of special interest to the Chinese as it tries to solidify its sphere of cooperation in the region (Hui 2008, 37-39).

When considering Indonesia's rich resources and geo-strategic position, the conditions described above further places Indonesia as the country most likely to be regarded as having influence in the region. Following its difficulties during and after the Asian Financial Crisis in 1997, Indonesia has in the past few years resurged to *primo inter pares* status among ASEAN countries. To a certain extent, some observers are indicating the return of Indonesia to a leadership position in the region (Huafei 2009, 24). In this vein, as China strives to link northeast Asia

and the southeast, Indonesia may be required to play a larger role in these affairs.

China's interest in stronger cooperation with Indonesia is also driven by Indonesia's growing status in global politics, particularly in key contemporary issues such as climate change, democracy, human rights, the Third World, as well as global finance and trade. Indonesia is now a member of the G-20, which has gained prominence in recent times to tackle the global economic crisis. At home, its successful domestic political reform has become a source of pride and optimism in the country's interactions abroad. In addition, by continuing to pose economic growth, Indonesia is now in a better position to confidently assert its independent status and active diplomacy in the world.

As well, as Indonesia strengthens its ties with the US with the ascendancy of President Barack Obama, the Chinese will have more reasons to step up its efforts in ensuring that Indonesia remains attentive of its status as China's strategic partner in the region. From Indonesia's perspective, there is a need to develop a dynamic equilibrium in the Asia Pacific by bringing in the US. At the same time, such efforts could also be beneficially used as a leverage to encourage China's greater involvement in regional cooperation and attention towards Indonesia's needs.

Conclusion

In the last three decades, China has evolved from a poor, backward nation into becoming one of the most influential players in international relations. Many countries are looking at this situation with a view to finding angles through which benefits could be gained out of China's rising power. Therefore, to avoid becoming the last passenger on the "China train", Indonesia needs to step up its efforts at engaging the Chinese. China is a multi-faceted power, and as such, Indonesia's engagement will also have to be multi-faceted and carried out by various actors in the government and society.

Herein lies the biggest challenge to Indonesia's China policy: a lack of coordination and cohesion. The reasons are plentiful: the dominance of the business/private sector, sectoral ego among its government agencies, old-fashioned attitudes towards the Chinese, and certain lacking within the Ministry of Foreign Affairs. These are to name a few. Moreover, considering the tumultuous past in Indonesia-China relations, pending issues also cause frequent hiccups in the Government's effort to enhance bilateral cooperation.

Nevertheless, to dwell on these weaknesses would amount to nothing. In fact, some of the tools to revamp Indonesia's China policy – such as the Joint Declaration on Strategic Partnership – are already in existence. Unfortunately, there remains considerable room for improvement in efforts to fully take advantage of these tools. Indeed, certain matters need to be changed in order for there to be some form of reinvigoration in these efforts. Some structural changes would also have to be carried out to smoothen the path towards a more coherent, target-oriented, comprehensive, and cohesive foreign policy towards China.

Yet, what matters most is the desire and commitment of all parties involved, including those in the upper echelons of Indonesia's policymaking institutions. Is Indonesia's national interest being served by closer relations with China? Other countries seem to think that their interests are either being served or are very much related to the fate of this rising power. The statistics and facts seem to concur with this trend. In view of this, it is therefore imperative that Indonesia starts to pay more attention to China and move its foreign policy agents towards taking advantage of relations with the Chinese and their growing international influence.

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