

Canadian  
Forces  
College

Collège  
des  
Forces  
Canadiennes



## THE UNCOMFORTABLE SHOES: UNDERSTANDING INDONESIA'S INFLUENCE IN THE SOUTHEASTERN ASIAN REGION

Maj D. McCulloch

**JCSP 43**

***Exercise Solo Flight***

### **Disclaimer**

Opinions expressed remain those of the author and do not represent Department of National Defence or Canadian Forces policy. This paper may not be used without written permission.

© Her Majesty the Queen in Right of Canada, as represented by the Minister of National Defence, 2017.

**PCEMI 43**

***Exercice Solo Flight***

### **Avertissement**

Les opinions exprimées n'engagent que leurs auteurs et ne reflètent aucunement des politiques du Ministère de la Défense nationale ou des Forces canadiennes. Ce papier ne peut être reproduit sans autorisation écrite.

© Sa Majesté la Reine du Chef du Canada, représentée par le ministre de la Défense nationale, 2017.

EXERCISE *SOLO FLIGHT* – EXERCICE *SOLO FLIGHT*

**THE UNCOMFORTABLE SHOES: UNDERSTANDING INDONESIA'S  
INFLUENCE IN THE SOUTHEASTERN ASIAN REGION**

Maj D. McCulloch

*“This paper was written by a student attending the Canadian Forces College in fulfilment of one of the requirements of the Course of Studies. The paper is a scholastic document, and thus contains facts and opinions, which the author alone considered appropriate and correct for the subject. It does not necessarily reflect the policy or the opinion of any agency, including the Government of Canada and the Canadian Department of National Defence. This paper may not be released, quoted or copied, except with the express permission of the Canadian Department of National Defence.”*

Word Count: 4752

*“La présente étude a été rédigée par un stagiaire du Collège des Forces canadiennes pour satisfaire à l'une des exigences du cours. L'étude est un document qui se rapporte au cours et contient donc des faits et des opinions que seul l'auteur considère appropriés et convenables au sujet. Elle ne reflète pas nécessairement la politique ou l'opinion d'un organisme quelconque, y compris le gouvernement du Canada et le ministère de la Défense nationale du Canada. Il est défendu de diffuser, de citer ou de reproduire cette étude sans la permission expresse du ministère de la Défense nationale.”*

Compte de mots: 4752

*When the paths are so deeply rutted it becomes difficult to get out.*

- Christopher Spearin, Security Studies 2017.

## INTRODUCTION

When you think of Indonesia, you might imagine a tropical destination that sits somewhere in Southeast Asia. A country noted for its surf, food, climate, culture and the occasional human rights problem. However, is there more to the state of Indonesia than affordable holidays for westerners? On the international stage, the exotic archipelago state that forms the southern boundary of the Southeast Asian Region achieves some impressive numbers. For instance, it is the fourth most populous country in the world, and the seventh largest country when combining sea and land.<sup>1</sup> Its 2016 Gross Domestic Product places it sixteenth in the world, and it is the world's largest Muslim-majority country.<sup>2</sup> Critically, Indonesia's geographical location within Southeast Asia is strategically important for both China and the United States. This strategic importance endows Indonesia with a responsibility to engage in the international community. With powerful states pivoting towards Asia does Indonesia need to step from the path it has trodden to become a leading actor in the region?

This paper will demonstrate that Indonesia's road to democracy has created a volatile state character that has restricted Indonesia from becoming a leading actor in the region. In order to support this position, the paper will first explore Indonesia's history since forming a republic. From this foundation, the paper will analyze Indonesia's recent path from autocracy to democracy by focusing on changes to the military institution, political trends, and Indonesia's foreign policy. Analyzing this path and unearthing the

---

<sup>1</sup> Encyclopedia Britannica, "*Indonesia*", last accessed 05 May 2017  
<https://www.britannica.com/place/Indonesiabritannica>.

<sup>2</sup> Ibid.

interplay of contrasting ideals within the state will emphasize the existing tensions that have shaped Indonesia's contemporary character. With this character in mind, the paper will articulate its volatility by examining Indonesia's approach to two of the most divisive regional issues in Southeast Asia today: illegal immigration and the South China Sea dispute. Ultimately, the way in which Indonesia has approached these two issues underpins the argument that the perceived volatility of the state has been detrimental to Indonesia establishing itself as a credible leading actor in the region.

### **RECENT HISTORY**

For centuries the Republic of Indonesia, as we know it today, was under the control of the Dutch. This control would remain unchallenged until Japan occupied the colony during World War Two. The birth of the Indonesian state occurred in the days after Japan surrendered to the Allies in August 1945. Sukarno, one of the prominent voices for independence, successfully declared independence and was appointed the country's first president. For a number of years the Netherlands tried to re-establish rule, but mounting international pressure eventually forced the Dutch government to recognize Indonesian independence in 1949. Whilst the principles of democracy were accepted by the Sukarno government, Sukarno would go on to embrace authoritarianism over the following two decades. After an attempted coup in 1965 the Army under direction of Sukarno successfully led a campaign to purge the country of the Indonesian communist party, the dominant political party in the country. Over half a million people were killed by Indonesian forces, with a large portion of those being ethnic Chinese who were considered complicit with the attempted communist led coup.<sup>3</sup> After the purge, the single

---

<sup>3</sup> Ibid.

remaining political institution in Indonesia was the military headed by General Suharto. This set the conditions for General Suharto to be appointed president in 1968. President Suharto largely enjoyed the political support of powerful states such as the United States over the next three decades, even though the regime would be frequently accused of widespread corruption and political suppression.<sup>4</sup> In the wake of a weakening economy in the 1990s, discontent amongst the Indonesian population grew over Suharto's leadership and policies. In 1998, with a failing economy, reports of widespread corruption, and questions over his health, President Suharto resigned from office. In the following six years Indonesia would see three presidents appointed before Susilo Bambang Yudhoyono became the first directly elected president in 2004. Indonesia has suffered from a number of enduring internal conflicts related to separatist movements in Aceh, Papua and East Timor; with East Timor gaining formal independence in 2002. The Indonesian government and military have frequently been the target of condemnation from human rights groups and the international community at large.<sup>5</sup>

## **THE MILITARY INSTITUTION**

The Indonesian military continues to have difficulty reimagining its role from the traditional dual political and military responsibilities it once had. From the outset of Indonesia's independence the Sukarno regime created a military institution that was focused predominantly with ensuring that any opposition to Sukarno was nullified. As a consequence, the military was employed as both the 'defender of the nation' and an

---

<sup>4</sup> Steven Erlanger, "*For Suharto, His Heirs Are Key to Life After '93*", The New York Times, last modified 11 November 1990, <http://www.nytimes.com/1990/11/11/world/for-suharto-his-heirs-are-key-to-life-after-93.html?pagewanted=all>.

<sup>5</sup> Samuel Moore, "*The Indonesian military's last years in East Timor: An analysis of its secret documents*" (New York: Cornell University, 2001), 9-44.

active sociopolitical player in what had become a dictatorship. With the leadership change to General Suharto in the late 1960's, the dual function of the military would be further engrained into the social fabric of the country. This dual function would finally be challenged with Suharto's resignation in 1998, after which successive presidents have attempted to reform the military and remove its political function. The current Defense Minister of Indonesia, General Ryamizard Ryacudu, foreshadowed this defiance surrounding redefining a new role for the Indonesian military as early as 2005. At the time, the Army Chief of Staff, General Ryacudu asserted that "the entire responsibility of defending Indonesia's unity lies in the hands of the army."<sup>6</sup> At a time when Indonesia had embraced democracy and its people had just elected their first president; the military institution still firmly envisioned a role within the sociopolitical affairs of Indonesia. John Haseman, a noted expert on the Indonesian military, signals the challenges facing those who are tasked with reforming the military. Haseman notes that:

Military reform in Indonesia is a far more complex subject that involves a variety of intertwined national-level governmental factors. The national taxation system, budgetary processes, court and judicial systems, the broader aspect of national government reforms, and political reform all play a role in military reform efforts.<sup>7</sup>

The complexity exists because the military institution has been the only legitimate and functioning institution in Indonesia for the first five decades of independence. As Indonesia embraces a more democratic approach to governance, newly created institutions are born into a legacy framework of governance that has been heavily influenced and controlled by the military.

---

<sup>6</sup> Ryamizard Ryacudu, "Indonesian Army Chief says Troops must Stay in Papua, Aceh", BBC Summary of World Broadcast, 14 October 2004.

<sup>7</sup> John Haseman, "Indonesian Military Reform: More than a human rights issue" (Singapore, Institute of Southeast Asian Studies, 2006), 123.

There are pundits who argue that focusing on military reform whilst the country develops and embraces new democratic governance models adds too much complexity to an already strained state. Dr Juwono Sudarsono, a former Indonesian Minister of Defense and political science professor, is one such pundit who calls attention to the weakness of civilian governance because of the immaturity of political parties, and other civilian institutions. Sudarsono remarks that Indonesia's political parties and institutions are largely "disjointed, disorganized and often in disarray."<sup>8</sup> Forcing reform on the only mature and stable institution, whilst others rush to gain legitimacy may well lead to the creation of a larger problem than the one Indonesia already faces. Whilst pundits are wise to caution against changes that destabilize the state, there remains a common tone of distrust, resentment, and misaligned purpose in the way the arguments are framed. Dr Leonard Sebastian, a professor specializing in Indonesian studies, expands on Dr Sudarsono's argument. Sebastian attributes the fundamental reason for military reform failure in Indonesia to the "deep contempt for civilian rule and a belief that only the TNI [military] is capable to rise above the petty rivalries and self-interested behavior of post-Suharto civilian politicians."<sup>9</sup> Whilst Sebastian and Sudarsono provide a case for taking a more conservative approach to military reform, they also help to highlight the cultural divide which exists between the 'old' and 'new' guards of the state . On the one side you have the 'old' guard who describe the military as having an ordained like responsibility to protect the unity of the country. On the other side you have reformists looking to place control of the state under civilians. What is evident is that reforming the military, and reforming the Indonesian state machine, are not mutually exclusive activities.

---

<sup>8</sup> Juwono Sudarsono, "*Indonesian Voices*" USINDO September 2004.

<sup>9</sup> Leonard Sebastian, "*Taking Stock of Military Reform in Indonesia*" (Heidelberg: Springer, 2012), 30.

Successful implementation of meaningful and lasting military reform measures that refocus the Indonesian military away from its previous political responsibilities is conditional on a functional, stable, and progressive government. The steps undertaken so far to restrict the military's political involvement, such as removing the military's representation in the House of Representatives, and separating domestic policing from the military, have resulted in a shift towards reform but cultural change is lagging. Indonesia's history, both good and bad, has largely been defined by the Indonesian military. The country's sovereignty and prosperity has been supported by a military that first supported the state's founding father, and who then went on to govern the country. In the years since General Suharto stepped down as president the country has looked towards a model of governance based on elected officials; however the sentiments of the 'old' guard continue to pervade the machinations of Indonesian politics. Having the institution unconditionally accept subordination to civilian authority may take a generation to achieve. As we approach two decades of military reform measures it remains evident that the Indonesian military have yet to fully relinquish their longstanding political role.

### **RECENT POLITICAL TRENDS**

Indonesia's road to democracy demonstrates a growing political discourse that focuses on 'party politics' at the detriment of genuine state reforms. Of the five presidents that followed Suharto, only two have been elected by the people. The first two presidents, Bacharuddin Jusuf Habibie and Abdurrahman Wahid, were not elected by the people but arguably have led the most active administrations amongst the five. Habibie for instance, in the aftermath of the collapse of Suharto's regime created policies that



introduced a decentralized fiscal authority, anti-monopoly laws, and anti-corruption laws that would usher Indonesia into a period of economic reform.<sup>10</sup> Wahid continued the reform under his presidency by abolishing the state controlled media, improving bi-lateral relations with states, and commencing structural changes in the military with the hope to remove the militaries political role.<sup>11</sup> Some of these reform efforts led to his eventual impeachment by the Peoples Representative Council (DPR), or House of Representatives, and replacement by Megawati Sukarnoputri. Whilst Sukarnoputri's administration is credited with stabilizing the relationship between the parliament and administration following the impeachment; it is equally regarded as an 'inert' administration that was unable, through fear of a political challenge, to tackle further political, judicial and economic reforms in the lead up to the country's first direct presidential elections.<sup>12</sup> In a nod to the recent political history of Indonesia, Sukarnoputri, the daughter of the former president Sukarno, lost the presidential elections to former Army General Susilo Bambang Yudhoyono. Yudhoyono would then go on to complete the maximum two terms as president. Yudhoyono's ten years of presidency continued the stabilization efforts of the Sukarnoputri administration at the detriment of any further significant reforms within the state.<sup>13</sup> The stagnating trend of administrations has continued so far under the current president Joko Widodo. Aaron Connelly, a research fellow at the Lowy Institute for International Policy, highlights that desires for reforms in the Widodo

---

<sup>10</sup> Stephen V. Marks, *"Economic Policies of the Habibie Presidency: A Retrospective"* (New York: Routledge Bulletin of Indonesian Economic Studies, 2009), 58.

<sup>11</sup> Greg Barton, *"Abdurrahman Wahid: Muslim Democrat, Indonesian President"* (Sydney: University of New South Wales Press 2002).

<sup>12</sup> Patrick Ziegenhain, *"Indonesian Parliament and Democratization"* (Singapore: Institute of Southeast Asian Studies, 2008), 146.

<sup>13</sup> Edward Aspinall, *"The Yudhoyono Presidency: Indonesia's decade of stability and stagnation"* (Singapore: Institute of Southeast Asian Studies, 2015), 101.

presidency is likely to be “beset by strident political opposition at home – political opposition that is looking for opportunities to criticize Jokowi [Widodo].”<sup>14</sup> The key driver of Indonesian reforms now appears to sit with the power brokers who hold the balance of power in the DPR, not the Indonesian president.

There remain critics of the argument that Indonesia has lost focus on reform efforts because of ‘party politics’. Rather it is suggested that there is a failure to comprehend that Indonesian politicians are simply matching policy to a growing nationalist mood within the country that does not demand western influenced reforms. Dr Teguh Wijaya Mulya of the University of Surabaya, in Indonesia, refers to this as the ‘political deployment of identity’ where “understanding Indonesian identity would make planning the future Indonesia easier to do, while failure to do so might impede national development, and result in social conflicts and disintegration.”<sup>15</sup> President Widodo’s focus on economic measures over reform speaks to the growing influence of nationalism within Indonesian politics. The maritime-axis doctrine of the Widodo administration concentrates on those nationalist sentiments of protectionism and unity that pervades parliamentary debates.<sup>16</sup>

Whilst nationalism provides an appearance of unity within the state, it may also constrain the way the country is governed. The underlying problem helping to explain both the nationalist argument, and the policy stagnation argument, can be explained in the relative homogeneity of ideals between the major political parties established after the

---

<sup>14</sup> Aaron Connelly, “*Sovereignty and the sea: President Joko Widodo's foreign policy challenges*” (Contemporary Southeast Asia 37 (1), 2015): 18.

<sup>15</sup> Teguh Wijaya Mulya, “*Defining Indonesian-ness: Power, Nationalism and Identity Politics*”, Jakarta Post, last accessed 05 May 2017, <http://www.thejakartapost.com/academia/2016/08/18/defining-indonesian-ness-power-nationalism-and-identity-politics.html>.

<sup>16</sup> Joko Widodo, “*Jokowi's inaugural speech nations seventh president*”, Jakarta Globe, last accessed 05 May 2017, <http://jakartaglobe.id/news/jokowis-inaugural-speech-nations-seventh-president/>.

Suharto regime. With little difference in the political policies and ideals of these major parties, nationalism is used as a method to try and distinguish parties and politicians from rivals and gain the support of the electorate. The end result is a voter base which is dispersed across the political parties; parties that all attest to the very similar visions. Consequently, no Indonesian president has formed government with an overall party majority in parliament; rather the presidential candidates have had to vie to establish fragile coalitions in order to form government.<sup>17</sup> These fragile coalitions and the ‘party politics’ which fuels their existence constrains Indonesian administrations from tackling divisive but necessary reforms, with only the most polarizing issues gaining partisan support in parliament. As Widodo progresses towards a presidential election in 2019 one should expect ‘party politics’ to continue to shape the action, or inaction, of the Indonesian government.

## **FOREIGN POLICY**

Indonesia’s adherence to the dictum ‘bebas-aktif’, independent and active, has forced the country’s foreign policy engagement to depend heavily on the Association of Southeast Asian Nations (ASEAN). Since 1948, the principles underlying Indonesia’s foreign policy has been expressed by this dictum, and whilst presidents have changed, the guiding principle has remained. According to the Indonesian government, the ‘independent and active’ policy “is not a neutral policy, but it is one that does not align Indonesia with the super powers nor does it bind the country to any military pact.”<sup>18</sup> The policy is supported by series of concentric circles that prioritize diplomatic cooperation.

---

<sup>17</sup> McKercher, “*Routledge Handbook of Diplomacy and Statecraft*” (New York: Routledge, 2012), 221-223.

<sup>18</sup> Indonesian Embassy Washington, “*Foreign Policy*”, last accessed 05 May 2017, <http://www.embassyofindonesia.org/index.php/foreign-policy/>.

The first of these concentric circles represents ASEAN, which “Indonesia considers a major pillar of its foreign policy.”<sup>19</sup> The centrality of ASEAN to Indonesia’s non-alignment foreign policy is supported by Ristian Supriyanto, a noted Indonesian academic at the Australian National University. Supriyanto concludes that “its interests [Indonesia] continue to lie in preserving ASEAN unity and centrality against the domination of a single major power”<sup>20</sup> It stands to reason that even with a policy of non-alignment a developing state such as Indonesia still requires a forum to gain regional support in order to serve its geo-political interests. That non-binding forum is ASEAN, an association of regional neighbors who maintain the motto “one vision, one identity, one community”, led in 2017 by the Philippines president, Rodrigo Duterte.<sup>21</sup>

Proponents of Indonesia’s ‘independent and active’ foreign policy argue that its consistent application throughout the history of the republic has afforded Indonesia the freedom to develop productive international relationships without fear or threat to the sanctity of the state’s sovereignty. There is no better example to support this argument than in the words used by the then President Yudhoyono’s inauguration speech in 2009. Yudhoyono proclaimed that Indonesia is facing a “strategic environment where no country perceives Indonesia as an enemy and there is no country which Indonesia considers an enemy. This Indonesia can exercise its foreign policy freely in all directions, having a million friends and zero enemies.”<sup>22</sup> The tag, ‘a million friends and zero

---

<sup>19</sup> Indonesian Embassy Ottawa, “*Foreign Policy*”, last accessed 05 May 2017, <http://www.indonesia-ottawa.org/discover-indonesia/foreign-policy/>.

<sup>20</sup> Ristian Atriandi Supriyanto, “*Out of its comfort zone: Indonesia and the South China Sea*”, *Asia Policy* No. 21 (2016): 27.

<sup>21</sup> Association of South East Asian Nations, “*About ASEAN*”, last accessed 05 May 2017, <http://asean.org/asean/about-asean/>.

<sup>22</sup> Susilo Bambang Yudhoyono, “*2009 Inaugural Speech*”, *Jakarta Globe*, last accessed 05 May 2017, <http://jakartaglobe.id/archive/sbys-inaugural-speech-the-text/>.

enemies', has now become synonymous with debates surrounding Indonesia foreign policy, but the region is changing quickly. Can Indonesia continue to rest on the laurels of its previous governments, and are the interests of Indonesia still represented and accepted by the ASEAN members?

Understanding the limitations of Indonesia's 'independent and active' foreign policy starts with defining the role of foreign policy to a state. Foreign policy is commonly described as "general objectives that guide the activities and relationships of one state in its interactions with other states."<sup>23</sup> Often these 'objectives' are based in the state's desire to secure its sovereignty. Security and direct threats to the security of a state is challenged by external forces, one of which may be intervention by another state. As Pulitzer Prize winner Walter Lippmann highlights "a nation is secure to the extent to which it is not in danger of having to sacrifice core values, if it wishes to avoid war, and is able, if challenged, to maintain them by victory in such a war."<sup>24</sup> Whilst Indonesia has not sacrificed its core values it has neglected to adapt the mechanisms it has at its disposal to maintain the core values if challenged. As an emerging state in a region plagued with sovereignty challenges, Indonesia can no longer benefit from a policy of non-alignment. For ASEAN members who are being impacted by the global pivot to Asia and China's growing influence, the relevance and future of the association rests on the community's ability to defend their interests. Failure of ASEAN will leave Indonesia without the primary vehicle it has used for decades to project its interest in the region and leave it susceptible to external state manipulation.

---

<sup>23</sup> Encyclopedia Britannica, "*Foreign Policy*", last accessed 05 May 2017, <https://www.britannica.com/topic/foreign-policy>.

<sup>24</sup> Walter Lippmann, "*US Foreign Policy: Shield of the Republic*" (Michigan: Little, Brown, 1943), 51.

## ILLEGAL IMMIGRATION

The perceived apathy of Indonesia towards illegal immigration continues to handicap its relationship with neighboring states. Earlier this year General Gatot Nurmantyo, Indonesia's military chief, when speaking about the challenges of Chinese refugees, was recorded as saying that:

If they [the Chinese] ever come to my place, they will come by sea. Once they cross the ocean, I will butcher 10 cows in the middle of the ocean. The sharks will definitely gather. After that I will shoot at them, just by using small weapons so that the boat will leak, and they all can be eaten by the sharks.<sup>25</sup>

It is with little wonder that with leading Indonesian figures espousing such views, the credibility of Indonesia continues to be questioned by its regional neighbors. With the state consisting of over 13,000 islands, the porosity of Indonesia's border and its ability to control it remains a key concern for Indonesia's nearest neighbors.<sup>26</sup> By late 2001, domestic violence within Indonesia had generated an estimated 1.3 million displaced people.<sup>27</sup> At its peak, it is thought that up to 3,000 Indonesians were illegally entering Malaysia each day.<sup>28</sup> The relationship between Malaysia and Indonesia quickly deteriorated and resulted in the Malaysian government amending their immigration act in 2002 to stop the influx of migrants.<sup>29</sup> By 2013, the perceived complacency of the

---

<sup>25</sup> Adam Harvey, "Indonesia's Military Chief Threatens Chinese Refugees", ABC News, last modified 05 January 2017, <http://www.abc.net.au/news/2017-01-06/indonesias-military-chief-threatens-chinese-refugees/8165338>.

<sup>26</sup> The World Fact Book, "Indonesia", CIA, last accessed 07 May 2017, <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>.

<sup>27</sup> Tim Huxley, "Disintegrating Indonesia: Implications for regional security" (Oxford; New York: Oxford University Press 2002), 79.

<sup>28</sup> Ibid.

<sup>29</sup> Migration News, "Malaysia/Indonesia", Migration News University California September 2002, Vol. 9, No.9 (2002).

Indonesian government to tackle the problem of illegal immigration had also manifested itself into the single most important campaign issue for Australia's 2013 federal election. Like Malaysia, a deteriorating relationship between Indonesia and Australia led to the introduction of Operation Sovereign Borders by the Australian government. According to Australia's immigration minister at the time, Scott Morrison, the operation was necessary "to protect Australia's territorial sovereignty from the incursions of criminal people smuggling ventures originating outside of Australia."<sup>30</sup> In the case of both Malaysia and Australia, the illegal immigration was portrayed as being facilitated by 'criminal organizations' that were predominantly of Indonesian origin.<sup>31</sup> This perceived unwillingness by Indonesia to adequately address the concerns of its most immediate neighbors is elaborated on by Dr Melissa Curley, a professor of Southeast Asian politics. Curley cites Indonesia's reluctance to address the question of human smuggling and immigration on the fact that "Indonesia is not a signatory to the Refugee Convention due to concerns regarding the economic impacts of processing claims, domestic disapproval of asylum-seekers and security concerns regarding migrant smuggling."<sup>32</sup> This claim is consistent with the position established earlier in this paper that political trends in Indonesia depict a government focused on a domestic agenda that appeases 'party politics' and minimizes domestic criticism.

---

<sup>30</sup> Scott Morrison, "Transcript: Press Conference – Operation Sovereign Borders Update", Department of Immigration and Border Protection, Last accessed 07 May 2017, <http://newsroom.border.gov.au/channels/transcripts/releases/transcript-press-conference-operation-sovereign-borders-update-11>.

<sup>31</sup> Antje Missbach, "People Smugglers in Indonesia: Definitely Not Out of Business," Oxford Law Faculty, Last accessed on 07 May 2017, <https://www.law.ox.ac.uk/research-subject-groups/centre-criminology/centreborder-criminologies/blog/2015/11/people-smugglers>.

<sup>32</sup> Melissa Curley, "The Securitisation of migrant smuggling in Australia and its consequences for the Bali Process", Australian Journal of International Affairs 71 (1) 2017: 49.

The idea that Indonesia is unwilling to address the issues of illegal immigration and human smuggling is heavily debated. Indonesia's efforts leading regional forums such as the Bali Process are often used as evidence that Indonesia is committed in addressing both. The Bali Process forum, which is co-chaired by Indonesia and Australia, reports that since its inception in 2002, the Bali Process "has effectively raised regional awareness of the consequence of people smuggling, trafficking in persons and related transnational crime."<sup>33</sup> With 43 member states and the United Nations, the Bali Process should lead that regional discussion on contesting and amending the norms and practices around a raft of human rights issues including human smuggling and illegal immigration.<sup>34</sup> Advocates of the Bali Process highlight that the sheer fact that Indonesia, a non-signatory to the Refugee Convention, is choosing to engage in discussions on refugee protection and regional cooperation displays a clear willingness by Indonesia to address the problem collectively with its neighbors.<sup>35</sup> The challenge remains translating diplomatic will into political action.

The 2015 Rohingya crisis, which saw thousands of Rohingya refugees flee Myanmar by boat, was the first test to see if Indonesia's efforts in the Bali Process would translate into political action.<sup>36</sup> Whilst the Indonesian government did agree after some debate to provide temporary shelter to a large number of refugees they were ill equipped

---

<sup>33</sup> Bali Process, "*About the Bali Process*", Bali Process, Last accessed 07 May 2017, <http://www.baliprocess.net/>.

<sup>34</sup> Ibid.

<sup>35</sup> Savitri Taylor, "*Regional Cooperation and the Malaysian Solution*", Inside Story, Last modified 9 May 2011, <http://inside.org.au/regional-cooperation-and-the-malaysian-solution/>.

<sup>36</sup> United Nations, "*UN refugee agency seeks \$13 million to beef up protections for boat arrivals in Southeast Asia*", United Nations Newsfeed, Last accessed on 7 May 2016, <http://www.un.org/apps/news/story.asp?NewsID=51071&Kw1=rohingya&Kw2=&Kw3=#.WQnGLMuGOpo>.



to support the processing and ongoing refugee management.<sup>37</sup> As other members of the Bali Process faulted in their commitment to support the crisis, so too did Indonesia's management of the refugees. What should have been an example of Indonesia embracing its regional responsibilities instead became a humanitarian problem with claims of refugees being detained in substandard conditions, and allegations that some had fled Indonesia illegally to Malaysia.<sup>38</sup> Once again the perceived apathy of Indonesian's towards refugees became the dominant narrative which brought attention and criticism on Indonesia. What would later become more apparent in state dialogue, and which is most pertinent to this argument, is the political dynamic that has established itself between Indonesia and its neighboring states. Whilst visiting her counterpart in Australia the Indonesian Foreign Minister, Ms Retno Marsudi, when asked on Rohingya crisis commented that "we must find durable solutions that will not burden countries with limited resources."<sup>39</sup> The message was clear; Indonesia does not feel that it is capable of receiving and processing irregular immigration without external support. Whilst Indonesia appears to be more diplomatically receptive of improving its approach to illegal immigration it does not have the means to address the problem without the collective support of its neighbors. Unfortunately the Rohingya crisis shows us that the current political interests of neighboring states, influenced no doubt by Indonesia's past inaction, outweighs the desire for a response that would now help Indonesia address

---

<sup>37</sup> United Nations, "*Myanmar: Displaced Rohingya at risk of 're-victimization' warns UN refugee agency*", United Nations Newsfeed, Last accessed on 7 May 2016, <http://www.un.org/apps/news/story.asp?NewsID=56678#.WQ9Egf7moUM>.

<sup>38</sup> Bangkok Post, "*A year on, Asia's boat people trapped in desperate limbo*", Bangkok Post, last modified 03 May 2016, <http://www.bangkokpost.com/print/957869/>.

<sup>39</sup> Topsfield, "*Indonesia says Bali Process failure on refugee crisis must not happen again*", Sydney Morning Herald, last modified 23 March 2016, <http://www.smh.com.au/world/indonesia-says-bali-process-failure-on-refugee-crisis-must-not-happen-again-20160323-gnnpnb6.html>.

illegal immigration. This perpetuating problem which was born from a history of accepting uncontrolled immigration seems unlikely to be broken unless Indonesia's neighboring states see a sustained reduction in illegal immigration numbers.

## **CHINA AND THE NINE DASH LINE**

The long term ramifications of not challenging China's territorial claims in the South China Sea are likely to outweigh any short term benefits Indonesia experiences. In the long history of Chinese migration to Indonesia there are frequent footnotes that depict a tenuous relationship between the two states. In recent years, as the benefits of a growing Chinese economy were being realized in Indonesia this relationship became more stable. As the Southeast Asian nations began rallying against the growing territorial challenges in the South China Sea, one state chose a more neutral footing. Indonesia is considered a 'non claimant' in the South China Sea dispute, and whilst it remains an interested observer with effected territory, it has deferred the responsibility for resolving the dispute to its Asian neighbors. In 1995, Indonesian Foreign Minister Ali Alatas, framed what remains Indonesia's position on the South China Sea dispute. Alatas outlines that "because of overlapping claims to the Spratly islands in the South China Sea between China and five other countries, a section of the sea boundaries north of Natuna could not be defined until the dispute has been resolved."<sup>40</sup> As a non-active but interested stakeholder in the dispute Indonesia has been able to profit from strengthening economic relationships with both China and the United States. As Supriyanto observes "Indonesia's non-claimants status allows it to avoid the political baggage of territorial disputes when

---

<sup>40</sup> He Kai, *Interpreting China-Indonesia relations: Good-Neighbourliness, mutual trust and all-round cooperation*. Vol. no. 349. (Canberra: Strategic and Defence Studies Centre, 2000), 22.

cultivating closer cooperation with China and the United States.”<sup>41</sup> With an increasing Chinese presence in the South China Sea the threat to Indonesian territorial sovereignty has been elevated, placing into question whether a neutral stance remains the best option.

Keen observers of Indonesia’s policy towards the South China Sea highlight that whilst the state has maintained diplomatic niceties with China, their defense force has been quietly re-orientating towards China’s expansion in the South China Sea. As Dr Alan Dupont argues a year after the Indonesian foreign minister framed the policy the “militaries longstanding suspicion of China has been reawakened in recent years by the perception that Beijing’s growing assertiveness and incipient great-power status will increasingly challenge Indonesia’s strategic interests.”<sup>42</sup> Key figures within Indonesia have continued to reiterate this suspicion. In 2014, the former chief of Indonesian military offered that he “felt dismayed with the U-shaped line and pledged that the Indonesian National Defence Forces would strengthen their presence in Natuna.”<sup>43</sup> Sentiments aside, Chinese fishing boats challenged Indonesian sovereignty on three occasions in the first six months of 2016.<sup>44</sup> In the last incident, an Indonesian frigate opened fire on a Chinese fishing vessel. This shows a significant shift in how the Indonesian Navy are enforcing the state’s sovereignty, but it also raises further questions

---

<sup>41</sup> Ristian Atriandi Supriyanto, *Out of its comfort zone: Indonesia and the South China Sea*, Asia Policy No. 21 (2016): 25.

<sup>42</sup> Alan Dupont, “*Indonesian Defence Strategy and Security: Time for a Rethink?*”, Contemporary Southeast Asia, Vol. 18, No. 3 (December 1996): 278.

<sup>43</sup> Moeldoko, “China’s Dismaying New Claims in the South China Sea,” *Wall Street Journal*, last modified 24 April 2014.  
<http://online.wsj.com/articles/SB10001424052702304279904579515692835172248>.

<sup>44</sup> Morris, “Indonesia-China Tensions in the Natuna Sea,” *The Diplomat*, last modified 28 June 2016.  
<http://thediplomat.com/2016/06/indonesia-chin-tensions-in-the-natuna-sea-evidence-of-naval-efficacy-over-coast-guards/>.

on Indonesia's long term strategy with China, and whether there is a divergence in policies between the state and the Indonesian military.

Indonesia has based the policies surrounding the South China Sea dispute on the economic potential of a relationship with China and the United States. What the 2016 incident near the Indonesian island of Natuna tells us is that a direct Chinese challenge to Indonesia's sovereignty will not be left unchallenged by the Indonesian military. What remains to be seen is whether the decision point for the current Indonesian government to become an active participant in the dispute is in line with the expectations of the Indonesian people and their military. A government that focuses on prolonging the economic incentives by remaining neutral with both China and the United States could face a growing dissent within key institutions such as the military. At best, this could delay further reform efforts within the military. At worst, the military could seize state power under the guise of a faltering administration. It would not be the first time an Indonesian president has been displaced by the military. Whilst the 'non-claimant' status of Indonesia has provided the country with economic opportunity, it seems China's threat to Indonesian sovereignty now requires a decisive political shift in policy. Such a shift would need to nullify any future challenges by China yet minimize the economic impact of no longer being a neutral observer. It is hard to imagine a democratic future for Indonesia without compromising on the non-alignment doctrine it has religiously embraced.

## **CONCLUSION**

With China's expanding influence and the United States pivot towards Asia, South East Asian states have an opportunity to elevate their standing amongst the

international community. Indonesia's size and geographical location make it an attractive state for both regional governments who are looking for a strategic ally, and foreign powers looking for a firm platform in the region to serve their interests. Unfortunately Indonesia's road to democracy has presented foreign states with challenges. Whilst we consider Indonesia a developing democratic state, it remains a country that has yet to shake its autocratic roots. The military institution remains very much part of the social fabric of Indonesia, with government-led reforms yet to yield a military that is less determined to be part of the sociopolitical discourse. Reformists within the country have a difficult task ahead. The relative political uniformity of the country has weakened the power of the president. Constructive change is now predicated on the support from a coalition of parties within parliament that are all vying to maintain relevance with the Indonesian people. The stagnation extends beyond the domestic front, with the state seemingly constrained by its long standing 'independent and active' doctrine. Doctrine which has encouraged the role of ASEAN, as the proxy vehicle for Indonesia's interests, which in the event of the associations failure, would leave Indonesia isolated.

The paper has established that the volatile character of the state has restricted Indonesia from becoming a leading actor in the region. By examining the two most divisive regional issues in Southeast Asia the paper was able to underscore how the volatility of the state impacts its regional relationships. Indonesia's evolving approach to illegal immigration, which has a direct impact on regional neighbors, makes it difficult for diplomatic will to translate into political action both domestically in Indonesia and within neighboring states. As China continues its expansion into the South China Sea that diplomatic will is further challenged by Indonesia's 'non-claimant' status over the

dispute. Deferring the responsibility for resolution to neighboring states not only devalues Indonesia as a legitimate power in the region, it leaves the government exposed to a growing domestic dissent. Historically, Indonesia has addressed domestic dissent through its military, a fact which remains in the mind of those looking to establish a relationship with the state. Whilst Indonesia decides between autocracy or democracy, and alignment or non-alignment, foreign states will continue to be cautious. Only after Indonesia finds those comfortable shoes will the state become a legitimate actor.

## Bibliography

- Aspinall, Edward. 2015. *The Yudhoyono Presidency: Indonesia's decade of stability and stagnation* (Singapore: Institute of Southeast Asian Studies, 2015).
- Australian Defence College. Centre for Defence and Strategic Studies. 2015. *Indo-pacific strategic digest 2015*. Canberra BC, ACT: Centre for Defence and Strategic Studies, Australian Defence College.
- Barton, Greg. 2002. *Abdurrahman Wahid: Muslim Democrat, Indonesian President* (Sydney: University of New South Wales Press 2002).
- Connelly, Aaron L. 2015. Sovereignty and the sea: President Joko Widodo's foreign policy challenges. *Contemporary Southeast Asia* 37 (1): 1.
- Crocker, Chester A., Fen Osler Hampson, and Pamela R. Aall. 2007. *Leashing the dogs of war: Conflict management in a divided world*. Washington, D.C: United States Institute of Peace Press.
- Curley, Melissa, and Kahlia Vandyk. 2017. The securitisation of migrant smuggling in Australia and its consequences for the Bali process. *Australian Journal of International Affairs* 71 (1): 42-62.
- Erlanger, Steven. 1990. For Suharto, His Heirs Are Key to Life After '93, *The New York Times*, last modified 11 November 1990, <http://www.nytimes.com/1990/11/11/world/for-suharto-his-heirs-are-key-to-life-after-93.html?pagewanted=all>.
- Grimm, Sonja, Nicolas Lemay-Hébert, and Olivier Nay. 2015. *The political invention of fragile states: The power of ideas*. New York, NY; Abingdon, Oxon, UK: Routledge.
- Hanna, Willard Anderson, and Foreign Policy Association-World Affairs Center. 1961. *Indonesia: "guided" republic*. Vol. no. 150. New York: Foreign Policy Association-World Affairs Center.
- Haseman, John B. 2006. Indonesian Military Reform: More than a human rights issue. *Southeast Asian Affairs* 2006 (1): 111-25.
- Hastings, Justin V. 2010. *No man's land: Globalization, territory, and clandestine groups in Southeast Asia*. Ithaca: Cornell University Press.
- Huxley, Tim, and International Institute for Strategic Studies. 2002. *Disintegrating Indonesia?: Implications for regional security*. Vol. no. 349. Oxford; New York: Oxford University Press for the International Institute for Strategic Studies.
- Kai, He, and Australian National University. Strategic and Defence Studies Centre. 2000. *Interpreting China-Indonesia relations: Good-neighbourliness", "mutual trust" and*

"all-round cooperation. Vol. no. 349. Canberra: Strategic and Defence Studies Centre, Australian National University.

- Kosandi, Meidi. 2013. Shifting paradigms and dynamics of Indonesia-China relations: Toward the best use of theoretical eclecticism: Shifting paradigms and dynamics of Indonesia-China relations. *Asian Politics & Policy* 5 (2): 183-210.
- Laksmmana, Evan A. 2016. The domestic politics of Indonesia's approach to the tribunal ruling and the South China Sea. *Contemporary Southeast Asia* 38 (3): 382.
- Lindblad, J. Thomas. 2007. Indonesia and china today: New challenges with a long history. *Journal of Developing Societies* 23 (3): 369-92.
- Lippmann, Walter. 1943. *US Foreign Policy: Shield of the Republic* (Michigan: Little, Brown, 1943).
- Marks, Stephen V. 2009. *Economic Policies of the Habibie Presidency: A Retrospective* (New York: Routledge Bulletin of Indonesian Economic Studies, 2009).
- McKercher, "Routledge Handbook of Diplomacy and Statecraft" (New York: Routledge, 2012), 221-223.
- Moore, Samuel. 2001. The Indonesian military's last years in East Timor: An analysis of its secret documents. *Indonesia* (72): 9-44.
- Mulya, Teguh W. 2017. *Defining Indonesian-ness: Power, Nationalism and Identity Politics*, Jakarta Post, last accessed 05 May 2017, <http://www.thejakartapost.com/academia/2016/08/18/defining-indonesian-ness-power-nationalism-and-identity-politics.html>.
- Ottawa, Indonesian Embassy. 2017. *Foreign Policy*, last accessed 05 May 2017, <http://www.indonesia-ottawa.org/discover-indonesia/foreign-policy/>.
- Pattiradjawane, René L., and Natalia Soebagojo. 2015. Global maritime axis: Indonesia, China, and a new approach to Southeast Asian regional resilience. *International Journal of China Studies* 6 (2): 175.
- Ramakrishna, Kumar. 2015. *Islamist terrorism and militancy in Indonesia: The power of the Manichean mindset*. Singapore: Springer.
- Roosa, John. 2007. Finalising the nation: The Indonesian military as the guarantor of national unity. *Asia Pacific Viewpoint* 48 (1): 99-111.
- Ryacudu, Ryamizard. 2004. *Indonesian Army Chief says Troops must Stay in Papua, Aceh*, BBC Summary of World Broadcast, 14 October 2004.
- Sebastian Leonard, C. and Iisgindarsah. 2012. Taking Stock of Military Reform in Indonesia. In *The Politics of Military Reform: Experiences from Indonesia and*



Nigeria, edited by Jurgen Ruland, Maria-Gabriela Manea and Hans Born, Heidelberg: Springer, 2012.

Supriyanto, Ristian Atriandi. 2016. Out of its comfort zone: Indonesia and the South China Sea. *Asia Policy*(21): 21.

Washington, Indonesian Embassy. 2017. *Foreign Policy*, last accessed 05 May 2017, <http://www.embassyofindonesia.org/index.php/foreign-policy/>.

Widodo, Joko. 2017. Jokowi's inaugural speech nation's seventh president, Jakarta Globe, last accessed 05 May 2017, <http://jakartaglobe.id/news/jokowis-inaugural-speech-nations-seventh-president/>.

Yudhoyono, Susilo Bambang. 2009. *2009 Inaugural Speech*, Jakarta Globe, last accessed 05 May 2017, <http://jakartaglobe.id/archive/sbys-inaugural-speech-the-text/>.

Ziegenhain, Patrick. 2008. *Indonesian Parliament and Democratization* (Singapore: Institute of Southeast Asian Studies, 2008).