

# ***Indonesia and the Major Powers: The Instrumentalization of ASEAN for Regional and Global Recognition***

***Prof. Aleksius Jemadu, Ph.D.***

# Outline

1. The argument of the paper
2. Historical background
3. New external challenges for Indonesia's foreign policy in the 21st century,
4. The rationale behind the centrality of ASEAN in Indonesia's foreign policy.
5. The concept of dynamic equilibrium vs balance of power
6. Indonesia's proposal of Indo-Pacific Treaty
7. The territorial conflict in South China Sea, Indonesia and the Major Powers (China and the US)
8. The AEC and Indonesia's (un)preparedness
9. RCEP vs TPP
10. Economic implications: regional ambitions and domestic weaknesses
11. The instrumentalization of ASEAN in Indonesia's foreign policy and its implications.
12. Concluding Remarks

# The argument of the paper

Seeking for global and regional recognition of its prominent role has been a constant struggle for Indonesia's foreign policy especially in dealing with the major powers. In late 1950s and early 1960s under President Soekarno Indonesia was confident enough to accomplish this objective on its own. However, since Soeharto's New Order Indonesia has tended to capitalize on ASEAN as a regional instrument in responding to the complexity of the interactions among the major powers in Southeast Asia. The paper argues such foreign policy choice has produced important consequences that Indonesia has to deal with for its own national interests.

# Historical background

- By hosting the Asia African Conference in mid 1950s, Indonesia contributed to the independence of new states of the two continents.
- In early 1960s Indonesia co-founded the Non-Aligned Movement in the midst of the Cold War between the capitalist West led by the US and communist East led by the Soviet Union.
- As President Soekarno radicalized his foreign policy, Indonesia was determined to a fundamental shift in the orientation of its foreign policy by leaning towards the communist bloc (the axis of Jakarta - Peking).
- Soekarno continued to promote Indonesia's global prominence by initiating the New Emerging Forces (NEFOs) and ultimately withdrew its membership in the UN.

# The New Order government

- Soeharto's searching for legitimacy from political stability and economic development led to a more pragmatic foreign policy which was manifested in the establishment of ASEAN in 1967.
- ASEAN can be regarded as the collective effort of the founding states (Indonesia, Thailand, Malaysia, Singapore and The Philippines) to free themselves from the struggle for power and influence by the major powers (The Soviet Union, China and the US).
- They needed regional stability so that they could focus on economic development and domestic political consolidation.
- It was also a regional mechanism to prevent the spread of communist ideology as some of them learnt from previous bitter experience.

- As far as Indonesia is concerned, it began to develop of sense of regional entitlement which later on would become a cornerstone of its foreign policy.
- The declaration of ZOPFAN (the Zone of Peace, Freedom and Neutrality) in 1971 as an instrument to prevent interference by the outside powers.
- Bali Concord I: The Treaty of Amity and Cooperation or TAC in 1976 as a regional modality to prevent the use of military force in resolving the conflict in the region.
- Throughout Soeharto's rule Indonesia had capitalized on ASEAN to mobilize international support for its position regarding the issue of East Timor in the UN debates.

- ASEAN solidarity (among the authoritarian regimes) was also used to promote the so-called Asian values in responding to the Western criticisms against human rights in Southeast Asia.
- Only in late 1980s and early 1990s when Soeharto became more confident Indonesia began to conduct a more assertive foreign policy by taking various initiatives including helping the resolving of conflict in Cambodia (through Jakarta Informal Meeting or JIM), chairmanship of NAM, active role in OIC and hosting APEC summit meeting in Bogor).
- ASEAN did nothing in helping its members to deal with the negative impact of the financial crisis in late 1990s with the effect its relevance was called into question.

# New challenges in the 21st century

- The emergence of China and India as the new economic giants in Asia may point to the increasing importance of ASEAN's regional integration.
- The global shift of economic pendulum towards the Asia Pacific challenges and opportunities for ASEAN as a regional entity and its members.
- With his "America First" principle, Donald Trump puts emphasis on protectionism and a withdrawal from global commitment to play a leadership role.
- As a growing economic entity ASEAN has attracted the attention of the external powers who want to benefit from its economic potentialities through free trade agreement or comprehensive economic partnership.



- China's new status as the second largest economy in the world, leaving Japan behind, has strengthened its traditional self-perception as a middle kingdom with all its political and military ramifications.
- Territorial conflict over the Senkaku/Diayoyu islands with Japan has become a new source of instability in the Northeast Asia.
- The declaration of the Air Defense Identification Zone (ADIZ) by China in East China Sea has invited strong reaction from Japan and South Korea (and their ally the US).
- The territorial conflict over disputed islands in South China Sea between China on the one hand and some ASEAN members (Malaysia, Vietnam, the Philippines and Brunei) has created a new challenge for Indonesia's foreign policy.

# Asean's Relationship With External Major Powers

- ASEAN members would prefer to deal with them collectively and not one on one bargaining or deal.
- This is a smart strategy on the part of a combination of small and middle powers in dealing with major powers like China and the US. This is the political reasoning behind the strategy of Treaty of Amity and Cooperation (TAC).
- This is the reason why ASEAN especially its current chair Indonesia wants to re-emphasize the centrality of ASEAN in the whole construction of a regional architecture in East Asia. Hence the current theme: “ASEAN Community in a Global Community of Nations” (in 2011 during Indonesia's chairmanship”).

- At the same time ASEAN capitalizes on the fact that each of the external powers (China, Japan and US) cannot take initiative of their own in building a regional architecture without provoking protest or suspicion from other major power. This logics explains the existence of ASEAN + 3, ARF, and EAS.

# A Dynamic Equilibrium Or Balance Of Power

- As far as Indonesia is concerned, ASEAN's interaction with the external major powers in building a regional architecture should be marked by a concept of **a dynamic equilibrium** (and instead of **balance of power**) which characterized by a harmonization of interests and common security and prosperity.
- This concept is used as an alternative to the traditional tendency of balance of power among major states like China vs Japan or China vs US.
- The problem is that moral persuasion like that will not stop major powers from pursuing their power politics especially when their strategic interests are at stake.

- In the final analysis, strong diplomacy can only be built upon real economic and military power.
- Therefore, AEC as a regional strategy should be made a success although it remains to be seen whether AEC will transform ASEAN into a new economic powerhouse in Asia or create a widening gap among its own members.

# How does Indonesia respond to those challenges and why?

- Under Foreign Minister Marty Natalegawa, Indonesia has proposed the concept of a dynamic equilibrium as an alternative to balance of power which could destabilize the region.
- The question is: is there any major power who is interested in the notion of equilibrium? Isn't each of them (China and the US) more interested in a military preponderance to secure their respective strategic interests? Why should they follow moral exhortation from a middle power like Indonesia?

- Despite some economic problems at the domestic level, Indonesia has supported the implementation of the ASEAN China Free Trade Agreement or ACFTA through which China combines three instruments to accomplish its goals in Southeast Asia: trade, investment and financial aid.
- Indonesia also seems to be very committed to the promotion of economic integration of ASEAN through the establishment of the AEC in order to be able to compete with China and India in order to attract foreign investment to Southeast Asia.
- Indonesia has also become the lead negotiator of the Regional Comprehensive Economic Partnership or RCEP in order to harmonize trade and investment regulations with its 6 partners (China, Japan, South Korea, India, Australia and New Zealand).

- In the context of building a new regional security architecture in the Asia Pacific, Indonesia has proposed the Indo-Pacific Treaty as the enlargement of TAC into a wider region to ensure peace and stability so that regional economic growth can be achieved and sustained.
- In mediating the conflict resolution in South China Sea, Indonesia has been active in promoting the code of conduct although there is a resistance from China and the conflicting standpoints among ASEAN members themselves.
- This has Indonesia in the dilemma of defending its regional prominence or avoiding a direct challenge to China's territorial ambition.



# Concluding remarks

- Indonesia has capitalized on the use of ASEAN as its political instrument in dealing with the major powers both in economic aspect and security arrangement.
- It is interesting to explore further, why Indonesia seeks its regional or global prominence not on the basis of its own strength like it did in the past but on the use of ASEAN as the main diplomatic modality in dealing with the major powers especially China and the US.
- It is not very clear how the instrumentalization of ASEAN has served Indonesia's domestic interests given the fact the new president after SBY seems to put a greater emphasis on the element of nationalism in its foreign policy rather than international engagement or activism.