From Rivals to Partners: Constructing the Sino-Indonesian Strategic Partnership

Gatra Priyandita

Australian National University, gatra.priyandita@anu.edu.au

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Recommended Citation

DOI: 10.7454/global.v21i1.361
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FROM RIVALS TO PARTNERS: CONSTRUCTING THE SINO-INDONESIAN STRATEGIC PARTNERSHIP

Gatra Priyandita
Department of Political and Social Change
Coral Bell School of Asia-Pacific Affairs
Australian National University
Email: gatra.priyandita@anu.edu.au

Abstract
This study is an inquiry into the use of strategic partnerships as an instrument of diplomacy in Indonesia. Strategic partnerships have become a key fixture of Indonesia’s foreign policy in the post-Suharto era. However, the rationale behind the formation of strategic partnerships for Indonesia’s strategic interests, as well as the process behind its formation, remain understudied. This paper seeks to fill this gap in the literature by examining how Indonesia utilizes its strategic partnership to engage China. Using Wilkins’ analytical framework for the study of strategic partnerships, this study finds that Indonesian policymakers have used strategic partnerships to create multiple channels of communication for the purposes of economic pragmatism and the overarching goal of socializing the target state into accepting Indonesia’s vision of the international order. The case study on China indicates that strategic partnerships have only been partially successful in helping Indonesia deliver their goals. While increased formal interactions have facilitated economic and social interaction, the utility of strategic partnerships as instruments of influencing Chinese behaviour in the international system remains minimal.

Keywords:
strategic partnership, Sino-Indonesian relations, Indonesian foreign policy
INTRODUCTION

Strategic partnerships have emerged as an important fixture of Indonesia’s foreign policy in the 21st century. Since signing its first partnership with Vietnam in 2003, Indonesia has signed partnership agreements with 13 other countries. Despite its prominence as an instrument of Indonesian foreign policy, its purpose and structure remain understudied. The literature on strategic partnerships has almost exclusively focused on its use by major powers (e.g. Kuchins 2001; Wilkins 2008; Wilkins 2011; Wilkins 2012; Parameswaran 2014). There remains insufficient attention given to its use by small and medium-sized states, like Indonesia and South Korea.1 The purpose of this paper is to examine how Indonesia utilizes its strategic partnership as an instrument for managing its relationship with China. I argue that strategic partnerships are seen by Indonesian policymakers as instruments to forge multiple channels of communication to take advantage of China’s growing economic power, as well as to encourage China to adhere to regional norms and institutions. However, Indonesia’s economic interests seem to be the predominant impetus for forming such partnerships.

The effectiveness of strategic partnerships as an instrument of foreign relations management with China remains mixed, due to resource constraints, a lack of commitment from the leadership, and an unclear strategy to influence Chinese behaviour in the international system. However, in increasing formal interactions between leaders, they do help to expedite the signing of agreements that increase social and economic interconnectivity between the two states. To support this argument, I will be using Wilkins’ (2008) analytical framework for his study of strategic partnerships to examine how the Indonesian government forms, implements, and evaluates its strategic partnership with China. By examining how Indonesia manages its strategic partnership with China, this paper reveals the intricacies of how Indonesia uses strategic partnerships as an instrument of diplomacy. This paper is divided into four sections. First, it provides an examination of the characteristics of strategic partnerships. Second, it discusses Indonesia’s management of foreign relations with major powers in the 21st century. Third, it looks at how strategic partnerships fit into Indonesia’s diplomacy with major powers. Fourth, it provides an examination of Indonesia’s strategic partnership and comprehensive strategic partnership with China.

Strategic Partnerships in 21st Century Indo-Pacific

Strategic partnerships have emerged as a feature of Indo-Pacific diplomacy in the 21st century. Borrowed from the financial world, the concept of “strategic partnership” was introduced into diplomatic lexicon by the Soviet Union in the late-1980s to describe Moscow’s post-Cold War
rapprochement with Washington (Wilkins 2012: 67). In the post-Cold War era, strategic partnerships have been popularized by China, which it sees as instruments upon which ‘serious imbalances in the international strategic alignment’ could be addressed as the world heads ‘toward multipolarity’ (China White Paper 2006: 2). Today, there are over 100 different partnerships in Asia alone, with nearly each country having at least two established. The rapid proliferation of strategic partnerships has made it difficult to provide overarching conceptualizations and definitions, especially since strategic partnerships do come in different purposes and forms.

For this paper, I shall nonetheless broadly define “strategic partnerships” as structured and non-binding arrangements between two actors (whether between states or a state and a multilateral institution) that signal their desire to pursue a shared geostrategic vision and/or common economic and social interests. Before divulging in the components that distinguish strategic partnerships from normal ad hoc bilateral relations, it is important to highlight that alongside strategic partnerships are a wide variety of other forms of partnerships, such as “security partnerships” and “comprehensive partnerships.” Some countries, such as Vietnam, have delineated the differences between forms of partnerships (Thayer 2013). However, for many countries, including Indonesia, the differences remain ambiguous and poorly defined. For the purpose of this paper, strategic partnerships will be used as an umbrella term to refer to all forms of partnership. The exception here will be “comprehensive strategic partnerships,” which denote an upgrade (at least symbolically) from a strategic partnership.

Strategic partnerships are distinguished by three components. First, strategic partnerships are often formed in order to pursue common strategic objectives, which are related to shared visions of regional security. Importantly, Wilkins highlights that strategic partnerships are “goal driven,” not “threat driven.” These partnerships are implanted by a “system principle,” which display a shared conception of how the regional order should look like (for instance, the championship of multipolar order) (Wilkins, 2011: 68). States may be driven to form a strategic partnership if they perceive uncertainty in the international system and see a “strategic fit” with their prospective partner. These partnerships are consolidated through various procedural mechanisms that tie in security, economic, and sociocultural relations (Wilkins 2008: 365-366).

Second, strategic partnerships are a loose form of alignment (Parameswaran 2014). This allows strategic partners to concurrently be putative rivals (e.g. the Sino-Indian strategic partnership, Sino-Japanese strategic partnership). The emergence of a unipolar international order in the post-Cold War era has meant that there is little incentive for states to form alliances,
especially since many states in the Indo-Pacific are economically interdependent on one another. Rather than forming coalitions to balance against the region’s most powerful countries (Waltz 1979; Walt 1987), states in post-Cold War Asia have preferred to pursue forms of “limited alignment,” which allow states to benefit from economic and security assistance from major powers, without sacrificing strategic autonomy (Ciorciari 2010). The lack of expectations in security-entailed commitments in strategic partnerships makes it an attractive form of alignment for states unwilling to commit to military alliances, like Indonesia. At the same time, strategic partnerships are not ad hoc groupings that have been formed to address particular challenges, but are rather broader mechanisms that guide future cooperation in addressing specific medium-to-long term issues (e.g. climate change, piracy) or address broader regional challenges (Wilkins 2012; Nadkani 2010; Envall and Hall 2016; Parameswaran 2014).

Third, strategic partnerships are multi-dimensional and help countries prioritize and structure their bilateral relationships with short, medium, and long-term visions. These partnerships are centred on finding strategic and economic opportunities for meaningful cooperation. When a strategic partnership is formed, they are often declared in the form of “joint declarations” or “joint statements” that highlight priority areas of cooperation. Occasionally, they are followed by a “Plan of Action,” which goes into detail the areas of cooperation that are pursued in the partnership. These agreements list various pledges that cover multiple aspects of a country’s relationship. For instance, Indonesia’s comprehensive strategic partnership with India does not only focus on shared conceptions of rule of law and order in the Indo-Pacific, but also cover palm oil trade, non-traditional maritime security, and infrastructure development. The multi-dimensional nature of strategic partnerships means that they often involve inter-ministerial cooperation, making the formation of strategic partnerships to be a whole-of-government endeavour that requires inputs from all relevant ministries. According to Nadkani (2010: 48-49), what distinguishes strategic partnerships from typical forms of diplomatic exchanges is that they introduce a ‘structure of sustained and regularized interactions underpinned by multiple webs of institutionalization at the intergovernmental level that they encompass.’ The inclusion of various different agencies and institutions is ideally meant to facilitate policy coordination. However, as evident in multiple studies on strategic partnerships (including this one), there is often great difficulty in following through with pledges made in the strategic partnership agreement (Wilkins 2008; Parameswaran 2014).
The use of Strategic Partnerships in Indonesia

A brainchild of Foreign Minister Hassan Wirajuda, strategic partnerships emerged as a fixture of Indonesian foreign policy in the 21st century (Shekhar 2018: 197). As of 2019, Indonesia has signed partnership agreements with 13 countries, most of which in the Indo-Pacific (see Table 1), and two international organizations. The rationale behind Indonesia’s strategic partnerships vary greatly. In the context of Indonesia’s partnerships with major powers in the Indo-Pacific (namely China and the United States), strategic partnerships have tended to act as an instrument of engagement and hedging (Ross and Johnston 1999; Kuik 2008). The prominence of strategic partnerships in post-Suharto Indonesia has to be understood in the context of Indonesia’s own history in managing ties with great powers.

<table>
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<th>Comprehensive Partnership</th>
<th>Strategic Partnership</th>
<th>Special Strategic Partnership</th>
<th>Comprehensive Strategic Partnership</th>
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* This partnership is being superseded by a more recent partnership agreement.

Due to a history of colonial subjugation, Indonesian leaders have long been suspicious of great power intent. Great power rivalry during the Cold War – and the implications that they have on polarizing domestic political actors – worsened the sense of vulnerability held by Indonesian leaders, who were already tasked with governing over a state that was underdeveloped, geographically fragmented, and ethnically diverse (Weinstein 1976). Vice-President Muhammad Hatta proposed “Bebas-Aktif” (independent and active) as the philosophical foundations of Indonesia’s foreign policy in 1948 (Hatta 1952). While Bebas-Aktif is an ambiguous concept, during the Cold War, it was often interpreted as guidance for
Indonesian leaders to chart a middle pathway to get around the necessity of siding with either Cold War blocs. Leifer (1983: 173) argues that at its core, Bebas-Aktif is driven by a ‘need to overcome an intrinsic vulnerability.’ Close alignment with a great power during the Cold War could undermine political stability, as it could empower one group over the other.²

While the United States emerged as the global unipolar in the post-Cold War era, Asia remained fraught with challenges emanating from major power rivalry (such as between China and Japan, China and India). A lack of stability-inducing mechanisms in the region created fears that Asia was “ripe for rivalry” (Friedberg 1993). In the dying months of the Soviet Union, Indonesian Foreign Minister Ali Alatas (2001: 12) envisioned that ‘competitive patterns among the multiple power centres will inevitably grow in complexity and unpredictability.’ It is this “complexity” and “unpredictability” that Indonesian leaders have been trying to manage through the deployment of ASEAN-led institutional arrangements (such as the East Asia Summit, ASEAN Regional Forum). Referred to by Goh as the strategy of “omni-enmeshment,” Indonesia has attempted to draw major powers, such as China and the United States, into ASEAN-led mechanisms in an effort to involve and insert them into a web of exchanges and relationships with the long-term goal of integration (Goh 2007/2008: 120-121). At the same time, the absence of intense great power rivalry has allowed Indonesia to diversify its economic and military relations amongst major powers, in an attempt to lessen dependence on a single major power.

Strategic partnerships are platforms used by Indonesian policymakers to try and enmesh major powers into regional norms and institutions and to diversify major power dependence. First, strategic partnerships are borne out of a desire to balance the influence of great powers in Indonesia. Strategic partnerships allow Indonesia to engage and improve ties with all major powers in the Indo-Pacific. As Nadkarni (2010: 45) argues, the non-binding nature of strategic partnerships mean that they “exemplify neither classic balancing nor bandwagoning behaviours but exhibits engage-and-resist or hedging strategies employed in shifting kaleidoscopic patterns by each dyad.’ Strategic partnerships do not constrain Indonesia’s strategic autonomy. Rather, they allow Indonesia to strategically improve bilateral relations with certain countries without sending away signals that Indonesia is “siding” with one country or another. While the aim has been to reduce Indonesia’s dependence on one particular great power, as Shekhar (2018: 198) highlights, in practice this meant ‘diminishing Indonesia's dependence on the US that was seen as unreliable in times of emergency.’ Relations with the United States, Indonesia’s most important Cold War relationship, deteriorated after the Cold War due to the former’s growing concern for the Suharto administration’s human rights abuses (Novotny
Realizing the risks of dependence on one major power, Indonesian leaders have strived to improve its bilateral relations with other key powers. Among Indonesia’s first few strategic partners are Russia, China, and India – major regional powers that, coincidentally, stood opposite of the United States during the Cold War. Strategic partnerships with these major powers facilitated greater cooperation in important fields. For instance, the strategic partnership with Russia outlined a number of pledges to improve security ties as a means to reduce Indonesia’s dependence on the United States as Indonesia’s principal arms supplier (Shekhar 2018: 198-199).

Second, as a platform for facilitating omni-enmeshment, strategic partnerships are formed with the hope of facilitating Indonesia’s vision of the regional order. In 2010, Foreign Minister Marty Natalegawa conceptualized Indonesia’s vision of the regional order through the concept of “dynamic equilibrium,” which envisaged a cooperative system of power relations based on the creation and maintenance of an international system that nurtures trust amongst states through the acceptance of shared norms – namely, ASEAN’s norms of peaceful resolution of conflict, self-restraint, and non-interference (Natalegawa 2018: 14-32). The Joko Widodo (Jokowi) administration hopes to progress these norms more broadly within the entirety of the Indo-Pacific (Marsudi 2018). Strategic partnerships work as instruments to help facilitate Indonesia’s vision of the international order. As strategic partnerships require system principles, the Indonesian government has attempted to instil important norms and principles (such as the Bandung Principles) into partnership agreements as a means of signalling the norms and principles that Indonesia abides to. Moreover, enhanced interactions between Indonesian officials and officials from the target state give the Indonesian government the opportunity to influence the policy preferences and behaviours of target countries (Leifer 1999). The overarching purpose of strategic partnerships for Indonesia is, thus, to help diversify dependencies and engage them into accepting Indonesia’s ideal vision of an inclusive international order – one where all major powers have a role to play.

ANALYTICAL FRAMEWORK
A framework for studying Indonesia’s strategic partnerships
With strategic partnerships characterized and its utility for Indonesia outlined, the next task is to understand how strategic partnerships are constructed. In order to examine how it is formed, I will be using an analytical framework proposed by Wilkins (2008). In his analysis of the Sino-Russian strategic partnership, Wilkins offers an analytical framework that was inspired by studies in Organizational Studies examining how partnerships between firms were formed.
Wilkins’ framework is divided into three modules, which closely examines and traces the phases of strategic partnership construction and maintenance: formation, implementation, and evaluation. The strength of Wilkins’ framework is that it interrogates the rationality behind each module, which points out the intricacies of the studied state’s approach to strategic partnerships.

At the outset, it is important to address some terminology. First, “comprehensive partnerships” and “strategic partnerships” do not denote much difference in definitional terms. The decision to determine whether a partnership is “comprehensive” or “strategic” ultimately depends on the preferences of the two states forming the partnership, which may be influenced by historical or domestic political considerations. Comprehensive strategic partnerships (CSP) or special strategic partnerships (SSP) are symbolically seen as an “upgrade” of the partnership. Similarly, whether they are “comprehensive” or “special” is determined by the preferences of the states involved. From an operational perspective, a CSP/SSP outline a more diverse set of goals. However, they do not necessarily indicate that the partnership that preceded it has been working well.

**Formation**

Despite its growing prominence as a feature of Indonesia’s foreign policy, there is no set criteria or checklist for determining which countries are selected as a strategic partner. In some instances, policymakers may not see a need to form a strategic partnership with some countries, such as Malaysia and Singapore, as the bilateral relationship already involves multiple channels of communication. However, Indonesia does not use strategic partnerships merely as a means of constructing frameworks that guide bilateral relations that it deems underdeveloped. Evident of this is that Indonesia possesses strategic partnerships with Japan and Australia, two states that it has comprehensive ties with even prior to the formation of a partnership. For a state to be a strategic partner, there must be an economic and geostrategic impetus.

First, the strategic partnership must be driven by economic, political, and sociocultural objectives. These objectives are based on the government’s economic and security priorities. The strategic partnership formed with South Korea in 2006 was not disassociated from the Yudhoyono administration’s goal of strengthening Indonesia’s local defence industry, as well as tapping into the growing energy demands of East Asia’s growing middle class. According to an interview with an Indonesian diplomat, “tangible economic interests,” particularly for Jokowi’s infrastructure projects, are a central focus in the decision to upgrade strategic partnerships under the Jokowi administration. For instance, the decision by the Jokowi
administration to “upgrade” the partnership with South Korea to a “special strategic partnership” was driven by a desire to attract both more South Korean investors to fund Indonesia’s infrastructure boom (Yonhap News 2017).⁶

Second, the target state’s profile, power, and influence within either its region or the wider international system is examined to see how they can play a role in helping Indonesia pursue certain normative or geostrategic objectives. This factor, referred to by Wilkins as “system principles,” provide the partnership with a wider strategic meaning. For instance, one leading drive to “upgrade” the partnership with India to a comprehensive strategic partnership in 2018 was to encourage India to accept Indonesia’s Indo-Pacific vision.⁷ Alternatively, Indonesia may use this relationship as an entry point into regions that it lacks influence. The Yudhoyono administration’s desire to play a more active role in the developing world explains its decision to form a strategic partnership with South Africa and Brazil, which are regional powers in Africa and Latin America, respectively.

If a state is able to satisfy Indonesia’s geostrategic and economic interests, Indonesia may consider forming (or alternatively, accepting) a strategic partnership with the target state. Whether they are proposed by Indonesia or the target state, strategic partnerships are first deliberated in the Ministry of Foreign Affairs (Kementerian Luar Negeri, KEMLU). The foreign minister, upon the advice of their directors-general, would determine whether Indonesia should propose (or accept the proposal for) the formation of a strategic partnership with a target state. If the proposal is accepted and the target state is also willing to cooperate, the two sides could begin negotiations on the framework of the strategic partnership.

It is, however, important for the partnership to be seen as favourable by the Indonesian public, as domestic politics can obstruct progress on partnership negotiations. This was the experience in the early years of negotiation for a strategic partnership with the United States. Talks over the formation of a strategic partnership commenced in 2007.⁸ However, these talks were suspended because of the 2007 NAMRU-2 Incident, when the Indonesian government expelled the US navy’s Naval Medical Research Unit Two (NAMRU-2) after the latter was accused of stealing Indonesian research materials by Indonesian Health Minister Siti Fadilah Supari (Murphy 2012: 106-110). It was only in 2010, during President Barack Obama’s visit to Jakarta, that a partnership was signed. Even then, Indonesia proposed calling it a “comprehensive partnership”, as “strategic” denoted a stronger security component.⁹ Since Indonesia’s transition to democracy, an empowered post-Suharto legislature has begun asserting influence over the foreign policymaking process. Indonesian governments must be
cautious in managing ties with the United States, China or any other major powers, as they could be accused of “leaning” too close to a major power (Dosch 2006).

**Implementation**

The implementation stage concerns the building and maintenance of the strategic partnership, particularly how new channels of communications are formed and institutionalized. The initial starting point between diplomats in both Indonesia and the target state would be on the system principles that justify the formation of a strategic partnership. These principles highlight shared geostrategic visions between Indonesia and the target state, which may range from the pursuit of a strengthened multilateral system (e.g. Brazil, South Africa) to a shared commitment to maintaining a balance of influence amongst major powers in East Asia (e.g. Vietnam, South Korea).

Once the system principles are determined, both states negotiate the operational aspects of the partnership. The development of the strategic partnership can be understood as a “two-level” process, whereby policymakers must negotiate with both foreign diplomats and domestic stakeholders (Putnam 1988). Once KEMLU reaches an agreement with foreign diplomats over the possible formation of a strategic partnership, they form formal working groups and invite other relevant ministries and members of civil society and academia to provide inputs. For instance, if KEMLU sees an opportunity for developing maritime cooperation with one country, they will involve ministries like Defence and Marine Affairs and Fisheries to gather their inputs and ensure policy coordination once the partnership is formed. Meanwhile, the purpose of inviting non-government stakeholders to deliberate in the strategic partnership process is to ensure that they play an important role in helping to maintain the strategic partnership once it has been signed.¹⁰

As mentioned in previous sections, strategic partnerships are distinguished by more regularized interactions between various levels of government and representatives or members of the public (whether they are in political parties or civil society).¹¹ Joint committees (domestic inter-agency and between officials from Indonesia and the target state) are formed to pursue the objectives listed in the strategic partnership agreement. Both states also decide how frequent senior government officials, particularly ministers and heads of governments, should meet. Factors that determine the frequency of high-level meetings include the strategic importance of the prospective strategic partner, purpose, and hopes of a high-level meeting, and the resources needed for regular summits. Once there is a consensus between diplomats in Indonesia and the target state on the system principles, operational objectives, and formal
mechanisms for long-term cooperation, the final draft of the strategic partnership agreement is sent to cabinet, where they will be examined for a final review. Ministers may give last minute inputs, before it is officially approved. The agreement – whether they are in the form of a joint statement or declaration – will normally be signed by the president (though sometimes just the foreign minister) in an official ceremony with their counterparts.

**Evaluation**

Evaluation is an ongoing and indefinite process (until the partnership terminates). Once a strategic partnership is signed, it is monitored by KEMLU through a series of mechanisms. First, senior officials meet either regularly or in an ad hoc manner to review the progress of each strategic partnership goals. Depending on the importance that Indonesia attaches to the relationship, a domestic inter-agency committee known as the “Joint Commission on Bilateral Relations,” led by KEMLU, may be formed to meet annually to monitor progress on the strategic partnership’s objectives. For more important strategic partnerships, the commission normally consists of ministers. However, for most strategic partnerships, the commission consists of senior officials (either at the Director or Director-General levels). Second, KEMLU employs a scorecard to closely monitor the progress of each strategic partnership. The scorecard monitors the number of agreements/MoUs signed, meetings held, and initiatives undertaken. The scorecards consist of three categories: economy, political-security, and sociocultural. They are monitored by the Directorate-General for the Americas and Europe and the Directorate-General for Asia-Pacific and Africa, which monitor countries in their respective regions. Amongst others, strategic partnerships are deemed to be going well if trade volumes are meeting targets, enough MoUs/agreements are being signed, sufficient exchanges are occurring between members of government and the public, and Indonesia and the partner states are pursuing common goals in the multilateral forums.

In implementing the goals of a strategic partnership, the primary challenge surrounds insufficient resources. As one Indonesian diplomat laments, expectations tend to be high during the signing of the strategic partnership, but that enthusiasm often dissipates once the partnership comes into effect. First, regular high-level summits (ministerial and/or head of government-level), while pledged for most strategic partnerships, only occur in some partnerships. The failure to meet this objective is based on two factors: 1) realization that progress does not necessitate high-level summits; and 2) difficulty in scheduling. As a result, meetings are often undertaken by senior government officials. Second, embassies stationed in strategic partner states neither get more funding nor manpower than that of embassies in other
states. Embassies need to make formal requests for extra resources and funding, regardless of whether they are expected to perform more activities than some other embassies. Third, without strong support from the leadership (primarily the foreign minister and president), strategic partnerships often lie dormant. This is the challenge faced in Indonesia’s strategic partnerships with South Africa and countries in the Americas and Europe under the Jokowi administration, as the administration is more focused on the immediate East Asian region.

**RESEARCH METHOD**

This study has employed two primary research methods to understand the development of the Sino-Indonesian strategic partnership. The first approach is an analysis of documentary data, which aims to understand the issues that Indonesia and China prioritize in the relationship over time. The documentary data gathered included foreign ministry reports on the strategic partnership, as well as the agreements signed between the Indonesian and Chinese governments. The second is a decision-making approach, which focuses on the perceptions and interests of key decision-makers and how they affect the development of the strategic partnership. This research benefits from qualitative research interviews with serving and retired officials from the Indonesian foreign ministry, which were conducted from December 2017 until October 2018.

**DISCUSSION**

The Sino-Indonesian Strategic Partnership

This section of the paper will utilize the framework proposed by Wilkins (2008) to examine the rationale behind the formation, implementation, and evaluation of Indonesia’s strategic partnership with China. The final sub-section of this section will examine why the strategic partnership was upgraded to a comprehensive strategic partnership.

**Formation**

Compared to its relationship with other major powers, Indonesia’s relations with China uniquely stands out, due to China’s geographic proximity, troubled history between the two states, and the presence of a large ethnic Chinese population in Indonesia. These factors have meant that the management of ties with China has become ‘one of the most difficult challenges in Indonesia’s foreign policy’ (Sukma 2009: 592). Diplomatic relations were frozen from 1967 until 1990 after the Suharto administration (1967-1998) accused Beijing of complicity in a failed communist coup in 1965. Even when relations were normalized, the two countries
engaged each other cautiously. There continued to be concerns about China’s strategic intent, especially in light of its incursions in the South China Sea (Storey 2000). While perceptions of China as a potential threat have continued in the post-Suharto era, they have largely been supplanted by perceptions of opportunity (Sukma 2009). China’s growing economic profile in Indonesia and its willingness to accept ASEAN (and consequently, Indonesian) leadership in setting up institutions to manage great power interests in the Asia-Pacific region have nurtured positive perceptions of China in Indonesia (Novotny 2010).

Soon after Susilo Bambang Yudhoyono was inaugurated as president of Indonesia in October 2004, Beijing approached Jakarta to form a strategic partnership to officially mark the reset in relations. It did not take long for the Yudhoyono administration to accept the offer. The decision to accept the strategic partnership was driven by three factors. First, Indonesia had wanted to diversify its dependency with great powers. China was targeted early on to balance out Indonesian economic dependence on the United States and Japan. Despite the close geographical distance, Sino-Indonesian trade remained at a paltry US$15 billion in 2005. It was hoped that through a strategic partnership, a proper framework of cooperation can be created to help facilitate trade growth. In particular, Indonesia had wanted to export raw resources, particularly coal, to the rich markets of East Asia. China, with its burgeoning middle class and growing demands for industry, became a key target for coal exports. Infrastructure was also at the forefront of the agenda during the signing of the strategic partnership. The strategic partnership was accompanied by a Memorandum of Understanding on Infrastructure and Natural Resources Cooperation, as well as a pledge by China to grant over US$300 million in preferential loans for infrastructure construction and the reconstruction of disaster-hit areas in Aceh and Nias (Qin 2005).

The second priority was to increase channels of communication to ensure that upward trend in diplomatic relations would continue by increasing social and economic interconnectivity. Despite a complex history filled with animosity, Sino-Indonesian relations was on the uptrend in the aftermath of Suharto’s downfall. Beyond the realm of economics, there was a desire to intensify both sociocultural and security relations as well through exchanges and increased interactions between members of civil society, academia, and the military (Tjhin 2012: 306-207). A strategic partnership would signify how much has improved in a previously problematic relationship and help to organize and create new avenues of cooperation in fields ranging from the sciences to cultural exchange.

The third priority – and the system principle – was to ensure peace and stability in the region by enmeshing China into ASEAN-led institutions and norms. Although relations with
China had improved by the 2000s, China was still seen as a long-term strategic threat, especially due to its adventurism in the South China Sea in the 1990s (Novotny 2010). Since the normalization of ties in 1990, Indonesia has attempted to assuage Chinese assertiveness and, potential revisionism, by engaging it into ASEAN’s string of norms and institutions (Wanandi 1996: 124-127). It was to the satisfaction of the Indonesian leadership that, by the early-2000s, China had begun softening its approach to Southeast Asian states. For instance, on the South China Sea disputes, China’s willingness to sign a Declaration on Code of Conduct in the South China Sea with ASEAN member-states in 2002 sent the signal to Jakarta that it was willing to be cooperative with ASEAN in managing potential conflicts in the Seas.\(^{25}\)

By agreeing to form a strategic partnership with China, the Yudhoyono administration had hoped to achieve two objectives pertaining to the system principles. The first was to send a message to Beijing that Indonesia had approved of China’s engagement with ASEAN. The second objective was to encourage China to reiterate its commitment to regional treaties and institutions, such as the Treaty of Amity and Cooperation (TAC). A former Indonesian foreign minister justified the partnership’s formation with China as:

… [a recognition of] the importance of China as a country that is important to us beyond just the political realm…we believed that our relationship has implications beyond just the bilateral realm, in that it affects the entire region. So, we formed a strategic partnership and later a comprehensive strategic partnership to start a trend or multiplier effect in the region that would see countries further integrate themselves with China.\(^{26}\)

By encouraging China to commit to key documents, like the TAC, in the strategic partnership agreement with Indonesia, the Yudhoyono administration had hoped to show the world that China was willing to be cooperative and accept regional norms and institutions. Indonesian diplomats involved in the deliberation process had hoped that this would encourage other states to engage China, and, more importantly, show China that cooperative behaviour would be rewarding.\(^{27}\)

**Implementation**

On 25 April 2005, President Hu Jintao visited Jakarta to sign a Joint Agreement for a Strategic Partnership with Yudhoyono. The timing of the signing is symbolic, as it took place just days prior to the 50\(^{th}\) anniversary of the historic Bandung Conference, a historic summit of
postcolonial states that asserted independence during the Cold War. Then-Chinese Premier Zhou Enlai also attended and took the opportunity to project a more conciliatory image of China, impressing Indonesia’s leaders (Mozingo 1976: 120-125). The conference was thus a turning point in the early years of Sino-Indonesian relations, as it triggered a bond between Sukarno and Zhou. Both Hu and Yudhoyono revived that moment as a benchmark in bilateral relations (Arnold 2010: 39-40).

The Joint Agreement consisted of five thematic and 28 operational clauses. While operational clauses indicate the practical objectives of the partnership, thematic clauses highlight the normative agreements that the two powers share, as well as outline some shared regional and international goals. The first thematic clause highlighted the non-aligned and non-exclusive nature of the new strategic partnership, which signalled the two states’ rejection of military alliances. Other thematic clauses include a reiteration of the TAC and placed the partnership as one of the pillars of the pre-existing ASEAN-China Strategic Partnership. The 28 operational clauses were divided into three categories: political and security, economic and development, and sociocultural and other cooperation. These clauses, cover a wide range of issues, ranging from maritime cooperation to stepping up dialogue and consultation in energy policy. Certain values were also listed in these operational clauses, including respect for territorial integrity, multilateralism, and, interestingly, respect for human rights and democracy.

The procedural aspects of the strategic partnership were slow to kickstart. Following the signing of the strategic partnership, KEMLU consulted various domestic stakeholders from government, civil society, and academia to follow it through with a more detailed proposal. However, it was only in January 2010 that a Plan of Action was signed. The Plan of Action added more operational clauses highlighting the priorities pursued, including cooperation on energy, fisheries, and investment. Economic interests dominated the Plan of Action, with most points surrounding trade and investment cooperation (including points on expediting the progress of certain infrastructure projects). The Plan of Action also proposed the formation of a series of joint dialogues and summits between government officials, ministers, and heads of states of the two states, who would meet whenever necessary to coordinate policy and pursue these priorities. However, the Plan of Action was not specific in outlining the targets that it sought to achieve. Most points simply indicate a commitment to “enhance dialogue” or “promote cooperation” without clearly indicating any quantifiable measurement of success. For instance, despite a desire to increase tourism and trade, no specific numerical target is underlined.
Once the Plan of Action was signed, KEMLU moved to pursue the goals outlined in the Plan. A high-level Joint Commission on Bilateral Relations was formed in 2011, which was co-chaired by the foreign ministers of Indonesia and China. The Joint Commission met annually to monitor progress on the strategic partnership. Three high-level dialogues (at the level of an Indonesian Coordinating Minister and a Chinese State Councillor) – covering political-security, economic, and sociocultural issues – were also held to pursue the priorities agreed upon in the partnership agreement. Each Joint Commission meeting produced a statement, which summarized the progress of the strategic partnership and outlined action plans. Below the Joint Commission, there were a series of other committees led by senior officials covering matters that include maritime issues, consular consultation, and defence. While most summits tend to be held at the senior officials-level, high-level summits between national leaders occurred from time-to-time (though not necessarily annually). These summits were particularly important to help fast-track negotiating processes.

Overall, 34 agreements, MoUs, and letters of intent were signed between April 2005 and January 2013 that were a result of meetings connected to the strategic partnership. Of these documents, 23 were signed after the Plan of Action was formally signed on 21 January 2010. Sino-Indonesian trade also increased from around $15 billion in 2005 to $52 billion in 2013 (Indonesian Trade Ministry 2019). However, considering that the strategic partnership was slow to start, it was deemed to have failed to meet the high expectations of the Indonesian and Chinese leaderships during the signing in 2005. Fiscal constraints and little manpower prevented many programs from taking place. A high-level summit between Yudhoyono and Hu in March 2012 helped to expedite a lot of the negotiations on issues discussed in the Plan of Action. Amongst others, six bilateral agreements were signed on topics ranging from maritime cooperation to tourism (KEMLU 2012). The meeting also led to the signing of 16 agreements between Indonesian and Chinese businesses that amounted to US$17.5 billion. Despite these developments, Indonesian diplomats interviewed had argued that the strategic partnership had been considered initially disappointing, due to its dormancy until the 2010s. From a geostrategic perspective, Sino-Indonesian relations encountered drawbacks following the aftermath of Sino-Philippine standoff in Scarborough Shoal and the subsequent escalation of tensions in the South China Sea. A decision was made by both Indonesian and Chinese foreign policymakers to revitalize the relationship and revive the excitement of 2005 by upgrading the partnership to a CSP in 2013.
Upgrade to a Comprehensive Strategic Partnership

A comprehensive strategic partnership was signed in the form of a joint statement between new Chinese President Xi Jinping and Yudhoyono, during the former’s state visit to Jakarta. The CSP signified the symbolic elevation of the bilateral relationship. A retired Indonesian foreign ministry official argued, ‘we understood that the Chinese Foreign Ministry needed something symbolic to signify how [Sino-Indonesian] relations have improved and this partnership would prove to both the Chinese Communist Party and Chinese people that Indonesia is now a friend.’ While Sino-Indonesian ties enjoyed an upward trend throughout much of the post-Suharto era, the South China Sea disputes proved to be a litmus test. Since 2007, the region has seen renewed tensions in the South China Sea instigated by claimant states that seek to aggressively occupy or extract resources from overlapping exclusive economic zones (EEZs). Indonesian strategists have also grown increasingly wary of incursions by illegal Chinese fishing vessels. This is especially since 2010, when Chinese coast guard vessels have crossed into Indonesian waters to free Chinese fishing vessels captured by Indonesian maritime forces (Laksmana 2018: 153-175). The illegal fishing problem persisted, even months prior to the signing of the CSP. China’s creeping assertiveness in the South China Sea had attracted growing attention from powers outside of Southeast Asia. The decision by the Philippines to institute arbitral proceedings against China further brought about concern in Beijing that the South China Sea disputes had grown internationalized. These developments were accompanied by growing American interests in the South China Sea, signified by the Obama administration’s “Asia rebalancing” (Saunders 2014).

Indonesian policymakers had feared an escalation of great power rivalry, which would not only increase the prospects of conflict, but also undermine the complex webs of ASEAN-led institutions (such as the East Asia Summit) that Indonesia depended on to manage great power interests in the Indo-Pacific (Acharya 2014: 83-106). Indonesia’s decision to agree to a CSP with China has to be understood as a dual attempt to mitigate tensions and improve, what continued to be perceived as, underdeveloped relations between Indonesia and China. Through a CSP, Indonesia had hoped to instil some degree of confidence in Beijing that despite escalating great power tensions, Indonesia had remained undistracted in developing economic, diplomatic, and social cooperation with China. Despite the excitement that surrounded the 2005 signing of the strategic partnership, its slow implementation meant that the results, after eight years, was underwhelming. The CSP was meant to revive the enthusiasm of the 2005 signing of the strategic partnership, especially in light of Xi’s first state visit to Jakarta. At the same
time, the CSP was to highlight that Indonesia remained committed to maintaining a pluralistic regional order based on a balance of great power influence centred around ASEAN.  

Interestingly, the CSP was not signed in the format of a “declaration,” but rather that of a joint statement. The eight-page statement contained 40 points, covering cooperation on issues ranging from economic development to maritime and aerospace cooperation. The new CSP was broader and more extensive in the range of topics covered, including cooperation in intelligence-sharing, crime prevention, and food security. There was also a greater focus on infrastructure-building, with pledges by the two governments to accommodate the Yudhoyono administration’s “Masterplan for Acceleration and Expansion of Indonesia’s Economic Development” (MP3EI). Several points also covered maritime cooperation, including cooperation on combatting illegal fishing and the formation of a China-Indonesia Maritime Cooperation Fund that may be used to “promote maritime cooperation” (KEMLU 2012). The declaration on the CSP also stated that the leaders of the two states ‘welcomed the idea of establishing bilateral fishery cooperation bases in Indonesia in effort to enhance food security and advance the capacity of Indonesia’s fishery industry’ (KEMLU 2013: Point 20). Such statements were surprising, considering the emerging issue of illegal fishing and the South China Sea disputes in Sino-Indonesian relations. Interestingly, the Plan of Action of the CSP, which was signed in 2017 under the Jokowi administration, emphasized less on bilateral fishery cooperation and more on cooperation on illegal fishing. This sudden shift in attention is unsurprising, considering the Jokowi administration’s greater focus on combatting illegal fishing (Connelly 2015).

Both the CSP joint statement and plan of action have been more detailed than that of the strategic partnership, indicating that there is growing confidence between the two states to work together in areas that go beyond the traditional realms of trade and security. A Plan of Action was signed in 2017, between Jokowi and Xi. The delay in the signing of the Plan of Action is attributed to the change in presidential leadership in Indonesia and domestic deliberations on how China fits best into the Jokowi administration’s economic and strategic priorities. Despite the delay, the Jokowi administration had been quick to pursue the goals listed in the CSP joint statement. Realizing the importance of China for its own vision of improving Indonesia’s energy and maritime infrastructure, the Jokowi administration intensified the regularized interactions between leaders of the two states, resulting in 34 agreements before a Plan of Action was signed. In particular, Chinese infrastructure investments in Indonesia, a core interest of the Jokowi administration, has seen a considerable increase from US$600 million in 2015 to US$1.96 billion in 2017. There is also evidence that
China has given Indonesia more attention under Jokowi. Rather than involving only state councillors, China now sends vice-premiers to meet with the Indonesian Coordinating Minister of Economic Affairs and Coordinating Minister of Human Development and Culture in their respective dialogues.\(^\text{38}\) There is, thus, considerable progress made in the economic front of the CSP.

Progress on the use of the CSP as a platform to address China’s adventurism in the South China Sea has been more mixed. On the issue of illegal fishing in the Natuna Sea, diplomats argue that Indonesia has been more forceful under Jokowi. One retired official lamented that Chinese refusal to discuss the illegal fishing problem in meetings for the committee on maritime affairs has, in the past, prevented any action from being taken.\(^\text{39}\) However, Indonesian officials have been more forceful in discussing illegal fishing, particularly in light of a series of encounters between Indonesian and Chinese fishing vessels in 2016, which were widely publicized by the Indonesian and international press. While these discussions have not led to Chinese renunciation of historical fishing rights in the Natuna Sea, it has, thus far, led to the formation of emergency communication lines between Indonesian and Chinese maritime officials to quickly report any altercations between Chinese and Indonesian vessels in the Natuna Sea.\(^\text{40}\)

While there is some progress on illegal fishing, there is much less progress on the South China Sea disputes as a whole. Senior Indonesian officials have taken the opportunity to use high-level dialogues to express their concerns regarding China’s island constructions and militarization of the South China Sea, as well as remind China of its adherence to use non-coercive means to pursue its goals in the South China Sea.\(^\text{41}\) However, it is uncertain whether Indonesian officials have considered (or attempted) to express their dissatisfaction with Chinese adventurism through other means, such as through leveraging what little Indonesia has over China through years of economic and social interconnectivity. Several retired Indonesian diplomats argued that the absence of “sticks” in Indonesia’s diplomacy with China is attributed to the fear of reprisal, especially in light of China’s economic punishment of Japan, South Korea, and the Philippines in recent years.\(^\text{42}\) This may indicate that Indonesia has benefited more from China through the CSP than the other way around. Thus, in encouraging China to adhere to regional norms and institutions, Indonesian leaders have primarily been dependent on private (though regularized) high-level discussions between the two states. Through this method alone, however, success may be more dependent on Chinese willingness to be cooperative rather than any Indonesian effort.
CONCLUSION

Strategic partnerships have emerged as a mainstay of Indonesian diplomacy in the 21st century. The importance of strategic partnerships to Indonesian diplomacy are both regional and bilateral in scope, possessing the purpose of pursuing domestic political and economic objectives, as well as broader international objectives. The Sino-Indonesian strategic partnership and subsequent comprehensive strategic partnership heralded a new chapter in their diplomatic history. After decades of animosity, Indonesia and China now possess burgeoning economic and diplomatic relations, underpinned by growing social and economic interconnectivity. A convergence of economic and strategic interests is highlighted in regularized interactions between high-ranking government officials, which attempt to coordinate policies between the two states to settle potential problems and address challenges to improved economic relations.

Despite initial enthusiasm in the signing of the strategic partnership in 2005, a lack of commitment and declining enthusiasm led to the slow implementation of the strategic partnership. Slow implementation and lack of support from the top have meant that the strategic partnership did not reach its full potential. It was only in the 2010s that we saw significant growth in the number of multiple channels of communication between the two states. The CSP signed eight years after the strategic partnership was meant to revive the enthusiasm of the 2005 signing. The CSP has been successful in increasing formal interactions and helping to expedite the signing of agreements that contribute to growing social and economic interconnectivity between the two states. But its effectiveness as a platform to encourage China to adhere to regional norms and institutions, especially those centred around ASEAN, is largely dependent on Chinese willingness rather than any Indonesian attempt to influence Chinese foreign policy. Nonetheless, regularized high-level interactions allow for the leaders of the two states to regularly communicate their ideas and positions. Though, the effects of these interactions on Chinese foreign policy are not entirely clear and do not seem to be entirely effective, as Chinese adventurism in the South China Sea continued years after the signing of the CSP.

The strategic partnership between Indonesia and China was an early attempt in Indonesia’s use of strategic partnership diplomacy, a process that it had to gradually learn. While much can be learned from the experience of the strategic partnership with China for the general study of Indonesia’s strategic partnership diplomacy, individual case studies should be considered, as they are tailored by specific domestic political, historical, and bureaucratic interests. Future studies can also focus more on the failings and successes of the CSP as an
instrument of regional order-building, particularly how Indonesia utilizes its strategic partnership with major regional powers – namely, the United States, China, and Japan – to pursue its vision of the regional order.

**BIBLIOGRAPHY**


**NOTE:**

1 An exception here are studies on Australia’s strategic partnerships, which have captured considerable attention from Australian international relations scholars. See Wilkins 2015; Envall and Hall 2017.

2 Despite Indonesia’s adherence to non-alignment, Indonesian leaders have been willing to form informal alliances under special circumstances. The fear of Chinese interference partly encouraged Indonesia to secure strong military links with the United States during the Suharto years, one that was referred to by future-Defence Minister Juwono Sudarsono as an “informal alliance.” See Sudarsono 1979. China’s territorial adventurism in the South China Sea in the late-1980s and early-1990s also influenced Suharto’s decision to sign the Agreement on Maintaining Security (AMS) with Australia in 1995, which committed the two countries to, among others, ‘agree to consult in the case of adverse challenges to either party or to their common security interests.’ While the wording of the agreement itself does not indicate any form of military alliance, it’s interesting to note some
similarities with the ANZUS treaty. See Sukma 1997. Both of these arrangements were possible as Indonesian politics was largely dominated by army officers loyal to Suharto.

3 Interview with Indonesian diplomat, 3 July 2018.
4 Interview with Indonesian diplomat, 4 July 2018
5 Interview with Indonesian diplomat, 3 July 2018.
6 Interview with Indonesian diplomat, 6 December 2017.
7 Interview with Indonesian diplomat, 23 May 2018.
9 Initially, the United States offered to open a “robust partnership.” Interview with Indonesian diplomat, 2 July 2018.
10 Interview with Indonesian diplomats, March-July 2018.
11 Interestingly, senior policymakers and leaders between Indonesia and Singapore and Malaysia meet more regularly than with leaders from some strategic partner states, such as the United States and Japan.
12 Interview with Indonesian diplomat, 3 July 2018.
13 There is yet to be a defined mechanism on the factors that merit the strategic partnership to be disbanded. This is evidence of their loose nature, which allow states to freely disband strategic partnerships however they wish. Interview Indonesian diplomat, 3 July 2018.
14 The Joint Commission for Indonesia’s Comprehensive Strategic Partnership with China consists of government ministers. Interview with Indonesian diplomat, 12 March 2018.
15 Interview with Indonesian diplomat, 18 July 2018.
16 Ibid
17 Interview with Indonesian diplomat, 3 July 2018.
18 Interview with Indonesian diplomat, 18 July 2018.
19 Interview with Indonesian diplomat, 3 July 2018.
20 Ibid
21 Ibid
22 Interview with Indonesian diplomat, 23 March 2018.
23 Interview with Indonesian diplomat, 4 July 2018.
24 Ibid
25 Interview with an Indonesian diplomat, 6 December 2017.
26 Interview with a former Indonesian foreign minister, 8 January 2018
27 Interview with Indonesian diplomats, January-July 2018
28 As of 2017, there are three high-level dialogues (between Coordinating Minister and State Councillor), three ministerial committees (covering foreign affairs, trade, and defence), seven committees at the senior official-level
29 Interview with Indonesian diplomats, 20 July 2018 and 18 July 2018.
Structural and financial problems persist to this day. As an example, the China Desk at KEMLU is only manned by 3-4 people. The Indonesian embassy in Beijing is only staffed by 16 KEMLU officials and 7 attaches from

Interview with Indonesian diplomat, 4 July 2018.

Interview with retired Indonesian diplomat, 14 March 2018

Interview with Indonesian diplomat, 4 July 2018.

Interview with former Indonesian foreign minister, 8 January 2018.

The Plan of Action for the CSP signed in 2017 replaced all points on the MP3EI with the Jokowi administration’s new Global Maritime Fulcrum.

This maritime fund is held separate to the ASEAN-China Maritime Cooperation Fund.

Interview with Indonesian diplomat, 4 July 2018.

Interestingly, the bilateral dialogue involving the Indonesian Coordinating Minister for Political, Legal, and Security Affairs continues to be held at the state councillor-level.

Interview with Indonesian diplomat, 1 October 2018.

Interview with Indonesian diplomat, 12 December 2017.

Interview with Indonesian diplomat, 3 April 2019.

Interview with Indonesian diplomats, 18 April & 1 October 2018. For more on China’s use of economic diplomacy to pressure other states, see Lim 2014.