

Seeking Stability

Indonesia seeks to maintain balance in tense Indo-Pacific crossroads

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INDONESIA SPENT 2018 developing what it calls the Indo-Pacific Cooperative Concept, which first surfaced in an annual press statement made on 9 January, 2018, by Foreign Secretary Retno Marsudi. She announced that, “in the midst of regional geopolitical changes, Indonesia, located at the crossroads of the Indian and Pacific Oceans must continue to be the prominent player in the creation of a regional architecture.”

With regard to future regional architecture, Marsudi pledged that, “Indonesia will work together with countries in the region, to develop an Indo-Pacific

cooperation umbrella” but within which, “ASEAN centrality has to be maintained.”

This Indo-Pacific focus was reiterated by Indonesia’s President Joko Widodo on 25 January, 2018, when he stated, “the development of the Indo-Pacific concept must also be done openly, transparently, inclusive based on habit of dialogue, based on the desire to work together and uphold international law.” Similarly, Marsudi tweeted on 8 May that, “Indonesia’s Indo-Pacific cooperation principles are inclusive, openness, developing a habit of dialogue and respect for international law.”



A meeting between Secretary Mike Pompeo and Minister Retno Marsudi in Washington, DC, on 5 June, 2018.

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photo: US Navy

Chinese dredging vessels are purportedly seen in the waters around Fiery Cross Reef in the disputed Spratly Islands in the South China Sea.

This vision of cooperation faces the obvious challenge of how far the People's Republic of China (PRC) is ready to go to frustrate international law in the South China Sea, given its refusal to accept the July 2016 Permanent Court of Arbitration (PCA) ruling against China.

Unofficial ASEAN leader

Indonesia's proposal for an ASEAN-led Indo-Pacific concept reflects and cements Indonesia's status as ASEAN's unofficial leader. Inevitably, as the biggest ASEAN member, Indonesia has the clout and capacity to spearhead ASEAN regional initiatives. The advantage for Indonesia in pushing ASEAN centrality is that it averts larger non-ASEAN powers setting the political and economic agenda, whether they be China's Maritime Silk Road (MSR) initiative, or the US/Japanese "Free and Open Indo-Pacific" (FOIP). Throughout 2018, Indonesia pursued Indo-Pacific avenues with Australia, India, Japan, the United States, China and ASEAN.

With regard to Australia, Indo-Pacific convergence was on show with the Joint Statement drawn up by the

two countries for the Fifth 2+2 Meeting on 16 March 2018 in Sydney. The meeting gave the context as, "the geo-strategic shifts underway in the Indo-Pacific," where the foreign and defense ministers emphasized that their two countries has a shared interest in an Indo-Pacific region that is open, transparent, inclusive, rules-based, prosperous and resilient, in which the rights of all states are respected. Their comments on geo-strategic shifts in the Indo-Pacific and on recent developments in the South China Sea were aimed at China, especially their common stress on non-militarization, and freedom of navigation and over-flight, though the word "inclusive" was a nod to Indonesian concerns about antagonizing China.

With respect to India, this Indo-Pacific convergence was also at the forefront with the Shared Vision of India-Indonesia Maritime Cooperation in the Indo-Pacific, signed between their two leaders on 30 May, 2018. Their Shared Vision recorded "the convergences and complementarities in the region between India's Act East Policy and Indonesia's Global Maritime Fulcrum Vision." Indo-Pacific cooperation through the Indian Ocean Regional Association (IORA) and ASEAN-led mechanisms was highlighted, as was bi-

lateral maritime cooperation, subsequently carried out through initiating the Samudra Shakti naval exercises in November. Their focus on inclusivity reflected both countries' desire to not antagonize China too overtly, though China was implicitly in mind with the Shared Vision comments on "reiterating the importance of achieving a free, open, transparent, rules-based, peaceful, prosperous and inclusive Indo-Pacific region" where "sovereignty and territorial integrity, international law, in particular UNCLOS, freedom of navigation and overflight are respected."

China-containment model

The FOIP strategy was first developed in Japan by Shinzo Abe in late-2016, and picked up with enthusiasm by US President Donald Trump in late 2017. Although China is not specifically named, the Japan-US Indo-Pacific strategy is, in reality, a China-containment model, both in the security sense, but also by serving as a counter to China's MSR, which both Japan and the United States see as a closed sys-

tem set to give China geo-economic and geopolitical dominance in the region. Speaking at the 25th PECC General Meeting on 8 May, 2018, Marsudi cautioned that with regard to the Indo-Pacific, "the concept should not be used as a containment strategy." Nevertheless Indonesia has not rejected the Japanese and US Indo-Pacific formulations.

A report by the Indonesian Foreign Ministry on talks held with Japan on 25 June, 2018, stated that, "both Ministers also expressed concern over the occurrence of militarization in the South China Sea region," adding that, "the two Foreign Ministers also agreed to synergize the Indonesian-initiated Indo-Pacific concept with the concept of Free and Open Indo-Pacific Strategy from Japan" by strengthening bilateral cooperation, and regional mechanisms such as ASEAN, IORA and the EAS. The word "inclusive" was not inserted into this declaration.

With regard to the United States, Indonesia has taken a careful approach. Indonesia's Ministry of Foreign Affairs' report on 6 August 2018 about the Marsudi-Pompeo discussions stated, "both countries will fur-



All 18 EAS member states and the ASEAN secretariat at the East Asia Summit (EAS) Foreign Ministers Meeting in Singapore, Singapore, 4 August, 2018.

ther encourage trade and investment cooperation in the Indo-Pacific region,” adding that, “Minister Retno reiterated the key pillars of Indonesia’s concept of Indo-Pacific: promoting inclusiveness, habit of dialogue, and respect of international law.”

Similarly, the Indonesian Ministry of Defense report on 28 August about the Ryacudu-Mattis discussions was that “Indonesia also agreed with the concept of the Free and Open Indo Pacific Policy, which has proven a significant role in building stability in the Indo Pacific region.” Nevertheless Indonesia highlighted “prioritizing the economic aspect approach by emphasizing the principle of inclusiveness,” and sought assurances “that FOIP is not aimed at certain countries,” and that FOIP “recognizes the importance of ASEAN’s position as the main regional construct in the Indo-Pacific region.”

The Indonesian Foreign Ministry’s take on the Widodo-Pence meeting on 14 November was that “the President conveyed cooperation to maintain peace and security in the region, including collaboration for the development of the Indo Pacific,” and that synergy was feasible between Indonesian and US Indo-Pacific formulations.

In its relations with China, Indonesia has pursued a selective approach; avoiding any direct mention of maritime friction around the Natuna Archipelago in the South China Sea, and of China’s wider militarization of the South China Sea. Instead, Marsudi’s talks with Wang Yi brought Wang’s comments on 29 February, 2018, to the effect that, “the framework of Indo-Pacific region recently proposed by Indonesia emphasizes the principles of openness, transparency and inclusiveness, upholds the general direction of dialogue and cooperation, and China agrees with this framework.”

China, though, remains loath to use any Indo-Pacific formulations. Widodo’s visit to China in April involved friendly discussions with Xi Jinping and the signing of various MSR-funded infrastruc-

ture projects. Widodo’s further meeting with Xi Jinping in November involved Chinese acceptance of Indonesia’s “maritime fulcrum” concept, and Indonesia’s acceptance of China’s Maritime Silk Road initiative, but nothing on Indonesia’s Indo-Pacific Cooperation Concept.

“The risk continues that bland Indo-Pacific declarations, with the drive to insist on inclusivity so as not to upset China, avoid addressing key security issues.”

A prominent theme in Indonesia’s espousal of the Indo-Pacific is ASEAN centrality. At the Heads of Government ASEAN summit in April 2018, the Indonesian President declared that “ASEAN must be able to play a role in developing the framework of Indo-Pacific cooperation, it is important for ASEAN to stay relevant and maintain its centrality.”

In July, at the ASEAN Foreign Ministers meeting, Indonesia presented a formal Indo-Pacific briefing paper, with Marsudi arguing that, “[the] ASEAN centrality principle is behind Indonesia’s promotion of the Indo-Pacific cooperation concept.” This push within ASEAN was supposed to be wrapped up at the ASEAN Summit held on 13 November, but President Widodo noted how a draft joint concept was still under discussion within ASEAN, but that, “God willing, it can be agreed on soon.”

During 2018, Indonesia further pushed its Indo-Pacific initiative onto the wider stage of the East Asia Summit (EAS) mechanism; which brings together ASEAN, India, China, Japan, South Korea, Australia, New Zealand and the United States. Indonesia formally presented its Indo-Pacific concept at the EAS Foreign Minister’s meeting on 4 August, but with no formal response from other EAS ministers. On 14 November, Widodo did make the Indo-Pacific the focus of his own address to the EAS Summit.

Although Widodo described “the Pacific Ocean and the Indian Ocean as a single geo-strategic theatre,” his exposition took little account of China’s growing strategic challenge in both regions. Instead he deliberated on uncontroversial economic cooperation on which few could disagree; the focus of Indo-Pacific cooperation being he argued in three areas, namely crime at sea (piracy), connectivity schemes, and sustainable development.

The EAS response was polite but non-committal. The Chairman’s Statement released on 15 November merely noted that, “we had a broad discussion on the various Indo-Pacific concepts,” which presumably referred to the various Indo-Pacific expositions by Japan, the United States (with its particularly sharp direct criticisms of China), India and Indonesia without particularly accepting any of them.

The risk continues that bland Indo-Pacific declarations, with the drive to insist on inclusivity so as not to upset China, avoid addressing key security issues; which continue to revolve around China’s militarization and expansionism in the South China Sea

(which includes Chinese maritime claims in waters around Indonesia’s Natuna Islands), China’s growing naval presence in the Western Pacific and the Indian Ocean, and China’s questionable MSR geo-economic undertones of debt diplomacy. Instead, the Indonesian emphasis in 2018 has been on economic cooperation with China through infrastructure projects for Indonesia as a maritime fulcrum and readiness to participate in the MSR initiative. The danger remains that Indonesia’s Indo-Pacific Cooperation Concept may be a weak play amid its unresolved naval weakness, increasing pressure of great power politics, a divided and powerless ASEAN, unenforceable principles, and a vaguely outlined and ineffective multilateral approach.

Prioritizing collaboration

Economic cooperation was the continuing refrain from Indonesia in 2018. On 23 October, Marsudi stated at the Jakarta Geopolitical Forum that, “Indonesia’s Indo-Pacific cooperation concept promises a mutu-



The fleet replenishment oiler USNS *Leroy Grumman* conducts a replenishment-at-sea with the aircraft carrier USS *Abraham Lincoln*.



Secretary of State Mike Pompeo meets with Indonesian Foreign Minister Retno Marsudi, in Jakarta, Indonesia, on 4 August, 2018.

ally beneficial geopolitical situation by prioritizing collaboration for a common interest, including the creation of new growth centers.” However, do such assumptions by Indonesia about economic collaboration in the Indo-Pacific underplay the destabilizing and competitive geopolitical situation posed by China’s military assertiveness in the South China Sea, and its growing naval presence across the Indo-Pacific?

The challenge for Indonesia is that the FOIP concept being pushed by Japan and the United States in the real world of politics cannot be inclusive because it is China’s actions that are leading other countries to balance against it in the FOIP framework. China does not want to be included in such a Free and Open Indo-Pacific because China threatens a free and open Indo-Pacific. Indonesia’s desire to stay out of the way of China-US competition could muffle the real power challenge posed to Southeast Asia by the threat of China’s regional hegemony in the Indo-Pacific. The Indo-Pacific balancing by the United States and Japan, alongside Australia and India, was demonstrated again with the 15 November, 2018, meeting of

Quad officials, complete with repeated Indo-Pacific references. This may be something that Indonesia should also be moving closer to, rather than keeping a slight distance from.

Having announced the Indo-Pacific Cooperation Concept in her 2018 annual press statement, twelve months later Indonesian aspirations for 2019 have a slightly forlorn feel to them. Marsudi’s announcement on 9 January, 2019, that “Indonesia, alongside other ASEAN member countries, invites all partners to continue developing the ‘Indo-Pacific’ cooperation concept,” was tacit acknowledgment that it was still a work-in-progress. Indeed, the ASEAN Foreign Ministers meeting on 18 January saw no consensus, with Indonesia’s Indo-Pacific Concept paper not adopted, but instead handed back to senior officials for further discussion. Marsudi’s call for 2019 was pressing; “we must ensure that the Indian and Pacific Oceans do not become an arena for competition of natural resources, territorial conflicts and maritime supremacy.” Unfortunately for Indonesia, that is what beckons for 2019. ■