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ABSTRACT

Indonesia's upcoming general elections will see a rematch between incumbent President Joko Widodo (commonly called 'Jokowi') and his long-time rival, retired lieutenant general Prabowo Subianto. This paper examines the potential impact of the elections on Indonesia's foreign policy, especially on the country's maritime relations with India and other major powers. In the 2014 elections, the *Visi-Misi* (or election manifesto) of the incumbent president made prominent mention of Indonesia's maritime relations. The 2019 manifesto hardly talks about maritime issues, and instead focuses on Indonesia's domestic goals. If Jokowi wins a second term, will there be a change in maritime policy? In the event of a Subianto ascent to the presidency, what new policies can be expected in these domains?

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INTRODUCTION

Historically, Indonesia has maintained what it calls “free and active” foreign policy that puts emphasis on non-alignment, “unrestricted by any military pacts or alignments with great powers.”¹ As a result, the country’s leaders are wary of any outside power growing too strong or being unchecked in its neighbouring regions. Indonesian strategic thinking is further reflected in the doctrine called ‘National Resilience’: the principle holds that national security does not depend on external alliances, but rather on strengthening “internal resilience” on all aspects of national life.² This idea revolves around the belief that threats to national unity mostly come from internal forces. Incumbent President and re-electionist Joko Widodo (more known as Jokowi), during the March presidential debate on foreign policy had said that he is concerned more about issues like cyberwar and domestic conflicts, than any external threats.³ Therefore, he said, there is hardly any urgent need for more investments in the country’s defence sector. Moreover, Indonesia’s foreign policy is heavily influenced by the so-called “Mandala logic”,[#] which says that the country’s geo-strategic outlook is best visualised as a series of concentric circles emanating from the capital, Jakarta. The first circle embraces the entire state as defined by the outer limits of its exclusive economic zones (EEZ); the second encompasses the remainder of Southeast Asia and Australia; and the third embraces the rest of the world.⁴

Mandala is a Sanskrit word that means “circle”. The mandala is a model for describing the patterns of political power distributed among Mueang or Kedaduan (principalities) in early Southeast Asian history, when local power was more important than the central leadership. It is employed to denote traditional Southeast Asian political formations, such as federation of kingdoms or vassalised polity under a centre of domination. For Southeast Asians the polity was defined by its centre rather than its boundaries, and it could be composed of numerous other tributary polities without undergoing administrative integration.

These basic tenets of Indonesian strategic culture are unlikely to change no matter which presidential candidate comes to power after the 2019 polls. This paper attempts to assess if the April elections will pave the way for either continuity or change in Indonesia's foreign policy approach, in the context of the country's current challenges. In this analysis the author utilises information and insights obtained from the rival presidential candidates' election manifestos, the debates that have happened in the run-up to the polls, and the personal interviews conducted by the author with Indonesian scholars and experts during her visit to the capital, Jakarta in March this year.

INDONESIA'S FOREIGN POLICY: CURRENT CHALLENGES

Over the years since Indonesia in the late 1990s began its post-Suharto transition to democratic rule,[&] the country's leadership has not found it necessary to formulate what foreign-policy analysts refer to as "a grand strategy". Rather, Indonesia's leaders are mostly inward-looking, preoccupied with the demands of nation-building amidst the perceived fragility of the state. A corollary to this, according to Indonesian scholars like Laksmana and Supriyanto,⁵ is that the country has failed to make its maritime geography a determinant of its foreign policy. Even in the post-Suharto period, the Army-dominated foreign policy establishment deprioritised external maritime interests, and incorporated the concept of 'National Resilience' (*Ketahanan Nasional*) into the 'Archipelagic Outlook' (*Waswasan Nusantara*)—thus further limiting the geopolitical outlook to the domestic sphere.⁶ The country's maritime policies have

& The Post-Suharto era in Indonesia began with the end of Suharto's authoritarian regime in 1998, beginning an era known in Indonesia as Reformasi. A more open and liberal political-social environment ensued. The Reformasi (Reformation, or Reform) of 1998 led to changes in Indonesia's various governmental institutions, reforms on the structures of the judiciary, legislature, and executive office.

been mostly concerned with the maintenance of territorial and political integrity, and other considerations like maritime security, in the context of external threats, took a backseat in the calculus.

The question for Indonesia's policymakers is whether the country can continue to afford what analysts call its "relative neglect" of foreign policy, given the current geo-political climate in Southeast Asia and the wider Indo-Pacific region. The rise of China, as well as the re-emergence of the United States' influence in the region, require a country like Indonesia to either balance its relations with both the US and China or adopt a hedging strategy. It is also imperative for Indonesia to maintain harmonious relations with its immediate neighbours in Southeast Asia, and other countries that have a stake in the region like India, Japan, and Australia.

Furthermore, with discussions on the "Indo-Pacific" concept gaining more traction, Indonesia will have to develop an Indo-Pacific vision and determine its approach to the entire narrative. The "Indo-Pacific" denotes the region encompassing the Indian Ocean and the Western Pacific, and discussions on the concept and its implications have gathered momentum in recent times. Some scholars, even those in China, are of the view that the evolution of this concept is meant to contain the rise of China. While supporters of this concept point out that the idea stems from an acknowledgement of the growing importance of the oceans, in general, and with it the increasing need for maintaining security and freedom of navigation in the seas. Given Indonesia's strategic location at the crossroads of the Indian Ocean and Pacific Ocean, and along the peripheries of crucial straits like Malacca, Sunda, Lombok, Makassar and Ombai-Wettar, the country finds itself in the thick of the discourse around the concept of "Indo-Pacific".

Perhaps serving as cornerstone in Indonesian foreign policy is its membership in the 50-year-old Association of Southeast Asian Nations

(ASEAN). Indonesia has always taken pride in its leadership—or ‘*primus inter pares* (literally, first among equals)’ role—in the organisation. In light of current concerns about the question of “ASEAN centrality”, especially related to events in the South China Sea, the challenge for Indonesia is to determine its stance. The country’s strategic scholarship circles are divided on whether Indonesia needs to look beyond ASEAN to other multilateral groupings like Indian Ocean Rim Association (IORA) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), given the growing importance of the oceans in general and concepts like the Indo-Pacific, in particular.

BEYOND THE POLLS: CONTINUITY OR CHANGE?

Jokowi’s predecessor, Susilo Bambang Yudhoyono (2004-2014) was widely seen as having possessed enthusiasm for multilateral diplomacy, which he pursued through active engagement with regional and international organisations. Jokowi, in contrast, has focused more on domestic economic growth. In the years since ascending to the presidency after having served governor of Jakarta, Jokowi has been less inclined to worry about Indonesia’s image as a “good international citizen”. It is not that he has neglected foreign policy altogether; rather, he has a different approach. He emphasises bilateralism more than multilateralism, and is more likely than his predecessor to ask what ASEAN (and other organisations) can do for Indonesia, rather than accept unquestioningly the value of liberal internationalism.⁷ In Jokowi’s current tenure, foreign policy issues are handled largely by his Vice President, Jusuf Kalla, who also represents the country in most international summits. At the United Nations, even though Indonesia has a non-permanent seat in the Security Council until December 2020, President Jokowi unlike his predecessors have not attended nor delivered a single speech before the General Assembly.

Indeed, issues of foreign policy are not prominent in Jokowi's 2019 election manifesto. While his 2014 manifesto discussed maritime issues, for example, these are absent in the 2019 document. The focus instead is on issues such as human resources, sustainable environment, security, good governance, anti-corruption, and decentralisation.⁸ For his part, Prabowo's mission statement for the 2019 elections includes environmental issues as well as those on human resources, security, and good governance. He also stresses that Indonesia should emerge as a "friendly and religious" nation—clubbing together two terms to portray that Indonesia will not take on the path of religious fundamentalism.⁹

To be sure, the rise of religious conservatism (i.e., right-wing elements intertwined with Islamist forces) has played a crucial role in the run-up to the April polls. The issue has been discussed in both the candidates' election manifestos, as well as in the campaign debates. In particular, during the debate on foreign policy on 30 March, President Jokowi mentioned that Indonesia's advantage is its Muslim population—the largest amongst all democratic nations. With such human capital behind him, Jokowi said, he should be able to mediate conflicts involving Muslim populations, such as those in Myanmar's Rakhine State.¹⁰

Ibrahim Almutaqi, Head of the ASEAN Studies Program at the Habibie Centre, is of the view that there will be no major changes in Indonesia's foreign policy whatever the outcome of the April polls, as the onus has historically been more on the foreign minister rather than the president. Therefore, the trajectory of foreign policy would also depend largely on the choice of foreign minister.¹¹ Under President Jokowi, the Indonesian Ministry of Foreign Affairs (*Kementerian Luar Negeri*) dispensed its role without interference from the president. Prabowo is not seen as being nearly as diplomatic as Jokowi. Analysts predict that he will want to be more actively involved in the policies and decisions undertaken by the Foreign Ministry.¹²

Maruf Amin, Jokowi's vice presidential candidate for the 2019 elections, is not as skilled in the foreign policy domain as the incumbent VP. Given his Islamic scholarly background, Amin may be a good fit in the affairs of the Organisation of Islamic Countries (OIC), but less so in other platforms like the ASEAN, IORA, G20, and UN. This would require President Jokowi to take more interest in these arenas.¹³

Whether Jokowi or Prabowo wins the presidency, however, the pillars of Indonesian foreign policy—its strategic culture—will likely remain the same; the 1945 Constitution will have primacy and foreign policy will continue to be “free and active”.

The margin of votes would also have an effect on the trajectory of the country's foreign policy.¹⁴ If the margin of votes is high for the winning candidate, then that would imply there already exists enough public support for the government and its domestic policies so more attention could be given to foreign policy issues.

INDONESIA AND ‘ASEAN CENTRALITY’

During the 2014 elections, Rizal Sukma, currently Indonesia's Ambassador to the United Kingdom was the foreign policy adviser of President Jokowi. Ambassador Sukma had long maintained that Indonesian diplomacy should look beyond ASEAN; that ASEAN should be *a* cornerstone and not *the* cornerstone of Indonesia's foreign policy. Given the rise of the Indo-Pacific region, he pointed out, Indonesia should play a more significant role in organisations like the IORA, where Indonesia was chair from 2015 to 2017. Therefore, when President Jokowi came to power in 2014, it was perceived that Indonesia, being the traditional ‘primus inter pares’ in the ASEAN may be looking beyond the ASEAN in its foreign policy at a time when the organisation was preparing to further its regional integration agenda (ASEAN Economic

Community) in 2015. Sukma remarks, “(The) Jokowi administration would still maintain Indonesia’s traditional ‘free and active’ role in world affairs, his foreign policy would be different from that of his predecessor in that it would focus more on developing bilateral ties – including with countries beyond the Asia-Pacific – and it would be directed first and foremost at benefiting the Indonesian people.”¹⁵ Jokowi had also once told his counterparts during talks on the implementation of the ASEAN Economic Community (AEC) that “Indonesia must ensure that no harm comes to our national interests.”¹⁶

These fears were laid to rest when in the 2017 Annual Press Statement of the Minister of Foreign Affairs of Indonesia, Foreign Minister Retno Marsudi asserted that, “ASEAN remains the cornerstone of Indonesia’s foreign policy. Unity and Centrality of ASEAN must be upheld by all ASEAN member countries. Indonesian diplomacy continues to ensure the maintenance of ASEAN unity and centrality.”¹⁷ The 2019 Press Statement further said that “for Indonesia, ASEAN must be proactive in addressing strategic developments and changes in the region. ASEAN must always be the driver for progress in the region.”¹⁸ Indonesia initiated a ‘Joint Statement of the Foreign Ministers of ASEAN Member States on the Maintenance of Peace, Security and Stability in the Region, at the 49th ASEAN Foreign Ministers Meeting on 25 July 2016. In December 2016, Indonesia hosted an ASEAN SOM meeting to strengthen ASEAN unity and centrality in facing new regional and global challenges.¹⁹ Indonesia is also pushing for the operationalisation of the AIPR (ASEAN Institute for Peace and Reconciliation) as a means to contribute to the peaceful resolution of conflicts.²⁰

Indonesia has not wavered in its position on China’s incursions in the South China Sea. For one, economic activities in the Natuna Archipelago continue to be encouraged by the government. However,

other countries have not responded to China's activities in the region in the same way that Indonesia has. These differences tend to undermine meaningful ASEAN responses to regional governance. In this context, Jokowi's argument, that "ASEAN internally needs to have a mutual agreement on this issue before it can communicate with China", is persuasive.²¹ Indonesia also lends its support to efforts by ASEAN and China to produce a practical and effective Code of Conduct (COC) for the sake of stability and security of the South China Sea. The framework for the COC has already been agreed upon.

Indonesia is also aiming to encourage ASEAN to be active in the discussions on bolstering regional architecture in the Indo-Pacific region.²² The ASEAN Leaders Gathering was hosted in 2018 by Indonesia.²³ Avery Poole, Assistant Director of Melbourne School of Government, University of Melbourne, notes, "Under Jokowi, ASEAN remains important; however, Indonesia's approach is more pragmatic and raises tough questions about ASEAN's future."²⁴ As former Indonesian Ambassador to the United States, Dino Patti Djalal told this author, President Jokowi is not invested in making Indonesia play a bigger or a leadership role in the ASEAN.²⁵

Throughout the campaign period, President Jokowi has reiterated that if re-elected, he will continue with all his previous policies from his first term. His 2019 *Visi-Misi* mentions that focus will be on strengthening Indonesia's leadership in forums and regional and international organisations, like the ASEAN and the UN Security Council, by promoting diplomacy of peace and humanitarian diplomacy to strengthen national interests.²⁶ Prabowo, meanwhile, promises to burnish Indonesia's image as a sovereign country before the international community and strengthen Indonesia's role in bilateral and multilateral fora.²⁷

INDONESIA AND THE IDEA OF ‘INDO-PACIFIC’

During his campaign for the 2014 elections, President Jokowi laid out his vision for Indonesia as a Global Maritime Fulcrum (GMF); for Indonesia to emerge as a prominent player in the Indo-Pacific region. He would later reiterate the idea at the 9th East Asia Summit Meeting at Naypyidaw in 2014. According to Rizal Sukma, “Jokowi’s new vision of Indonesia as a global maritime fulcrum in the Pacific and Indian Ocean region (or PACINDO) was much more extensive geographically than the ‘Indo-Pacific’ idea championed by Yudhoyono and his foreign minister Marty Natalegawa.”²⁸ While the vision may seem ambitious, scholars see it as being essentially a domestic vision where the focus is mostly on the plan to build a “sea toll highway” to boost inter-island connectivity. It has taken three years from the articulation of the plan to the formulation of a concrete maritime strategy in the form of an Indonesian Ocean Policy released in October 2017.

The 2017 Annual Press Statement by the Foreign Minister declared: “As a maritime country, it is only fitting for Indonesia to continue to bolster maritime cooperation, among others through IORA. Indonesia is determined to make the Indian Ocean as the bond between Africa and the Pacific, strengthening IORA as the regional architecture that fills the ‘hollowness’ in the Indian Ocean in order to preserve the backbone of global economy, security and stability.”²⁹ As the chair of IORA, Indonesia has undertaken various activities, among them: the IORA Ministerial Meeting in October 2016; IORA Committee of Senior Officials Meetings; Ad Hoc Committee Meetings on the IORA Concord; and 3rd Indian Ocean Dialogue in Padang, April 2016. Indonesia was appointed as coordinator of the APEC Maritime Cooperation Steering Council, which was mandated among others to push for the eradication of IUU (illegal, unreported, unregulated) fishing. Indonesia is pushing for the listing of fisheries crimes as transnational organised crimes.³⁰

Strengthening cooperation amongst the countries in the Indian Ocean Rim was a priority during Indonesia's chairmanship of IORA, when no less than 30 meetings, programmes, and projects within the framework of IORA were hosted in Indonesia. Some 20 years since its establishment, an IORA Summit was held for the first time in Jakarta in March 2017. The summit produced the Jakarta Concord, as well as the IORA Action Plan, which serves as a guideline for IORA's future direction.³¹ The IORA High Level Panel on Maritime Cooperation for Inclusive Growth in the Indian Ocean was held in Bali in December 2018; and at the East Asia Summit (EAS) in 2015 in Kuala Lumpur, under Indonesia's initiative, the EAS Leaders' Statement on Enhancing Regional Maritime Cooperation was adopted.³²

The 2018 Annual Press Statement by the Foreign Minister laid out the Indo-Pacific vision of Indonesia: "Indonesia wants the ecosystem of peace, stability, prosperity to be established not only in ASEAN, but also in the Indian and Pacific Oceans Rims or the Indo-Pacific. Therefore, together with ASEAN, Indonesia will continue to contribute in advancing a strong positive cooperation in the Indo-Pacific instead of a cooperation that is based on suspicion or worse, a perception of threat." In this regard, Indonesia will work together with countries in the region, to develop an Indo-Pacific cooperation umbrella aimed at: "a) Supporting confidence-building measures and a mutually-beneficial cooperation; and b) Enhancing a habit of dialogue within the regional cooperation architecture. This regional architecture will be better built through a building blocks approach, namely: a) In a bilateral and pluri-lateral manner, intensifying cooperation among the countries in the Indo-Pacific in various strategic fields, especially security, maritime, trade, and investment; b) At the regional level, strengthening IORA cooperation, in accordance with the Jakarta Concord and Plan of Action 2017 – 2021, to create new growth centres that support the ecosystem of peace, stability and prosperity in the Indian Ocean; c) Creating a linkage among

numerous bilateral and pluri-lateral cooperation, as well as cooperation architecture in the Indian Ocean, with ASEAN-led mechanisms. The aim is to create an umbrella for cooperation that is free, open, inclusive, and comprehensive; beneficial for the long-term interest of all countries in the region; and based on a joint commitment by the countries in the Indo-Pacific to uphold peace, stability, and prosperity.”³³

Indonesia is steering the process of developing an Indo-Pacific cooperation concept at the level of ASEAN. This concept was presented by President Widodo at the EAS Summit in November 2018 in Singapore.³⁴ In 2019, Indonesia is looking to launch the Indo-Pacific Maritime Dialogue.³⁵ Indonesia hosted a High-Level Dialogue on Indo-Pacific Cooperation on 20 March 2019, representing the first step towards an inclusive dialogue; it was attended by all member countries of the East Asia Summit (EAS) and sought to synergise the various concepts of “Indo-Pacific”. The initiative is in line with Indonesia’s vision of the GMF as well as ASEAN’s Zone of Peace, Freedom and Neutrality. There were also discussions on three scopes of cooperation: (a) maritime cooperation; (b) connectivity and infrastructure cooperation; and (c) SDGs cooperation.³⁶

Furthermore, in the past four years, Indonesia’s diplomatic efforts have been actively engaged in the South Pacific. A number of cooperative ventures are being undertaken, including development cooperation; capacity building; maritime cooperation; climate change; and disaster management.³⁷

Indonesia started taking an active approach towards the Indo-Pacific after US President Donald Trump’s Asia visit in November 2017 and his championing of the Indo-Pacific concept.³⁸ Though Indonesia is steering the process of unifying the ASEAN’s Indo-Pacific strategy, there is hardly any connection between the strategy proposed by Indonesia with the current geopolitical scenario that includes, for one, the need to

balance China and US relations.³⁹ Siswo Pramono, Head of the Policy Analysis and Development Agency of the Ministry of Foreign Affairs, observes that APEC, G20, ASEAN, Indo-Pacific will be the focal points of attention for the Foreign Ministry. Due to the rise of the Asian economies, focusing on the Indo-Pacific has become a necessity, and the concept will continue to be championed by Indonesia even in the event of a change in government. Some change in semantics, though, might be in the agenda if Prabowo comes to power.⁴⁰ Rizal Ramli, an adviser to Prabowo and former Coordinating Minister for Maritime Affairs under Jokowi, says that instead of the term “Indo-Pacific”—which shows the leadership of western powers like the US—a new terminology like “Democratic Asia” should be proposed where the growing economies of Asia like India, Indonesia, Japan will take the lead.⁴¹

MARITIME ISSUES

Maritime issues are absent in Jokowi’s vision and mission for 2019. This is perhaps because maritime plans are already in his current mainstream policy and substantial progress has taken place with regard to the maritime infrastructure projects. Meanwhile, in his programmes, there is a point for maritime cooperation. In point three, Jokowi promises to strengthen Indonesia’s position, as an archipelago which is between two oceans and two continents, through maritime diplomacy in the IORA forum as well as the Indo-Pacific.⁴²

Maritime issues addressed by Prabowo can be found in the last five points from the economic action plan in his official document and in a “generating competitiveness in fishery and maritime” action programme in his revision document:⁴³

- 1) Developing maritime economics growth centres based on small islands and coastal cities to improve the wellbeing of coastal population and fisherfolk.

- 2) Increasing added value for every coastal resource potential like catch fishery, salt, seagrass, reef, phosphate, and pearls for people's prosperity through sustainable industrialisation
- 3) Creating fishing fleets to serve in exclusive economic zone with PPPP (Public Private People Partnership) scheme so fishermen can obtain larger capital and equipment like boats.
- 4) Creating people's transportation armada to serve isolated and outermost islands at a cheap price.
- 5) Pushing innovation and research to support land fishery, seed procurement, feed technology, procurement of fish seeds, and disease control techniques.
- 6) Increasing financial access, especially business credit in fishery and maritime sector.
- 7) Revising policies and simplification of permits to make them fishermen friendly.
- 8) Increasing productivity of fishery and maritime products through creation of supporting infrastructure, community based institutions, competency and capability development, catch tools, and other infrastructure.⁴⁴

In his welfare programme, Prabowo also mentions that maritime vocational schools will be developed given Indonesia's demographic and geographic character as agrarian and maritime country. In culture and environment policy programme, there is a plan to develop maritime culture in national education system. The commitment, however, is absent in his revision document.⁴⁵

According to *Jakarta Post* foreign policy analysts, Anya and Novan Iman Santosa, President Jokowi is trying to connect the Indonesian

islands through maritime highways, but given that economic activities since the Suharto era have been concentrated largely on the island of Java, the other islands lack production centres and concentration is on the production of raw materials rather than finished products outside the island of Java.⁴⁶ Firman Noor, Head of the Centre for Political Studies at the Indonesian Institute of Sciences, remarks that although there have been investments on infrastructure building, there has been little counterpart funding for maritime infrastructure; moreover, the government is putting more investment on research and development of marine tourism rather than other equally important issues like connectivity.

Jokowi has also been criticised by the World Bank for giving more opportunities to SOEs rather than private enterprises.⁴⁷ During the time of President Jokowi there has been a lot of foreign investments for the building of ports. In Presidential debates Prabowo has raised this as a point of criticism against Jokowi. According to President Jokowi, the investments have been mainly in commercial ports and airports. Majority of ports and airports are still under the management of Indonesian companies (Angkasa Pura for airports and Pelindo for ports). Indonesia still needs foreign investment in infrastructure because transportation cost in Indonesia is still 2.5 times higher than in Malaysia and Singapore.⁴⁸ If Prabowo comes to power, there will be lesser opportunities for big powers to invest in Indonesian ports, especially the ones bordering the chokepoints.⁴⁹

RELATIONS WITH CHINA, THE US AND INDIA

Jokowi and Prabowo have different perceptions on China. There are mixed signals with regard to relations with China from Prabowo's side. On 28 September 2018, for instance, Prabowo attended the Chinese 69th independence day celebrations in Jakarta, and stated that good

relations with China are important to Indonesia.⁵⁰ Yet, one of his campaign officials, Andre Rosiade, in October 2018 said that Prabowo will evaluate projects, including those financed by Chinese investors such as the 140-km Bandung-Jakarta fast train by China Railway International, costing 5.9 billion USD; several power stations in Sumatra and Kalimantan, industrial and port complex in North Sumatra, North Kalimantan, North Sulawesi, and Bali, costing 51 billion USD. Prabowo said he is ready to cooperate with any country, but he will prioritise Indonesian well-being. He will reassess projects and the projects assessed will not be specific to one country.⁵¹ Just one month later, another campaign official, Rizal Darmaputra, said that Prabowo will nurture good relations with the US as well.⁵²

Map 1: Indonesia in the ‘Indo-Pacific’



Source: <https://www.financialexpress.com/india-news/indian-us-air-forces-to-expand-cooperation-to-combat-challenges-in-indo-pacific-says-us-air-force-chief-david-l-goldfein/1050622/>

Another problem for international trade, especially exports to Indonesia, comes from the protectionist position taken by Prabowo. Prabowo does not want the Indonesian e-commerce to be a platform for imports⁵³ From the Chinese perspective, this means it will be harder for their goods to enter Indonesian markets, since under Jokowi, some e-commerce sites like Jolly Chic already exist for consumers and compete with locals like Buka Lapak.

According to Rizal Ramli, if Prabowo comes to power then the new government will be taking more rational decisions regarding labour laws. Given the high unemployment rates in Indonesia, Chinese labour force in the country would be less than 10 percent. The Chinese economic power should not be influencing Indonesian policies. An additional nuance is that many Indonesians are not fond of mainland Chinese, for cultural and social reasons.⁵⁴

President Jokowi has been welcoming of China. Some of President Jokowi's infrastructure projects are funded through the Chinese BRI. There is fear among the population that Indonesia might fall in the Chinese debt trap, there will be more foreign workers and spread of Chinese communist influence. The present government has not been able to explain well to the public the rationale behind accepting Chinese investments for infrastructure building.⁵⁵

Overall, it would appear that Indonesia is playing the balancing game well. Indonesia's "soft balancing" is a clear shift from its traditionally non-aligned foreign policy stand. The moves taken by Indonesia with regard to the South China Sea disputes, for instance, were just stern enough to ensure that the country's interests are secured. Indonesia's actions, however, managed to make other external countries like India, the US and Japan realise that the country is ready to take a stand on the SCS issue outside of the platform of the ASEAN. Indonesia has been

rather careful in not taking up too strong of an ‘anti-China’ stand on the SCS dispute and its naval advances in the Indian Ocean using its waterways, to continue drawing on the benefits of the Chinese BRI. Indonesia did participate in the Chinese flagship BRI Summit and proposed projects worth US\$28 billion. Thus far, China has, through the BRI, made investments in the Jakarta-Bandung High Speed Railway project, and has signed contracts for investing in two hydropower projects, one power plant and a steel smelter (these contracts were signed during the visit of Chinese Premier Le Keqiang to Jakarta). China’s investments and aid to Indonesia have increased significantly, particularly in infrastructure projects, ranging from bridges and roads to power plants and high speed rail. Last year, China was the third-largest foreign investor in Indonesia, with investments amounting to US\$3.4 billion (S\$4.5 billion). According to Indonesia’s Investment Coordinating Board (BKPM) Chief, Thomas Lembong, China is investing heavily in Indonesia through the BRI. The two have agreed to jointly develop infrastructure projects in three Indonesian provinces specifically designated for BRI: North Sumatra, North Kalimantan and North Sulawesi. The BRI funding will cover the sectors of transportation, industry and tourism.⁵⁶ Additionally, negotiations are ongoing for allowing Chinese investments for the development of ports in Bitung and Medan.⁵⁷

Indonesia’s Relations with India

While there has been no direct mention about relations with India by either of the candidates in their election manifestos nor during the debates, there is hardly any doubt that the country’s political elites would want to boost relations with India. Trade and people-to-people contact with India, if Jokowi is re-elected, would continue as promised in the Modi-Jokowi meeting of 2018. In the 2018 Annual Press Statement by the Foreign Minister, it was mentioned that “India is an

important strategic partner for Indonesia. Indonesia and India agreed to strengthen and deepen the two countries' strategic partnership and contribute to the ecosystem of peace, stability, and prosperity in the region, including in the Indo-Pacific, by strengthening cooperation within the IORA, ASEAN-India, and EAS framework."⁵⁸

Bilateral trade is also expected to rise from US\$18 billion in 2017 to US\$50 billion in 2025, a target set by both nations. In the presidential debate on foreign policy, Jokowi had mentioned that he would work to increase trade with countries having large Muslim populations. India, having the world's third largest Muslim population, can be a country that Jokowi will look to for higher trade volumes. Jokowi also indirectly said that the cooperation between Indonesia and India will continue if he is re-elected. A report in newspaper *Sindo* said, "It is predicted that Indonesia and India will become the world's most powerful economies by 2030 according to the World Economic Forum 2017 based on the research from Price Water Coopers. Indonesia is predicted to become the fifth largest economy and India the third largest economy globally by 2030."⁵⁹ Furthermore, if re-elected, Jokowi could get India to bring down the tariff or import fee for Crude Palm Oil (CPO), using his amicable relationship with Modi. For example, tariff for raw sugar, buffalo meat, automotive, and drugs has been lowered.⁶⁰ Indonesia, for instance, relaxed its import fees for some Australian products based on CEPA (Comprehensive Economic Partnership Agreement).⁶¹

The higher fee for Indonesian CPO comes from the negative trade balance on India's side. Today, Indonesian exports to India are valued much higher than imports. In 2017, India only exported products worth US\$4 billion to Indonesia; in comparison, Indonesia exported products worth US\$14 billion to India (See Table 1). This is not good for India, and the situation is expected to worsen if Prabowo becomes president, as he is aiming for a more protectionist policy. The situation is projected to

improve under Jokowi, who is targeting to increase trade to US\$50 billion by 2025.

Table 1: Indonesia-India Trade Balance (in thousand USD)

	2013	2014	2015	2016	2017	2018
Trade Total	16,995,283.00	16,201,041.50	14,472,419.30	12,976,711.40	18,132,632.20	18,742,588.00
Oil and Gas Trade	216,438.10	413,442.90	204,707.30	199,001.70	394,543.00	175,470.20
Non Oil and Gas Trade	16,778,845.00	15,787,598.70	14,267,712.00	12,777,709.70	17,738,089.20	18,567,117.90
Export	13,031,302.70	12,248,960.30	11,731,001.10	10,103,922.10	14,084,131.40	13,725,675.90
Oil and Gas Export	21,480.40	25,222.90	129,025.20	169,562.20	133,866.20	61,507.90
Non Oil and Gas Export	13,009,822.30	12,223,737.50	11,601,975.80	9,934,359.90	13,950,265.20	13,664,168.00
Import	3,963,980.30	3,952,081.20	2,741,418.30	2,872,789.30	4,048,500.70	5,016,912.10
Oil and Gas Import	194,957.70	388,220.00	75,682.10	29,439.50	260,676.80	113,962.30
Non Oil and Gas Import	3,769,022.60	3,563,861.20	2,665,736.20	2,843,349.80	3,787,824.00	4,902,949.90
Trade Balance	9,067,322.50	8,296,879.10	8,989,582.80	7,231,132.90	10,035,630.70	8,708,763.80
Oil and Gas Trade Balance	-173,477.30	-362,997.20	53,343.10	140,122.70	-126,810.60	-52,454.30
Non Oil and Gas Trade Balance	9,240,799.70	8,659,876.30	8,936,239.60	7,091,010.10	10,162,441.30	8,761,218.10

Source: Kemendag(2019)⁶²

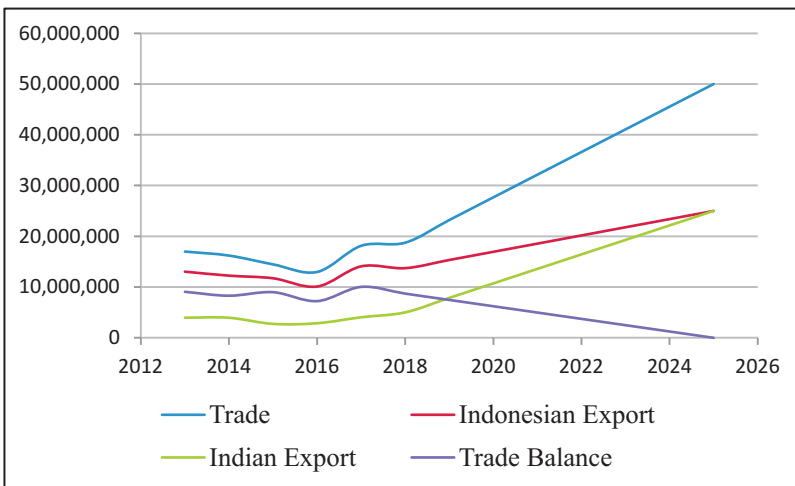
To achieve the US\$50-billion trade target for 2025, India must address its negative balance and export more. In turn, this can be achieved if Indonesia loosens up on its import restrictions. (See Table 2 for calculations of trade targets.)

Table 2: Calculation of Trade Target for 2025 (in thousand USD)

Year	Trade	Indonesian Export	Indian Export	Trade Balance	% Export Increase	
					Indonesian Export	Indian Export
2013	16,995,283	13,031,303	3,963,980	9,067,322		
2014	16,201,042	12,248,960	3,952,081	8,296,879	-6%	0%
2015	14,472,419	11,731,001	2,741,418	8,989,583	-4%	-31%
2016	12,976,711	10,103,922	2,872,789	7,231,133	-14%	5%
2017	18,132,632	14,084,131	4,048,501	10,035,631	39%	41%
2018	18,742,588	13,725,676	5,016,912	8,708,764	-3%	24%
2019	23,207,933	15,336,294	7,871,639	7,464,655	12%	57%
2020	27,673,277	16,946,911	10,726,366	6,220,546	11%	36%
2021	32,138,622	18,557,529	13,581,093	4,976,436	10%	27%
2022	36,603,966	20,168,147	16,435,819	3,732,327	9%	21%
2023	41,069,311	21,778,765	19,290,546	2,488,218	8%	17%
2024	45,534,655	23,389,382	22,145,273	1,244,109	7%	15%
2025	50,000,000	25,000,000	25,000,000	0	7%	13%
Mean					9%	27%

Source: Author’s own calculations; bold is real data; mean is average of export increase from 2019-2025


Figure 1: Real and Predicted Increase of Exports for 2025 targets



Source: Author’s own calculations

CONCLUSION

The basic principles of Indonesian foreign policy (i.e., strategic culture) will likely remain the same, no matter who wins the presidential elections in April: the 1945 Constitution will still have primacy and the “free and active” character of foreign policy will be unchanged. The difference will be in the way either the incumbent, Jokowi, or his rival, Prabowo, will approach foreign-policymaking. From an analysis of the election manifestos and the campaign debates, as well as interviews with scholars in Indonesia, it appears that Jokowi will accord more focus on foreign policy if elected for a second term, in comparison to Prabowo. Jokowi will look into strengthening Indonesia’s leadership in ASEAN, being an active part of the UN Security council, and managing issues facing Indonesian workers overseas. Prabowo, for his part, will likely be more active in the defence field, as well as in economic concerns such as import restrictions and capital outflow.

As far as relations with India are concerned, there has not been a mention in neither the election manifestos nor in the debates. However, both candidates have shown a generally positive attitude towards boosting relations with India. India, for its part, should be initiating interactions with not only the incumbent president and his running mate, but their rivals as well.⁶³ Given India’s Act East policy and Indonesia’s strategic location in the Indo-Pacific, India should observe closely the outcomes of the April general elections, and consider its stakes in the developments. 

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