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## The Unspoken: Indonesia Navigates Great Power Rivalry

By Emirza Adi Syailendra and Leonard C. Sebastian

### SYNOPSIS

Now that China has risen, a state of cautious competition between the United States and China is in Indonesia's interest. Indonesia's tacit acceptance of the AUKUS pact is a tactic to navigate the increasing rivalry with one objective in mind: gaining special treatment from both. Yet, there are limits, or to use diplo-speak, redlines, to Indonesia's tacit acceptance.

### COMMENTARY

Indonesia's response to the formation of AUKUS, the trilateral security pact between Australia, the United Kingdom and the United States, has prompted pundits to describe the country as "[cornered](#)" or "[concerned](#)". However, that characterisation — premised on the assumption of Indonesia's loss of [agency](#) amid intensifying great power rivalry — is misguided, based on selective readings or misunderstandings of Indonesia's approach to great powers.

The five-point [statement](#) issued by the Indonesian Foreign Ministry (KEMLU) criticised neither the creation of AUKUS nor its provision for Australia to acquire nuclear-powered submarines. KEMLU's statement used predictable language: "Indonesia is deeply concerned over the continuing arms race and power projection in the region." The statement should not be read as an indication that Indonesia was concerned about AUKUS. Rather, it should be read as a cautionary note: that overtly antagonising China could provoke a new Cold War.

The more accurate reading of KEMLU's understated response is that it has tacitly accepted AUKUS because the pact does not impinge on Indonesia's wider regional interests. Despite its ambivalent view of the United States, Indonesia desires an America that is committed to the Asia-Pacific region. AUKUS may not be the panacea that allies and partners of the United States in the region were looking for, coming in the wake of the recent Afghan debacle, but it mitigates concerns over US staying power.



Jakarta has reacted cautiously to Australia's proposed acquisition, as part of AUKUS, of nuclear-powered submarines in the same Virginia-class as the USS Minnesota. *The appearance of U.S. Department of Defense (DoD) visual information does not imply or constitute DoD endorsement.*

### The Indonesian Way

Indonesia's muted response is a signal: characteristic of subtlety of "the Indonesian Way", tacit acceptance conveys a subtle message which is in fact consent and complicity.

Tacit acceptance as an approach to great power machinations is better understood in relation to Indonesia's post-colonial identity. The collapse of the Sukiman administration in 1952 (during the parliamentary democracy era) serves as a cautionary tale that being too close with the United States attracts a domestic backlash. Even Suharto, who "aligned" with the United States rather overtly, was nevertheless cautious.

Tacit acceptance carries implicit redlines. Indonesia's understated reaction to AUKUS suggests its redlines have shifted: Indonesia is far more tolerant of the presence of American hardware and allies in the region than in the past.

First, compared to the American-bashing that accompanied the Memorandum of Understanding in 1990 allowing the United States military to use Singapore's facilities, reaction to AUKUS was a mere *berdeham* (roughly translated as a throat-clearing action to convey a non-verbal cue of a redline). KEMLU took "note cautiously" of Australia's planned acquisition of nuclear-powered submarines. This also was a mild reaction compared to former foreign minister Marty Natalegawa's [negative reaction](#) to

the stationing of US Marines in Darwin, and Indonesian elite [criticism](#) of US freedom of navigation operations (FONOPS) in the South China Sea. That said, while accepting AUKUS, KEMLU's statement tacitly cautions the great powers that it does not want a realignment of powers that would diminish its ability either to [hedge](#) or [nonbalance](#), thereby compromising its strategic autonomy.

Second, what does the absence of acrimony towards AUKUS among the Indonesian elite suggest? Does it indicate some form of implicit domestic consensus that the presence of US hardware in the region is needed to cope with the new regional balance created with the completion of China's rise to superpower status?

Given that Indonesia is a democracy, views among the elite [vary](#), ranging from anxiety to ambivalence, but the absence of any outward expression of hostility signals an implicit consensus. To date, there is no pointed criticism of AUKUS evident in the official statements, which, for those who understand Indonesian strategic behaviour, is a clear sign of acceptance.

Now that the dust has settled, the unarticulated consensus indicates Indonesia's acceptance of a new geopolitical reality: the changing power equilibrium requires a new set of tactics.

Indonesia's tacit acceptance of a West that is more forward deployed implies that its old redlines have shifted; it does not mean there are no more redlines. The redlines today are that a more forward-deployed Western presence: (1) should not constitute a Cold War era type containment of China but should instead be for the preservation of US preponderance; and (2) should not constitute an exclusive bloc but should have an inclusive framework for order, with ASEAN as its central building block.

In addition, Foreign Minister Retno Marsudi personally [reminded](#) her "good friend", Australian Foreign Minister Marise Payne, that Australia is a party to the ASEAN Treaty of Amity and Cooperation. This is intended to signal that another redline which should not be crossed is the introduction of nuclear weapons into the region.

Indonesia understands the difference between nuclear-powered and nuclear-armed submarines. The latter would have gone against its commitment to the treaty for a Southeast Asian Nuclear Weapon-Free Zone (SEANWFZ). The former strengthens its desire to maintain cautious competition between the United States and China.

## The Middle Way

Although many pundits correctly note the [China fear](#) factor in Indonesia as a driver for Indonesia's tacit acceptance of the current strategic reality, such a characterisation is too limited. Indonesia's view of China is multilayered.

China poses twin challenges for Indonesia: (1) China's nine-dash line claim to parts of the South China Sea challenges Indonesia's territorial integrity by overlapping part of the Natunas' exclusive economic zone, and also undermines ASEAN cohesion; (2) greater dependence on Chinese investments causes an underlying fear of loss of strategic autonomy. However, the former could be swept under the rug, and the latter fear is somewhat qualified.

At the expense of incurring US hostility, Indonesia, under the Jokowi presidency, has been willing to sacrifice some degree of autonomy by accepting Chinese investments for the sake of economic development.

But accepting Chinese investments is not merely a transactional matter, driven solely by economic compulsions; it is based on the fact that China treats Indonesia as an equal partner despite the power imbalance between the two countries.

China is learning as a great power. It is mindful of Indonesia's prickly nationalism and its desire, notwithstanding domestic challenges, to be treated as a rising power and the pre-eminent power in Southeast Asia. Thus, China has given Indonesia special treatment, showing a willingness to negotiate, make concessions, prioritise, and, at times, listen to Indonesia's criticism without the threat of reprisal. China has shouldered the burden in risky megainvestments and entertained Jokowi's desire for asserting the central government's territorial control by investing in remote parts of the archipelago, from Sulawesi and Kalimantan to North Sumatra. Chinese investment in the Morowali Industrial Park in Central Sulawesi could be seen as a game-changer: Indonesia has accommodated a large Chinese ownership and presence in the project. Here, China has astutely engaged the Indonesian military elite, active and retired (usually China's strongest critics), to take charge of the project.

Such special treatment for Indonesia contrasts, for instance, with China's [cold treatment](#) of Thailand. It has also stood out in comparison with the investment strategies adopted by Japanese and American investors in Indonesia, who are often overly bureaucratic or solely profit-driven.

Indonesia has thus been a beneficiary of China's "gifts" so far. But accepting China's "gifts" should not be interpreted as an act of bandwagoning behind China. This is how Indonesia exercises its "free" element in its post-colonial foreign policy, which requires a constant reinterpretation of what *Jalan Tengah* (translated as the "middle way" or "equilibrium") entails.

Indeed, China's special treatment of Indonesia also has brought with it other benefits: namely, US "gifts". Washington has [acknowledged](#) Indonesia's renaming of the far southern end of the South China Sea as the North Natuna Sea and offered arms to Indonesia, not only because of Indonesia's strategic position but also because of the need to neutralise China's influence over Indonesia. Gifts from the two superpowers are indeed the desired "middle way".

## The Tacit Way

As a post-colonial state, Indonesia's preference has always been an order that preserves its right of self-determination, and thus far the [hierarchical](#) order where the United States has acted as a security guarantor works well to preserve ASEAN's relevance, which by extension bolsters Indonesia's position as *primus inter pares*. Thus, if the past is any guide, we believe that Indonesia desires the preservation of the United States' current position in the region.

Indeed, Indonesia has often found US power instrumental to its interests. For instance, it was able to persuade the United States to pressure the Dutch into agreeing to an

independence settlement and later handing over West Papua to Jakarta. Further, during the Cold War period, Indonesia was able to exploit US hostility towards the Soviet Union to draw the support that helped cement regime legitimacy for Suharto's New Order.

But remembrance of things past is not necessarily a preference for historical precedence. This is not the basis of a "free and active" (*bebas aktif*) foreign policy strategy, whether for the post-Cold War's unipolar era or the multipolarity that increasingly will characterise the current era.

Indonesia believes China should now be given the opportunity to demonstrate its capacities as a responsible stakeholder of the Asia-Pacific region. The key is to discourage the creation of a G2 involving China and the United States.

A G2 condominium comes with the expectation of de-emphasising ASEAN's roles. Furthermore, a G2 condominium could also mean that the special treatment afforded by China to Indonesia would no longer be necessary and Indonesia would not be able to exploit the rivalry to its advantage.

Indonesia thus desires "cautious competition" between the two powers. Sometimes competition bears the least bitter fruit. By that we mean if perpetual peace is fool's gold then perhaps some form of limited rivalry is the more attainable goal. This means a condition of limited rivalry prevailing between the United States and China, with China as the world's second-ranked country to the United States.

Indonesia's tacit acceptance of AUKUS should be understood as a tactic, and part of its bigger desire to contribute to the maintenance of cautious competition. Some might claim Indonesia's middle way is untenable given the intensification of US-China rivalry: Indonesia must eventually choose a side.

While the room for hedging has undoubtedly shrunk, Indonesia will not compromise its right of self-determination and strategic autonomy. Even in the thick of the Cold War, Indonesia maintained its independence, refusing to support US intervention in Vietnam and explicitly rejecting Kissinger's attempts to persuade Jakarta to normalise its relationship with Beijing following the US-China rapprochement in 1972.

As a way of preserving its independence amid intense great power rivalry, Indonesia will increasingly resort to tacit ways to signal consent and complicity. The critical question that needs to be raised is whether states like China, Australia and the United States can read and correctly interpret Indonesia's tacit signals and its implicit redlines.

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