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Indonesia: Navigating a Challenging Future

By Lina Alexandra

SYNOPSIS

2023 will be an extremely busy year for Indonesia. Domestically, it will be a 'political year' as Indonesia is going to hold national elections in 2024. As a vibrant democracy, the country must gird itself for the campaign season, potentially rife with social tensions as politicians enthusiastically play their ideology-ethno-religious cards to win votes. At the same time, expectations are high that Indonesia will place itself as a significant global player, particularly since its success as G20 chair in 2022, and its assumption of ASEAN chairmanship this year at a time of intensified major-power rivalries.

COMMENTARY

ASEAN continues to face the serious internal challenge posed by the Myanmar political crisis. Expectations are particularly high for Indonesia's chairmanship to restore ASEAN's credibility and centrality. Given what had unfolded in 2022, the Indonesian government is bracing itself to manage multiple coincident challenges and the complexities stemming from the interplay of domestic, regional, and international turbulence. In the next 12 months, Indonesia must address at least three major security concerns.

The Myanmar Crisis

The first security concern comes from within Southeast Asia itself, which is the deepening Myanmar crisis ever since the military coup on 1 February 2021. Despite ASEAN's efforts on the Five-Point Consensus (FPC), there has been no significant implementation of it so far. ASEAN Leaders' Review and Decision on the Implementation of the FPC issued on 11 November 2022 during the ASEAN Summit awaits Indonesia's leadership to get it implemented.

As ASEAN chair, Indonesia's responsibilities will grow larger. A big challenge that it will face is the plan of the State Administration Council (SAC) – a body created by the Myanmar junta – to hold an election by August 2023 to legitimise the military rule. This election will likely attract strong opposition from the pro-democratic groups which consider the results of the November 2020 elections to be fully legitimate. Outbreak of armed clashes between the military forces and the civilian democratic groups in Myanmar would certainly smear ASEAN's credibility.

The US-China Rivalry

The second security concern is the intensifying US-China rivalry and the heightening tensions in cross-strait relations. The 20th National Congress of the Communist Party of China held in October 2022, which affirmed President Xi Jinping's absolute power, had boosted Chinese confidence in dealing with the US, particularly on the Taiwan issue.

Prior to this, following Nancy Pelosi's visit to Taiwan in early August 2022, China had expressed its anger by conducting multi-day military drills in the waters and airspace around the island, including the launching of ballistic missiles for the first time in many years. At a meeting held on the sidelines of the ASEAN Ministerial Meeting in August 2022, Chinese Foreign Minister Wang Yi sternly warned that "those who offend China will be punished."

The fact that China and the US are not averse to putting pressure on Southeast Asian countries to take sides is of concern to ASEAN, which from the time of its establishment during the Cold War has always sought to maintain its neutrality amidst big-power rivalry.

Up to now, China is unlikely to become careless in its approach to the Taiwan question, especially after the apparently substantive bilateral meeting between President Xi and President Joe Biden on the margins of the G20 summit in Bali. Yet, there is nothing certain, especially since both powers' commitments to multilateral cooperation platforms such as the the ASEAN-led ones have been somehow overshadowed by their own minilateral initiatives.

The Russia-Ukraine War

The third security concern is the escalation of the Russia-Ukraine war. As more states have been sucked into supporting one side or the other, the crisis could further widen and deepen. What has become the concern for many countries including Indonesia is the fact that the crisis is a proxy war between the US and its Western allies on the one hand and Russia on the other, potentially with China tagging along with the latter as it has its own rivalry with the US. It remains unclear whether China and Russia have put aside their primordial rivalries in the wake of the Ukraine war.

Meanwhile, one hard lesson that Indonesia learned last year was how the crisis has threatened the supply of important commodities such as wheat and potassium as Russia and Ukraine are major suppliers to Indonesian food production. Indonesia did well to prevent its G20 presidency from being turned into an arena for the major

powers to confront each other. But as Indonesia is aiming to become a global player, it needs to have a broader perspective and standpoint on global issues.

Key Takeaways: How to Navigate the Future

Arising from these crises are three important takeaways for the Indonesian government to note. First, the Russia-Ukraine crisis points to the need to look more deeply into the nexus between the political-security and economic domains. While Indonesia has put much emphasis on protecting the economy and securing growth by attracting investments and enhancing trade relations, attention must be given to political-security dynamics that could potentially impact economic issues. This is the kind of mindset which policy makers should adopt.

The interlinking of issues requires the government not to compartmentalize its efforts, but to seek a sensible balance that allows policy settings in the economic and security spheres to at least coexist and, ideally, to be complementary. While keeping with its independent and active foreign policy doctrine, Indonesia should not equate this principle with neutrality. As the biggest country in Southeast Asia, with strong prospects of becoming a key middle power in the next decade, Indonesia must engage and play its full role at the regional and global levels.

Second, as the ASEAN chair in 2023, Indonesia should formulate priorities to help the organization reaffirm and strengthen (or as some believe, to regain) its relevance. Here, the Myanmar crisis is the inescapable litmus test. Holding ASEAN together and demonstrating that progress on its core principles – promotion of democracy, rule of law, good governance, and human rights protection – remains a priority for all member states. ASEAN is a vital cog in an important part of the world and will always be important for the stability and prosperity of the region.\

Third, for ASEAN, being able to handle its own internal crises would contribute positively to the organization's aspiration to achieve centrality in its interactions with the major powers. In view of heightening tensions among the major powers, ASEAN centrality has acquired greater importance.

Centrality is not simply being at the centre – or to use ASEAN's alternative term – to be in the driver's seat. Rather, ASEAN should be able to set the agenda, especially to convene major powers to participate in ASEAN-led multilateral platforms despite having their respective initiatives, besides working with ASEAN Dialogue Partners to implement what have been agreed upon. While centrality needs support from the major powers, its efficacy does not solely depend on them. The key is for ASEAN member states to be united and, more importantly, to own ASEAN initiatives and platforms.

In this context, Indonesia should push for the implementation of the ASEAN Outlook on the Indo-Pacific (AOIP). While elucidating what the regional countries wish to see amidst the contestation among the major powers, simply having the document is not enough. Further push is needed to turn the AOIP into concrete strategy and plans. It is not necessary to create new institutions or platforms. Instead, ASEAN can use existing mechanisms and processes or upgrade them.

One possibility is to rejuvenate the East Asia Summit (EAS) which essentially is the embodiment of how ASEAN centrality should be applied in relation to the major powers. The EAS needs to go beyond occasional summit meetings and add technical-level mechanisms to enable EAS to become a real platform for interactions between ASEAN and its Dialogue Partners (which include all the major powers). The aim is to come up with concrete policies that matter strategically.

While some point to the emerging trend of minilateral initiatives by the major powers as evidence of their ambivalence toward ASEAN, it also serves as a double-edged sword that reveals ASEAN's weaknesses in respect of sustaining its multilateral engagement and platforms.

Thus, year 2023 is going to be a decisive moment for Indonesia. Time will reveal whether Indonesia can manage to navigate its way safely and constructively through the array of complex challenges, both those we know of and those yet to emerge.

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