

INDONESIA'S FOREIGN POLICY UNDER SUHARTO

ASPIRING TO INTERNATIONAL LEADERSHIP

LEO SURYADINATA



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PREFACE

In writing this book, I have benefited greatly from numerous discussions that I have had with many friends and scholars over the last 20 years. I have also profited from various seminars on Indonesia's foreign affairs given by Indonesian officials, diplomats and academics. Many of these seminars and talks were behind closed doors or off the record, and therefore they cannot be cited. Nonetheless, they have had a strong influence on my study.

Many friends in Indonesia have shared their expertise with me, and in doing so have enriched my understanding of both Indonesia's domestic politics and foreign policy. Their names are too many to be mentioned here but I would like to offer all of them my sincere thanks.

A significant portion of the study was conducted between 1988 and 1989 during my sabbatical leave in three institutions: the Institute of Southeast Asian Studies in Singapore (ISEAS), Ohio University and Cornell University. Each possesses an excellent library, and I am grateful to the staff of those libraries for assisting me in my research.

A few friends have read the early version of my manuscript, either in part or in full. I would like in particular to thank Chin Kin Wah, N. Ganesan, Michael Leifer, Jamie Mackie and Nancy Viviani for their useful suggestions. I am also grateful to Triena Ong who has given me editorial advice. Nevertheless, for any mistakes and shortcomings which still exist in this book, I am alone responsible.

Leo Suryadinata
Singapore, July 1995

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INTRODUCTION

SUHARTO'S FOREIGN POLICY

There are a number of book-length studies on Indonesia's foreign policy, of which very few have been published. Most of the books published can be divided into two broad categories: macro and micro studies. The macro studies (such as works by Franklin Weinstein, Anak Agung Gde Agung and Michael Leifer) deal largely with Indonesia's foreign policy in general,¹ while micro studies (by Jon M. Reinhardt, J.A.C. Mackie, David Mozingo, Dewi Fortuna Anwar and others) focus on specific topics and themes.² Of these two types of studies, many cover the Sukarno period or early Suharto era. Particularly lacking are macro studies on Indonesia's foreign policy under Suharto. The existing books which partially or wholly deal with Suharto were either published in the 1970s or early eighties. To my knowledge, there is no up-to-date book that examines comprehensively Indonesia's foreign policy under Suharto.³ Undoubtedly there is an urgent case for such a book.

It is also worth noting that most of these books do not adopt a specific "theory" or model for examining Indonesia's foreign policy and I have followed the same approach, although I am fully aware of the existence of these "theories" and models.⁴ An Indonesian case study such as mine is usually insufficient for generating a useful model. Nevertheless, the information provided in my study may contribute to future model-building on foreign policy behaviour.

Although no model has been used in the study, I have adopted a framework of foreign policy analysis. The framework provides a useful checklist of items required for a study of foreign policy, including the determinants of a country's foreign policy behaviour.⁵

In analysing Indonesia's foreign policy during the Suharto era, however, it appears that the Indonesian military and culture (or political culture) are of crucial importance. The military, together with President Suharto, who was an army general, are initial decision-makers. Their policy tends to be influenced by prevalent political culture in terms of *abangan* (or nominal Muslim-cultural) orientations, and preference for authoritarianism. Nonetheless, it is clear that, in the later period, Suharto became more assertive in foreign policy. He has not always agreed with the military establishment on domestic politics as well as on foreign policy issues as illustrated by his handling of the East Timor issue, especially the recent Dili incident. Due to the crucial role played by Suharto in Indonesia's foreign policy, this study tends to highlight his leadership and whenever possible links him to the New Order foreign policy.

This study will discuss the main factors which have contributed to Indonesia's foreign policy behaviour, including the capability of the state, the perception of major leaders on foreign policy matters, the dominant political culture and the political institutions which impinge upon foreign policy. The personality of the decision-makers will be highlighted as well, especially those of the top political leaders who have been mainly responsible for Indonesia's foreign policy.

The organization of this book deserves explanation. Although the emphasis of this study is Indonesia's foreign policy during the New Order era, a brief examination of the pre-1966 period is included as it is crucial for an in-depth understanding of Suharto's foreign policy. It is followed by an in-depth discussion of the policy during the Suharto era, beginning with the rise of the military as a foreign policy-maker at the expense of other foreign policy-making institutions, and ending with the later emergence of Suharto, who often distanced himself from the military establishment as a foreign policy-maker. It is not easy to document Suharto's role in Indonesia's foreign policy, but in many cases, one can clearly see his guiding hand. The role of Suharto in Indonesia's foreign policy is one of the central themes in this study.

Nonetheless, this study also attempts to identify the patterns and processes of Indonesia's foreign policy through an examination of Indonesia's relations with various countries. In this book, the discussion of these relations has been arranged in accordance with the relative importance of these countries to Indonesia. The order of their importance may, of course, differ from author to author. Again, if economic interactions and volumes of trade are used as indicators, a rather different ranking might emerge.

In terms of Indonesian perceptions of security in a broad sense, the United States and Japan are the most important nations. Nonetheless, if security is defined in military and political terms, geopolitics is a major factor. This does not mean that only a neighbouring country with a strong military capability will pose a threat to Indonesia. Even a small neighbouring state that is occupied or used by a major power hostile to Indonesia may be perceived as a threat. For this reason, the ASEAN states are most important to Indonesia and hence deserve to be discussed first. Of the seven ASEAN members, countries such as Malaysia and Singapore are seen to be more important than others such as Thailand and the Philippines.

After the ASEAN states, Australia is vital to Indonesian interests, especially in relation to the Irian Jaya and East Timor issues. Indonesia has been concerned with developments in Papua New Guinea and Australia's attitude towards its ex-administrative territory because these two factors may affect the situation in Indonesia's Irian Jaya province. Indonesia is also sensitive about Australia's attitude towards East Timor because of possible effects on the ex-Portuguese colony. Any separatist activity in these provinces would in turn affect other minority regions in the republic.

In the north, the People's Republic of China (PRC) has always been viewed by Indonesian leaders as an "expansionist" power and a major competitor for the role of regional leader to which Indonesia aspires. For this reason, Vietnam has been seen as a buffer against the potentially expansionist tendencies of the PRC. Although some military leaders have emphasized the significance of common historical experiences in Indonesian-Vietnamese relations, it was strategic considerations which caused the Indonesian military to recognize the usefulness of Vietnam.

The two superpowers, namely the United States and the former Soviet Union, as well as the economic superpower Japan, were crucial in ensuring the well-being of Suharto's Indonesia. With the disintegration of the Soviet Union, Indonesia's foreign policy focus has turned to the United States and Japan. Indonesia has depended on economic aid and investment from the West led by the United States. Understandably, Indonesia has tolerated an American security presence in Southeast Asia, partly owing to the absence of an alternative. In the long run, however, Indonesia would prefer the United States to be nominally involved in Southeast Asia. One interpretation of this is that the resultant vacuum might be filled by Indonesia.

Indonesia once saw the former Soviet Union as a regional competitor but this is no longer so. Besides, the Commonwealth of Independent States (CIS), the new union which replaces the USSR, is not only weak, but also unimportant economically to Indonesia. On the other hand, Japan is economically essential to Indonesia. This economic giant is not only Indonesia's largest direct investor but also the country's largest trading partner. Almost 60 per cent of Indonesia's crude oil is sold to Japan and the country has also received a significant amount of foreign aid from the "Land of the Rising Sun". Because of Japan's significant role in Southeast Asia, Indonesia is still concerned with its militarization.

The Middle East is another region that is becoming more important to Indonesia because of the resurgence of Islam in the world and also within Indonesia itself. In the past, Indonesia's policy towards the Middle Eastern countries had been responsive rather than proactive. Although this link to the Islamic world has not been significant, increasingly it can no longer be ignored. Nonetheless, recent Indonesia-Middle East relations and Jakarta's policy towards Bosnia have revealed the non-Islamic basis of Indonesia's foreign policy.

As a large and richly-endowed country in Southeast Asia, Indonesia understandably has aspired to become a regional leader and beyond, and desires to be recognized as such. These aspirations have been significant factors in directing Indonesia's foreign policy, as reflected in its involvement in the Non-Aligned Movement, its desire to lead the movement and its prominent role in the APEC Summit. Indonesia's leadership role has often been challenged, however, not only within the region but also outside it. Some of these challenges will be discussed in this study.

Apart from the discussions on Indonesia's relations with the various countries and their concerns, the patterns and processes of Indonesia's foreign policy will also be established. These patterns and processes will serve as a foundation from which future scenarios can be extrapolated.

ENDNOTES

- 1 Works which fall into this category include Ide Anak Agung Gde Agung, *Twenty Years of Indonesian Foreign Policy 1945-1965* (The Hague: Morton, 1973; reprinted and reissued in 1990 by Duta Wacana University Press in Yogyakarta); Franklin Weinstein, *Indonesian Foreign Policy and the Dilemma of Dependence; From Sukarno to Soeharto* (Ithaca: Cornell University Press, 1976) and Michael Leifer, *Indonesia's Foreign Policy* (London: Allen and Unwin, 1983).
- 2 Works which fall into this category are larger in number but due to space constraint only four titles are listed: Jon M. Reinhardt, *Foreign Policy and National Integration: The Case of Indonesia*, Monograph Series No. 17 (New Haven: Connecticut, 1971); J.A.C. Mackie, *Konfrontasi: The Indonesia-Malaya Dispute 1963-1966* (Kuala Lumpur: Oxford University Press, 1974); David Mozingo, *China's Policy towards Indonesia 1949-1967* (Ithaca: Cornell University Press, 1981); Dewi Fortuna Anwar, *Indonesia in ASEAN: Foreign Policy and Regionalism* (Singapore: Institute of Southeast Asian Studies, 1994).
- 3 Even the Ph.D. dissertation of Gordon R. Hein on "Soeharto's Foreign Policy: Second-Generation Nationalism in Indonesia" was submitted to the University of California at Berkeley in 1986.
- 4 There are five approaches developed by Western (American) scholars regarding foreign policy analysis: the strategic or rational model; the decision-making model; the bureaucratic politics model; the adaptive model; and the incremental decision-making model. For a brief and useful analysis of the various models for explaining foreign policy, see Lloyd Jensen, *Explaining Foreign Policy* Englewood Cliffs: Prentice Hall, 1982, pp. 1-11.
- 5 For a general framework of foreign policy analysis, See David O. Wilkinson and Lawrence Scheinman, *Comparative Foreign Relations: Framework and Methods* (Belmont, California: Dickinson Publishing Co., 1969). It should be noted that this book is not the first theoretical work on comparative foreign relations. Others dealing with similar topics include Hans J. Morgenthau's classic, *Politics Among Nations* (1954), and Roy C. Macridis (ed.), *Foreign Policy in World Politics* (1958, 1st edn.; 1989, 7th edn.). K.J. Hoslti's book entitled *International Politics* (1967) also discusses important aspects of comparative foreign relations. Nonetheless, I am impressed by Wilkinson and Scheinman's systematic attempt to deal with comparative foreign policy. Some books have used the above framework to describe a country's foreign relations, for example, Robert C. North's work on China and Sudershan Chawla's book on India. Due to the difficulty in getting adequate information on Indonesia, especially on the process of foreign policy-making, I have not used Wilkinson and Scheinman's framework rigidly. Rather, I refer to elements of foreign relations discussed in the book where they are relevant. Apart from Wilkinson and Scheinman's work, James N. Rosenau's *Scientific Study of Foreign Policy* (New York: Free Press, 1971) is also useful. I am particularly impressed by his "idiosyncratic" factor (that is, personality factor) in foreign policy, which is crucial for a fundamental understanding of Suharto's foreign policy.

DETERMINANTS OF INDONESIA'S FOREIGN POLICY

In Search of an Explanation

Introduction

This chapter identifies a number of factors which influence, if not determine, Indonesia's foreign policy. These factors include Indonesian leaders' perceptions of territorial boundaries, Indonesia's role in world affairs, and the constraint on its behaviour posed by the country's available resources. Indonesian political culture and elite perceptions of external threat will also be examined because they may throw light on Indonesia's foreign policy behaviour.

Indonesia's Territory and Role in World Affairs

The perception of Indonesia's territory and role in world affairs by its leaders is important because of its effect on Indonesia's foreign policy behaviour. The difficulty, however, is in determining whose perceptions should be accepted as valid. Should they be those of the foreign policy elite or should they be those of Indonesian leaders in general? It is reasonable to assume that the perceptions of Indonesian leaders responsible for formulating foreign policy are the crucial ones. In the case of Indonesia, however, domestic policy-makers and foreign policy leaders are often the same individuals. This has been reflected in the role of the President, especially during the Guided Democracy and New Order periods.

Indonesia's history and traditions have been mainly responsible for the perceptions of Indonesian leaders concerning the nation's territory and role in world affairs. Indonesia, before August 1945, was known as the Dutch East Indies

and the country is still defined today by the former boundaries of the Dutch colony. (Since 1976, Indonesia has also included the former Portuguese East Timor.) Most Indonesian leaders, however, especially the pre-war nationalists and the 1945 generation,¹ consider Indonesia to be a continuation of two ancient empires, Sriwijaya and Majapahit.

Before independence, Indonesian leaders debated the boundaries of an independent Indonesia. One view, represented by Mohammad Yamin, a nationalist poet and statesman, for example, subscribed to the "Great Indonesia" concept (*Indonesia Raya*).² He maintained that the height of the Majapahit Empire was the period of greatest glory in Indonesia's history. Citing the work of Prapanca, a fourteenth century poet of Java, Yamin said that Indonesia, under Majapahit rule, had included the Dutch East Indies, Malaya (Peninsular Malaysia), Borneo, Timor, and Papua (New Guinea). He believed that an independent Indonesia should include the former territory of the Majapahit Empire.

However, Mohammad Hatta, who later became vice-chairman of the sub-committee drafting the constitution for the new nation, was more cautious.³ He preferred to limit the boundaries of Indonesia to those of the Dutch East Indies. He argued that, to include territory beyond the Dutch colony, would create an impression that Indonesia was imperialistic. Hatta deplored the imperialism of Germany and said that Indonesia should not emulate such behaviour. In the course of debate, however, Hatta conceded on the issue of Malaya. He noted that if the Malaysians (Malays) wished to join Indonesia of their own free will, he had no objection. Nonetheless, he insisted that Indonesia must include at least the Dutch East Indies, excluding Papua New Guinea.⁴

Sukarno, who was the chairman of the sub-committee drafting Indonesia's constitution, supported Yamin's view. He stated on 11 July 1945 that Indonesia was not a Dutch legacy and its territory need not be limited to the old Dutch East Indies.⁵ In his well-known Pancasila speech which was delivered earlier on 1 June 1945, however, Sukarno referred to the two empires, Sriwijaya and Majapahit, which in his view were "united Indonesian states".⁶ But his description of the territory was vague.⁷ Thus when Sukarno and Hatta declared independence for Indonesia, the new nation was defined by the boundaries of the Dutch East Indies.

The inspiration drawn from Sriwijaya and Majapahit never faded. This is because Indonesians believe that the Majapahit empire under Gadjah Mada was able to unite the whole Nusantara, or Indonesian archipelago. It is not surprising, therefore, that the first Indonesian university established after independence was *Universiteit (Universitas) Gadjah Mada*, named after the Prime Minister of Majapahit.⁸ Gadjah Mada has also been used for the name of the Indonesian battleship and the Indonesian military police also uses Gadjah Mada as its symbol.⁹

Although the boundaries and the nature of the Majapahit Empire are debatable — some say that Majapahit's influence did not extend beyond Java and that Majapahit was not a united state in a modern sense — many Indonesians, especially political leaders and some scholars, believe in the great achievements of Majapahit. The united country was prosperous and the arts were at their peak.

Sukarno repeatedly referred to Majapahit as an ancient Indonesian nation-state. He did not mention that the Majapahit extended beyond the Dutch East Indies. In a speech made to the American Congress (17 May 1956), Sukarno stated that Indonesia's territory coincided with the Dutch East Indies and that West Irian (now Irian Jaya) was part of it. He also argued that West Irian was part of the Majapahit "nation-state", which was the basis of modern Indonesia.

President Suharto is also obsessed with Majapahit. He named the Indonesian telecommunications satellite, Palapa, after Gadjah Mada's favourite fruit.¹⁰ According to the legend, Gadjah Mada was said to have sworn not to eat the fruit until he had unified the whole Nusantara under the Majapahit Empire.¹¹ Suharto believes this legend and has stated that Indonesian unity and solidarity have now been achieved.¹²

Although Indonesia's present leaders have repeatedly stated that they have no designs on other territories, there is still a lingering suspicion based on Indonesia's past record, particularly the 1963-1965 Confrontation with Malaysia, on the part of Indonesian neighbours that this may not be true. It appears that they fear that Indonesia may claim irredentism of Sriwijaya or Majapahit lands, especially if irresponsible leaders come to power who might use the historical claim (or myth) to advance their political objectives. This fear has not been clearly stated, however, because of a desire to maintain good relations with Jakarta.

It is worth noting that Indonesia's annexation of East Timor in 1976 was justified in part by the nation's leaders in ethnic and historical terms.¹³ Suharto, too, has said that Indonesians were invited to do so by two East Timorese parties who consider Indonesians "their blood brothers" (*saudara mereka*).¹⁴

It should be pointed out that Indonesia is still affected by separatist movements, especially in the area which has been recently incorporated into the Republic. Therefore, the preservation of "territorial integrity" has often been a sensitive issue in Indonesia's foreign relations.

If perceptions of Indonesia's territory present a problem in its foreign policy behaviour, the country's role in world affairs is another important factor in determining its foreign policy. Indonesia's size (in terms of population and territory) and natural resources have made its leaders believe that the country is destined to play a major role in international affairs. When Sukarno was in power, he insisted that Indonesia be consulted on any regional matters which were related to its perception of national security. It was reported that he was

offended when the formation of Malaysia was announced without giving due respect to Indonesia.¹⁵

Sukarno considered Indonesia to be not only the major state in Southeast Asia but also a leader among Asian and African states. Not surprisingly, it was through the initiative of the nationalist, Ali Sastroamidjojo, with strong support from Sukarno, that the first Afro-Asian Conference was held in Bandung (in 1955). During the period of Guided Democracy (1959-1965), Sukarno even conceived the concepts of Nefos (Newly Emerging Forces) and Oldefos (Old Established Forces), in which Indonesia was a leader of Nefos.¹⁶ Understandably, after its withdrawal from the United Nations in 1965, Indonesia under Sukarno, with the co-operation of the People's Republic of China (PRC), decided to establish Conefo, or the Conference of New Emerging Forces, with its headquarters in Jakarta. This was supposed to be the United Nations of poor countries. At one time, Sukarno also called Indonesia the "light house" (*Mercury Suar*) of the Third World. In other words, Indonesia perceived itself as a destined leader of the Third World.

Even the leader of the Indonesian Communist Party (PKI), D.N. Aidit, noted the important role played by the Indonesian revolution. He argued that the "victory of the Indonesian revolution will signify a great stride forward in the anti-imperialist struggle, and its rays will shine afar, even beyond the borders of Southeast Asia".¹⁷

After the fall of Sukarno, however, the new Indonesian leaders did not initially lay great stress on foreign affairs. Attention was paid to domestic/internal development, but later activities indicated that Indonesia's desire to lead on the international front had not faded. The Indonesian effort in establishing ASEAN, the initiative taken in sponsoring the Jakarta Informal Meeting on the Kampuchean issue, the desire to chair the Non-Aligned Movement Conference, the decision to host the thirtieth anniversary of the Afro-Asian Conference in Indonesia, and the official announcement by the new Foreign Minister of Indonesia that Indonesia would play a leading role in international affairs, are good indicators of Indonesia's perception of its role in world affairs. In other words, Suharto's Indonesia also desires to lead.

It is not surprising then that General Sumitro, the former Deputy Chief of Army (1970-1974) and currently a keen observer of Indonesia's foreign policy, has advocated that low profile and inward-looking foreign policy should be replaced with a high profile and outward-looking one.¹⁸ He suggested that Indonesia should begin to lead and discuss controversial issues. Many observers at the Centre for Strategic and International Studies (CSIS, a government think-tank which was established by influential General Ali Murtopo and had links to Minister of Defence, General Benny Murdani), for instance, feel that Indonesia is a major power, or at least a "medium power", and should behave like one. One of them stated bluntly that it is natural for Indonesia to assume

an influential, if not leading, position in the region because it is the largest country in Southeast Asia.¹⁹

Despite this assertion, Indonesia's role in foreign affairs has been restricted by its own limited capabilities.

Capabilities

Two questions can be posed here: "Is Indonesia able to carry out the visions of its leaders?" and "Can Indonesia really lead?". An examination of Indonesia's capabilities in terms of its economic, military and political performance may provide the answers.

First, Indonesia is the world's fifth most populous country. It has 179,300,000 people, of whom 64.9 per cent are below 30 years of age.²⁰ The country's illiteracy rate is high (15.8 per cent), however, with 30.4 per cent of the population never finishing primary school. Twenty-eight point seven (28.7) per cent receive only primary education while only 1.9 per cent receive tertiary education. Therefore, the quality of manpower is low.²¹ Because of this low level of educational attainment, it is very difficult for Indonesia to modernize quickly. Without rapid modernization, the country's capability remains limited.

Second, the economic situation in Indonesia has historically been unstable. The inflation rate in the past was high. When Suharto came to power, his administration was able to slow inflation. Nonetheless, under Suharto, the Indonesian rupiah has been devalued twice. The most recent devaluation in 1986 caused the rupiah's value to drop 30 per cent. The inflation rate in 1986 was 5.9 per cent, and 9.3 per cent in the following year. Foreign debt under the New Order Government is large, with the debt in 1989 reaching \$53.11 billion. By early 1994, it had increased to \$90 billion.²² Although the debt problem is not as serious as that of some Latin American countries, it is a cause for concern among many observers.

Indonesia's GDP is large by Southeast Asian standards. In 1990 it was Rp. 197,721.0 billion (US\$107.29 billion) and, by 1991, had reached Rp. 227,463.0 billion (US\$116.63 billion).²³ Oil has been the most important source of internal revenue for financing development. Oil sales generated approximately 60 per cent of Indonesia's annual foreign exchange earnings — at least before the Pertamina (Indonesian State Oil) debacle of 1975. The decline of oil prices in recent years has forced the Indonesian Government either to defer or abandon some large development projects. Indonesia has also encouraged non-oil exports and this has met with success. This policy is linked to the gradual liberalization of the Indonesian economy. As a result, there has been a rise of a new manufacturing sector. The authoritarian decision-making process remains,

however, and this may eventually bring about conflict with the private sector. If this does take place, it will be more likely to happen over the long term rather than in the immediate future.

Nonetheless, oil remains an important export commodity for Indonesia.²⁴ However, the nation's oil and gas deposits are being depleted. Proven oil reserves may amount to approximately 8.3 billion barrels which will last from 13 to 19 years.²⁵ In the light of this, the government has decided to develop nuclear energy to cope with the growing demand for power.²⁶ Although plans to build the first nuclear plant were endorsed by Suharto in 1989, officials have said that the plant is not expected to be operational until 2005.²⁷

Indonesia's military strength is also quite limited. The armed forces consist of 283,000 men, of whom 215,000 are in the army, 44,000 in the navy, and 24,000 in the air force.²⁸ Although it is the largest among the ASEAN states, Indonesia's military is not the most modern. The air force and navy are not very well-equipped. In early 1988, Singapore signed an agreement allowing Indonesian access to its most modern military technology in exchange for the use of training grounds in Indonesia for the Singapore Army.

Apart from the regular armed forces, Indonesia also has 180,000 para military personnel and 300,000 militiamen.²⁹ It is questionable whether Indonesia would be able to use its military effectively in external ventures in the near future. The Indonesian military has been strong enough to meet challenges from domestic sources however. The two armed rebel groups which continue to be the cause of concern are the Fretilin (Revolutionary Front for an Independent East Timor) in East Timor (about 100 men with small arms) and the Free Papuan Movement (OPM) (a membership of about 500-600 and approximately 100 armed men).³⁰ There has also been a revival of armed rebellion in Aceh but the scale is small.³¹

In terms of territory, Indonesia consists of at least 13,000 islands, some even without names. It stretches from Sabang (Sumatra) to Marauke (Irian Jaya) and is very rich in natural resources. This makes Indonesia a potential power. The country is still underdeveloped, however, and its resources are under-explored. The nation's present capabilities are very limited indeed and they will remain limited in the near future. In other words, Indonesia does not appear to have the physical capabilities to carry out the high profile foreign policy desired by some of its leaders.

Perception of External Threat and the Archipelago Concept

When studying Indonesia's foreign policy, there are two more factors which

should be taken into consideration — the perception of external threat and the archipelago concept — as these affect Indonesia's external behaviour.

First, let us discuss the perception of external threat. Although in recent years most observers have argued that the primary threat to Indonesian political stability has come from *internal* rather than external sources, perception of external threat is still relevant to Indonesia's foreign policy. Before Suharto came to power, the external threat was perceived to have come from Western countries. The counter elite believed that the threat could come from the Communist bloc as well, with the People's Republic of China (PRC) looming large on the horizon.

During the Suharto era, external threat has been seen as coming from the Eastern or Communist states, and, of these, the PRC has been singled out as the most dangerous. The PRC was thought to have been involved in the 1965 coup, and the so-called overseas Chinese in Indonesia were seen as having sympathized with Communists and allowed themselves to be used as Beijing's tools. Evidence has now shown the opposite to be true.³²

In fact, this Sino-phobia has its origins in Indonesian history. During the colonial period, indigenous Indonesians felt that ethnic Chinese were protected by Dutch authorities at their expense, and during the 1945 revolution, the Chinese were seen as having sided with the Dutch against the Indonesian independence movement. After the establishment of the PRC, however, links between Beijing and the ethnic Chinese were seen as a "security risk" by anti-communist generals.

In order to understand Indonesia's foreign policy, this threat perceived by Indonesian leaders, both civilian and military, should be taken into account. Among the leaders of the New Order, it seems that it is the PRC, rather than other Communist countries, that evoked an emotional reaction. In a foreign policy discussion seminar in 1970, for instance, the participants and speakers concentrated largely on the issue of the PRC and the Chinese.³³ The Soviet Union and other Communist countries did not receive as much attention from the Indonesian political public. Thus, the announcement by Jakarta in February 1989 that the normalization process with Beijing would be started received tremendous attention in the Indonesian press.³⁴ The security issue again formed the basis of opposition to "early normalization".

In the eyes of Indonesian leaders, the PRC is dangerous in the sense that it is not only Communist but also aggressive. Although there has been no record of military action by the PRC beyond the countries immediately bordering it, Indonesians often cite the invasion of Java by Kublai Khan during the Yuan Dynasty (fourteenth century) as an example of Chinese aggression against Indonesia. The intruders, however, were expelled by the Javanese.³⁵ In the past, connections between Chinese Communists and the PKI were considered dangerous to Indonesian security. The alleged involvement of the PRC in the