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## *Special Feature*

# Indonesian President's Visit to India : A Visit of Strategic Significance

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## **S***ummary*

President Jokowi's state visit to India in December is an opportunity to develop a truly strategic relationship that covers maritime security and defence of the Indo-Pacific, economic relations, and cultural, training educational, and people-to-people interactions that can contribute to the realisation of the full potential of two major Asian powers in the 21st century.

## Background

Indonesian President, Joko “Jokowi” Widodo will be making an official visit to India from December 11-13, 2016. This will be the first bilateral visit at that level since Prime Minister Modi took charge in May 2014 and President Jokowi assumed office as President in October 2014 (after elections that brought the PDP-I headed by Megawati Soekarnoputri, daughter of the founding leader of Indonesia, Soekarno, to power), though both have traveled extensively during this period visiting key regional and world capitals. Former Indonesian President Susilo Bambang Yudhoyono and Prime Minister Manmohan Singh had earlier given a big boost to India-Indonesia relations with the signing of a strategic partnership agreement and reciprocal visits.

The visit should not be treated as a routine state visit with little long term outcomes. Indonesia with its size, population, strategic maritime location and natural resources, is a latent Asian power. Since the heydays of the struggle for independence against colonial rule when Nehru, Biju Patnaik, Soekarno and other Indonesian independence leaders like Mohammad Hatta and future PM Sutan Syahrir forged such close political bonds, as well as the 1955 Bandung Asia-Africa Conference that laid the foundations for the Non Aligned Movement, the India-Indonesian relationship, like the two countries themselves, has been one of more promise and potential than realisation. India and Indonesia should therefore consciously utilise this visit to turnaround this relationship which theoretically can be one of the defining relationships in Asia

Much of the excitement of that honeymoon period in our relationship has now faded with the ennui that followed the turbulent and dramatic early years of our modern relations. Those were the times when Biju Patnaik flew his Dakota to rescue the future Prime Minister of Indonesia, Sutan Syahrir, from a Dutch siege of Indonesian independence leaders in Surabaya; Nehru denied Dutch KLM airlines any stop, fuelling or over-flight facilities in or over India; PM Syahrir offered to send rice from Indonesia to help counter a rice shortage in India after independence (that Nehru discouraged but Syahrir insisted on sending) and Nehru reciprocated the gesture by sending Indian textiles to Indonesia; Nehru organised an International Conference on Indonesia in Delhi just before India's independence in July 1947; and Soekarno became the first foreign Head of State to attend India's first Republic Day celebration in January 1950.

There have been many earnest attempts, starting with Soekarno and Nehru, and later, post the Suharto years, with Abdul Rahman Wahid “Gus Dur” and President Megawati up to President Yudhoyono who visited India three times, signing a Strategic Partnership Agreement in 2005 and attending Republic Day 2011 as Chief Guest, to bring a vitality to the relations. Yet, despite this, the relationship is yet to pick up traction.

Three seminal issues stand out amongst the many reasons for India and Indonesia to give this visit special importance. First, Indonesia's geo-strategic significance, globally, and for India. Second, the role that Indonesia and India can play, *separately*, in providing alternative models of relations between religious majorities and minorities in South and South East Asia rooted in their own traditions of pluralism, syncretism and tolerance against a rising tide of religious fundamentalism in the region coming from the Gulf. And third, the concrete steps the two countries can take to augment their relationship and realise their potential for their mutual good.

Accustomed as we are to thinking of history and international relations in terms of empires, big powers and major trading nations, the strategic community in general has tended to think of Indonesia as a filling station between China, India, the Arab-Persian-Muslim world, and Europe. This is misleading and has blinded us from the economic and strategic potential of Indonesia.

Admittedly, there are good reasons for this. Until the establishment of a Republican government out of the Dutch East Indies under Indonesia's first President Soekarno, there never really had been a unified Indonesia as we know it today, and even historically, none of the major ruling dynasties of Sumatra or Java exercised the kind of dominion over the whole archipelago that could have given them the kind of stature enjoyed by the imperial dynasties of China or India.

Post independence, apart from the period under Soekarno when he shepherded the Non Aligned Movement together with Nehru and other world leaders, Indonesia even now remains too preoccupied with building its nation, economy and democracy out of a very diverse nation to pursue a more assertive maritime or foreign policy that corresponds to its size, population, economic resources and potential, and geographical breadth.

Yet, it is not as if the potential and historical precedent for the strategic use of the seas of the Indo-Pacific by Indonesia does not exist. First, stretching over 5,200 kms from west to east, and 2,200 kms from north to south, Indonesia with its over 17,000 islands spread over 1.9 million sq kms, is the world's largest archipelago, one that straddles both the Indian and the Pacific Oceans. It shares the choke point of the Straits of Malacca with Malaysia and Singapore, but also sits exclusively astride, and, therefore, can potentially control, virtually all the straits linking the southern Indian Ocean with the South China Sea.

There were periods in Indonesia's history, such as during the Srivijaya-Sailendra dynasty (8-12<sup>th</sup> centuries), when their rulers used their location on both sides of the Malacca straits to tax and control the thriving trade in spices between the east and west of which it was the epicentre, so much so that at one point, the Chola king Rajendra Chola 1 launched a punitive naval expedition against them, triggering their decline.

Later, during the colonial period, so central were the East Indies to global trade, that the British and Dutch signed a Treaty in Banda Neira in 1667 under which the Dutch exchanged New Amsterdam, later New York, for the tiny nutmeg growing island of Pulau Run in the Banda islands of the Moluccas (Maluku) in what is now the eastern Indonesian province of Maluku.

While Indonesia does not yet seem to have developed or articulated a strategic vision of what to do with its extraordinary strategic location, the kernel of such a vision can be found in the words that Indonesians use to describe their homeland, 'Nusantara' (archipelago) and 'tanah air' or 'land and water', indicating that they see their seas as being as much a part of their national identity as land. But President Jokowi has drawn up a vision of Indonesia as the world's 'maritime axis' requiring a strong naval force to protect its territorial integrity, fishing waters and energy interests, supported and funded by strong economic growth. India should welcome such a role for Indonesia around its territorial waters, Exclusive Economic Zone and beyond in the east Indian Ocean and adjacent areas of the Pacific.

Second, there is, presently, a battle for the soul of Indonesia being waged over the role of religion in forging Indonesia's national identity around issues of ethnicity, religion and language that in some ways mirror our own.

Indonesia's leaders have invested a great deal in the national motto of 'unity in diversity' ('Bhinneka Tunggal Ika') to hold this widely spread and diverse country together. One of the areas where Indonesia has been most successful in implementing this has been in adopting Bahasa Indonesia, a version of the Malay language used as a bazaar language in coastal areas for trade adapted to the Roman script, as a *lingua franca* across its length, breadth, and over 400 local languages and dialects, many with their own scripts and disparate origins, as a national language. It was able to do this at least partly because the culturally and politically dominant Javanese did not insist on Javanese as the foundation of their national language.

Today, Bahasa Indonesia is accepted as the language of administration, education and literature all over Indonesia including Java. Indonesia's 'experiment' in nation-building through a common language could therefore have lessons for other multi-linguistic nations as well. Though conditions and solutions in India may not be the same, the Indonesian case may be worth examining in India too where the issue of a national language remains a live one.

Indonesia also prides itself on being the largest and most populous Muslim nation in the world, one that is both moderate, and now, a democracy. Indonesia's syncretic traditions have bridged its indigenous, Indic, Hindu, Buddhist, Islamic, animist and latter day Christian traditions into a tolerant mix. The Javanese court chronicle, the Serat Centhini vividly portrays the extraordinary compromises Islamic 'walis' consciously made in Indonesia to accommodate, co-opt and

assimilate existing composite indigenous and Indic festivities, beliefs and practices to make Islam more acceptable.

Post-independence, Indonesian leaders, thinkers and even Muslim religious organisations like the Nahdlatul Ulama (NU) and Muhammadiyah have so far stuck to the idea of a distinctively Indonesian or 'Pribumisasi' Islam (articulated by Abdurrahman "Gus Dur" Wahid, later President of Indonesia after President Suharto, and others) characterised by respect for Indonesia's syncretic and pluralist traditions that did not draw rigid lines between Muslims and non-Muslims and shariat and customary law, every bit as authentic as the 'high' Islam of the Hijaz.

In practical terms, this sustains a diversity of Islamic practices and a convivial framework of inter-religious relations and harmony in which Hindu epics, Sanskrit-origin words and names, Hindu and Buddhist temples, idols and images, an overwhelmingly Hindu majority Bali, and minority sects like the Ahmediyas, have historically coexisted without any problem.

Indonesia's trajectory as a Muslim majority nation that is pluralist, democratic and still largely moderate and tolerant, finds a logical counterpoint in Islam's trajectory in India. In India too, Islam struck roots at the popular and grassroots level by similarly fusing indigenous beliefs and practices to Islam to create a distinctive and more 'Sufi' brand of Indian Islam.

Amidst the tensions left by the legacy of the Partition of India, it is often forgotten that Indian Muslims too have made some remarkable adjustments in first accepting, at the height of Islamic rule in India under the Mughals that even with political power, they had to coexist with majority Hindus; then losing political power to the British; next, losing more than two-thirds of the Muslim population to Pakistan at partition; and finally having to live in a Hindu majority state under a secular Constitution accepting that they could practice their faith freely without the protective hand of an Islamic state. This is an act of faith in democracy and secularism, by an Islamic minority that once held imperial power, that has a doctrinal significance that does not seem to have been grasped even by its followers, possibly, because of an ideology that regards 'true' Islam as only the Islam of the Hijaz.

This pluralist, tolerant Indonesian social-religious philosophy has however come under serious pressure in recent years and months from a more literalist and Arabised version of Islam that looks at ethnic and religious identities in terms of binaries, and views Indonesia as a Sunni Islamic state where non-Muslims have to live by the rules of the majority Muslims and cannot aspire for political power or office. For a growing and vocal number of Indonesians, it is this homogenised version of Islam that is becoming the basis of Indonesian identity.

This trend has now come to a head with the controversy surrounding the candidature of Basuki 'Ahok' Tjahaja Purnama, an Indonesian Christian of Chinese ethnicity and formerly deputy governor of Jakarta under Jokowi, in elections in February next year for the post of Governor of Jakarta. 'Ahok' has drawn fire from more conservative Islamic organizations spearheaded by the Islamic Defenders Front (FDI) and including the Muslim Students Association (HMI) for alleged blasphemy in criticising those who are using a verse in the holy Qoran, the Meidah 51, to oppose his candidature for the elections because he is a non-Muslim.

Under pressure of street rallies organised on November 4, 2016, the police have decided to charge Ahok with blasphemy and hate speech under relevant laws much to the disappointment of the silent majority of liberal and tolerant Indonesians. This may be a tactical move to defuse the protest, but is nevertheless risky. President Jokowi has mounted a major political campaign to counter what many see as an existential threat to the idea of Indonesia and to his government by rallying around moderate Islamic organisations like the NU and Muhammadiyah and political parties, and the security forces, to the founding principles of 'unity in diversity' 'pancsila' and pluralism, with the words "...God created diversity and plurality, and our constitutional system recognises and protects such diversity and plurality...It is our responsibility to uphold it". But the outcome is far from certain. Other examples of Islamic conservatism, militancy and extremism continue to manifest themselves.

India has a stake in the diversity of Islam found in Indonesia amongst other places in Asia against the exclusive and homogenising influences coming from the Arab world. Indonesia and India can also provide complementary models for coexistence of religious minorities with majoritarian communities in Asia and a globalised world (whether they are Islamic minorities in the West or India, or Hindu and other non-Muslim minorities in the Muslim world) based on their own authentic traditions of co-existence. This may seem a hopeless cause but is still worth championing in the face of what appears to be an inexorable rise of intolerance in many major religions.

### **Strategic Convergences**

Against this background, there are some bold steps that Prime Minister Modi and President Jokowi could push over and above initiatives that are already in the pipeline to strengthen our relations at a strategic level agreed to more than 10 years back.

First, they could take a major initiative in the area of maritime security predicated on Indonesia's 'maritime axis' vision and a more central future security role for Indonesia in the Indo-Pacific commensurate with its size and geographical location and spread.

So far, we have engaged with security issues with the ASEAN within the framework of the ASEAN Regional Forum (ARF) and the ASEAN Defence Minister's Meetings Plus (ADMM+) with limited but growing bilateral engagements with Vietnam, Singapore, Indonesia and others. These mechanisms have also been the platform within which major players like the US and China, and individual countries within ASEAN that have disputes with China in the South China Sea (and little beyond the horizon, Japan and Australia), have tried to exert their influence in promoting their visions of territorial integrity, security, stability, consensus building and conflict prevention in the region.

But none of the ASEAN states have particularly robust navies; nor, given the power plays in the region, are they or the ARF likely to evolve into collective security mechanisms in themselves. One could argue that there is a bit of a security vacuum in the South Pacific as a whole that has so far been filled by the US, but which is increasingly being called into question by China. Political developments in the US too have introduced new uncertainties in the balance of power and stability in the Asia-Pacific.

In this context, a more robust maritime security capability for individual ASEAN countries (that could in future also provide the nucleus for an ASEAN maritime security force) could be in our interest. We have so far been a bit wary of the 'Indo-Pacific' concept promoted by Indonesia's last Foreign Minister in the East Asia Summit forum fearing perhaps that it could introduce tensions in the South China Sea into the Indian Ocean or be used to enhance the presence extra-regional navies there, but the concept can also be used to develop a vision of shared security in which parties take responsibility for maritime security in their respective oceans and seas for the benefit of all. With Prime Minister Modi, this defensive mentality appears to have been shed and we may be ready to proceed with the idea.

Indonesia, with its geo-strategic location and reach, size, demography and economic potential, and balanced and nuanced relations with the US, China and Japan, would be the best placed to play a broader stabilising role in the region. Indonesia may be reticent about embracing such an idea openly as yet, and India may not be able to contribute much directly to enhancing Indonesia's maritime capability presently, but at the least, it could recognise the latter's centrality in the Indo-Pacific and initiate a strategic dialogue and defence partnership to the extent mutually convenient.

It could also be a hedge against dependence on big powers from outside the region whose commitment to regional security cannot be taken for granted and are subject to their own political predilections, and to rely more on neighbors and middle powers whose security concerns are far more anchored and predictable.

The political basis for such a relationship already exists in the Joint Declaration on the Establishment of a New Strategic Partnership agreed to during the visit of the

President Yudhyono in 2005, and its subsequent elaboration into a five-pronged initiative that included a strategic engagement and defence and security cooperation amongst other areas adopted during Prime Minister Manmohan Singh's visit to Indonesia in October 2013. An Eminent Persons Group was also created during President Yudhyono's state visit to India as Chief Guest on our Republic Day in 2011 and tasked to come up with a 'Vision Statement 2025' to enhance India-Indonesia bilateral relations.

These could now be used to initiate a strategic dialogue premised on realising Indonesia's maritime axis vision and bolstering Indonesia as a maritime power through an appropriate level and forum that includes the armed forces and key Indonesian Ministries on the one hand, and the utilisation of space data under the India-Indonesia space cooperation programme to monitor and protect Indonesia's natural resources, especially fishing in its territorial waters and EEZ, and greater Indian investment in other areas of strategic importance for Indonesia, on the other.

On defence and security, the New Strategic Partnership (NSP) could also be used to renew and upgrade our MoU on Defence Cooperation of 2001. This could cover cooperation in the Indo-Pacific, exports of equipment for defence and maritime and coastal surveillance, defence production, technical cooperation, more advanced service-to-service talks and exercises, cooperation on hydrographic surveys, HADR, and pollution control; and separate MoUs or mechanisms for sharing of maritime security information on non-traditional threats including environmental threats, counter-terrorism, and information on white shipping.

They could also take some imaginative steps in the areas of trade and investment and Culture and People-to-People Relations as part of the proposed Comprehensive Economic Partnership under the NSP. Chief among the former could be a thrust towards Indian investment in Indonesia taking advantage of the natural resource and industrial potential of the country, its large 250 million market, the 600 million ASEAN Economic Community (AEC) market and US\$ 2.6 trillion economy, and ASEAN FTAs with India and major East Asian economies, to shape the Comprehensive Economic Partnership as part of our NSP. It is also well qualified to join and revitalize the now neglected India-Brazil-South Africa IBSA grouping.

India has been traditionally ambivalent about the idea of Indian investments abroad, focusing as it has, on first, domestic, and now also foreign investment into India for capital, technology, know-how and employment on the principle that capital invested abroad is capital lost to India. PM Modi's 'Make in India' is no different in this regard. This is shortsighted. All major powers, be it the US, EU, Germany, Japan or China today look at foreign investment in economic *and* strategic terms. Investing in a foreign country is a stronger tool for influence than trade. Indian investment in strategically important countries, particularly in our

neighbourhood and extended neighbourhood, should thus be seen as an arm of our foreign policy. We are not yet doing so.

People-centric growth is President Jokowi's top priority, one that he would like to leave as his legacy, for which he has courted foreign investment particularly in the energy, infrastructure, manufacturing and tourism sectors. Indian investment in Indonesia is perhaps President Jokowi's top most objective from this visit to India.

So far, the principal foreign investors in Indonesia are Singapore, Japan, China and South Korea. While there is already substantial Indian investment in areas like coal (Reliance, Adani, Aditya Birla), textiles (Aditya Birla), steel, automotive (Tata Motors, TVS) and banking sectors, much more can be done, There are huge new opportunities in the power sector where Indonesia faces a significant shortfall in funding to reach its target of 35,000 MW by 2019; roads, railways, ports and airports; industrial estates and Special Economic Zones; ICT; and tourism, where 10 destinations have been prioritised.

But apart from these, mostly lucrative, long gestation infrastructure projects that are attractive to major players. particular policy attention needs to be paid to increasing our presence in the manufacturing sector in areas of our strength like consumer goods, textiles, pharmaceuticals, automotive and auto parts, steel, agricultural machinery, engineering and industrial goods like boilers, pumps, valves, machine tools, plastics and chemicals, small & medium industries, etc. where medium and smaller industries can also play a part. Investing in these sectors will be a win-win for both Indonesia and India, contributing to local employment and the economy in general for the former, and to markets and brand visibility for India.

A number of well planned industrial estates with adequate infrastructure for power, transport, ports, bonded warehouses, training facilities, and residential and commercial areas have already come up in Jakarta, Bandung, Surabaya, Medan and Batam, and a new 2,700 hectare estate created in partnership with Singapore has just been inaugurated during Singapore Prime Minister Lee Hsien 's visit to Indonesia in mid-November in central Java. Of particular interest to us from a connectivity point of view should be the Medan industrial zone near the port at Belawan in north Sumatra that is physically the closest to the eastern seaboard of India and where we also have long had a Consulate General, to help our investors.

This could be combined with a shipping service from Chennai or Krishnapatnam to Medan via the Andaman islands that could be used to export Indian engineering, consumer goods, textiles, pharmaceuticals etc. to at least partly offset the large imbalance in our trade with Indonesia in which exports from India only account for US\$ 2 bn out of a total trade of US\$ 15.9 bn. The Prime Minister's announcement of a US\$ 1 bn credit line for connectivity projects in the ASEAN could be partially

used to fund this shipping line. Air links from Medan to Chennai directly or via Singapore should also be explored.

Efforts should also be made to unlock the US\$ 500 million LoC extended by India to Indonesia to promote Indian exports that has been stuck on the issue of sovereign guarantees. Our LoCs could also be better structured to cater to standard infrastructure to more innovative social development projects, and a better mix of Government-to-Government loans against sovereign guarantees and buyers and sellers credits with more commercial guarantees. India could also think of funding some quick impact small social development projects in the provinces executed by Indian or local companies or NGOs that could have direct impact at the grassroots level.

Finally, in the areas of education, culture, and people-to-people relations, bearing in mind, Indonesia's youthful population, its Indic cultural foundations that are still living, and the generally good image of India, it would be in order to give a thrust to ICCR scholarships in Indian universities, increased slots for training under ITEC, closer university-to-university academic exchanges and ties at the student and faculty levels, and vocational training by Indian companies in Indonesia especially in areas like IT, business management, accounting, etc. to give a fillip to enduring people-to-people ties.

There is a lot that India could gain from Indonesia on Indian culture too. India ranks high in the list of nationalities visiting Bali, at least, in part, because of its Hindu population. There is a lot that we could learn from Bali on tourism promotion, but also about a more 'simple' Hinduism relatively free from caste and sectarian divisions. Apart from an absence of harsh and unequal caste practices, Hindu temples in Bali typically feature the Hindu trinity of Brahma, Vishnu, Shiva and other gods like Ganesha, Saraswati etc. free from sectarian loyalties that are worthy of study and emulation in India.

Indonesian renderings of the Ramayana and Mahabharata too are living narratives and are being constantly reinterpreted, and Indonesian renderings occasionally give a prominence of characters who have been either forgotten or sidelined in renderings of the epics in India. A large sculpture of Ghatotkacha, a relatively minor figure in Indian renderings of the Mahabharata, graces the most prominent roundabout as you leave the international airport at Bali. There is much that both countries can learn from a study of the variations in the renditions of the two epics in India and Indonesia.

Likewise, despite the close ties of religious scholarship, both Hindu and Buddhist, the latter manifested by the visits of Chinese scholars to the Srivijayan capital of Palembang that was then famed for its Buddhist studies and the close ties between the latter and the Palas in connection with Nalanda and Bodh Gaya, and the prominence of Sanskrit origin names and words across religions in Indonesia, there

is no professor or Sanskrit or Pali in Indonesian centres of learning mainly because of a lack of response from the Indonesian side. From a purely linguistic sense, this is a big lacuna. If nothing else, we should promote research into our historic and contemporary linguistic ties. The earliest writing preserved in the entire Indonesian archipelago are stone inscriptions in Sanskrit derived from the Pallava script in Kutei in Eastern Borneo dating back to the 5<sup>th</sup> century.

In general, there is a dearth of scholarship on both sides on the Indian roots of, and influences on Indonesian culture that is a bit puzzling for a country that prides itself on its cultural impact in South East Asia.

Lastly, if we were to invest more substantially on studying the foundations of our cultural relations through history, there could also be a case for joint Indian-Indonesian productions of our common cultural heritage that could be presented and promoted in other parts of Asia like Myanmar, Thailand, Laos and Cambodia where Indic influences still remain visible or strong, though increasingly driven down to the foundations.

The story of India-Indonesia relations in modern times thus presents a case of great depth and potential that have not yet been plumbed for their strategic value. Arguably, despite their many successes, both countries, in different ways, have also underperformed, nationally, regionally and internationally. It is hoped that President Jokowi's state visit to India in December will provide the thrust to develop a truly strategic relationship that covers maritime security and defence of the Indo-Pacific, economic relations, both trade and investment, and cultural, training educational, and people-to-people interactions that can, together perhaps contribute to the realisation of the full potential of two major Asian powers in the 21<sup>st</sup> century.

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