# Indonesia's Global Maritime Fulcrum & China's Belt and Road Initiative

– A match made at sea?



## Indonesia's Global Maritime Fulcrum & China's Belt Road Initiative

– A match made at sea?

Ardhitya Eduard Yeremia Lalisang Darang S. Candra

## Contents

1.	Understanding the Belt and Road Initiative	4		
2.	Understanding the Global Maritime Fulcrum	6		
	ASEAN outlook on the Indo-Pacific	9		
3.	Linking the GMF and the BRI	10		
	Indonesia–China G2G Interactions	10		
	Economic context: BRI and GMF	12		
	GMF-BRI and Indonesia-China People-to-People Relations	16		
	Indonesia-China civil society relations	16		
	The issue of Chinese workers in Indonesia	17		
	Cultural exchange: tourism and education	18		
4.	Conclusion	20		
Bik	Bibliography			
No	lotes			

## **Executive Summary**

- There are strong incentives to connect Indonesia's Global Maritime Fulcrum (GMF) policy with China's Belt and Road Initiative (BRI). However, various local political and cultural issues hamper the implementation of the BRI in Indonesia while Indonesia's GMF is domestic-focused.
- The implementation of both the GMF and BRI are highly top-down, resulting in relatively good government-to-government relations, but lacking in business-to-business and people-to-people development, while the relations also suffer from Suharto regime's three decade ban of Chinese language and culture in Indonesia.
- It is doubted that the GMF and BRI will further Indonesia's strategic interest in areas besides diplomacy and investment. Because various domestic political constraints as well as a seemingly top-down approach with no bottom-up backup in the implementation of both the BRI and GMF, shows relatively weak result in terms of economic cooperation and people-to-people relations.

In late 2013, Chinese President Xi Jinping introduced China's ambitious plan to build the Silk Road Economic Belt and the 21st Century Maritime Silk **Road (MSR)** to the world stage. Astana and Jakarta, the capital cities of Kazakhstan and Indonesia, respectively, were chosen as the locations for China to inform these two proposals which are together later known as the Belt and Road Initiative (BRI). The move piqued interests as some China watchers labeled Xi's maneuvers as unusual. Taylor Fravel (2012), for example, predicted that China under its then new leader Xi Jinping "may not launch new initiatives of their own for perhaps one or two years-once key positions are filled, working relationships are formed among the new leaders, and power is consolidated." Unlike the other Chinese leaders of the post-Deng era who made the best use of their first term in power primarily for domestic consolidation, Xi did not wait even for a year to put China on the world stage by proposing his grand foreign-policy initiative.

The initiatives were considered as mere "old wine in a new bottle" for some China watchers. For them, the BRI is essentially a platform to encourage Chinese enterprises to invest overseas, something that the Chinese government have conducted since the announcement of their "going-out" strategy in the

late 1990s. Moreover, in assessing the development of China's interaction with Africa, Cabestan (2018) argues that on the continent before 2013, Beijing's diplomatic, economic activism and mercantilism was also aimed at promoting 'win-win cooperation', 'connectivity', 'unimpeded trade' and 'people to people bonds'. In the light of this context, he further mentioned that the BRI is simply "a repacking and an expansion of this [going-out] strategy."

Observing the historical evolution of China's foreign policy conduct, on the other hand, others highlighted the uniqueness of the BRI as Xi's signature foreign-policy project. They describe how unprecedented the scale and scope of the BRI is as a foreign-policy venture proposed by the Chinese. As Cai (2018) emphasized, "Never before in its diplomatic history has the People's Republic of China actively launched any initiative comparable to the [BRI] and the AIIB." He further presents the BRI as "a new round of China's opening policy" since the post-Mao economic reform initiated at the end of 1970s. While the Deng-introduced opening policy had enabled China to enter the capitalist world economy, the Xi-initiated one under the banner of the BRI aims at further projecting China's presence in the world while facing economic challenges at home and abroad. In this regard, the BRI has also marked an important shift in the ways in which China conducts its foreign policy. As Clarke (2017) argues, that with the implementation of the BRI, Xi has transformed China from "a famously risk-averse" country into the one that "has embraced increased risk abroad."

As the biggest country in Southeast Asia, Indonesia is of great importance to the successful implementation of the BRI. Beijing's choice of Jakarta to be the place for Xi Jinping to announce China's plan to build the 21st Century MSR is indicative of Chinese leaders' clear understanding of the important roles of Indonesia in their ambitious grand scheme. Based on the study of China's National Information Center in 2016, Indonesia together with Russia, Kazakhstan, Thailand and Pakistan were among the top five of more than sixty of China's BRI partners. This only emphasizes how China perceives the central role of Indonesia in the realizing of this massive foreign-policy project.

Estimating that Indonesia—China relations would be significantly expanded following the implementation of the BRI would not be amiss. The rise of Joko "Jokowi" Widodo to power, as the seventh Indonesian president at the end of 2014, was one of the main factors that allowed both countries

to become closer. During his presidential campaign, President Jokowi brought forward the vision of realizing Indonesia as the **Global Maritime Fulcrum** (**GMF**), making it the center of his presidency. At face value, the BRI and GMF are seemingly congruent with each other. The idea to promote maritime connectivity in a region that is central to the Chinese initiative is also parallel to the emphasis on "maritime infrastructure development" in the ambitious Indonesian vision, serving partly to improve the country's inter-islands connectivity.

Against this background, this paper seeks to examine Indonesia—China bilateral interactions following the implementation of the China-led BRI. In other words, this paper intends to look into the meaning of China promoting the BRI for Indonesia—China political relations, economic exchanges, and people-to-people bonds. In the pursuit of such an aim, this paper is divided into four sections. The first outlines the scholarly discussions on how the BRI should be understood. The second section presents the meanings of the Jokowi-proposed GMF. The third section assesses the linkage between the BRI and the GMF, focusing on diplomatic, economic, and people-to-people interactions between the two countries.

## 1. Understanding the Belt and Road Initiative

Since its inauguration in 2013, the China-led Belt and Road Initiative (BRI), has been a subject of debate among experts, scholars, and policymakers. The Initiative was immediately welcomed with both enthusiasm and caution. Those who showed interest primarily put forward the economic opportunities China might offer by promoting this initiative, while those who chose to exercise caution highlighted the absence of clear signals from Beijing about the country's motivation behind such a grand ambition.

In response to such a development, in early 2015, the Chinese government issued the 'Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road', a comprehensive document laying out what the initiative is all about which the Chinese thought would address the international public's suspicion of it. The Chinese government further decided to change how this ambitious international project should be internationally known. In late 2015, it began using the acronym of BRI, and thus, abandoning 'OBOR' (One Belt One Road), although the latter was the literal English translation of the term yidai yilu (一带一路) which is used by the Chinese up until now in calling Xi's signature foreign-policy venture. With the addition of the word "initiative" into the Beijing-approved acronym, the Chinese government is perceived as intending to counter the perspective of China seeking to pursue global domination through the promotion of such a self-centered and grand international project.

Indeed, Beijing is still far from having completely addressed some major concerns regarding the initiative. However, it has been quite successful in mobilizing significant international support for this ambitious foreign-policy project. The leader of Cambodia, Malaysia, Myanmar, the Philippines, Vietnam, Indonesia, and Laos were among the 29 foreign heads of states and governments attending the 2017 Belt and Road Forum for International Cooperation. In this China-organized forum, they

were also joined by the representatives from the other 130 countries and 70 international bodies.

Still, such a diplomatic accomplishment for China could not camouflage the slow progress and limited achievement in the implementation of this Chinaled initiative. This has been the case partly because the actual support (beyond the diplomatic) given by the countries along the Belt and the Road has been varied. The majority of countries have not provided support at the level that the Chinese government has expected due to the respective domestic political dynamics. Against this background, some pundits have started to argue that this ambitious plan is doomed to fail. On the other hand, entering into the sixth year of the implementation of the BRI, Beijing has seemingly given no indication of downgrading its commitment to ensure the full realization of President Xi's signature foreign-policy project.

Accompanying the ups and downs at the policy implementation level was the exchanges of views among scholars and experts over this China-led initiative. There are at least two major perspectives that emerge from their discussions on how the BRI should be understood. The first view holds that the BRI is a mere Beijing instrument to ensure that the international order is being transformed into a more favorable form to support China's growing interests, and to respond to other great powers' geopolitical maneuvers launched against China. At the heart of such an interpretation is the image of a far more confident China that has already abandoned Deng Xiaoping's dictum of taoguang yanghui. As Wang (2018) argues, under Xi's leadership, China decided "to behave like a major country (power) in all dimensions of international affairs: constructing more norms and discourse, making more initiatives, taking more responsibilities, exercising more influence and providing more public goods." In this regard, China's efforts to implement the BRI are therefore presented as being strongly motivated "to frustrate the US containment of China and undermine its power and influence"; "[to promote] China's soft power and [build] its role as a normative power through the promotion of alternative ideas and norms"; and "[to reshape] global governance in a way that reflects China's values, interests and status" (Zhou and Esteban 2018).

The second interpretation focuses more on the economic rationale behind the initiative. In promoting the BRI, China is perceived as attempting to address long-standing internal economic challenges and deal with the world economic situation, post-global financial crisis. The initiative is then described as "a mercantile endeavor, designed to fortify China's economic interests around the world and open business opportunities for Chinese companies" (Djankov 2016). For those who held this perspective, a China with a much stronger influence and geopolitical standing in world politics should be perceived less as the ultimate goal of this initiative than as the mere expected outcome of the initiative. In other words, China would obtain such geopolitical gains if the BRI were successfully implemented (Clarke 2017).

Against this background, Cai (2017) then argues that "focusing on the geopolitical dimensions of [BRI] obscures its principally geo-economic drivers, in particular its connection to changes in China's domestic industrial policy." He further emphasizes that Beijing implements this initiative more to address domestic economic problems, such as the disparities between China's vast hinterland and coastal provinces, the excess production capacity, and the country's disappearing comparative advantages in manufacturing. In this regard, the implementation of the BRI is directed to enhance the connectivity of China's interior provinces with the global market, and thus, providing them with more economic opportunities to develop; to find new markets for surplus industries not to enable China to dump excess product, but to move their factories out of China; and to promote China's high-tech products and even ensure China's technological and engineering

standards are widely adopted in the countries along the Belt and the Road.

Instead of taking the either/or position, this paper acknowledges that there is a great deal of truth to both interpretations. It argues that China's motives behind the implementation of the BRI have been mixed. In this regard, ones still need to anticipate China's geopolitical maneuvers, without totally ignoring the geo-economic underpinnings behind the initiative. This is particularly because, as Yu (2016) argued, "geopolitics and geo-economics are two sides of the same coin, the political dimension of geo-economics being strongly intertwined with the competitive economic dimensions of geopolitics."

This paper further argues that ones should also take China's domestic political dynamics into consideration, while attempting to better understand the country's strong commitment to promote the BRI. In so doing, ones should, for example, pay attention to how the BRI contributes to the current communist regime's consolidation of power at home. The initiative has in fact enabled Xi to stay in power longer than any Chinese leaders from the post-Deng era. As He (2018) observes, "the successful implementation of the long-term BRI project offers a strong justification to abandon the two-term rule, which was finally achieved in the Constitutional revision in March 2018." Moreover, sub-national actors have also attempted to take advantage of the implementation of the BRI for their own political gains. In this regard, provincial leaders compete for the patronage of the central government to gain a bigger share of the financial resources provided to support the implementation of the BRI. They have then engaged in "dubious practices", such as "retroactively rebranding successful projects as BRI" and "aggrandizing BRI accomplishments" in order to "curry favor or expedite career advancement." Such a situation, as He (2018) argues, has then become "a driving force for China's evolving BRI project, making it much bigger in scope."

## 2. Understanding the Global Maritime Fulcrum

President Joko "Jokowi" Widodo is Indonesia's second directly-elected president, who came into office in 2014. Jokowi was the mayor of the Central Javanese city of Solo and later the governor of Jakarta before he decided to run for president. His rise to power was preceded by a tight and divisive presidential race (Mietzner, 2015a; Fionna & Njoto-Felllard, 2015). In the 2014 presidential election, Jokowi's rival was Prabowo Subianto, or Prabowo for short, a former military general and former son-in-law of the late President Suharto, an autocrat who ruled the country for 32 years (see Aspinall, 2015). President Jokowi won the presidential contest against Prabowo by a narrow margin of only 6.3% of the popular vote (see Hamayotsu, 2015).

Jokowi's rise to presidency was a breakthrough in Indonesian politics as he neither had a military background nor was a member of the major political oligarchies. Many Indonesians who observed Jokowi's road to presidential candidacy and his method of achieving electoral victory had expected his efforts to pose major challenges to the oligarchic domination of Indonesian politics (Aspinall & Mietzner, 2014; Mietzner, 2015b). During his presidential campaign, Jokowi still relied upon financial support from the oligarchs who backed his candidacy. Unlike Prabowo's campaign, however, President Jokowi's camp depended largely upon a loosely-coordinated network of volunteers from the grassroots level (Mietzner, 2014; Lay, 2018; Tempo, 28/7/2014). Mietzner (2014) further noted that President Jokowi was even "the first presidential candidate in Indonesian history to launch a significant community-based fundraising drive" (p. 119). Due to these aspects of Jokowi's campaign, popular expectations of continued political reform soared. Time magazine captured the corresponding euphoria of Indonesians well, putting a picture of President Jokowi on its cover and presenting him as "A New Hope" (Time, 27/10/2014).

However, the post-election political dynamics suggest that fundamentally transforming Indonesian politics was not the top priority of Jokowi's regime (Fukuoka & Djani, 2016). Pursuing such an agenda

would be quite challenging for President Jokowi, who began his presidency from a position of weakness (Muhtadi, 2015; Bush, 2016; Hamayotsu & Nataatmadja, 2016). His government was not backed by a parliamentary majority, because the four political parties that nominated him as their presidential candidate held only 37% of the seats in the House of Representatives. In addition, he was struggling to keep the lead of his own party, PDI-P (Indonesian Democratic Party of Struggle), because it was still dominated by the matriarchal figure of former president Megawati Sukarnoputri. President Jokowi's status as a novice who was not a member of the traditional political elite or the oligarchic cliques that had long dominated Indonesia's politics also added more complexity in his position (McRae, 2013). Thus, his "triple minority" position seriously limited his ability to meet the expectations that people had of him as a transformational and reformist leader.

At her very first Annual Press Statement in 2015, Indonesia's first female Foreign Minister, Retno Marsudi, put forward that Indonesia's diplomacy under President Jokowi would be down-to-earth, firm, dignified and having strong links with the people's aspirations.<sup>2</sup> The statement signaled a change from previous presidents' seemingly elite-driven foreign policies that were disconnected from the Indonesian people's needs (e.g. President Abdurrahman Wahid's "world tour" or President SBY's "thousand friends, zero enemy" agenda. Although national interests have always been the predominant theme in Indonesia's foreign policy narrative, Jokowi's administration defined the country's national interest in a starkly contrast manner to what was promoted by his immediate predecessor.3

Jokowi has vividly demonstrated his respect and admiration for Indonesia's first president Sukarno's wisdom. However, Aizawa (2016) argues that the current administration has put forward an economic-based interpretation of national interests, rather than value-based approaches that characterized Sukarno's policies.<sup>4</sup> Interestingly, as Dewi Fortuna Anwar argues, his foreign policy approach has resembled

Indonesia's diplomacy during the first two decades of President Suharto's regime, with concrete economic cooperation put forward as the primary goal of Indonesia's foreign policy conducts under Jokowi. Such a goal solely reflects the domestic imperatives that largely shape Indonesia's foreign policy. At home, maintaining the country's economic growth and improving the people's welfare have been among the top priorities of the Jokowi administration. In this regard, improving the country's infrastructure is one of the primary policy goals. As Max Lane argues, "infrastructure and economic growth seem all-consuming at the moment."

It is against this background that President Jokowi's GMF vision can be best understood. As Rizal Sukma suggests, the GMF should not be strictly understood as a foreign policy platform, given it also embraces wider aspects of nation-building. He further mentions that under Jokowi's leadership, Indonesia seeks to improve inter-island connectivity, acquire shipbuilding and ship-repairing capacity, develop sea transportation, ensure maritime security and strengthen the country's maritime defense. In other words, as Sukma argues, the GMF also reflects "a set of development agenda" that President Jokowi intends to execute in his presidency.7 As mentioned in Rencana Pembangunan Jangka Menengah (the National Medium-Term Development Plan) 2015-2019, the Indonesian government set forth ambitious targets in the maritime infrastructure development sector. The Indonesian government intended to build 24 new seaports and 60 new ferry ports, as well as expand the capacity of 172 ports across the archipelago.8

It should also be noted that like previous Indonesian presidents in the post-Suharto period, President Jokowi cannot escape from the electoral process to stay in power for another presidential term. As Mietzner put, "Jokowi will [then] have to face the electorate for a verdict on the structural development he has brought within his five years of presidency." In this regard, many have argued that the acceleration of infrastructure development under

the GMF vision is not only his strategy to address the country's infrastructure deficit and boost its economic growth, but is also essentially his political project to gain electorate rewards in 2019 ballot box.<sup>10</sup>

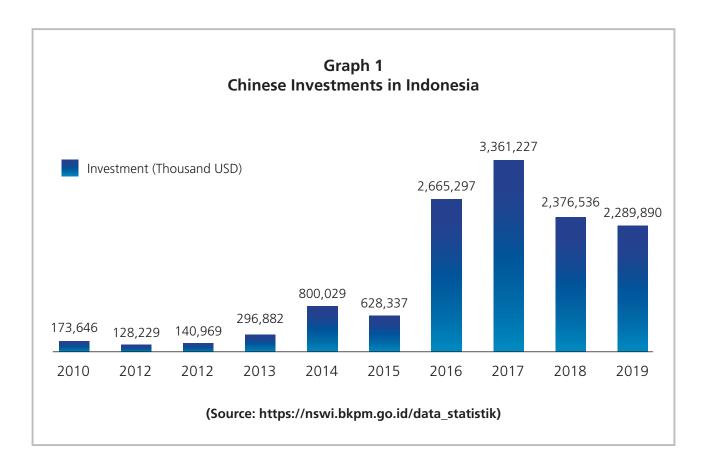
By 2016 it had become obvious that Jokowi had been focusing on pursuing tangible economic outcomes, thereby concentrating on a narrow and pragmatic agenda of infrastructure development. In addition, it appears that the president lacks interest in political reform, anti-corruption efforts, and other issues such as human rights and justice. Nevertheless Jokowi was reelected in April 2019; and was not punished by the electorate for his underperformance in non-economic issues. Ikrar Nusa Bhakti, a political science professor of *Lembaga Ilmu Pengetahuan Indonesia* (Indonesia Institute of Sciences), argues that delivering his promises on infrastructure development has been central to the re-election of Jokowi. In pursuing tangible economic outcomes.

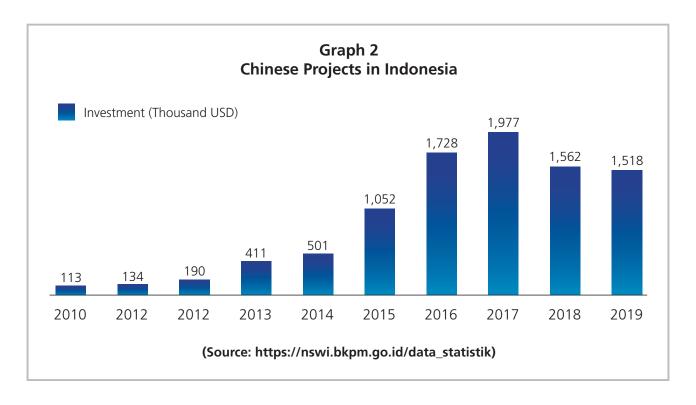
Warburton (2016)characterizes the strategy described above as "Jokowi-styled new developmentalism." This economic development platform has three important attributes. Firstly, it features a narrow policy agenda, which focuses on providing public services and developing infrastructure (Negara, 2016). Secondly, Jokowi's regime has increased the state's involvement in economic development. The government has depended on stateowned enterprises (SOEs) to achieve notable progress in infrastructure development (Ray & Ing, 2016). In addition, Jokowi's regime has embraced economic nationalism. For example, it has strengthened regulations that prohibit the export of unprocessed minerals and compelled mining companies to build local smelters (Negara, 2015a; see also Warburton, 2017). Thirdly, Jokowi's regime has subordinated its commitment to pursue a reformist agenda to the more fundamental need for political stability, thereby fostering economic development (Warburton, 2016). The pursuit of fast-paced economic development has been conducted at the expense of the fulfillment of President Jokowi's campaign promises to protect minority groups and investigate past human rights abuses (see Andriyani and Hidayat, 2016; Peterson, 2018).

- A match made at sea?

During the third year of Jokowi's presidency, a significant political challenge to his regime emerged when political elites outside of the pro-government coalition joined forces with Islamist hardliners to investigate President Jokowi's attitude toward Islam. Extra-parliamentary opposition originated in October 2016 when three Muslim mass demonstrations took place in Jakarta (Mietzner, 2017). At the center of the Muslim mass mobilization were the FPI (Islamic Defenders' Front), the HTI (Hizbut Tahrir Indonesia), the MIUMI (the Council for Young Islamic Scholars and Intellectuals), and the Wahdah Islamiyah (Islamic Unity). These groups demanded that Indonesian authorities prosecute and imprison the then governor of Jakarta, Basuki Tjahaja Purnama – popularly known as Ahok, for alleged blasphemy against Islam. 13 While directly targeting the double-minority Chinese-Christian Ahok, they also launched political attacks on President Jokowi. The FPI accused Jokowi of taking Ahok's side, projecting him as being a defender of religious blasphemers (pelindung penista agama), and therefore an anti-Islamic leader (see Fealy, 2017).

The anti-Ahok protests, which continued onward to the Jakarta gubernatorial election in 2017, grew stronger and used more and more anti-Chinese rhetoric in its wake. The protests seemingly swayed the gubernatorial election into the opposition's victory, with former education and culture minister Anies Baswedan, himself a Muslim of Arab descent, winning the election. Former governor Ahok was then sentenced to 2 years in prison due to his alleged blasphemy, sending a signal of "oppression" against a prominent Chinese Indonesian politician to the world, with China seeing the drama as a sign of anti-Chinese xenophobia in the country. 14 In fact, both the total number of Chinese investments and projects in Indonesia have continued to decrease since 2017 after experiencing a rising trend since 2010 (see graphs 1 and 2). Although there might be other contributing factors behind the drop, the effect of rising anti-Chinese sentiment can therefore be seen in the economic sector, with Chinese investors reversing the trend of increasing investment and projects to Indonesia.





The domestic political situations, with issues ranging from problematic support from political oligarchs to the rising nationalist and religious sentiments in the public, caused Jokowi's government to rely on economic and infrastructure development as the main tools to maintain legitimacy. Jokowi's economic and foreign policies are, therefore, more cemented in economic development as opposed to other presidents post-Suharto.

#### ASEAN outlook on the Indo-Pacific

Indonesia, through its Foreign Ministry KEMLU, has taken a leadership role within the Association of Southeast Asian Nations (ASEAN) in drafting an ASEAN outlook on the Indo-Pacific concept.

The widening of Indonesia's geostrategic canvas from the Asia–Pacific to the Indo-Pacific is in line with President Jokowi's intent to make Indonesia a Global Maritime Fulcrum (GMF). In view of the rivalry between the US and China and the emergence of various Indo-Pacific initiatives from other countries, Indonesia believes that ASEAN must try to maintain its centrality. The draft of Indonesia's perspective for an ASEAN outlook on the Indo-Pacific: towards

a peaceful, prosperous, and inclusive region was submitted for considerations by ASEAN, and after 18 months of intensive lobbying by Indonesia the concept was finally adopted at the ASEAN Summit in June 2019.<sup>15</sup>

The document says; "The Asia-Pacific and Indian Ocean regions are amongst the most dynamic in the world as well as centers of economic growth for decades. [...] Southeast Asia lies in the center of these dynamic regions and is a very important conduit and portal to the same. Therefore, it is in the interest of ASEAN to lead the shaping of their economic and security architecture and ensure that such dynamics will continue to bring about peace, security, stability and prosperity for the peoples in the Southeast Asia as well as in the wider Asia-Pacific and Indian Ocean regions or the Indo-Pacific. [...] ASEAN also needs to continue being an honest broker within the strategic environment of competing interests. Against this backdrop, ASEAN Leaders have agreed to further discuss an initiative that reinforces the ASEANcentered regional architecture, namely, ASEAN Outlook on the Indo-Pacific."[...]<sup>16</sup>

## 3. Linking the GMF and the BRI

This section seeks to investigate how the pursuit of Indonesia's GMF and the promotion of the Chinaled BRI have so far shaped Indonesia-China bilateral exchanges. It looks at the interactions at the G2G level, exchanges in economic sectors, cooperation on infrastructure development, and efforts to enhance people-to-people bonds. As China promotes the BRI partly to address domestic economic challenges and Indonesia pragmatically focuses on dealing with the country's infrastructure deficit, it is safe to expect that cooperation on economic sectors, particularly on infrastructure development, would be the highlight of the recent Sino-Indonesia relations. In this regard, this paper argues that the dynamics of the G2G interactions and people-to-people contacts would only follow a positive trend of the bilateral economic cooperation.

#### Indonesia-China G2G Interactions

"[R]epublic of [I]ndonesia Leans toward China," was the front-page headline of The Jakarta Post during the visit of the Indonesian President Joko "Jokowi" Widodo to Hangzhou in September 2016.<sup>17</sup> With such a heading, one of the most prominent dailies in Indonesia highlighted the efforts of the biggest country in Southeast Asia to strengthen its economic relations with the world's second largest economy. As far as Indonesia-China relations are concerned, this visit signifies some important matters. It was Jokowi's third visit to China within the two years of his presidency. The People's Republic was in fact the first foreign country that Jokowi visited as President. In addition, it was during this visit that President Jokowi and President Xi Jinping held their fifth bilateral meeting. Both leaders then met again for the sixth time at the sideline of the 2017 Belt and Road Forum for International cooperation in Beijing. The seventh face-to-face meeting between Jokowi and Xi occurred, while both of them attended the 2018 APEC Summit in Port Moresby. Never in the history of the two countries' relations has an Indonesian President met with his Chinese counterpart this frequently. 18

Under Jokowi's and Xi's leadership, the two countries also established the Indonesia-China High-Level Meeting on People-to-People Exchange Mechanism. It is reported that Indonesia is among only five countries, and also the only Southeast Asian country, with which China has developed such a forum to discuss bilateral cooperation in politics and security, economics, as well as people-to-people exchanges.<sup>19</sup> The positive interactions and intensive contacts between the leaders, for some Indonesians, indicate "the new chapter" of the very dynamic Sino-Indonesia relations.<sup>20</sup> This kind of relation arguably follows a similar pattern of the ones developed during the latest years of Sukarno's presidency. In this regard, some even predict that Jokowi and Xi might rejuvenate the "Jakarta-Beijing axis," a quasi-alliance announced by Sukarno in 1964 to signify the extremely close Indonesian-Chinese relations.<sup>21</sup> Analysts from the United States, Australia, and Singapore see that stable Sino-Indonesian relations would "advance Beijing's goal of keeping Western-aligned powers out of the South China Sea dispute" while also increasing Indonesia's reliance on China to fund infrastructure projects.<sup>22</sup>

The burgeoning of G2G relations between Indonesia and China is also reflected in the significant rise in the number of international treaties signed between the two sides. From January 2012 to November 2018, Indonesia and China had signed 66 international treaties. On the other hand, during the same period of time, Indonesia only inked 29 and 18 international treaties with the US and Japan respectively. Of the 66 international treaties signed with China, 35 were Memoranda of Understanding (MoUs), while 9 were Bilateral Agreements. As Graph 1 indicates, there has been a significant increase in the number of signed international treaties since 2015. Despite the declining trend, the numbers of signed international treaties between Indonesia and China in 2016, 2017, and 2018 were still higher compared to the years before Jokowi assumed the office of presidency.



It should be also noted that the international treaties signed between both countries have encompassed various sectors of cooperation. However, as Table 1 below indicates, three dominant sectors emerge, namely: economic, infrastructure, and science and technology. As the word "maritime" is clearly present in the title of both leaders' main initiative and vision, namely the Maritime Silk Road (MSR) Initiative of President Xi and the Global Maritime Fulcrum of President Jokowi, many expect that Indonesia and China would enhance their maritime cooperation. It is not reflected, nevertheless, in the number of international treaties signed in the maritime sector. Of the two international treaties signed on the maritime sector, interestingly, only one MoU was signed during Jokowi's presidency, namely that of the Maritime Search and Rescue Cooperation.

On the other hand, the maritime domain has posed somewhat potentially harmful challenges to Indonesia–China relations. Within the first semester of 2016, three incidents involving both Chinese and

Indonesian vessels occurred in Indonesia's Economic Exclusive Zone near the Natuna Islands, where the Chinese vessels violated Indonesia's sovereign rights and jurisdiction over the waters.23 In light of China's increased assertiveness in the South China Sea and the issuance of the result of the Beijing-Manila arbitration on the South China Sea dispute, Indonesians are questioning the Chinese government's commitment to conduct more positive relations with Indonesia. Accordingly, Indonesia has sent assertive signals about its commitment to safeguard national sovereignty; for example, in 2016 the Indonesian Navy and Air Force conducted its largest military exercise in the South China Sea waters in the proximity of the Natuna Islands where the maritime skirmishes with China took place.<sup>24</sup> In early 2020 the Indonesian government deployed six warships to deter Chinese fishing boats from the Natuna seas, President Jokowi visited the Natuna island amid the stand-off, while Indonesia also initiated cooperation with Japan to support its coastguard.25 26

Table 1. The Number of International Treaties Signed between Indonesia and China based on Cooperation Sectors

Cooperation Sectors	Number of International Treaties
Infrastructure development	13
Science and technology	13
Economic	10
Cultural	6
Sister City/Province	6
Education	4
Law enforcement	2
Maritime	2
Tourism	2
Diplomatic training	1
Drugs prevention	1
Energy	1
Environment	1
Health	1
Counter-Terrorism	1
Youth	1
Overall	1
Total	66

(Source: treaty.kemlu.go.id)

#### Economic context: BRI and GMF

Since President Jokowi took office in 2014, Indonesia's economy has kept growing, albeit in a subdued manner due to the lasting effect of the global economic slowdown. The economy is growing stably at about 5 per cent per year<sup>27</sup> which is below the government's ambitions to reach 7–8 per cent annual growth. Although Jokowi's focus on infrastructure, fiscal reform, and improving the business climate are needed to stimulate growth, the country is still facing several challenges. Rajah (2018)<sup>28</sup> argues there are three main problems in Indonesia's economic policy. First, the country's infrastructure investment needs to be substantially higher. Second, public saving needs to be increased through a more comprehensive tax strategy. Third, business climate reforms must be

recalibrated towards liberalizing markets rather than just cutting red tape. While the latter two of the problems have to be solved through domestic bureaucratic reforms, the first problem is related to Indonesia's relations with international investors.

While investment in Indonesia is relatively high, the main problem is most investment quality in Indonesia is relatively low and not sourced from international investors. Between 2003-2011, the vast majority of investment went towards the construction of buildings instead of high-return public infrastructure or machinery and equipment (Rajah, 2018). Moreover, foreign direct investment (FDI) in the country only accounts for a small share of total investment, averaging 2 per cent of GDP between 2005-2015, which was lower than most of Indonesia's neighbors.<sup>29</sup> For example, Vietnam's share of FDI is 6.6 per cent of GDP, Malaysia is 3.5 per cent, and Thailand is 2.5 per cent.<sup>30</sup> In order to face this issue, in the annex of Jokowi's first state address (2015), his government stressed the importance of granting tax allowances, letters of credit, as well as restructuring and revitalizing domestic reassurance industries in order to gain more foreign investment.31 Interestingly, in the annex of Jokowi's first state address, there are 9 documented instances of the phrase "penanaman modal asing" or foreign investment vis-à-vis the previous president, Susilo Bambang Yudhoyono, or SBY for short, which only contain 1 of such phrases for all the annexes of his state addresses.<sup>32</sup>

All of the development plans that Jokowi's regime pursue certainly need to be funded. With the fact that the rate of foreign investment in Indonesia in terms of its total GDP is relatively low compared to neighboring countries, the need to invite more foreign investors has become one of the most important aspects in President Jokowi's economic policy, especially for funding infrastructure projects. The government's attempt to invite more foreign investors is better addressed by analyzing its foreign policy. The following section provides more evaluation on Jokowi's foreign policy in relation to the domestic political and economic background that the government is facing and how China fits into the picture.

In order to understand the heavy emphasis of economic development in the GMF, it must be understood that the GMF officially has five pillars<sup>33</sup>:

- 1. The redevelopment of Indonesia's maritime culture
- 2. The commitment to protect and develop maritime resources
- 3. The commitment to develop maritime infrastructure and connectivity
- 4. Maritime diplomacy to invite Indonesia's partners to cooperate in maritime affairs
- 5. The need to build maritime defense capability

Within the pillars of the GMF, pillars number two, three, and four all have economic undertones, which shows that Jokowi's government is emphasizing on cooperation with foreign partners in order to develop Indonesia's maritime resources, infrastructure and connectivity.

On the other hand, President Xi Jinping's Maritime Silk Road (MSR) also has five main priorities, similar to Indonesia's GMF, which are:

- 1. Path of green development
- 2. Ocean-based prosperity
- 3. Maritime security
- 4. Innovative growth
- 5. Collaborative governance

Similar to the GMF's pillars, MSR's priorities also have economic undertones, with pillars one, two, and four especially containing the key words "development", "prosperity", and "growth". Therefore, it could be understood that both Indonesia and China are focusing mostly on economic cooperation rather than other issues in their GMF and BRI policies.

However, President Xi was not particularly successful in persuading Indonesia to immediately support the BRI. It took more than a year for Chinese leaders to begin to attract significant attention from their Indonesian counterparts to this China-led initiative, the proposal to build the 21st Century MSR. In March 2015, President Jokowi and President Xi issued a joint statement during Jokowi's first official visit to China in March 2015 which acknowledged that President Jokowi's GMF doctrine and President Xi's proposal of reviving the MSR were "highly complementary to each other" (China's Foreign Ministry, 2015). In fact, the total trade between the two countries showed an interesting development as it has kept increasing since President Jokowi took office in 2014.



As seen in graph 4, total trade between Indonesia and China has showed an increase of around US\$ 20 billion since 2014.

In addition, both countries have collaborated with each other on the development of the flagship BRI project in Indonesia, namely the 142-km high-speed railway (HSR) connecting Jakarta to Bandung, the capital of the West Java Province. In January 2016, the HSR project, worth around US\$6 billion, was launched. In light of the project's lack of progress (see Negara & Suryadinata, 2018), however, the former Indonesian Minister for State-owned Enterprises (SOEs), Rini Soemarno, stated that the project's operation would be delayed to March 2021 (Tempo. co., 2018a). Initially, the project was scheduled to be completed prior to the 2019 presidential election.

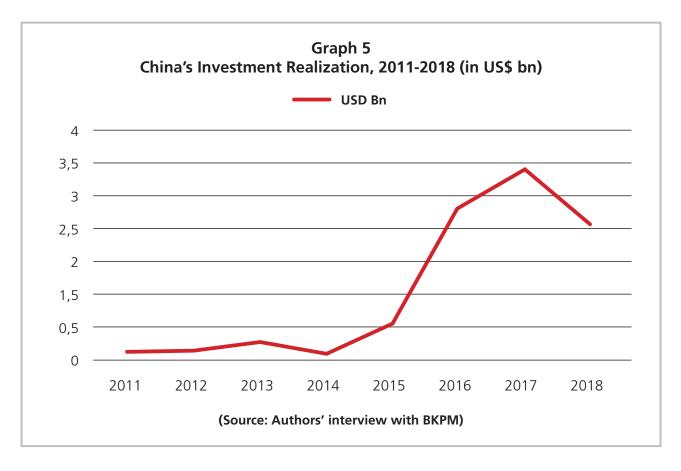
Jakarta has also taken further positive steps to respond to China's offers to enhance BRI-related cooperation. President Jokowi was among the 29 heads of state who attended the 2017 Belt and Road Forum for International Cooperation (BRF) in Beijing. As a follow-up to Jokowi's participation in the BRF, the Coordinating Minister for Maritime Affairs, Luhut Pandjaitan, visited Beijing in June 2017 to lead a forum called the "China-Indonesia Cooperation Forum: Belt and Road Initiative and Global Maritime Fulcrum" (Kumparan.com, 2017). At the end of the forum, Coordinating Minister Luhut witnessed the signing of two MoUs between Chinese and Indonesian companies. They signaled their intent to cooperate on the construction of a carbon steel factory and two power plants, with a total worth of US\$ 1.63 billion, in Morowali Industrial Park, Central Sulawesi. The companies started to build the factory in January 2018, and planned to commence steel production two years later (Tempo.co, 2018b).

Despite its positive responses to the BRI, Jokowi's government refrained from fully engaging with this China-led initiative. Unlike Malaysia, Singapore, and Myanmar, all of whom signed a specific bilateral memorandum of understanding (MoU) with China about the Belt and Road before 2016, Indonesia signed a similar MoU relatively late in October 2018 or nearly five years after the launch of the BRI (Ministry of

Foreign Affairs of PRC, 2018).<sup>34</sup> In addition, Indonesia-China interactions on the BRI were limited during the first five years from the launch of the initiative. This is evident when comparing the range, scope, and pace of the bilateral collaboration to other partnerships, such as the Malaysia-China interactions linked to the BRI. In May 2017, Thomas Lembong, the chairman of BKPM (Investment Coordinating Board), reportedly stated that Indonesia "has so far only reaped \$5 billion to \$6 billion in infrastructure investment from the initiative" (Sundaryani, 2017).

In order to analyze how the GMF and MSR might or might not be seen as "highly complementary to each other", one should first look at the relations between Indonesia and China. China is one of the major countries which the Indonesian government has been inviting to invest in infrastructure projects as the government attempts to realize its massive infrastructure development plan. Under President Jokowi's leadership, BKPM has made noteworthy efforts to attract massive investment from China. During May 2016, BKPM launched the so-called "China Desk" to address the language issue that prevents Chinese investors from obtaining comprehensive information about Indonesia's regulation of foreign investment.

Due to the efforts, Indonesia saw a substantial increase in Chinese investment in 2016, with investment realization valued at \$2.6 billion (US). Of the 10 major foreign investor countries in Indonesia, China jumped from ninth rank in 2015 to third rank in 2016 (BKPM, 2017). This was a major achievement, as investment realization from China during the previous 10 years had never reached \$1 billion (US). In 2017, total investment reached US \$3.36 billion, exceeding the total inward investment realized in 2016 and valued at US \$2.66 (BKPM, 2018). However, Graph 3 below indicates that Chinese investment in Indonesia was in decline in 2018. Despite such a decrease, China was still Indonesia's third largest foreign investor. It seems that inward investment from China would continue to grow in Indonesia. In the light of this, BKPM is reportedly about to open its Beijing office to attract greater investment from China.35



President Jokowi's pragmatism has played an important role in expanding economic engagement with China. As President Jokowi once said, "It does not matter where the money or investment comes from, we must connect the cities, provinces, and islands, because this is what will generate economic development for the people" (Sihite, 2014). Jakarta clearly understands the massive economic opportunities that the Chinese can provide. As Coordinating Minister Luhut stated after his participation in the Belt and Road Forum (BRF) in Beijing, "[Whether we] like it or not, China has a large fund, approximately US\$ 3 trillion" (Aziza, 2017). Such a statement further proves that the Indonesian Government does not deny the importance of benefiting from China's massive capacity to fund.

Moreover, Jakarta has taken some steps to attract more foreign direct investment from China in the BRI context. Soon after President Jokowi's visit to China for the 2017 BRF, the Indonesian Government introduced the proposal of "Tiga Utara, Satu Bali (three in the north, one in Bali)" (Prasetyo & Azhari,

2017). These could be considered a declaration of Jakarta's official views, which were long awaited by many, concerning the Indonesian Government's understanding of the BRI and how the country could benefit from the China-led initiative. In addition, it should also be regarded as Jakarta's response to the realization of the BRI investment in Indonesia being guite low compared with the Philippines, Malaysia, and even Pakistan. As the chairman of BKPM stated, "President Xi Jinping introduced OBOR for the first time in Jakarta in 2013, so it is quite ironic that we are left behind in this OBOR [initiative]. Indeed, we have so far taken the wrong approach; we are less integrated [and] less proactive to seize opportunities. This is certainly something that we need to immediately fix" (Merdeka.com, 2017). With the latest proposal, the Indonesian Government seeks to concentrate Chinese investment in four provinces: North Sumatra; North Kalimantan; North Sulawesi; and Bali. The investment opportunity projects offered include the constructions of international hub ports, airports, power plants, and industrial complexes.

To attract more BRI-related Chinese investment, the Indonesian Government formed a special task force chaired by Coordinating Minister Luhut. In April 2018, Coordinating Minister Luhut took steps to fulfill his commission's mandate during his trip to the Belt and Road Trade and Investment Forum in Beijing (Thejakartapost.com, 2018). He witnessed the signing of contracts for hydropower and metallurgical industry projects in North Kalimantan, as well as those securing the Celukan Bawang coal-fired power plant expansion in Bali. Indonesian and Chinese companies also signed a MoU on the development of Tanah Kuning Mangkupadi industrial park in North Kalimantan. These project deals were reportedly worth a total of US \$ 23.3 billion.

One interesting sector for BRI's investment in Indonesia is in technology transfer. Article 4 (10) of Indonesia's Law No. 25/2007 on Foreign Investment explicitly stated that "Foreign investment firms that employ foreign nationals are required to train and conduct technology transfer to Indonesian employees."36 At least two ministers in President Jokowi's cabinet, Coordinating Minister Luhut, former SOEs Minister Rini, issued statements asking China to conduct technology transfers in their BRI-related projects in Indonesia. 3738 The approach seems to work as some Chinese-backed infrastructure projects, most notably the Jakarta-Bandung high-speed railway, include training and some degree of technology transfer for Indonesia. BRI-related projects, therefore, seem to generate positive contributions for Indonesia's aim to participate in the fourth industrial revolution (industry 4.0 revolution).

There are, however, opposing views for giving away strategic infrastructure projects through the BRI. Former Coordinating Minister for Maritime Affairs Rizal Ramli is a major proponent of the perspective, cautioning President Jokowi not to let China build and "control" vital strategic projects.<sup>39</sup> Ramli mentioned the case of Sri Lanka's handover of Hambantota Port to China after falling into debt to the latter as an example of how things might go wrong. These views are alive and well in Indonesia, and the existence of such issues in other countries, including Pakistan, Myanmar, and Bangladesh also fuel further the proponents' suspicions.

## GMF-BRI and Indonesia-China People-to-People Relations

In the realm of people-to-people relations, three main topics of interests came into mind in terms of the GMF and BRI. Those issues are the Indonesia-China civil society relations, the uproar regarding Chinese workers in Indonesia, and the cultural exchange between the two countries, namely in tourism development and educational exchange. This section explains how the issues affect the relations between Indonesia and China as well as whether any of the issues are connected to the GMF and/or BRI.

### Indonesia-China civil society relations

Before jumping into the civil society relations between Indonesia and China, it must be understood that both countries operate differently in terms of what kind of civil society is allowed to operate in their domains. Since the end of Suharto's reign, independent civil society organizations (CSOs) play a prominent role in Indonesia, though some restrictions and administration issues still persist. Major CSOs working on a plethora of issues including anticorruption (e.g. Indonesian Corruption Watch), the environment (e.g. Wahana Lingkungan Hidup Indonesia), and migrant rights (e.g. Migrant Care) were consulted by politicians and talked freely about on national media. Law No. 17/2013 (amended in Law No. 2/2017) provided the legal basis for CSOs to freely operate in Indonesia barring treasonous, blasphemous, and related acts. On the other hand, China's CSOs are heavily restricted, with the majority of them being governmentorganized non-government organizations or GONGO (ICNL, 2013).40 The Chinese government exert several national laws and regulations that closely control CSOs especially after the Tiananmen incident of 1989. These include 1998's "Regulations for the Registration and Management of Social Groups" and "Provisional Regulations on the Registration and Management of Civil Non-enterprise Units," as well as 2004's "Foundation Management Regulations".

The different approaches toward CSOs between the two countries resulted in a more top-down approach to improve the relations of both

countries' CSOs. Actions to connect CSOs from the two countries were held by governmental bodies including the Indonesian Ministry of Foreign Affairs<sup>41</sup> and the Chinese Communist Party-led China Overseas Exchange Association.<sup>42</sup> Whether these top-down approaches would further people-to-people relations between the two countries is still up for debate, though there is progress in terms of events held and visits between CSOs. However, the filtered and government-sponsored visits present a questionable effectiveness of people-to-people relations.

The relations also suffer from Suharto regime's three decade ban of Chinese language and culture. Compared to neighboring countries of Malaysia and Singapore, the Chinese population in Indonesia could not publish Chinese-language newspapers, operate Chinese-language based schools, and openly celebrate Chinese traditions. The policy resulted in a relative absence of Chinese Indonesian-based CSOs that can work closely with China's GONGOs while also creating a new generation of Chinese Indonesians who cannot speak Chinese and therefore are less involved in people-to-people activities between the two countries.

#### The issue of Chinese workers in Indonesia

On March 26 of 2018, President Jokowi issued the Presidential Regulation No. 20/2018 on Foreign Workers. The regulation was a step in liberalizing the employment of foreign workers with regards to the domestic workers' market (State Secretariat, 2018).43 The main point of the regulation is to speed up the time (up to 2 days) that it takes to process foreign worker applications made by Indonesian firms. The regulation also allows for the processing of visa applications for potential foreign workers at overseas Indonesian embassies and turns over more decisionmaking authority to the Ministry of Manpower, away from the Immigration Bureau. The regulation did not remove constraining restrictions including Indonesian language proficiency, short contracts, and the requirement for foreign workers to work with local coworkers. However, the regulation created a backlash from the domestic audience, especially in relation

to the issue of alleged mass movements of Chinese workers to work on Chinese-funded projects related to BRI. In general, foreign workers' participation in a domestic labor market is almost always susceptible to nationalist backlash, with Indonesia being no exception (Manning, 2018).<sup>44</sup>

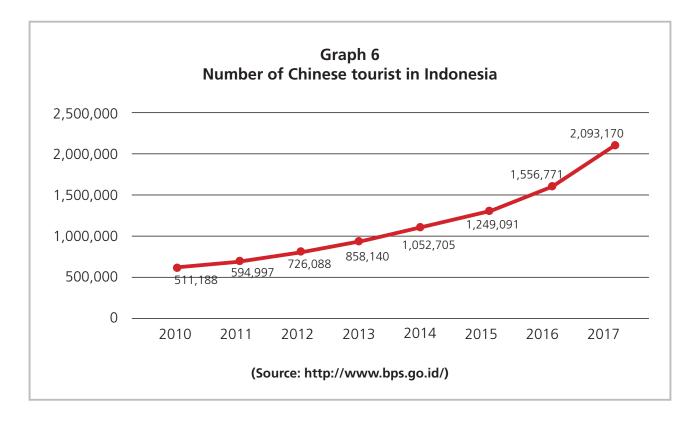
The issue of overseas Chinese labor working in Chinese projects is neither new in Indonesia nor in other countries with Chinese FDI projects. There is some public belief that these Chinese-backed projects prefer to employ Chinese labor as a way to cut costs and increase their efficiency.<sup>45</sup> The Indonesian government also claim that Indonesian workers also benefit from the training they receive from skilled Chinese laborers who in the end will return to China after their project's end.46 However, in May 2018, during Chinese Premier Li Kegiang's first official overseas trip to Indonesia, he pledged to encourage Chinese companies in Indonesia to employ mostly Indonesian workers. The statement was the first time that Li has publicly addressed the topic of Chinese laborers in Southeast Asia, showing China's growing understanding of social and political sensitivities in Indonesia (Priyandita, 2018).<sup>47</sup>

Both former President SBY and presidential candidate (in 2014 and 2019 elections) Prabowo Subianto reacted against the regulation. The public discourse also focused on domestic resistance against foreign Chinese workers in Indonesia. One of the most popular hoaxes that spread across the country was regarding the presence of more than 10 million Chinese workers spread throughout the archipelago and stealing domestic jobs (Kompas, 2018). Both President Jokowi and the Indonesian Institute of Sciences (LIPI) refuted the number, claiming that there are only between 21,000 to 23,000 Chinese workers out of around 80,000 total foreign workers in Indonesia in 2016.<sup>48</sup> <sup>49</sup> Even if the number doubled or tripled between 2017-2018, it will still comprise less than 80,000 Indonesian workers that are registered in China by 2016.50 The damage, however, was done and frictions were created due to anti-Chinese workers sentiment in the country (Manning, 2018).

### Cultural exchange: tourism and education

In a more positive light regarding people-to-people exchange between China and Indonesia post GMF-MSR, China overtook Singapore as Indonesia's largest tourist source since 2016 (Indonesia's Central Statistics Agency, 2017).<sup>51</sup> In 2016, Chinese tourists made around 1.6 million trips to Indonesia and the number increased to almost 2.1 million in 2017.<sup>52</sup> The opening of more direct flight routes as well as the launching of more cooperation projects under the MSR/BRI is

expected to further increase the number of Chinese tourists to Indonesia. The number of Chinese tourists in Indonesia is showing an upward trend in the last decade, the number having quadrupled since 2010, with Chinese tourists' numbers doubling between 2014 and 2017 alone (see Graph 3). However, it should also be noted that the increasing number of Chinese tourists is occurring globally due to the growing Chinese economy, with Indonesia placing outside of the top 10 overseas destinations for Chinese tourists.<sup>53</sup>



The same trend can be seen regarding Indonesian tourists in China, albeit with smaller changes. In 2016-2017, Indonesia is ranked 13<sup>th</sup> by the number of its nationals that visited China with around 632,000 tourists and around 1 million in 2017.<sup>54</sup> The number increased compared to 2015, where Indonesia ranked 16<sup>th</sup> with 540,500 tourists visiting China.<sup>55</sup> Although there are no studies and statistics to back the data, increasing cooperation in the economic sector due to GMF-MSR policies might affect the number of Indonesian visitors to China, especially for those on business.

However, the increase in the number of Chinese tourists in Indonesia which overtook the number 1 position as the highest source of tourists did create some issues. Although Chinese tourists on average spent US\$ 1,000 per person in Indonesia<sup>56</sup>, the nature of Chinese tourists who flocked in via Chinese-organized tour groups did not always bring profit to local Indonesian businesses. In October 2018, Vice Governor of Bali province Tjokorda Oka Artha Ardhana Sukawati, popularly known as Cok Ace, conducted impromptu investigations to four Chinese national-owned shops in Bali that sell Chinese items

(e.g. medicines and silks) to Chinese tourists and received payments in Chinese Yuan via Chinese app WeChat.<sup>57</sup>

As for the number of student exchanges between the two countries, there were 14,000 Indonesian students in China in 2016, which ranked as the 7<sup>th</sup> largest source of foreign students in the country.<sup>58</sup> Conversely, there were 457 Chinese students in Indonesia in 2017.<sup>59</sup>

Several factors might explain the imbalance of student exchanges between the two countries. In terms of overall student number, both Indonesia and China rank highly due to their status as the fourth and first most populous countries in the world, respectively. It is not surprising that China is the largest sender of overseas students in the world with over 600,000 Chinese students studying abroad in 2017.60 Indonesia, by contrast, is only the 22<sup>nd</sup> largest sender of international students in 2017 despite its high population.<sup>61</sup> Economic capability is one possible factor as China has a higher GDP per capita (around USD 8,800) compared to Indonesia (around USD 3,300), making it possible for more Chinese parents to fund their children's study abroad. In fact, 88.97% of all overseas Chinese students were self-funded in 2017.<sup>62</sup> On the other hand, although there is no exact number of the funding status of overseas Indonesian students, a survey in 2017 by ICEF, a market intelligence resource for the international education industry, found that around half of Indonesian students indicated that they would require financial assistance in order to study abroad.<sup>63</sup>

Given the propensity of Chinese overseas students to be self-funded while most Indonesian students would need financial assistance to study abroad, it can be deducted that Chinese students will mostly choose countries with a high quality of tertiary education to study abroad. Indonesian students, on the other hand, will mostly go to countries that provide them with scholarships. Indonesia's higher education quality is not well-known for having a good reputation (resulting in the lowest inbound mobility ratio in ASEAN with just 0.07% compared to Singapore's 27.2% and Malaysia's 8%).64 Thus, it is highly unlikely for Chinese students to choose Indonesia as a destination for higher education. On the contrary, scholarships granted by the Chinese government are attracting Indonesian students, making them flock to China.

#### 4. Conclusion

Based on the data gathered in this paper, Indonesia-China bilateral interactions following the implementation of China-led BRI seem to have improved. Diplomatic, economic, and people-topeople bonds all show improvement and increasing trends. However, whether the improvement is caused by the BRI and GMF policies is rather dubious. There are apparent similar focuses on economic cooperation between the BRI and GMF. But, it should be noted that even in terms of economic cooperation, Indonesia signed a BRI Memorandum of Understanding with China relatively late in October 2018. Moreover, even though there is an increased number of improvements in most sectors, several issues including the South China Sea, anti-Chinese sentiment in Indonesia, as well as bureaucratic red tape continue to prevent a more comprehensive cooperation between the two countries.

It is also worthy to note that Indonesia's domestic politics have played significant roles in both fostering and constraining Indonesia's engagement with the China-led BRI. Indonesia-China cooperation in the context of the BRI has contributed positively to some extent to the legitimacy of President Jokowi's regime to rule. Accelerating infrastructure development has been President Jokowi's main political project to try to win wider support from the public. The Indonesian Government has been expecting considerable investment from China to support President Jokowi's massive infrastructure development plan. The efforts of Jokowi's regime to obtain maximum benefits from the China-led BRI, however, have turned out to limit the regime's strategy to bolster its domestic authority. Anti-Jokowi elites along with the Islamist hardliners have utilized Indonesia's increased economic cooperation with China during Jokowi's presidency so as to depict him as a pro-China leader. During Jakarta's 2016/2017 gubernatorial election, massive negative sentiments against China were mobilized

to further arouse antagonism between President Jokowi and the public. This situation has presented significant political challenges to the president of the world's largest Muslim country, as the opposing elites have associated President Jokowi's efforts to expand Indonesia's relationship with China with an anti-Islamic attitude.

Indonesia's engagement with the BRI has provided benefits as well as risks to the Jokowi government's endeavors to maintain and strengthen its domestic authority. As the government has attempted to leverage the benefits, it has maintained its positive attitude toward the initiative and has even agreed to collaborate with some project construction. At the same time, it has refrained from substantially and rapidly expanding the bilateral collaboration, as it has endeavored to manage the political risks posed by the government's further engagement with the BRI following the mobilization of anti-China sentiments. As long as the country's closer relationship with China presents a significant political challenge to the Jokowi regime, one should be less optimistic about the prospects of Indonesia's full engagement with the BRI. A marked increase in the regime's capacity to deal with opposing sociopolitical forces, and its ability to mobilize the popular support of the masses, are among the preconditions needed for the further expansion of Indonesia-China collaboration.

Furthermore, it should be acknowledged that this paper is preliminary research that cannot show any direct correlations between the BRI and GMF. By looking at the major trends and issues faced by the two countries, the main takeaway of this paper is that the BRI and GMF both came at the right moment to foster cooperation between Indonesia and China. Yet, whether both policies are coordinated or complement each other needs further investigation.

In the end, it seems that there is clear skepticism in Indonesia that BRI investment on a large scale is connected to Indonesia's geo-strategic GMF or its strategic importance to China. Various domestic political constraints as well as a seemingly top-down approach with no bottom-up backup in the

implementation of both the BRI and GMF resulted in a relatively weak result in terms of economic cooperation and people-to-people relations. Whether it is in Indonesia's interest to closely pursue the BRI therefore remains something to be doubted.

## **Bibliography**

- n.n. 2018. "Bantah Isu Serbuan 10 Juta TKA [Rebuttal against the issue of 10 million foreign workers]". *Kompas,* August 8, 2018. <a href="https://nasional.kompas.com/read/2018/08/08/10590981/bantah-isu-serbuan-10-juta-tka-china-jokowi-sebut-hanya-23000-orang">https://nasional.kompas.com/read/2018/08/08/10590981/bantah-isu-serbuan-10-juta-tka-china-jokowi-sebut-hanya-23000-orang</a>
- n.n. 2018. "Hasil Kajian LIPI Terkait Serbuan Tenaga Kerja China [LIPI's report on the issue of Chinese workers]." *Detik,* May 9, 2018. <a href="https://finance.detik.com/berita-ekonomi-bisnis/d-4012053/hasil-kajian-lipi-terkait-serbuan-tenaga-kerja-china/3">https://finance.detik.com/berita-ekonomi-bisnis/d-4012053/hasil-kajian-lipi-terkait-serbuan-tenaga-kerja-china/3</a>
- n.n. 2016. "Indonesia Air Force Holds Major Military Drill at South China Sea Islands." *South China Morning Post*, October 6, 2016. <a href="http://www.scmp.com/news/asia/southeast-asia/article/2025716/indonesia-holds-major-military-drill-south-china-sea">http://www.scmp.com/news/asia/southeast-asia/article/2025716/indonesia-holds-major-military-drill-south-china-sea</a>.
- n.n. 2015. "Jokowi Ingin Menyamai Soekarno, Bangun Poros Ini Dengan Beijing, Ada Apa? [Jokowi wants to emulate Soekarno by building relations with Beijing, what is up?]." *JPNN*, November 4, 2015. <a href="http://m.jpnn.com/read/2015/11/04/336774/Jokowi-Ingin-Menyamai-Soekarno,-Bangun-Poros-Ini-Dengan-Beijing,-Ada-Apa-
- n.n. 2017. "Jumlah Mahasiswa Asing Meningkat [Increasing number of foreign students]". *Koran Sindo,* May 15, 2017. <a href="http://koran-sindo.com/page/news/2017-05-15/0/9/Jumlah\_Mahasiswa\_Asing\_Meningkat">http://koran-sindo.com/page/news/2017-05-15/0/9/Jumlah\_Mahasiswa\_Asing\_Meningkat</a>
- n.n. 2018. "Liburan di RI, Turis China Habiskan Rata-Rata Rp 14,89 Juta [Average Chinese tourist spends Rp14.89 million in Indonesia]." *Liputan 6*, September 25, 2018. <a href="https://www.liputan6.com/bisnis/read/3651821/liburan-di-ri-turis-china-habiskan-rata-rata-rp-1489-juta">https://www.liputan6.com/bisnis/read/3651821/liburan-di-ri-turis-china-habiskan-rata-rata-rp-1489-juta</a>
- n.n. 2018. "Menaker: TKI yang Serbu China, Bukan TKA China yang Serbu Indonesia [Minister of Manpower: Indonesian workers flooded China, not the other way around]". *Kompas,* April 23, 2018. <a href="https://ekonomi.kompas.com/read/2018/04/23/200620326/menaker-tki-yang-serbu-china-bukan-tka-china-yang-serbu-indonesia">https://ekonomi.kompas.com/read/2018/04/23/200620326/menaker-tki-yang-serbu-china-bukan-tka-china-yang-serbu-indonesia</a>
- n.n. 2018. "Mengapa Harus Belajar ke China [Why study in China?]." *Detik*, May 8, 2018. <a href="https://x.detik.com/detail/">https://x.detik.com/detail/</a> <a href="https://x.detik.com/detail/">intermeso/20180507/Mengapa-Harus-Belajar-ke-China/index.php</a>
- n.n. 2018. "Meningkat 275 persen, ini tujuan favorit turis China ke Indonesia [Increased by 275 percent: favorite destinations of Chinese tourists in Indonesia]." *Tempo*. November 28, 2018. <a href="https://travel.tempo.co/">https://travel.tempo.co/</a> read/1150191/meningkat-275-persen-ini-tujuan-favorit-turis-china-ke-indonesia
- n.n. 2018. "Terbongkar, Praktik Curang Jual Murah Paket Wisata ke Bali untuk Turis Tiongkok [Cheap travel packages for Chinese tourists uncovered in Bali]," *Tribun Bali*, October 19, 2018. <a href="https://www.msn.com/id-id/ekonomi/bisnis/terbongkar-praktik-curang-jual-murah-paket-wisata-ke-bali-untuk-turis-tiongkok/ar-BBOAsz3">https://www.msn.com/id-id/ekonomi/bisnis/terbongkar-praktik-curang-jual-murah-paket-wisata-ke-bali-untuk-turis-tiongkok/ar-BBOAsz3</a>
- Agustino, L. 2016. "Hubungan Baru Indonesia–China dan Membangun Poros Maritim Dunia," *Analisis CSIS*, 45:2., p. 179–193.
- Ahmad, S. 2014. "Poros Jakarta-Beijing II." Kompas. December 15, 2014: 5.
- Aizawa, N. 2015. "Indonesia's Foreign Policy Takes Economic Turn." *East Asia Forum*. November 18, 2015. http://www.eastasiaforum.org/2015/11/18/indonesias-foreign-policy-takes-an-economic-turn/.
- Anwar, D. F. "Indonesia: Looking Outward, Turning Inward." *ISEAS*. January 12, 2016. http://www.iseas-rof.sg/sites/live.rof2016.site.gsi.sg/files/ROF%20Session%205a.pdf.

- Anwar, D. F., "Indonesia and the ASEAN Outlook on the Indo-Pacific.", International Affairs. Volume 96 Number 1. January 8, 2020. https://www.chathamhouse.org/publication/ia/indonesia-and-asean-outlook-indo-pacific
- Association of the Southeast Asian Nation. "ASEAN OUTLOOK ON THE INDO-PACIFIC", June 23, 2019. https://asean.org/storage/2019/06/ASEAN-Outlook-on-the-Indo-Pacific\_FINAL\_22062019.pdf
- Cakti, A. "Menteri BUMN: Manfaatkan Keterbukaan Transfer Teknologi Kereta China [SOEs Minister: Take Advantage of the Openness for Chinese trains' technology transfer]." *Antara*, 30 September 2019. <a href="https://www.antaranews.com/berita/1089160/menteri-bumn-manfaatkan-keterbukaan-transfer-teknologi-kereta-china">https://www.antaranews.com/berita/1089160/menteri-bumn-manfaatkan-keterbukaan-transfer-teknologi-kereta-china</a>
- CRI Indonesia. "Delegasi LSM Tiongkok Berkunjung ke Indonesia [Chinese NGO representatives visited Indonesia]". *CRI Online*, 8 February 2017. <a href="http://indonesian.cri.cn/201/2017/02/08/1s164339.htm">http://indonesian.cri.cn/201/2017/02/08/1s164339.htm</a>
- Embassy of the Republic of Indonesia in Canada. 2015. *Annual Press Statement*. <a href="http://www.indonesia-ottawa.">http://www.indonesia-ottawa.</a> org/2015/01/pernyataan-pers-tahunan-menteri-pptm-luar-negeri-ri/.
- Government of Indonesia. 2007. *Law No. 25/2007 on Foreign Investment*. <a href="https://www.ojk.go.id/sustainable-finance/id/peraturan/undang-undang/Documents/12.%20UU%20No%2025%20Tahun%202007%20Ttg%20PM.pdf">https://www.ojk.go.id/sustainable-finance/id/peraturan/undang-undang/Documents/12.%20UU%20No%2025%20Tahun%202007%20Ttg%20PM.pdf</a>
- \_\_\_\_. 2018. Presidential Regulation No. 20/2018. http://sipuu.setkab.go.id/PUUdoc/175471/Perpres%20Nomor%20 20%20Tahun%202018.pdf
- Hendartyo, M. 2018. "Selain investasi, Luhut ingin Cina transfer teknologi ke Indonesia [Apart from investment, Luhut also wants China to transfer technology to Indonesia]". *Tempo*, 27 November 2018.
- https://bisnis.tempo.co/read/1150178/selain-investasi-luhut-ingin-cina-transfer-teknologi-ke-indonesia/full&view=ok
- Henschke, R. 2019. "Indonesia 2019 elections: How many Chinese workers are there?". *BBC*, 13 April 2019. <a href="https://www.bbc.com/news/world-asia-47881858">https://www.bbc.com/news/world-asia-47881858</a>
- ICEF. 2017. "Study finds that young Indonesians are highly motivated to study abroad". 6 December 2017. <a href="http://monitor.icef.com/2017/12/study-finds-young-indonesians-highly-motivated-study-abroad/">http://monitor.icef.com/2017/12/study-finds-young-indonesians-highly-motivated-study-abroad/</a>
- Indonesian Central Statistical Agency. 2017. "Inbound tourists by nationality 2000-2017". https://www.bps.go.id/statictable/2014/09/08/1394/wisatawan-mancanegara-yang-datang-ke-indonesia-menurut-kebangsaan-2000-2017.
- Indonesian Development Planning Agency. 2019. *Transcripts of Presidential Addresses*. <a href="https://www.bappenas.go.id/id/data-dan-informasi-utama/publikasi/lampiran-pidato-kenegaraan-presiden-ri/">https://www.bappenas.go.id/id/data-dan-informasi-utama/publikasi/lampiran-pidato-kenegaraan-presiden-ri/</a>
- Jennings, R. 2019. "Post-Election, Indonesian President Expected to Go Soft on China Despite Maritime Flaps", *Voice of America*, 24 April 2019. <a href="https://www.voanews.com/east-asia/post-election-ndonesian-president-expected-go-soft-china-despite-maritime-flaps">https://www.voanews.com/east-asia/post-election-ndonesian-president-expected-go-soft-china-despite-maritime-flaps</a>
- Juwana, H. 2018. "Posisi Indonesia di Laut Tiongkok Selatan," Kompas, June 23, 2016: 6.
- Lalisang, Y. 2015. "Mengembangkan Lagi Hubungan Indonesia–Tiongkok," Kompas March 27, 2015: 7.
- Lane, M. 2016. "Amidst Indonesia's Nationalist Atmospherics: The Changing Politics of Jokowi's Economics," ISEAS

- A match made at sea?
  - Perspective 64 (2015). See also "Jokowi's Moment." The Economist February 27, 2016: 1-10.
- Manning, Chris. 2018. "Two steps forward in Indonesia's foreign worker policy?". *East Asia Forum.* July 31, 2018. http://www.eastasiaforum.org/2018/07/31/two-steps-forward-in-indonesias-foreign-worker-policy/
- Mietzner, M. 2017. "Indonesia in 2016", Asian Survey, Vol. 57 No. 1 Jan-Feb 2017, p. 170.
- Lane, M. 2015. "The Politics of Widodo's Prioritisation of Accelerated Infrastructure Construction," *ISEAS Perspective* 45, August 18, 2015.
- Michaella, S. 2019. "Belt and Road Initiative Butuh Koneksi Antar Masyarakat [Belt and Road Initiative needs cross-society connectivity]". *Medcom*, 21 June 2019. <a href="https://www.medcom.id/internasional/asia/4KZ6XRgK-belt-and-road-initiative-butuh-koneksi-antar-masyarakat">https://www.medcom.id/internasional/asia/4KZ6XRgK-belt-and-road-initiative-butuh-koneksi-antar-masyarakat</a>
- Ministry of Education of the People's Republic of China. 2018. "Brief report on Chinese overseas students and international students in China". 31 March 2018. <a href="http://en.moe.gov.cn/documents/reports/201901/t20190115\_367019.html">http://en.moe.gov.cn/documents/reports/201901/t20190115\_367019.html</a>
- Ministry of Foreign Affairs of the People's Republic of China. 2018. "China, Indonesia agree to promote bilateral cooperation". November 17, 2018. <a href="https://www.fmprc.gov.cn/mfa">https://www.fmprc.gov.cn/mfa</a> eng/zxxx 662805/t1614232.shtml
- Nielsen. 2017. "Outbound Chinese Tourism and Consumption Trends 2017". n.d. <a href="https://www.nielsen.com/content/dam/nielsenglobal/cn/docs/Outbound%20Chinese%20Tourism%20and%20Consumption%20Trends.pdf">https://www.nielsen.com/content/dam/nielsenglobal/cn/docs/Outbound%20Chinese%20Tourism%20and%20Consumption%20Trends.pdf</a>
- Otto, B. 2016. "Indonesia Parades Air-Force Arsenal Over South China Sea," *Wall Street Journal*, October 7, 2016. http://www.wsj.com/articles/indonesia-parades-air-force-arsenal-over-south-china-sea-1475751941.
- Priyandita, G. 2018. "Chinese Investment & Workers in Indonesia's Upcoming Elections", *Asia Pacific Bulletin* No. 427. July 11, 2018. <a href="https://www.eastwestcenter.org/publications/chinese-investment-workers-in-indonesias-upcoming-elections">https://www.eastwestcenter.org/publications/chinese-investment-workers-in-indonesias-upcoming-elections</a>
- Rajah, R. 2018. "Indonesia's Economy: Between Growth and Stability". *Lowy Institute Analyses*. August 15, 2018. https://www.lowyinstitute.org/publications/indonesia-economy-between-growth-and-stability
- Rizqi, A. N. 2019. "Rizal Ramli Wanti-wanti Pelabuhan Jangan Diserahkan ke Asing [Rizal Ramli warns that ports should not be given to foreign powers]". *Bisnis*, 15 March 2019. <a href="https://semarang.bisnis.com/read/20190315/535/900288/rizal-ramli-wanti-wanti-pelabuhan-jangan-diserahkan-ke-asing">https://semarang.bisnis.com/read/20190315/535/900288/rizal-ramli-wanti-wanti-pelabuhan-jangan-diserahkan-ke-asing</a>
- Shamil, M. 2015. "Menakar Poros Jakarta–Beijing," October 20, 2015. <a href="http://www.koran-sindo.com/news.php?r=0&n=16&date=2015-10-20">http://www.koran-sindo.com/news.php?r=0&n=16&date=2015-10-20</a>
- Shengwen, L. 2017. "**钟万学败选对佐科争取连任带来不利影响**[Ahok's defeat is adversely affecting Jokowi's reelection]"*CRI Online*. 21 April 2017. <a href="http://news.cri.cn/20170421/868c8cd7-b5ee-4536-5bca-294b86a89589.">http://news.cri.cn/20170421/868c8cd7-b5ee-4536-5bca-294b86a89589.</a>
- Siwage D. N. 2015. "Jokowi's Infrastructure Focus: Is It Indonesia's New Growth Strategy," *ISEAS Perspective* 18, April 9, 2015.
- Subkhan, I. 2015. "Idiosinkratik dan Keluar dari Jebakan Organisasi: Leadership Insight dari Seskab Andi Widjajanto

- [Ideosyncratic and Escaping the Organization Trap: Leadership Insight from Cabinet Secretary Andi Widjajanto]," *Ikastara*, June 10, 2015. <a href="http://www.ikastara.or.id/idiosinkratik-dan-keluar-dari-jebakan-organisasi-leadership-insight-dari-seskab-andi-widjajanto/">http://www.ikastara.or.id/idiosinkratik-dan-keluar-dari-jebakan-organisasi-leadership-insight-dari-seskab-andi-widjajanto/</a>
- Sukma, R. 2015. "Gagasan Poros Maritim." Kompas, 20 Agustus 2015: 6.
- Suryadinata, L. 2016. "Did the Natuna Incident Shake Indonesia-China Relations," ISEAS Persepective 19.
- The International Center for Not-for-Profit Law. 2019. "Civic Freedom Monitor: China". ICNL. <a href="http://www.icnl.org/">http://www.icnl.org/</a> research/monitor/china.html
- Travel China Guide. 2019. "China Inbound Tourism in 2015". n.d. <a href="https://www.travelchinaguide.com/">https://www.travelchinaguide.com/</a> tourism/2015statistics/inbound.htm
- Travel China Guide. 2019. "China Inbound Tourism in 2017". n.d. <a href="https://www.travelchinaguide.com/">https://www.travelchinaguide.com/</a> tourism/2017statistics/inbound.htm
- Utami, R. 2016. "Menteri Puan Ingin Hubungan Masyarakat Indonesia-China Ditingkatkan [Coordinating Minister Puan wants to increase people-to-people relations between Indonesia and China]," August 2, 2016. <a href="http://www.antaranews.com/berita/576351/menteri-puan-ingin-hubungan-masyarakat-indonesia-china-ditingkatkan">http://www.antaranews.com/berita/576351/menteri-puan-ingin-hubungan-masyarakat-indonesia-china-ditingkatkan</a>.
- Warburton, E. 2016. "Jokowi and the New Developmentalism," *Bulletin of Indonesian Economic Studies* Volume 52:3, p. 297-320.
- Weatherbee, D. E. 2016. "Understanding Jokowi's Foreign Policy," *Trends in Southeast Asia* 12. Singapore: ISEAS Publishing.
- Vatikiotis, M. 2014. "Indonesia and Jokowi: Right Place, Right Time," *Strait Times*. November 21, 2014. http://www.straitstimes.com/opinion/indonesia-and-jokowi-right-place-right-time.
- Wibowo, I. and Hadi, S. ed. 2009. *Merangkul Cina: Hubungan Indonesia–Cina Pasca-Soeharto*. Jakarta: PT Gramedia Pustaka Utama.
- Widodo, J. 2015. "Indonesia sebagai Poros Maritim Dunia [Indonesia as the Global Maritime Fulcrum]". November 13, 2015. <a href="http://presidenri.go.id/berita-aktual/indonesia-sebagai-poros-maritim-dunia.html">http://presidenri.go.id/berita-aktual/indonesia-sebagai-poros-maritim-dunia.html</a>
- Wirayani, P. and Parlina, I. 2016. "RI Leans Toward China," *The Jakarta Post*. September 6, 2016. http://www.thejakartapost.com/news/2016/09/06/ri-leans-toward-china.html.
- World Bank Enterprise Surveys. 2015. "Indonesia (2015)", n.d. <a href="http://www.enterprisesurveys.org/data/exploreeconomies/2015/indonesia#finance">http://www.enterprisesurveys.org/data/exploreeconomies/2015/indonesia#finance</a>
- World Bank. 2019. "GDP growth (annual %): Indonesia", n.d. <a href="https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2017&locations=ID&start=2014">https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2017&locations=ID&start=2014</a>
- World Education News and Reviews (WENR). "Education in Indonesia", 21 March 2019. https://wenr.wes.org/2019/03/education-in-indonesia-2

#### **Notes**

- 1. It was Djayadi Hanan, an Indonesian political scientist, who introduced this term (see Sundaryani, 2015)
- 2. The statement is accessible at http://www.indonesia-ottawa.org/2015/01/pernyataan-pers-tahunan-menteri-pptm-luar-negeri-ri/.
- 3. Weatherbee, D. E. "Understanding Jokowi's Foreign Policy," *Trends in Southeast Asia* 12 (Singapore: ISEAS Publishing, 2016); Vatikiotis, M. "Indonesia and Jokowi: Right Place, Right Time," November 21, 2014. Accessed October 3, 2016. http://www.straitstimes.com/opinion/indonesia-and-jokowi-right-place-right-time.
- 4. Aizawa, N. "Indonesia's Foreign Policy Takes Economic Turn," November 18, 2015. Accessed October 3, 2016. http://www.eastasiaforum.org/2015/11/18/indonesias-foreign-policy-takes-an-economic-turn/.
- 5. Anwar, D. F. "Indonesia: Looking Outward, Turning Inward," January 12, 2016. Accessed October 3, 2016. http://www.iseas-rof.sg/sites/live.rof2016.site.gsi.sg/files/ROF%20Session%205a.pdf.
- 6. Lane, M. "Amidst Indonesia's Nationalist Atmospherics: The Changing Politics of Jokowi's Economics," *ISEAS Perspective* 64 (2015). See also "Jokowi's Moment." *The Economist February 27, 2016: 1–10.*
- 7. Sukma, R. "Gagasan Poros Maritim." Kompas 20 Agustus 2015: 6.
- 8. The official document of *RPJMN* is available at http://www.bpkp.go.id/sesma/konten/2254/Buku-I-II-dan-III-RPJMN-2015-2019.bpkp.
- 9. Marcus Mietzner, "Indonesia in 2016.."p. 170.
- 10. Max Lane, "The Politics of Widodo's Prioritisation of Accelerated Infrastructure Construction," *ISEAS Perspective* 45, August 18, 2015; Siwage Dharma Negara, "Jokowi's Infrastructure Focus: Is It Indonesia's New Growth Strategy," *ISEAS Perspective* 18, April 9, 2015.
- 11. Eve Warburton, "Jokowi and the New Developmentalism,"
- 12. Author interview with Professor Ikrar Nusa Bhakti, Jakarta, March 15, 2017.
- 13. In September 2016, Ahok, the then incumbent governor of Jakarta who was running for the 2016/2017 gubernatorial elections in Jakarta, made a provocative statement in his speech to city officials regarding a Koranic verse. He stated that this particular verse had been being used to fool the electorates, enjoining them not to vote for a non-Muslim. This gave the Islamist hardliners a pretext to declare that Ahok had insulted Islam.
- 14. Shengwen, Liang. "钟万学败选对佐科争取连任带来不利影响 [Ahok's defeat is adversely affecting Jokowi's reelection]" *CRI Online*. 21 April 2017. Accessed on August 10, 2019. http://news.cri.cn/20170421/868c8cd7-b5ee-4536-5bca-294b86a89589.html
- 15. Anwar, Dewi Fortuna, "Indonesia and the ASEAN outlook on the Indo-Pacific", 08.01.2020, in; https://www.chathamhouse.org/publication/ia/indonesia-and-asean-outlook-indo-pacific
- 16. "ASEAN OUTLOOK ON THE INDO-PACIFIC", 22.06.2019 in; https://asean.org/storage/2019/06/ASEAN-Outlook-on-the-Indo-Pacific\_FINAL\_22062019.pdf
- 17. Wirayani, P. and Parlina, I. "RI Leans Toward China," *The Jakarta Post* September 6, 2016. Accessed October 10, 2016. http://www.thejakartapost.com/news/2016/09/06/ri-leans-toward-china.html.

- 18. Wibowo, I. and Hadi, S. ed., *Merangkul Cina: Hubungan Indonesia–Cina Pasca-Soeharto*, (Jakarta: PT Gramedia Pustaka Utama, 2009): 293–297. Jokowi and Xi Jinping's relations have not only strengthened in an official capacity, but also on a personal level. Andi Widjajanto, then Cabinet Secretary, observes such a relationship between the two leaders. He said this in a discussion forum. See Subkhan, I. "Idiosinkratik dan Keluar dari Jebakan Organisasi: Leadership Insight dari Seskab Andi Widjajanto," accessed October 10, 2016. <a href="http://www.ikastara.or.id/idiosinkratik-dan-keluar-dari-jebakan-organisasi-leadership-insight-dari-seskab-andi-widjajanto/">http://www.ikastara.or.id/idiosinkratik-dan-keluar-dari-jebakan-organisasi-leadership-insight-dari-seskab-andi-widjajanto/</a>
- 19. Utami, R. "Menteri Puan Ingin Hubungan Masyarakat Indonesia-China Ditingkatkan," August 2, 2016. Accessed October 12, 2016. http://www.antaranews.com/berita/576351/menteri-puan-ingin-hubungan-masyarakat-indonesia-china-ditingkatkan. In May 2015 the first meeting was held in Jakarta when the Chinese Vice Premier, Liu Yandong visited Indonesia. In August 2016 it was the turn of the Indonesian Coordinating Minister for Human Development and Cultural Affairs, Puan Maharani to visit China, co-chairing the second meeting with Madam Liu.
- 20. Agustino, L. "Hubungan Baru Indonesia–China dan Membangun Poros Maritim Dunia," *Analisis CSIS* 45:2 (2016): 179–193; Lalisang, Y. "Mengembangkan Lagi Hubungan Indonesia–Tiongkok," Kompas March 27, 2015: 7.
- 21. Ahmad, S. "Poros Jakarta-Beijing II," *Kompas Siang* December 15, 2014: 5; Shamil, M. "Menakar Poros Jakarta–Beijing," October 20, 2015. Accessed October 14, 2016. <a href="http://www.koran-sindo.com/news.php?r=0&n=16&date=2015-10-20">http://www.koran-sindo.com/news.php?r=0&n=16&date=2015-10-20</a>; "Jokowi Ingin Menyamai Soekarno, Bangun Poros Ini Dengan Beijing, Ada Apa?" November 4, 2015. Accessed October 14, 2016. <a href="http://m.jpnn.com/read/2015/11/04/336774/Jokowi-Ingin-Menyamai-Soekarno,-Bangun-Poros-Ini-Dengan-Beijing,-Ada-Apa-">http://m.jpnn.com/read/2015/11/04/336774/Jokowi-Ingin-Menyamai-Soekarno,-Bangun-Poros-Ini-Dengan-Beijing,-Ada-Apa-</a>
- 22. Jennings, Ralph. "Post-Election, Indonesian President Expected to Go Soft on China Despite Maritime Flaps", *Voice of America*, 24 April 2019. Accessed on August 10, 2019. https://www.voanews.com/east-asia/post-election-ndonesian-president-expected-go-soft-china-despite-maritime-flaps
- 23. Suryadinata, L. "Did the Natuna Incident Shake Indonesia—China Relations," *ISEAS Perspective* 19 (2016); Juwana, H. "Posisi Indonesia di Laut Tiongkok Selatan," *Kompas* June 23, 2016: 6.
  - Otto, B. "Indonesia Parades Air-Force Arsenal Over South China Sea," October 7, 2016. Accessed October 14, 2016. http://www.wsj.com/articles/indonesia-parades-air-force-arsenal-over-south-china-sea-1475751941. "Indonesia Air Force Holds Major Military Drill at South China Sea Islands," October 6, 2016. Accessed October 14, 2016. http://www.scmp.com/news/asia/southeast-asia/article/2025716/indonesia-holds-major-military-drill-south-china-sea.
- 24. Otto, B. "Indonesia Parades Air-Force Arsenal Over South China Sea," October 7, 2016. Accessed October 14, 2016. http://www.wsj.com/articles/indonesia-parades-air-force-arsenal-over-south-china-sea-1475751941. "Indonesia Air Force Holds Major Military Drill at South China Sea Islands," October 6, 2016. Accessed October 14, 2016. http://www.scmp.com/news/asia/southeast-asia/article/2025716/indonesia-holds-major-military-drill-south-china-sea.
- 25. Pratama, A. "Jepang mau hibahkan kapal patrol di Natuna [Japan to deploy patrol ship in Natuna]". Kompas, 12 January 2020. Accessed on 14 January 2020. https://money.kompas.com/read/2020/01/12/152800126/jepang-mau-hibahkan-kapal-patroli-di-natuna
- 26. CNN Indonesia. "TNI Usir Konvoi Kapal China Sedang Tebar Jala di Natuna [Indonesian Armed Forces deter a convoy of Chinese ships that are fishing in Natuna]". CNN Indonesia, 11 January 2020. Accessed on 14 January 2020. https://www.cnnindonesia.com/nasional/20200111164210-20-464472/tni-usir-konvoi-kapal-china-sedang-tebar-jala-di-natuna

- A match made at sea?
- 27. https://www.cnnindonesia.com/nasional/20200111164210-20-464472/tni-usir-konvoi-kapal-china-sedang-tebar-jala-di-natunaWorld Bank. " GDP growth (annual %): Indonesia", n.d. Accessed on February 1, 2019. https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2017&locations=ID&start=2014
- 28. Rajah, R. "Indonesia's Economy: Between Growth and Stability". *Lowy Institute Analyses*. August 15, 2018. Accessed on February 1, 2019. https://www.lowyinstitute.org/publications/indonesia-economy-between-growth-and-stability
- 29. World Bank Enterprise Surveys. "Indonesia (2015)", n.d. Accessed on February 1, 2019. http://www.enterprisesurveys.org/data/exploreeconomies/2015/indonesia#finance
- 30. Ibid.
- 31. All of the annexes for the presidential state addresses can be found in https://www.bappenas.go.id/id/data-dan-informasi-utama/publikasi/lampiran-pidato-kenegaraan-presiden-ri/
- 32. Ibid.
- 33. Widodo, Joko. "Indonesia sebagai Poros Maritim Dunia [Indonesia as the Global Maritime Fulcrum]". November 13, 2015. Accessed on February 1, 2019. http://presidenri.go.id/berita-aktual/indonesia-sebagai-poros-maritim-dunia.html
- 34. Ministry of Foreign Affairs of the People's Republic of China. "China, Indonesia agree to promote bilateral cooperation". November 17, 2018. Accessed on February 1, 2019. https://www.fmprc.gov.cn/mfa\_eng/zxxx 662805/t1614232.shtml
- 35. Author interview with two officials from BKPM, who are also members of liaison team for China, 13 March 2017.
- 36. Republic of Indonesia, *Law No. 25/2007 on Foreign Investment*, accessed from <a href="https://www.ojk.go.id/sustainable-finance/id/peraturan/undang-undang/Documents/12.%20UU%20No%2025%20Tahun%202007%20Ttg%20">https://www.ojk.go.id/sustainable-finance/id/peraturan/undang-undang/Documents/12.%20UU%20No%2025%20Tahun%202007%20Ttg%20</a>
  <a href="mailto:PM.pdf">PM.pdf</a> on December 1, 2019.
- 37. Cakti, Aji. "Menteri BUMN: Manfaatkan Keterbukaan Transfer Teknologi Kereta China [SOEs Minister: Take Advantage of the Openness for Chinese trains' technology transfer]". *Antara*, 30 September 2019. Accessed on December 1, 2019. https://www.antaranews.com/berita/1089160/menteri-bumn-manfaatkan-keterbukaan-transfer-teknologi-kereta-china
- 38. Hendartyo, Muhammad. "Selain investasi, Luhut ingin Cina transfer teknologi ke Indonesia [Apart from investment, Luhut also wants China to transfer technology to Indonesia]". *Tempo*, 27 November 2018. Accessed on December 1, 2019. https://bisnis.tempo.co/read/1150178/selain-investasi-luhut-ingin-cina-transfer-teknologi-ke-indonesia/full&view=ok
- 39. Rizqi, Alif Nazzala. "Rizal Ramli Wanti-wanti Pelabuhan Jangan Diserahkan ke Asing [Rizal Ramli warns that ports should not be given to foreign powers]". *Bisnis*, 15 March 2019. Accessed on August 10, 2019. https://semarang.bisnis.com/read/20190315/535/900288/rizal-ramli-wanti-wanti-pelabuhan-jangan-diserahkan-ke-asing
- 40. The International Center for Not-for-Profit Law. "Civic Freedom Monitor: China". *ICNL*. Accessed on August 10, 2019. http://www.icnl.org/research/monitor/china.html

- 41. Michaella, Sonya. "Belt and Road Initiative Butuh Koneksi Antar Masyarakat [Belt and Road Initiative needs cross-society connectivity]". *Medcom*, 21 June 2019. Accessed on August 10, 2019. https://www.medcom.id/internasional/asia/4KZ6XRgK-belt-and-road-initiative-butuh-koneksi-antar-masyarakat
- 42. CRI Indonesia. "Delegasi LSM Tiongkok Berkunjung ke Indonesia [Chinese NGO representatives visited Indonesia]". *CRI Online*, 8 February 2017. Accessed on August 10, 2019. http://indonesian.cri. cn/201/2017/02/08/1s164339.htm
- 43. Presidential Regulation No. 20/2018. March 13, 2018. Accessed on January 30, 2019. http://sipuu.setkab.go.id/PUUdoc/175471/Perpres%20Nomor%2020%20Tahun%202018.pdf
- 44. Manning, Chris. "Two steps forward in Indonesia's foreign worker policy?". *East Asia Forum.* July 31, 2018. Accessed on January 30, 2019. http://www.eastasiaforum.org/2018/07/31/two-steps-forward-in-indonesias-foreign-worker-policy/
- 45. Henschke, Rebecca. "Indonesia 2019 elections: How many Chinese workers are there?". *BBC*, 13 April 2019. Accessed on August 10, 2019. https://www.bbc.com/news/world-asia-47881858
- 46. Ibid.
- 47. Priyandita, Gatra. "Chinese Investment & Workers in Indonesia's Upcoming Elections", *Asia Pacific Bulletin* No. 427. July 11, 2018. Accessed on August 10, 2019. https://www.eastwestcenter.org/publications/chinese-investment-workers-in-indonesias-upcoming-elections
- 48. Kompas. "Bantah Isu Serbuan 10 Juta TKA [Rebuttal against the issue of 10 million foreign workers]". August 8, 2018. Accessed on January 30, 2019. https://nasional.kompas.com/read/2018/08/08/10590981/bantah-isu-serbuan-10-juta-tka-china-jokowi-sebut-hanya-23000-orang
- 49. Detik. "Hasil Kajian LIPI Terkait Serbuan Tenaga Kerja China [LIPI's report on the issue of Chinese workers]". May 9, 2018. Accessed on January 30, 2018. https://finance.detik.com/berita-ekonomi-bisnis/d-4012053/hasil-kajian-lipi-terkait-serbuan-tenaga-kerja-china/3
- 50. Kompas. "Menaker: TKI yang Serbu China, Bukan TKA China yang Serbu Indonesia [Minister of Manpower: Indonesian workers flooded China, not the other way around]". April 23, 2018. Accessed on February 1, 2019. https://ekonomi.kompas.com/read/2018/04/23/200620326/menaker-tki-yang-serbu-china-bukan-tka-china-yang-serbu-indonesia
- 51. Indonesian Central Statistical Agency. "Inbound tourists by nationality 2000-2017". n.d. Accessed on February 1, 2019. https://www.bps.go.id/statictable/2014/09/08/1394/wisatawan-mancanegara-yang-datang-ke-indonesia-menurut-kebangsaan-2000-2017.
- 52. Tempo. "Meningkat 275 persen, ini tujuan favorit turis China ke Indonesia [Increased by 275 percent: favorite destinations of Chinese tourists in Indonesia]". November 28, 2018. Accessed on February 1, 2019. https://travel.tempo.co/read/1150191/meningkat-275-persen-ini-tujuan-favorit-turis-china-ke-indonesia
- 53. Nielsen. "Outbound Chinese Tourism and Consumption Trends 2017". n.d. Accessed on January 1, 2019. https://www.nielsen.com/content/dam/nielsenglobal/cn/docs/Outbound%20Chinese%20Tourism%20and%20Consumption%20Trends.pdf

- 54. Travel China Guide. "China Inbound Tourism in 2017". n.d. Accessed on January 1, 2019. https://www.travelchinaguide.com/tourism/2017statistics/inbound.htm
- 55. Travel China Guide. "China Inbound Tourism in 2015". n.d. Accessed on January 1, 2019. Accessed on January 1, 2019. https://www.travelchinaguide.com/tourism/2015statistics/inbound.htm,
- 56. Liputan 6. "Liburan di RI, Turis China Habiskan Rata-Rata Rp 14,89 Juta [Average Chinese tourist spends Rp14.89 million in Indonesia]". September 25, 2018. Accessed on January 1, 2019. https://www.liputan6.com/bisnis/read/3651821/liburan-di-ri-turis-china-habiskan-rata-rata-rp-1489-juta
- 57. Tribun Bali. "Terbongkar, Praktik Curang Jual Murah Paket Wisata ke Bali untuk Turis Tiongkok [Cheap travel packages for Chinese tourists uncovered in Bali]". October 19, 2018. Accessed on January 1, 2019. https://www.msn.com/id-id/ekonomi/bisnis/terbongkar-praktik-curang-jual-murah-paket-wisata-ke-bali-untuk-turis-tiongkok/ar-BBOAsz3
- 58. Detik. "Mengapa Harus Belajar ke China [Why study in China?]". May 8, 2018. Accessed on January 1, 2019. https://x.detik.com/detail/intermeso/20180507/Mengapa-Harus-Belajar-ke-China/index.php
- 59. Koran Sindo. "Jumlah Mahasiswa Asing Meningkat [Increasing number of foreign students]". May 15, 2017. Accessed on January 1, 2019. http://koran-sindo.com/page/news/2017-05-15/0/9/Jumlah\_Mahasiswa\_Asing\_Meningkat
- 60. Ministry of Education of the People's Republic of China. "Brief report on Chinese overseas students and international students in China". 31 March 2018. Accessed on August 1, 2019.http://en.moe.gov.cn/documents/reports/201901/t20190115\_367019.html
- 61. World Education News and Reviews (WENR). "Education in Indonesia", 21 March 2019. Accessed on January 1, 2019. https://wenr.wes.org/2019/03/education-in-indonesia-2
- 62. Ministry of Education of PRC, Op. Cit.
- 63 ICEF. "Study finds that young Indonesians are highly motivated to study abroad". 6 December 2017. Accessed on January 1, 2019. http://monitor.icef.com/2017/12/study-finds-young-indonesians-highly-motivated-study-abroad/
- 64. WENR, Op.cit.

#### About the authors:

Ardhitya Eduard Yeremia Lalisang is a faculty member of the Department of International Relations, Universitas Indonesia. He completed his doctoral studies at the School of International Relations, Research School of Southeast Asian Studies, Xiamen University in 2019. His research interests include China's foreign policy, China–Southeast Asia relations, and Indonesia–China people-to-people exchanges

Darang S. Candra is a lecturer at International Relations Department, Universitas Indonesia. He has worked with an array of research institutions including the ASEAN Study Center of the University of Indonesia, APEC Study Center of the University of Indonesia, Daniel K. Inouye Asia-Pacific Center for Security Studies, Horizon Intelligence, and the Economist Intelligence Unit. Darang received a Master of International Affairs from University of California, San Diego (UCSD) and a Master of Chinese Studies from Zhejiang University. He published articles in *The Jakarta Post, Global: Journal of International Politics, and ASEAN Insight.* 

#### **Imprint**

© 2019 Friedrich-Ebert-Stiftung |Indonesia Office Jl. Kemang Selatan II No. 2A Jakarta 12730, Indonesia

Responsible:

Sergio Grassi | Resident Director

Phone: +62 21 719 37 11 Fax: +62 21 717 913 58

Website: www.fes-indonesia.org

Contact: info@fes.or.id

Commercial use of all media published by the Friedrich- Ebert-Stiftung (FES) is not permitted without the written consent of the FES

Friedrich-Ebert-Stiftung (FES) is the oldest political foundation in Germany.

The foundation is named after Friedrich Ebert, the first democratically elected president of Germany.

FES established its Indonesia Representative Office in 1968 and has since 2012 been in cooperation with the Coordinating Ministry of Human Development and Culture of the Republic of Indonesia. In order to pursue social justice in politics, the economy and in the society as one of FES leading principles worldwide, FES Indonesia has been conducting various activities in recent years to support the Social Security Reform, Welfare State, and Social Economic Development in Indonesia as well as promoting Indonesia as a reference to other countries in the region and at the international level for democratization, socio-economic and peaceful development.