

## **India and Indonesia in the Indo-Pacific**

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### **Introduction**

The ISEAS-Yusof Ishak Institute and the Institute of South Asian Studies (ISAS) at the National University of Singapore (NUS) jointly organised a panel discussion on ‘India and Indonesia in the Indo-Pacific’ in Singapore on 9 April 2019. Over 50 people attended the session.

The panellists included Mr Jusuf Wanandi, Vice-Chairman, Board of Trustees, Centre for Strategic and International Studies Foundation; Ambassador H K Singh, Director-General, Delhi Policy Group; Professor Dewi Fortuna Anwar, Research Professor, Research Centre for Politics, Indonesian Institute of Sciences; Vice-Admiral (retired) Anil Chopra, Former Commander-in-Chief, Eastern and Western Naval Commands, Indian Navy; and Mr Siswanto Rusdi, Founder and Director, National Maritime Institute. The discussion was moderated by Professor C Raja Mohan, Director, ISAS. Mr Daljit Singh, Senior Fellow and Coordinator of the Regional Strategic and Political Studies Programme, ISEAS-Yusof Ishak Institute, presented the closing remarks.

### **Opening Remarks**

Professor Raja Mohan highlighted that India and Indonesia are historically and culturally close to each other but had drifted apart in the 1960s, resulting in very little substantive cooperation. Over the past few years, however, there has been growing engagement between the two countries as they rise in their respective regions.

Professor Mohan commented that Indonesia today is a US\$1 trillion (S\$1.37 trillion) economy and India, at US\$3 trillion (S\$4.12 trillion), is the sixth largest economy in the world. The nature of the change in the two economies is going to bring the two regions together. In the past, despite India and Indonesia being maritime nations, they did not see themselves as such. Today, as globalisation matures, both are far more interested in the maritime environment and this is leading to closer collaboration. The geography is being reframed through the notion of the Indo-Pacific. This subsumes the traditional notion that South Asia is different from Southeast Asia and that the two countries lack synergies, to one where the larger framing of the Indo-Pacific brings them together. This is beginning to compel thinking of the geographic proximity between the two sides, their growing strategic convergence and what this new relationship means for the wider region.

### **Remarks by the Panellists**

Professor Dewi Fortuna Anwar reiterated Professor Mohan’s point that relations between Indonesia and India stretch back several millennia. They assisted each other during their respective wars of independence and both were ‘Colombo Powers’. Indonesia hosted the first Asian-African Conference in Bandung in 1955, and the two countries were founding members

of the Non-Aligned Movement. As a result, on a number of global political issues, the two countries were on the same page. Thereafter, however, they drifted apart for various domestic political and economic reasons.

Under Indonesia's second president, Suharto (1967-98), the country became preoccupied with economic development, and the central role of the army meant that the government was more focused on the land than on the sea. In terms of Indonesia's geostrategic outlook, the first president, Sukarno (1945-67), was more globalist than Suharto who was focused on Southeast Asia and the Association of Southeast Asian Nations (ASEAN) in particular.

Professor Anwar remarked that, from the late 1950s, Indonesia was at the forefront in campaigning for the recognition of archipelagic states during negotiations which ultimately led to the United Nations Convention on the Law of the Sea (UNCLOS). When Indonesia became independent, its estimated 17,500 islands could only generate three nautical miles of territorial waters. Indonesia was successful in having the rights of archipelagic states recognised by UNCLOS in 1982. Nevertheless, Indonesia's focus remained largely land based.

Following the fall of Suharto in 1998, Indonesia's armed forces withdrew from politics and, thereafter, adopted a more external orientation. Indonesia devoted more resources to its navy and air force. In the twenty-first century, Indonesia cannot afford to be inward-looking, and under the current president, Joko Widodo (Jokowi), the country has reformulated its maritime identity as a 'Global Maritime Fulcrum'.

On the Indo-Pacific, Professor Anwar observed that while there are many regional initiatives in the Asia-Pacific, this is less true in the Indian Ocean. The primary exception is the Indian Ocean Rim Association which was founded in 1997 but only became very active under the chairmanship of Indonesia from 2015 to 2016.

Professor Anwar concluded that, on the Indo-Pacific, both Jakarta and New Delhi believe that the Indian Ocean should be open, inclusive and rules-based. In addition, they both firmly believe in ASEAN Centrality. Indonesia has taken the initiative to draw up an Indo-Pacific policy in the hope of it being adopted by ASEAN in the near future.

Vice-Admiral Anil Chopra noted that it is too early to talk about maritime 'strategies' of Indonesia and India, and that maritime 'synergies' is a more apt description. He agreed with Professor Anwar that the impetus behind this dynamic was neither geostrategic nor geoeconomic but a combination of the two. Vice-Admiral Chopra went on to argue that it is quite natural that India and Indonesia should gravitate towards each other as the world order matures. Indonesia is the world's largest archipelagic nation, and India is the only country with an ocean named after it because of its geographical centrality to that part of the world. Clearly, there is scope for maritime cooperation between the two countries, and over the past five years many cooperative projects have been initiated which could lay the groundwork for future collaboration.

Vice-Admiral Chopra commented that, while the Indo-Pacific concept is clear enough, it is not a very good geographical connect. There are only four narrow straits which link the Pacific and Indian Oceans, all of which lie in Indonesia. For that reason alone, Indonesia is the linchpin

for any Indo-Pacific theoretical construct. Nevertheless, it is natural that the two sub-regions of South Asia and Southeast Asia should seek synergies to improve maritime connectivity.

Vice-Admiral Chopra recounted there were already goodwill naval visits between Indonesia and Indian warships going back to the early 1970s. In the 1990s, the MILAN naval exercise in the Andamans started in which Indonesia participated. In 2001, India and Indonesia signed their first joint agreement leading to a strategic partnership in 2005, after the devastating Indian Ocean Tsunami in 2004. Since 2014, under President Jokowi and Prime Minister Narendra Modi, the relationship has improved considerably.

Vice-Admiral Chopra highlighted that strategies and synergies are only possible if there are capabilities and capacities. It is only now that both countries' maritime infrastructure and assets are reaching a point where it is possible to talk about mutual synergies, not just in the navy, but also in the coast guard, ports and infrastructure. It is no longer just an academic prospect, but rather that real cooperation has commenced. The very first India-Indonesia bilateral naval exercise took place in November 2018 which is significant because before that there were only coordinated patrols and exercises such as MILAN. In the Shared Vision of the Indo-Pacific, released by the two leaders in Jakarta in 2018, there is a clear stipulation of where India and Indonesia are headed and the shared areas of interest.

Vice-Admiral Chopra concluded that, despite the best political intentions and several millennia of interactions, the actual connections between India and Indonesia are quite weak. There have not been enough exchanges of people, tourists, students and businesspeople. It is clear that the effort being undertaken now to improve maritime cooperation is basically a vehicle to improve all-round cooperation in many different spheres. For its part the Indian Navy has become a fairly balanced force which can respond to any part of the Indian Ocean quite quickly and can operate aircraft carriers, nuclear submarines, etc. As far as the Indonesian Navy is concerned, despite Indonesia's focus on its internal affairs (like India), funding for the Navy has been increased. Indonesia is beginning to realise its maritime destiny. Maritime cooperation has come to the forefront, and given the geographies it is natural that India-Indonesia cooperation will have a strong maritime component.

Mr Jusuf Wanandi began by stating that he would explain the history of India-Indonesia relations and what can be expected in the future. Two thousand years ago, the two countries were already connected by Hinduism and Buddhism. Mr Wanandi proceeded to explain that Indonesians were good at adapting cultural syncretism, especially by the Javanese who form the majority of the people in Indonesia.

Mr Wanandi recounted that relations between the two countries during the struggle for independence were strong and significant. This bilateral cooperation continued into the post-independence period. However, with the onset of the Cold War, while India adopted a more global outlook, Indonesia became more inward looking because the Suharto regime needed to focus more on its domestic economic development. Today, both countries face a host of challenges including globalisation and great power rivalry. As the rise of China threatens the stability of the Indo-Pacific region, India and Indonesia should cooperate to meet the challenges stemming from the China factor.

Mr Siswanto Rusdi began stated that India and Indonesia are cooperating in many business sectors. He noted the presence of the steel manufacturer ArcelorMittal, Bajaj Auto and Tata Motors in Jakarta, as well as Indian companies in the water, mining and real estate sectors. However, maritime connectivity between the two countries is underdeveloped. Much of the connections, including transportation, are being conducted through a third party, namely, Singapore. Mr Rusdi opined that for the next level of Indonesia-India maritime cooperation, there is a need for stronger shipping links between the two countries.

Mr Rusdi observed that although the Indonesian port of Sabang is very close to India's Andaman Islands, it was only recently that shipping links have been established between them. A major problem is that while ships from Andaman to Sabang are transporting cement, they often return empty. To that end, Mr Rusdi suggested that India and Indonesia require more engagement and connectivity on shipping and air transport. To start this, he suggested that the local governments in Indonesia, such as West Sumatra and Aceh, initiate 'sister-port' agreements.

Ambassador H K Singh outlined six basic features shared by India and Indonesia. First, the two countries are anti-imperialist, democratic republics who successfully struggled against the British and Dutch empires respectively, as well as the Japanese empire. Second, they originated the idea of Asian resurgence and have a shared and distinctive civilisation inheritance. Third, India and Indonesia are united in diversity, both geographically and in ethnicities, languages and religions. Fourth, they are the two largest democracies in Asia. Fifth, they are geographically satisfied, satiated powers and factors for peace and stability in the region. Finally, they are lands of deep faith and worship, home to all religions of the world, tested every now and then but the ancient roots of social harmony and religious tolerance have basically prevailed in their societies.

Ambassador Singh further noted that, looking from a purely political science perspective, the domestic political and economic discourses of both countries largely coincide. Their external outlooks both espouse strategic independence. Ambassador Singh noted the impact on geopolitics given that India and Indonesia are crucial for Asia's stable balances. There is a particular meaning in being democratic states which strongly uphold national independence, and the success of India and Indonesia as democracies (economic and societal) basically posits that large, diverse, developing societies do develop robustly under democratic rule.

On the Indo-Pacific, Ambassador Singh noted that maritime thinking in both countries is largely convergent. In Indonesia it is known as the Global Maritime Fulcrum and in India Security and Growth for All in the Region (SAGAR). He noted three identical elements: strategic equilibrium, equitable corporation and the importance of the rules-based order. The official statements made by India and Indonesia showed that even the language used by the two countries to define what they face together in the region is similar. They both uphold peaceful and prosperous Indo-Pacific principles, such as sovereignty, international law, freedom of navigational flight, fair trade and investment. Openness, transparency and inclusivity are other elements seen in these statements and ASEAN unity and centrality are both important, because without unity, centrality cannot be maintained. The Sabang-Andaman connection is being explored to foster maritime connectivity between India and Indonesia.

Ambassador Singh observed that more work is needed on the security architecture of the Indo-Pacific. He projected this as three distinct theatres of regional balancing: East Asia, Southeast Asia and the Indian Ocean. Indonesia's strategic vision for the Indo-Pacific will undoubtedly gain traction within ASEAN, and sooner rather than later ASEAN will develop a common position which will be promoted at the East Asia Summit. He opined that ASEAN's true centrality lies in upholding a multipolar world order.

Ambassador Singh concluded with the following points. First, the perspectives of India and Indonesia are broadly similar. There are differences of course, but they are nuanced and based on their respective domestic exigencies. Second, there are differences in the way that the two countries try to achieve their objectives. Indonesia's approach is more normative, based on diplomacy and invocations of international law. India is further venturing to explore strategic partnerships that address regional imbalances. Third, if India and Indonesia work together, they can increase their diplomatic leverage and help build a stable multipolar future for the Indo-Pacific.

Following the panellists' remarks, Professor Mohan made the following important points.

The first is the global discourse on the Indo-Pacific which includes how different actors adapt to changing dynamics such as the rise of China, its growing interest in the Indian Ocean, India's growing interest in East Asia, Indonesia's centrality between the two maritime domains, and how the United States (US) [which has been the dominant power in both the oceans] is going to rearrange its presence in this part of the world. These are factors that can cause the meaning of the Indo-Pacific to be complex and contentious.

Second, despite the differences in perspective between India and Indonesia on the Indo-Pacific, the second dimension is far more consequential in the near term—the regional structure. As the Indo-Pacific is a large domain, the structure is not going to be amenable to a single, overarching architecture. There will be sub-regions and how the key countries of the sub-regions collaborate with each other becomes very critical. Indonesia is gradually becoming a platform to discuss a large number of issues within East Asia. India and Indonesia need to look for something more regional and manageable, where they can actually make a difference. This region is the Eastern Indian Ocean.

## **Interactive Session**

Following the remarks by the panellists, several questions and comments were posed by the audience. Some of the points of discussion were as follows:

1. Although the Indo-Pacific is not geostrategic but geoeconomic, it is seen as a counter to China's Belt and Road Initiative (BRI) which calls for strategic alliances. India has a long history of non-alignment. How would India fit into this geostrategic plan?

Admiral Chopra responded by saying that the Indo-Pacific is both geostrategic and geoeconomic. He underlined that although the 'Free and Open Indo-Pacific' is seen by China as a tool of containment, it is not the only reason why India and Indonesia need to cooperate. Irrespective of China, India and Indonesia are still two of the largest economies

in Asia, being situated in the middle of the Indian and Pacific Oceans. On BRI, Vice-Admiral Chopra noted that one of the reasons the Indo-Pacific came about as a construct is because of the dependency of China, South Korea, and some ASEAN countries on the energy resources, markets and investment destinations in the Indian Ocean. With regard to non-alignment, he remarked that India has sought to pursue strategic autonomy.

2. On Indo-Pacific digital connectivity, the US pledged US\$25 million last year under the Digital Connectivity Cyber Security Partnership to improve Indo-Pacific digital connectivity. How have the Indian and Indonesian governments responded to this initiative?

Professor Anwar replied that from Indonesia's perspective, it is not only digital connectivity which is important but also ports, air and rail connectivity. She noted that there are several strategies in the region such as the ASEAN Master Plan, BRI, SAGAR, the Korean Southern Policy and US/Japanese investment. It is important that these do not contradict each other. ASEAN's regional mechanisms like the East Asia Summit should be used to discuss the big ideas and to interface with these initiatives for concrete cooperation.

3. What is the view of the panellists on the Quad?

Mr Wanandi stated that he did not agree with the Quad. Professor Anwar stated that Indonesia has no position on the Quad as the country does not interfere in the foreign policies of other countries, is non-aligned, and does not follow containment policy. The Quad meetings have taken place alongside ASEAN meetings, and ASEAN is happy to accommodate such sub-regional groupings.

4. What is India's main priority in the Indo-Pacific?

Ambassador Singh replied that India's priorities in the Indo-Pacific was enumerated by Prime Minister Modi at the 2018 Shangri-La Dialogue in Singapore. It has many components such as India's approach to the world, ASEAN unity and centrality, open and inclusive borders, partnerships with like-minded countries, etc. India tries to support regional economic prosperity and also to promote regional architecture which is stable, balanced and where rules-based order prevails.

Vice-Admiral Chopra stated that stability was needed in the Indo-Pacific. Instability is bad for trade, prosperity, and peace, whether caused by a geopolitical actors or a tsunami. India's position is to do whatever is necessary to enhance stability including providing humanitarian and disaster relief or evacuation. He also noted that the geography of the Indo-Pacific differs widely for India, as it ranges from East Africa to Northeast Asia and Oceania, including the Western Pacific. For Indonesia, it is more specific, from the Bay of Bengal to the Western Pacific. Either way, India and Indonesia are central actors in the Indo-Pacific; and a strong centre is needed for stability.

5. At the sub-regional level, India and ASEAN have cooperated in various initiatives such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation,

ASEAN-India Mekong Ganga Cooperation, the Trilateral Highway and the ASEAN-India Free Trade Area. The US is now signalling that it is welcoming Chinese investment in the region. Are India and ASEAN reacting to the Indo-Pacific concept and should they concentrate on the Indian Ocean, Southeast Asia, and the Andaman Sea, leaving alone the Pacific side (which is managed by the US-led alliance)?

Professor Anwar replied that that as far as Indonesia and India are concerned, the interest in the Indo-Pacific is not because of US President Donald Trump. The speech by Japanese Prime Minister Shinzo Abe on the 'Confluence of the Two Seas' was in 2007 and Indonesian Foreign Minister Marty Natalegawa proposed the Indo-Pacific Treaty of Amity and Cooperation in 2013. Indonesia's interests go beyond the Bay of Bengal and extend even to the countries in the Middle East and Africa.

6. How is the US, from ASEAN's perspective, better able to differentiate its strategy on the Indo-Pacific compared to the China-led BRI?

Mr Wanandi explained that for Indonesia, the US should invest in infrastructure. China has already done this. Indonesia made a study of viable interests and highlighted the following corridors (with projects) to China: North Sumatra (port and industrial estates); North Kalimantan (hydroelectricity); Sulawesi (roads and a port); and Bali (scientific centre). Indonesia also highlighted three concerns to China which were labour, green development, and benefits to local industries (upstream and downstream).

## Closing Remarks

In his closing summary of the main points of the discussion, Mr Daljit Singh highlighted the following: First, the idea of the Indo-Pacific is here to stay although it may be interpreted a bit differently by different countries. More flesh will be added to it progressively. Second, India and Indonesia have decided to strengthen bilateral cooperation, particularly in the maritime domain, due to the convergence of interests, guided by the principles of a rules-based order and ASEAN centrality. Third, the Indo-Pacific strategy, espoused by India and like-minded states, does not entail a new all-encompassing architecture stretching from India to Japan as the region is too vast, with many states with their own interests, to permit the establishment of such an architecture. So it is not a new organisation or forum competing with the ASEAN-based architecture. However, there can be practical cooperation in specific geographical areas, for example in the eastern Indian Ocean, in the form of mini-laterals among countries with common interests. Fourth, with the big strategic changes taking place, some sort of balance is required for stability in the Indo-Pacific. There is balance of power in Northeast Asia and in the Indian Ocean region, but there isn't yet in the Southeast Asian region. Regional countries need to be aware of this and consider how this can be addressed.

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