







Indonesia and East Asia

September 18, 2013



H.E. Dr. Marty Natalegawa Minister of Foreign Affairs, Republic of Indonesia

Dr. Natalegawa delivered his lecture on "Indonesia and East Asia" at a Special Event sponsored by the Weatherhead East Asian Institute (WEAI), the School of International and Public Affairs, the Asia-Pacific Economic Cooperation Study Center, and the Southeast Asian Student Initiative. After remarks and an introduction by Myron L. Cohen, Director of WEAI, Dr. Natalegawa opened his lecture by introducing "two kinds of pathways" open to East Asia in the near and distant future. He described one path of peaceful prosperity, stability, and continued economic growth and another path marked by increased tension, threats, and territorial disputes: "How do we manage or address change?" He warned against the "return of a Cold War type approach or mindset" that would create fault lines in the region. He remarked on Indonesia's

purposeful and deliberate pursuit of the first vision and, subsequently, put forward the challenges associated with embarking upon that path, along with potential solutions.

The first challenge was to confront the "trust deficit" in East Asia and to address the animosities of the past. This "trust deficit" is exemplified by tensions on the Korean peninsula and in bilateral tensions across East and Southeast Asia.

The second challenge was "territorial disputes," which, he stated, are not a new phenomenon in the region and require conscious recognition. He cited the South China Sea and East China Sea as examples which "are not going to be resolved overnight...so we must find ways and means to live with this reality, to manage this situation." He asserted the single biggest step in promoting security in East Asia was to "renounce the use of force in dissolving territorial disputes." In confronting these challenges, Indonesia and other countries look to international bodies, like ASEAN, to find peaceful solutions. Dr. Natalegawa served as the Director General for ASEAN Cooperation in the Department of Foreign Affairs during Indonesia's chairmanship of ASEAN in 2003. He gave several examples of ASEAN's role in mitigating tension over territorial disputes, such as the code of conduct ASEAN is developing for the South China Sea. He hopes there will be a similar undertaking in the East China Sea.

The third challenge concerned how countries in East Asia and international bodies, like ASEAN, should manage political, economic, and social change – "Is this a problem or is this potential?" He cited how transformative changes in Myanmar, Thailand, the Philippines, and



Indonesia were managed without escalating geopolitical tensions. Here, he remarked on the importance of political security and suggested, "For security to be maintained in our region, we must also address the issue of political development within countries." He used political changes in North Africa and the Middle East as examples of how a "democratic deficit" within countries can lead to increased geopolitical tensions and international conflict. In regards to regional relationships, he advised countries to view

change in China as an opportunity, instead of something to be contained. Instead of military alliances and political coalitions, he promoted "dynamic equilibrium," meaning a balance of power across countries in the region. He proposed viewing stability and security as common goods, for which everyone is a beneficiary and to design "an architecture where all of us have a stake in its stability and continuation."

Dr. Natelegawa suggested the establishment of an East Asian, Asia Pacific, and Indo-Pacific international body with a "legally binding instrument" to aid the "peaceful settlement of disputes." He concluded by remarking that Indonesia "projects itself as part of the solution and, hopefully, not part of the problem."

Moderator Remarks:

Ann Marie Murphy, Senior Research Scholar at WEAI and Associate Professor at Seton Hall University, commented on the attractiveness of Dr. Natalegawa's "concept of dynamic equilibrium." She asked the Foreign Minister to give a few examples of how Indonesia was promoting this equilibrium in the region.

Dr. Natalegawa responded with Indonesia's participation in resolving "the issue of Myanmar." He remarked on the tendency of many countries to hold the same position towards

Myanmar, while Indonesia decided "to change the script a little bit, not to pursue more of the same." He stated this shift to a more engaged approach through membership in ASEAN, was a "catalyst" for change in Myanmar. In regards to the recent nuclear threats from the Korean peninsula, he advised countries take the issue "out of the limelight" because "when these developments are overexposed, countries tend to be more rigid." He suggested countries "wage peace," by aggressively preparing for



peace in the same way countries prepare for war. He spoke about Indonesia's international advocacy for dynamic equilibrium, encouraging countries to picture East Asia as "one big circle" instead of several separate spheres with dominant powers. He mentioned China has indicated some interest in a legally binding treaty between China and ASEAN.

Duncan McCargo, Senior Research Affiliate at WEAI, turned the conversation to "Indonesia itself" and asked the Foreign Minister what other countries can learn from Indonesia's development. Dr. Natalegawa first asserted Indonesia's situation is unique, and it is "not about trying to impose or project our own national experience." However, he remarked it is "always useful to have a forum where countries can compare notes." With ASEAN as that forum, Indonesia has led other member countries to share their struggles, failures, and difficulties by deliberately and openly discussing Indonesia's problems with their ASEAN colleagues "even though it may cause some discomfort."

Dr. Murphy asked Dr. Natalegawa to expand on the relationship between the United States and Indonesia. She remarked, "Many people in Washington think the U.S.-Indonesian relationship is the best it has ever been." In Dr. Natalegawa's response, he commented on the centrality of security and human rights issues in the previous U.S.-Indonesia relationship, and said in recent years, Indonesia has brought about changes to create a comprehensive partnership that is "mutually beneficial, to be sustainable." He said this partnership cannot be isolated from

the region, and Indonesia welcomes U.S. participation in ASEAN and other international organizations. In the future, the greatest challenge will be "to deliver on the full potential" of U.S.-Indonesia relations, especially in the economic sphere. He commented on the size of Indonesia's economy, which is not reflected in U.S.-Indonesia trade relations.

Dr. McCargo asked the final panel question about the upcoming Indonesian presidential election. In his response, Dr. Natalegawa spoke about widespread youth participation, "whose political mindset and outlook would have been formed only during the period of animosity." The Foreign Minister likely referred to political turmoil, which led to the resignation of the president, Suharto, in 1998. He warned against complacency and overstating elections as the entirety of the democratic process. Indonesia is looking for stability, and he concluded by saying "I'm not pessimistic about Indonesia's outlook."

Audience Question and Answer Session:

A student from NYU asked the first question about the steps Indonesia can take to dissolve ethnic and religious tensions. Dr. Natalegawa said these are issues on the local, national, and regional level. He said one challenge they face is to look at these issues as regional issues and fight the tendency to "see these developments as being internal." He called upon the audience to encourage their governments to open up about internal problems. He said this is something Indonesia has strived to do in ASEAN, looking to other countries "to be part of the process" and openly sharing about Indonesia's domestic problems.

The second question inquired about the legally binding treaty Dr. Natalegawa mentioned in his lecture. Specifically he asked whether the treaty would have enforcement capabilities. The Foreign Minister said a legally binding international treaty would be an important political message. He believed this political message was a good starting point and stated "in the context of our region, it is important to let things develop over time."

A Columbia University alumnus inquired about the Indonesian Foreign Ministry's handling of public opinion. In his answer, Dr. Natalegawa stated the "relevance of democracy and foreign policy is not only in terms of policies, but in terms of policymaking." He said the two issues which invoke the most tension in Indonesia are border issues and citizen protection overseas. He advised against basing policy solely upon public opinion because it could result in an unbalanced foreign



policy. He emphasized the importance of having an informed public and asserted "negotiation is not a sign of weakness."

A SIPA student asked the Foreign Minister about his thoughts on Indonesia's relationship with China and possibilities for future collaboration between the two countries. The student also inquired about the potential for more collaboration between East Asian countries as nations search for their own identity in the 21st century. Natalegawa first touched on the recent developments of the Indonesia-China relationship, citing the upcoming visit of Xi Jinping. He also spoke about their unbalanced trade relations and "potential for further development." He then spoke candidly about the problem of countries projecting their identity in the modern world, asking, "How do we allow them to project without hurting another?" He admitted he did not have an answer. He warned against "containing China" and suggested countries find common ground in their common issues. The enemies of the modern world are not countries; they are issues, like natural disasters and terrorism. He mentioned the benefit of carrying out joint military operations through international organizations to curb the threat and impact of these issues. Instead of looking at small spheres of influence, East Asia should be viewed as "one big circle." In this circle, countries must exercise restraint and not "throw their weight around." Although Indonesia is a very powerful country with the largest economy and population in Southeast Asia, they "are extremely modest and not vocal."

Another SIPA student asked about the outlook for multinational corporations in Indonesia, especially regarding issues of corruption. In reply, Dr. Natalegawa admitted Indonesia had "a great deal of homework to carry out," but was "making serious efforts to address those issues one at a time." He noted several signs of improvement, including Indonesia's robust economy and its improved position on the IMF's ease of business index.

An audience member asked the final question on Indonesia's role as an individual country and its role in the UN with regards to Syria and the Middle East. Dr. Natalegawa remarked on the complexity of the situation and said it was "not for Indonesia to pretend we have a solution." He also said Indonesia was a successful example of the coexistence of democracy, modernity, and Islam. He feared disharmony on the national, regional, and global level, which he called "perfect imperfection," where each level cancels out each other's interests and contributes to the rise of proxy interests. He commented on Indonesia's position, saying, "First and foremost, we have to have the conflict, in terms of an armed conflict, come to an end." He preferred this happen through a "political process," but also commented on the debate over where the political process begins. In his opinion, "It's all relative; we just have to get the political process going." He believed it was important to begin talking, to "meet in a room and don't leave the room until you get something agreed." In this regard, he called the UN Security Council, the UN "insecurity council" and stated "perfection tends to be the enemy of the good." He advocated for step-by-step resolutions, for "more statesmanship and less stage-man-ship to get the problem solved."

