THESIS

GAUGING THE POTENTIAL FOR ARMED CONFLICT BETWEEN CHINA AND INDONESIA IN THE SOUTH CHINA SEA

by

Mohammad Amir Aliakbar
Pornomo Yoga

December 2017

Thesis Advisor: Robert Burks
Second Reader: Camber Warren

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Under what conditions will the People’s Republic of China and Indonesia be more likely to enter into an armed conflict over disputes in the South China Sea? The purpose of this thesis is to determine the conditions under which both countries might enter into an armed conflict. As no recent armed conflict has involved both countries, this thesis limits its analysis to the historical background and current foreign policy trends of the People’s Republic of China and Indonesia.

Historical cases of China and Indonesia are analyzed to determine how both countries behaved when dealing with situations similar to the maritime dispute in the South China Sea. The results of the historical analysis are then examined within the context of each state’s foreign policy toward the other on the South China Sea issue. The thesis uses the refined analysis to predict the possibility of armed conflict between the two countries in the near future. Further, it examines policy implications and makes foreign policy recommendations for the government of Indonesia.
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Mohammad Amir Aliakbar
Lieutenant Colonel, Indonesian Army
Indonesian Military Academy, 1998

Submitted in partial fulfillment of the requirements for the degree of

MASTER OF SCIENCE IN DEFENSE ANALYSIS

Pornomo Yoga
Lieutenant, Indonesian Navy
Indonesian Naval Academy, 2006
B.L.S., Hang Tuah University, 2013
M.L.S., Hang Tuah University, 2016

Submitted in partial fulfillment of the requirements for the degree of

MASTER OF SCIENCE IN INFORMATION STRATEGY AND POLITICAL WARFARE

from the

NAVAL POSTGRADUATE SCHOOL
December 2017

Approved by: Robert Burks, Ph.D.
Thesis Advisor

Camber Warren, Ph.D.
Second Reader

John Arquilla, Ph.D.
Chair, Department of Defense Analysis
ABSTRACT

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<tr>
<td>ADIZ</td>
<td>Air Defense Identification Zone</td>
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<tr>
<td>AIIB</td>
<td>Asian Infrastructure Investment Bank</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>CCP</td>
<td>Chinese Communist Party</td>
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<tr>
<td>EEZ</td>
<td>Exclusive Economic Zone</td>
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<tr>
<td>GEE</td>
<td>generalized estimating equation</td>
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<td>ICJ</td>
<td>International Court of Justice</td>
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<td>OBOR</td>
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<td>Partai Komunis Indonesia</td>
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<td>PLA</td>
<td>People’s Liberation Army</td>
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<td>PRC</td>
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I. INTRODUCTION

The lack of clarity on the coordinates of the Nine-Dash Line may potentially affect Indonesia’s claims of sovereignty over Natuna Island and over the exclusive economic zone around Natuna Island. China has maintained its stand that Chinese fishermen should be allowed to use traditional fishing areas near Natuna Island while Indonesia maintains its rights over the natural resources within its exclusive economic zone. This ambiguity has caused several incidents within this area, the latest of which involved China’s Coast Guard preventing an Indonesian Navy ship from arresting the crew of a Chinese fishing boat off Natuna Island.

A. RECENT CLASHES AT THE NATUNA ISLANDS

In 2016, there were three incidents between Indonesia and China regarding rights in the South China Sea. The first incident took place on March 19, when Indonesian authorities stopped a Chinese fishing vessel and arrested its crew.1 The second incident occurred on May 27, when an Indonesian Navy ship fired on a Chinese fishing vessel forcing it to stop and then arrested the crew.2 The third incident happened on June 17, when the Indonesian Navy fired on another Chinese fishing vessel.3

The responses from both countries were quite firm and bold. Following the first incident, the Indonesian foreign minister called the Chinese ambassador for clarification concerning the clear incursions into Indonesian fishing areas.4 On the Chinese side, authorities demanded the release of the crews and maintained its authority to operate in the region.5 Following the third occurrence, Chinese authorities held a press conference

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2 Ibid.
3 Ibid.
4 Ibid.
5 Ibid.
stating that Indonesia should stop its actions or risk raising tensions. As a reaction, the Indonesian government sent a strong signal to China. The Indonesian president visited Natuna, on an Indonesian navy ship, and emphasized that the Natuna islands belong to Indonesia. Even though both states responded strongly to this set of incidents, both countries were still attempting to avoid escalation. Clearly, this set of incidents was not enough to escalate the situation into an armed conflict between China and Indonesia.

B. PURPOSE

Both China’s and Indonesia’s naval ships have had close encounters over fishing boats in this traditional fishing area, and it may only be a matter of time before such an incident escalates into serious armed conflict. Hence, the purpose of this thesis is to understand the conditions that could drive both countries into an armed conflict. For the purposes of this research effort, we define armed conflict, based on Melvin Small and J. David Singer’s definition of war, as the occasion when continual conflict by organized armed forces results in direct casualties of at least 1,000 within any particular year.

Since there have been no recent armed conflicts between China and Indonesia, this thesis analyzes several relevant case studies. These case studies provide the historical background and identify current trends in the foreign policy of the People’s Republic of China and Indonesia to answer our central research question: under what conditions would the People’s Republic of China and Indonesia be more likely to enter an armed conflict over disputes in the South China Sea in the near future?

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6 Kibroglu, “Indonesia’s Territorial Dispute in the South China Sea.”


C. FACTORS LEADING TO WAR

1. Escalation Model

Based on existing theories of conflict, we can divide the escalation of conflict into several stages.\(^9\) Here, we use Eric Brahm’s model,\(^10\) which separates conflict into nine stages: no conflict, latent conflict, emergence, escalation, stalemate, de-escalation, settlement, post-conflict, and the last stage, peace and reconciliation.\(^11\) For the purpose of this thesis, we focus on only three out of nine stages in Brahm’s model, which are latent conflict, emergence, and escalation.\(^12\)

According to Brahm, latent conflict “exists whenever individuals, groups, organizations, or nations have differences that bother one or the other, but those differences are not great enough to cause one side to act to alter the situation.”\(^13\) China and Indonesia clearly have differences in defining and interpreting the South China Sea boundaries and fishing rights.

In terms of the emergence stage, Brahm states that a “triggering event marks the emergence or the eruption phase of the conflict. This event or episode may be the first appearance of the conflict.”\(^14\) The initiation of this stage requires a triggering event in the dispute between China and Indonesia. Any one of the incidents in 2016 represents a triggering event and provides evidence that China and Indonesia are currently in the emergence stage of conflict. Nevertheless, violence, in the sense of war or armed conflict, has not yet occurred. So far, those trigger events have been insufficient to move Indonesia and China into open armed conflict.

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\(^9\) Some of those authors are Glasl, Noll, Cornelius et al., Hocker and Wilmot, and Brahm.


\(^11\) Ibid.

\(^12\) Brahm’s model can be used in the context of conflict between countries. Different types of conflict will require different models. See: Jens Allwood and Elisabeth Ahlsén. “On Stages of Conflict Escalation,” in Conflict and Multimodal Communication, 53–69 (Switzerland: Springer International Publishing, 2015), https://link.springer.com/chapter/10.1007/978-3-319-14081-0_3

\(^13\) Brahm, Conflict Stages: Beyond Intractability.

\(^14\) Ibid.
According to Brahm,

Escalation refers to an increase in the intensity of a conflict and in the severity of tactics used in pursuing it. It is driven by changes within each of the parties, new patterns of interaction between them, and the involvement of new parties in the struggle. When conflicts escalate, more people tend to become involved. Parties begin to make bigger and stronger threats and impose harsher negative sanctions. Violence may start, or if violence has already occurred, it may become more severe and/or widespread as the number of participants involved in the conflict increases, and a greater proportion of a state’s citizens actively engage in fighting.15

In the escalation stage, violence or an armed conflict begins. In the next subsection, we argue that in the context of the dispute between China and Indonesia, both countries could step into this stage, particularly if there were changes caused by domestic politics within one or both of those countries. Nationalism coupled with additional triggering events in the emergence stage could be sufficient to move China and Indonesia into the escalation stage.

2. Nationalism

We define nationalism here based on Merriam-Webster: “as a loyalty and devotion to a nation; especially: a sense of national consciousness, exalting one nation above all others and placing primary emphasis on promotion of its culture and interests as opposed to those of other nations or supranational groups. Intense nationalism was one of the causes of the war.”16 In Chapter III we discuss in detail how nationalism makes the South China Sea a sensitive issue for both countries.

As previously noted, this thesis intends to examine the conditions that may cause a war between China and Indonesia. We propose that the likelihood of transitioning from the emergence to escalation stage is tied to nationalism and that longstanding rivalries between states create more fertile ground for the mobilization of nationalism and the potential of escalation.

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15 Brahm, Conflict Stages: Beyond Intractability.
3. **Enduring Rivalry**

We define enduring rivalry here based on Paul R. Hensel’s definition: “actors whose relations are characterized by disagreement or competition over some stakes that are viewed as important, where each perceives that the other poses a significant security threat, and where this competition and threat perception last for substantial periods of time.”\(^{17}\) According to Sarah McLaughlin Mitchell and Brandon C. Prins, countries that have longstanding rivalries could easily plunge into a war when domestic instability exists.\(^{18}\) This enduring rivalry may create a political environment that state leaders can use to promote intense nationalism against an international rival. In the context of the maritime dispute between China and Indonesia over the disputed areas around the Natuna Islands, we subsequently argue that the absence of an enduring rivalry in this case decreases the possibility that the dispute will escalate into a war.

**D. THESIS OVERVIEW AND CHAPTER OUTLINE**

This thesis is organized into six chapters. Chapter I provides the general overview of the thesis, theoretical foundations, as well as background on the South China Sea dispute between Indonesia and China. Chapter I also includes a review of the scholarly literature on the importance of the South China Sea, the tendency for regime to gain support by mobilizing citizenry to “rally ‘round the flag,” and the methods by which both China and Indonesia have solved other territorial disputes. Chapter II discusses how both countries have behaved in past territorial disputes. Chapter III addresses nationalism in the context of the dispute for both countries. Chapter IV examines the current trends of Chinese foreign policy toward Indonesia. Chapter V examines the current trends of the Indonesian foreign policy toward China. Chapter VI presents analysis and conclusions, summarizes all of the chapters, and synthesizes policy implications and recommendations for Indonesia.

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E. LITERATURE REVIEW

This section reviews the literature on three topics that are important to the thesis: (1) the importance of the South China Sea; (2) the tendency for rallying 'round the flag by both nations; and (3) the tendency for both states to solve the dispute by force.

1. The Importance of the South China Sea

Territorial disputes, a topic that attracts many scholars’ attention in political science, are one of the primary reasons for a state to wage a war with another state. Classical theories try to explain why territorial disputes could ignite a war. Wright, in 1932, discusses that disputes over land and resources as one of the reason for war. Hensel and Mitchell, in 2006, try to refute Wright’s claim by proposing the theory of issue indivisibility as an alternative explanation of why states wage war over disputed territories. They argue that territorial disputes can be driven by tangible and intangible factors. It would be easy to resolve a territorial dispute driven by a tangible factors, but solving a territorial dispute that is rooted in intangible factors, such as historical possessions, important homelands, sacred sites, and identity ties, is not an easy task.

Many scholars and pundits discuss the importance of the South China Sea, from the perspective of China or from that of Southeast Asian countries, including Indonesia. The question of what factors contribute to the sea’s importance can shed light on what contributes to the maritime disputes and why they might escalate into armed conflict. Natural resources, for example, are a common factor that many experts believe makes the

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19 The dispute between China and Indonesia is not a territorial dispute at all, but most likely a right to sovereign dispute over the seabed and Exclusive Economic Zone in the area north of the Natuna islands. However, it is absurd to expect that the public can understand the problem and differentiate between sovereignty and sovereign right. Some Scholars are: Hensel and Mitchell, Wright.


21 For the differences between tangible and intangible, see Hensel and Mitchell.


23 Some of them are Jeremy Maxie, Ralph Cossa, and Camila Ruz.
South China Sea so important. Others argue that the importance of the South China Sea lies in its strategic position, which make it worth China going to war. By contrast, some argue that the South China Sea is actually not that important. The leaders of those claimant states are the ones that make the South China Sea dispute so sensitive.

The South China Sea is indeed an area that contains a huge amount of natural resources. The potential maritime resources, ultimately fisheries, and seabed mining are huge. Indeed, the Natuna Sea seabed contains enormous deposit of natural gas. A recent finding of a huge expository of natural gas seized the attention the world, especially in states in the area. Gas as a non-renewable source of energy is a scarce natural resource. It is important to note, though, that Chinese assertiveness toward other claimants, such as the Philippines and Vietnam, has been by far more severe than its assertiveness toward Indonesia, even though north Natuna sea has more natural gas reserves than the areas claimed by those two countries.

The strategic position of the South China Sea is also important, especially for China. Strategic containment that the United States exercised in the past to deal with the Soviet Union also makes China sensitive toward the South China Sea. Based on this logic, it is important for China to acquire a vast area in the South China Sea to prevent its near peer from encircling China. Yet when one considers that the potential for the maritime dispute between China and Indonesia is not so large and that it only regards sovereign rights, not populated territories, the importance of this factor may be in doubt.

Even though the South China Sea area contains a great deal of natural resources and has strategic importance, it is worth considering that those factors might not be the

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ones that increase the likelihood of escalation. From this perspective, we have to see that the state is not monolithic. We have to separate each actor within the state. First, we have to differentiate between the public and the leaders. The South China Sea is an object for the political leaders of each claimant country, especially China, to use as a political commodity for their respective domestic audiences. On the other hand, how attached the public feels to the disputed area can also become a factor that forces a leader to act aggressively regarding the dispute. The intrinsic values, even when very high, are not necessarily the ones that will spark a conflict in the future. Further, the need for leaders to look strong when dealing with other countries could be a significant factor for the South China Sea’s importance. In other words, a war could be sparked for diversionary reasons, as the following section considers.28

2. Tendency for Rallying ‘Round the Flag

There are many different perspectives in the literature on diversionary war theory. Those various views reflect the fact that not all states have equal chances to divert their domestic audiences. Some states are more prone to do so than others, but there is no conclusive agreement among scholars as to which kind of states, and what conditions, make a state more prone to unite its citizenry to rally ‘round the flag.29 Even though there is no consensus, it is widely believed that because democratic regimes tend to be more responsive in nature, they are also more prone to prompt their citizens to rally ‘round the flag.30 Clifton Morgan suggests that the United States is not the only one prone to take advantage of this effect, and found that the United Kingdom as a democratic state also influences its population using the rally ‘round the flag effect. On the other hand, Alastair Smith argues that because a democratic regime tends to be more accountable than other forms of government, such a regime would find using diversionary war more difficult to


29 Rally ‘round the flag is how a country’s leaders diverts their public from domestic problems, and then gain popularity, by pointing to a common enemy abroad.

employ, despite its incentive to do so.\footnote{Alastair Smith. “Diversionary Foreign Policy in Democratic Systems,” \textit{International Studies Quarterly} 40, no. 1 (1996): 133–153, https://academic.oup.com/isq/article/40/1/133/1847760} David H. Clark advances this school of thought by proposing strategic conflict avoidance, which neutralizes the use of diversion by democratic regimes.\footnote{David H. Clark, “Can Strategic Interaction Divert Diversionary Behavior? A Model of U.S. Conflict Propensity. \textit{Journal of Politics} 65, no. 4 (2003): 1013–39, http://onlinelibrary.wiley.com/doi/10.1111/1468-2508.t01-1-00123/full} Mitchell and Prins argue that non-democratic regimes are also prone to diversionary war, and that this tendency can be worsened in difficult domestic situations. They also found that diversionary war can be seen from an adversarial context, and that not all states have equal potential to become adversaries. States in enduring rivalries have a higher chance of becoming the target of rally ‘round the flag tactics. This is due to two reasons. First, because the “commodity” is already available, leaders do not need to make up a new one, which might be much more difficult to justify. The second reason is that the leaders can easily accuse the target state as the cause of the domestic problem itself.

Another element in the discussion about diversionary war theory is the difference between major powers and non-major powers. Several scholars have found that diversionary war is more likely to be initiated by a major power. Based on the generalized estimating equation (GEE) analyses of SML, Mitchell and Prins’s data on the international system from 1960–1999 found that while “normal states” have a tendency to pick their diversionary war target through the context of enduring rivalries, for the major powers this is not the case.\footnote{Mitchell and Prins. “Rivalry and Diversionary Uses of Force.”} Brett Ashley Leeds and David R. Davis also show that the likelihood of using diversion to start a war is high only for the most powerful states.\footnote{Brett Ashley Leeds and David R. Davis. “Domestic Political Vulnerability and International Disputes.” \textit{Journal of Conflict Resolution} 41, no. 6 (1997): 814–834, http://journals.sagepub.com/doi/abs/10.1177/002200279401006005} Dennis M. Foster argues, though, that actually both major powers and non-major powers have a propensity toward diversionary war.\footnote{Dennis M. Foster, “State Power, Linkage Mechanisms, and Diversion against Nonrivals,” \textit{Conflict Management and Peace Science} 23, no. 1 (2006): 1–21, https://doi.org/10.1080/07388940500503770.} The difference is how they choose their target. Non-major powers tend to pick targets that are their longstanding rivals.
Meanwhile, major powers other than the United States have a tendency to choose rivals and non-rivals as targets for rallying 'round the flag, even though they still have a higher probability of conflict with rival states.

Regarding the “commodity” for rallying 'round the flag, it is worth remembering that not all issues are created equal. Some issues have more sensitivity and are more “eye catching” to the public to become “diversionary objects.” Territorial disputes are one of these issues. In the context of territorial disputes, there are also several findings regarding diversionary war theory. Jaroslav Tir studied the use of diversionary war specifically in the case of territorial disputes, which he calls “territorial diversion.” He argues that territorial disputes have stronger appeal because they fit with people’s national identity and can be used to consolidate political authority.\(^\text{36}\) Further, he explains, “People have unique and strong bonds to land, which can be manipulated by the unscrupulous leader them to mask the true intents of their actions, which include rally effects and retention of power.”\(^\text{37}\)

Similarly, people can easily become emotional and sensitive when the discussion turns to territorial disputes. Several scholars focus on the sensitivity of territorial disputes.\(^\text{38}\) On the other hand, some scholars argue that territorial diversion is unlikely. Emizet F. Kisangani and Jeffrey Pickering, for example, argue that the risk of using territorial disputes to spark an armed conflict is so high that leaders will choose other commodities for diversion.\(^\text{39}\) Scott Sigmund Gartner and Gary M. Segura note that the public could easily lose confidence when faced with a long engagement that costs many

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\(^{37}\) Ibid.


lives. This brings us to the conclusion that leaders would try to find a commodity that can easily gather public support, but with low risk of escalating out of control.

3. Dispute Resolution Methods Typically Used by Both Countries

China has had many territorial disputes with its neighbors. In recent years, negotiations or bilateral relations solved many of the disputes peacefully. Historically, though, some of China’s territorial disputes have escalated into armed conflicts. Was this because of the inherent value of the territorial dispute itself, or was the territorial dispute merely a pretext for other causes? Various scholars have analyzed China’s territorial disputes in the past. All of them draw different conclusions. M. Taylor Fravel, in his 2005 article, tries to refute the diversionary war theory presented by James Fearon, based on an analysis of China’s territorial disputes in the past. Fravel argues that China’s pattern of cooperation and delay in its territorial disputes stems from China’s regime insecurity. In other words, internal conflict induces China to appease its adversaries in territorial disputes, and then produce “diversionary peace.” Furthermore, in his book: Strong Borders Nations, Fravel finds that counterintuitively, China, as a powerful country, has had no propensity for using its military power to solve its territorial disputes. Ke Wang, in 2014, made his own argument by distinguishing China’s frontier disputes from maritime disputes. He proposes a theory of the changeability of territorial value to explain China’s behavior regarding territorial disputes in the past. Territorial values consist of economic value, military value, and symbolic value. The higher the economic value of a territory, the more likely China would pursue a peaceful solution. On the


44 Ibid.
other hand, military value and subjective value are directly proportional to the chances of armed conflict resolution. However, he also notes that his theory is not applicable in maritime disputes, as he discovered that in the maritime disputes, China tended to be more opportunistic and more inclined to maintain the status quo.

Indonesia has never experienced an international war caused by disputes over particular territories in the past. Many of Indonesia’s disputes have been solved peacefully without the use of force. Delimitation agreements between Indonesia and its neighbors are quite common. In the dispute between Indonesia and East Timor, for example, even though both states had a hard time during separation, they never reached the latent stage of conflict. Both states always tried to pursue goodwill to resolve the dispute. Other examples of how Indonesia usually tends to solve disputes with peaceful settlements are its boundary delimitation agreements with Australia, Singapore, and other neighboring countries. However, it is worth noting that Indonesia has had maritime disputes with Malaysia that have repeatedly reached high tensions, even though they have never sparked into a war. Several times in the near past, the navies of Indonesia and Malaysia have been involved in some incidents. In 2009, the Indonesian Vice President, Jusuf Kalla, even said that Indonesia should prepare for a war. In the Ambalat case, which is discussed in more detail in the following chapter, the Indonesian

45 Ibid.
government was facing public pressure to react assertively.\textsuperscript{51} Even though the situation was quite tense, at the end of the day, the Indonesian government successfully calmed down its public and avoided a further escalation.\textsuperscript{52}


\textsuperscript{52} Ibid.
II. PREVIOUS BEHAVIORS IN RESOLVING TERRITORIAL DISPUTES

A. OVERVIEW

In this chapter, we consider historical instances of territorial disputes to determine how China and Indonesia have behaved in the past when dealing with similar issues as the South China Sea. On the Chinese side, we analyze the Sino-Soviet territorial dispute, and the Ambalat dispute on the Indonesian side.

B. SINO-SOVET TERRITORIAL DISPUTE

We can trace the dispute regarding the territory between China and the Soviet Union back to 1954, when Mao Zedong wanted to discuss the border with his counterpart from the Soviet Union.\(^{53}\) The source of the problem itself traced back to the 16th century AD. At that time, Russia expanded its territory eastward. After several wars, eventually Russia wanted to make peace and made a concession with China in August 1689.\(^{54}\) Unfortunately, China, which endured a century of humiliation, saw Russia expanded its territory again. China had no power to stop the territorial encroachment, which ended with the treaty of Aigun in 1858 and the treaty of Peking in 1860.\(^{55}\) The Chinese considered both treaties unequal.

After a long period of civil war, and a struggle against the Japanese occupation as well, the Chinese Communist Party came to power in 1949. In 1950, China and the Soviet Union signed a mutual defense treaty. It was at a time when both countries had a good relationship. In the same year, the Korean War broke out. Both countries supported their North Korean comrade. In 1953, Joseph Stalin passed away, and Nikita Khrushchev came into power. In 1954, Mao Zedong conveyed his willingness to talk about boundary

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55 Ibid.
problems with Nikita Khrushchev. However, Khrushchev refused to discuss it. The Sino-Soviet split began in 1960, marked by the Soviet recall of its technical expert assistance to China. In 1964, Mao voiced his dissatisfaction with many unresolved territorial disputes with the Soviet Union during his discussions with members of the Japanese socialist party. Domestically, Mao launched the Cultural Revolution in 1966 but wanted to ended it in 1969, after the movement became uncontrollable.

Following are two competing arguments for the cause of Sino-Soviet war.

1. **First Argument**

The first historical argument states that the Sino-Soviet dispute was really due to the territorial boundary issue as an underlying cause, and the escalation of the border as a proximate cause. Based on this argument, both sides blamed each other for provoking the clash. From China’s point of view, the Soviet Union initiated the conflict. On the other hand, the Soviet Union blamed China for conducting an ambush on the Soviet’s front guards. Neville Maxwell in his article “How the Sino-Russian Boundary Conflict Was Finally, Settled,” in 2007, argues that the conflict between both countries was genuinely a territorial dispute. In a sense, the conflict occurred because of gradual escalation in the field. Furthermore, he asserts that other factors contributed to worsening the conflict, such as the Sino-Soviet split, China’s domestic politics, and some events in Eastern Europe because of Brezhnev’s doctrine.

This argument seems to have very weak evidence. It is likely that one or both countries had other underlying reasons to heighten the tension at the border. This is because it was an unprecedented event, and the disputed territory lacked any economic or

57 Ibid., 34.
political value. Moreover, this argument also inadequately explains why China’s soldiers were well prepared for conflict.

Such a large-scale conflict never happened before, even though several triggering events had already occurred in the past. Before the Zhenbao incident in March 1969, several incidents occurred. The first incident can be dated back to 1959. In 1962, tensions escalated. Those triggering events brought both countries into the stage of emergence. However, no serious open conflict broke out. Neither country entered the escalation stage. Neither country wanted to make the dispute a clash. This is evidenced in official Chinese media, which always refuted anti-Soviet expression in the 1950s. In the 1960s, however, the situation changed. This time, the government publicly expressed its concern over the dispute, by saying that the Peking treaty and Aigun treaty were unequal treaties. By looking at this sequence of events, we can surmise that Beijing likely wanted to curb public concern at the beginning, but went the other way in the late 1960s, and not merely because of the gradual increase of escalation in the field.

Different from other regions where China had so many interests at stake, the Sino-Soviet disputed area, especially the Amur region, had little intrinsic value. No significant consequences—internally or internationally—would arise if China’s government just maintained the status quo at that time. The people would not question the Chinese government’s legitimacy just because the leadership maintained the status quo over the Amur region. Indeed, during the Hundred Flower Blossom Era (1956–1957), when the Chinese people could express their ideas freely, some citizens questioned the Sino-Soviet territorial disputes. After that era and the end of freedom of expression in China, China’s public had already forgotten about the Amur region issue. This is, of course, very different from China’s and Taiwan’s dispute over sovereignty and territory, which

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61 Ibid.
63 Doolin, *Communist China: The Politics of Student Opposition*.
erupted during almost the same time period and had almost escalated into an open conflict between China and United States.

It also seems clear that the Chinese troops were well prepared for the clash in March 1969. Such a high alert army would not be easily provoked by its counterparts, unless at the beginning the provocateur already had an intention to escalate the dispute to become an open conflict.

2. Second Argument

This brings us to the second historical argument, which holds that the Sino-Soviet dispute was not rooted in the territorial boundary issue. Rather, the dispute was a pretext for action on another real issue. This argument is widely accepted among Chinese and Soviet historians. A research report by Lyle J. Goldstein, in 2001, reveals consensus among Chinese historians that it was clear that China was the one that attacked first. Furthermore, the attack had been well planned and well executed. In 1968, China, with a well-led and well-prepared army, tried to provoke a border clash; however, its plan could not be executed since the Soviet’s troops did not show up.

The changes and new patterns of interaction within Chinese domestic politics because of the Cultural Revolution, resulted in both countries entering the escalation stage. Mao led a meeting of the Central Military Commission to discuss the Ussury river border problem in early 1968, after a provocation by the Soviet guards on January 5, 1968. The result of the meeting was that the People’s Liberation Army (PLA) should be prepared to deal with a similar such provocation in the future. In the same year, dissension was growing among Eastern European countries in the Soviet Union, drawing Moscow’s attention to that region. The Soviet Union did not want to make its relationship

65 Ibid.
68 Ibid.
with China more tense. On the other hand, China’s domestic political situation was at its lowest point. The Cultural Revolution, waged by Mao Zedong himself from as early as 1966, was becoming out of control. Riots were everywhere. Since they carried out Mao’s own words, the Red Guards felt that it was above all Chinese institutions. Mao tried to re-establish China’s public order, which was in ruins because of the Cultural Revolution’s social movement. Unfortunately, it would not be easy to stop the snowball from rolling. In fact, when Zhou Enlai reported to Mao about the second border clash, and Mao said, “We should let them come in, which will help us in our mobilization.” 69 It became clear that Mao hoped to divert domestic attention from the Cultural Revolution and the ensuing social unrest to the border clash with the Soviet Union.

Mao Zedong seemed careful to separate his audiences: the Chinese public and the Chinese institutions. He wanted the Chinese public to stop their unrest soon, by promulgating the probability of war with Soviet publicly. 70 Yet, Mao gave the order for the PLA to stop the fight. 71 This could be interpreted as a sign that Mao actually was not willing to launch a ‘real war’ with the Soviet Union. No significant military build-up had occurred in support of such a huge campaign. A leader with tremendous military experience like Mao, of course, knew what kind of preparation he had to make to deal with a superpower country. And, there was the Taiwan matter to consider. Even more troublesome was the domestic problem arising from the Cultural Revolution. China undoubtedly wanted to shift its public attention from its domestic problems to the possibility of all-out war with the Soviet Union. At the same time, though, Mao tried not to provoke the Soviet Union any further, and kept the fledgling conflict in control.

Another explanation for why China initiated a border conflict with the Soviet Union is that of the Sino-Soviet split itself. As Lorenz Luthi said at the launching of his new book, the border conflict would not have happened if the Sino-Soviet split had not happened in the first place. In other words, the border clash was merely the peak of the

69 Ibid.
70 Ibid., 31. China promulgated domestic public affairs by saying that the Chinese should be ‘preparing for fighting a war.’ Even Chairman Mao claimed that China should be ready “to fight a great war, an early war, and even a nuclear war.”
71 Ibid., 30.
Sino-Soviet split escalation. Further, he also mentioned that it all happened because of the “Mao factor,” or the ideological differences between Mao and Khrushchev. In Mao’s view, Khrushchev was a weak leader because of his peaceful coexistence doctrine and, more importantly, for backing down during the Cuban missile crisis. Further, the perception of a weak Khrushchev was echoed in the Soviet Union when Khrushchev was voted out of office in 1964. Moscow replaced him with quite a strong figure as early as 1964: Leonid Brezhnev. Brezhnev even dictated the Brezhnev doctrine, which limited Western influence in Eastern Europe. At the same time, another argument explaining why the conflict did not escalate further, focuses on China’s own doctrine. According to that argument, during the Bandung conference in 1955, China itself recognized the five principles of peaceful coexistence, derived from the Panchsheel principles.\footnote{Zhou Enlai was the leader who attended the Bandung conference in 1955. Even though it was not Mao Zedong himself who recognized five principles of peaceful coexistence, Zhou Enlai absolutely acted on behalf of Mao’s de facto power within China’s government. Panchsheel is the Indian term for the five principles of peaceful coexistence. This term went back to 1954, when China, Nepal, and India signed the treaty of peaceful coexistence.} Even though the Sino-Soviet split was not the main cause of the clash, it is clear that without the split itself, the battle would not have happened.

3. **Summary**

We see that several triggering events from 1959 to 1969 brought China and the Soviet Union into the stage of emergence. But, the border clash did not occur until there were changes within interactions among Chinese leadership on domestic matters. Once the patterns of interaction between Mao Zedong, other Chinese political leaders, and the Red Guard changed, then China and the Soviet Union stepped into the stage of escalation

Two underlying causes made the Sino-Soviet border clash happen: The Sino-Soviet split and the domestic instability in China caused by the Cultural Revolution. Without the Sino-Soviet split, China would most likely have made another diversionary war but with a state other than the Soviet Union. On the other hand, without the Cultural Revolution, China would not have used the territorial dispute issue to initiate a war with a superpower like the Soviet Union. While the Chinese troops’ ambush was a proximate
cause of the armed conflict between both countries, we can see that the territorial dispute largely served as a pretext for China to initiate the clash with the Soviet Union.

C. AMBALAT DISPUTE

In terms of disputes with other countries, Indonesia’s dispute with Malaysia over Ambalat, a sea block in the Celebes Sea, is the most intense. Like the North Natuna Sea dispute, it is not a territorial dispute at all.\(^{73}\) The dispute is actually about the continental shelf and the Exclusive Economic Zone (EEZ). The seabed of the area is rich with oil and natural gas reserves.\(^{74}\) The question is what actually caused the escalation of the dispute, and why the dispute de-escalated rather than igniting into a war between Indonesia and Malaysia.

We can trace the dispute back to 1967 when both countries wanted to resolve maritime boundaries. In 1969, both sides agreed to sign the delimitation of continental shelves, but they could not agree on the status of two small islands: Sipadan and Ligitan.\(^{75}\) In 1979, Malaysia asserted its claim by publishing new charts, which were met by protests from many of its neighbors, including Indonesia.\(^{76}\) In the new charts, Malaysia claimed both islands, Sipadan and Ligitan, along with their surrounding waters, which include the Ambalat block.\(^{77}\) Then, in 1996, both countries agreed to submit the problem to the International Court of Justice (ICJ) for resolution.\(^{78}\) In 2002, the ICJ


\(^{77}\) Butcher, “The International Court of Justice and The Territorial Dispute Between Indonesia and Malaysia in The Sulawesi Sea.” 239.

announced its verdict that both islands belonged to Malaysia.\textsuperscript{79} Based on that verdict, Malaysia argued that the Ambalat block is part of both islands’ EEZ and therefore belongs to Malaysia.\textsuperscript{80} On the other hand, Indonesia maintains that since Malaysia is not an archipelagic state,\textsuperscript{81} it cannot draw an archipelagic baseline as Indonesia, an archipelagic state, does.\textsuperscript{82} As a result, the entire Ambalat block is within the Indonesian EEZ. Even though there was a disagreement regarding the ownership of the Ambalat block EEZ and continental shelf, both countries maintained the status quo on Ambalat for a few years.

In 2005, the status quo was upset after a Malaysian oil company gave the Ambalat block concession to Shell.\textsuperscript{83} The Indonesian free-press smartly caught the public emotion by openly putting the Ambalat dispute on the front-page. Before long, the Indonesian public got irritated with the situation and demanded the government to act firmly regarding the dispute. On April 8, 2005, a trigger event happened when an Indonesian navy ship and a Malaysian navy ship almost rammed one another. At that point, both countries entered the stage of emergence. Nonetheless, both countries preferred to maintain the status quo, and Indonesia and Malaysia never reached the stage of escalation.

We consider three arguments for why the Ambalat dispute proceeded in this manner.

\textsuperscript{79} Ibid.
\textsuperscript{81} Archipelagic state: A state constituted wholly by one or more archipelagos and may include other islands. See: Article 46 United Nations Convention on the Law of the Sea 1982 or UNCLOS 1982.
\textsuperscript{82} Druce and Baikoeni, “Circumventing Conflict,” 137–156.
\textsuperscript{83} Ibid.
1. **First Argument**

The first argument states that the Ambalat block dispute is all about economic value. Twenty percent of all Indonesian oil production is refined from this area. The total reserves of the Ambalat block are about 62 million barrels of oil and 348 billion cubic feet of natural gas. However, even though the Ambalat is certainly rich in natural resources, but escalation of the dispute did not rest solely on that factor. In fact, Indonesia’s economy is highly dependent on income from Malaysian tourists and on investment from Malaysia. Furthermore, Indonesia has many laborers work in Malaysia. Thus, for economic reasons, it would make more sense not to escalate the dispute.

Even though the EEZ associated with Ambalat is economically valuable, economic matters were not the underlying cause of increasing tensions. Rather, the public demand for the government to react firmly to the Malaysian oil company’s concession of Ambalat to Shell put pressure on Indonesian leaders. Otherwise, the opposition party would have taken that chance to bring down the government’s credibility.

2. **Second Argument**

The second argument also holds that the tension surrounding Ambalat did not dramatically increase because of the intrinsic value of the sea block. Rather, the blend of the enduring rivalries between the two countries and a burst of Indonesian nationalism, were the conditions that made for high tension. Based on this argument, the Ambalat dispute was only a trigger for the tension between both countries. Without the Ambalat dispute, there would still have been other problems with the potential to increase the tension between the two countries.

A long history of bitter relations between two countries can cause any issue to intensify between them. Dating back to the 1960s, Mr. Soekarno, Indonesian president, launched a confrontation policy against Malaysia, in order to thwart the establishment of
a Malaysia confederation. After the fall of Soekarno’s regime, the relationship between both countries began to thrive, but the memories of enmity with Malaysia are real and can be heightened at any time by the government, or as in the Ambalat case, by the media.

Consequently, Indonesian nationalism was one of the most important factors in the escalation of the Ambalat dispute. It is important to note, however, that the Indonesian public’s nationalism is not targeted at all countries and all issues equally. Enduring rivalries produce the targets for the lion’s share of the nationalism. In particular, three countries usually become targets of public rallies in Indonesia: The United States, Australia, and Malaysia. In general, the rallies that target the United States center on religion rather than Indonesian nationalism, and in the case of Australia, the Indonesian public has never demanded a direct confrontation. But if the problem involves Malaysia, that same level restraint is not necessarily the case. The sensitivity of the issue is another factor that is important to note. Even though it is clear that all of the issues related with Malaysia, including the Indonesian workers issue, cultural heritage disputes, or even the Manohara issue, all have the potential to flare up, but undoubtedly, all else being equal, the Ambalat “territorial dispute” was the most sensitive issue of all.

3. Third Argument

The third argument holds that the cause of the heightened tension about Ambalat was that the key actors used the situation as a political commodity. According to this argument, the main actor, the government as a whole, used the issue to divert Indonesian public attention from domestic problems. High unemployment rates and fuel prices were...

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among several issues that decreased the government’s popularity.\textsuperscript{89} Indeed, the Indonesian government wanted to show that it could flex its muscle but then reduced its intense posture afterward.

The reason why the Indonesian government took a firm stance is twofold: to satisfy the public, and to prevent its political opponents from using the issue as a weapon to discredit the government. The Indonesian government tried to send a signal for its public audience by declaring that the regime would not back down in dealing with Malaysia. Once the government felt that its stance had satisfied the Indonesian public’s thirst for nationalism, the Indonesian government used the diplomatic channel to calm the situation. The opposition party, ultimately the one that won seats in the parliament, tried to influence the government by urging the leadership to do more to defend Indonesia. Several of these leaders even joined the rally outside Malaysia’s embassy in Jakarta, and yelled for crushing Malaysia.\textsuperscript{90} The Indonesian government’s motivations can be seen in how the Indonesian president gave different explanations regarding his actions to the Malaysian government. The Indonesian president, Dr. Susilo Bambang Yudhoyono, clarified to his Malaysian counterpart that his visit to Ambalat was just to remind the military personnel in the frontline to be careful in handling the situation.\textsuperscript{91} The president also gave a guarantee to the Malaysian government that he could handle the situation and even lower the tension.\textsuperscript{92}

4. Summary

In the Ambalat dispute, the escalation reached its height because Indonesian nationalism flared up. The Indonesian government itself in this instance was passive. Even though there were some domestic problems during that time, overall, Indonesia was


\textsuperscript{90} Ken Ward, \textit{Dealing with a Democratic Indonesia: The Yudhoyono Years} (Sydney: Lowly Institute, 2007).


\textsuperscript{92} Ibid.
quite stable. Thus, the Indonesian government had no motivation to divert its public from
domestic problems by pointing a finger at Malaysia as a common enemy. It did not want
to increase the tension with its neighbor. Malaysia became a target of Indonesian
nationalism largely because of the enduring rivalry between the two countries rather than
because of the Ambalat issue specifically.

D. **CONCLUSION**

In the case of the Sino-Soviet Union border conflict, the initial border dispute was
the focal point for several unrelated heated issues. These issues included the deteriorating
relations between China and the Soviet Union, which were marked by the Sino-Soviet
split, and Mao’s intention to divert the Chinese public’s attention from the Cultural
Revolution, by mobilizing the Chinese people over the war between China and the Soviet
Union. China actually would have had no intention to reclaim its territory from the Soviet
Union, if there had not been a Sino-Soviet split in the first place. This demonstrates the
strong role that international rivalry can play in the escalation of territorial disputes.

From these historical lessons, we can draw some conclusions that are applicable
in the South China Sea dispute between Indonesia and Malaysia. The first is that China is
not likely to consider the intrinsic value of the disputed area as a cause to attack
Indonesia in the first place. Rather, China would most likely go to war as a response to its
domestic instability, or in other words, when nationalism can be used to shore up the
current regime’s power at home, as happened during Sino-Soviet border conflict. As we
saw in that conflict, the transition from the emergence stage to the escalation stage
occurred soon after there were changes and new patterns of interaction within Chinese
domestic politics.

In the case of the Ambalat dispute, we can see that the Indonesian democratic
government in the Susilo Bambang Yudhoyono era had no inclination to use the dispute
as a political commodity to divert public attention to a common enemy. The Indonesian
government behaved assertively to its enduring rival, Malaysia, only to meet the public
demand. Eventually, in fact, the Indonesian government successfully managed the
dispute to avoid an open conflict with Malaysia.
From this dispute, we can draw some lessons that we can apply in today’s maritime dispute between China and Indonesia in the South China Sea. In particular, it implies that in the case of a maritime dispute between Indonesia and China, with high probability, the Indonesian government would work to curb its public demand to act assertively. In the Ambalat case, even though trigger events occurred and both countries, Indonesia and Malaysia, entered the stage of emergence, no further escalation took place. This outcome may be attributed to the absence of change and new patterns of interaction within Indonesia’s domestic politics.
III. NATIONALISM IN THE CONTEXT OF THE SOUTH CHINA SEA ISSUE

In this chapter, we discuss whether today’s nationalism in China and Indonesia might significantly influence the escalation of the dispute between the two countries. We measure the level of nationalism by comparing the public responses to media reports about the North Natuna Sea dispute in recent years with the respective public response to other sensitive issues already shown to raise public nationalism in each country. For China, we compare the public sensitivity to the South China Sea dispute with the Chinese public sensitivity to the China-Japan issue, the China-U.S. issue, and the Taiwan issue. In the case of Indonesia, we compare the public sensitivity to the South China Sea dispute with the public sensitivity toward disputes and with other countries in recent years.

A. CHINESE NATIONALISM AND THE SOUTH CHINA SEA ISSUE

In the late 1980s, pushed by the economic deterioration of the Soviet Union, there was an outbreak in the communist world. The coming of “the third wave” of democratization swept away communism as an ideology and its authoritarian model of government.\(^{93}\) To address with this potential threat, the Chinese Communist Party (CCP) tried to find a solution, so its public would not demand democratization in the future. Ziang Zemin, then general secretary of the CCP, used the “century of humiliation” narrative, which relies on historical memories of the period from the mid-19th to mid-20th century when China endured Western intervention and Japanese imperialism, to raise the level of Chinese nationalism.\(^{94}\) Too high a level of nationalism, however, could also cause an unbearable side effect, resulting in the collapse of the regime. Recently, Dr. Susan Shirk found that the Chinese public’s nationalism rises in response to at least three sensitive issues: the Japan problem, the Taiwan problem, and the U.S. problem.\(^{95}\)

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95 Drawing on the pharmaceutical context, what I mean by contraindication here is this is something that the Chinese government must be careful using, since these three issues can spark public anger, and the public can direct that anger at the Chinese government. Ibid.
Conscious of this situation, China always tries to use its nationalism carefully when it has one of those three problems at hand. The Chinese government does not want public nationalism to become uncontrollable. Unfortunately, China now has a new problem, which is the South China Sea issue. So far, there is still no clear-cut answer as to whether the South China Sea problem is a sensitive issue for the Chinese public.

1. The Medicine for China: Nationalism

To maintain its “mandate of heaven” as a one-party rule, the CCP has consistently tried to find additional sources of legitimacy. Jiang Zemin, a relatively weak leader compared to all of his predecessors,96 used nationalist sentiment as leverage to increase the party’s legitimacy to govern. Different from Mao Zedong, Zhou Enlai, and Deng Xiaoping who had revolutionary experience, Jiang, as one of a new generation of leaders, lacked the power to become as strong an authoritarian leader as Mao and Deng.97 To promote nationalism, Jiang created a new program in the form of a “patriotic education campaign.”98 The idea was to revive the Chinese memory of misery during the century of national humiliation.

The narrative of national humiliation, which emerged following the student-led protests that ended in a massacre in Tiananmen Square in 1989, is not new. The nationalists in Taiwan had already used this paradigm long before CCP leaders harnessed it for political purposes in the post-Tiananmen incident. Dr. Sun Yat-Sen and Chiang Kai Sek were two nationalist leaders who staunchly wielded this tool to gather Chinese public support.99 However, that narrative of China ultimately prevailing over foreign imperialism relied on the role of the Kuomintang, which has lost popularity in

97 Shirk, China: Fragile Superpower, 44–45.
98 Ibid., 164.
contemporary Taiwan. Consequently, the century of humiliation narrative is no longer ingrained in the Taiwan public’s mind.\textsuperscript{100}

Following the Tiananmen Square incident, as previously mentioned, the CCP tried to use nationalism as a source of legitimacy to govern. By initiating a campaign to boost patriotism in 1991, the CCP particularly targeted the Chinese youth for its propaganda.\textsuperscript{101} The Chinese government implemented its regulations for all levels of education, from kindergarten to university.\textsuperscript{102} The effort was apparently successful. In the 1996 Taiwan Strait crisis, which emanated from Chinese missile tests, the Chinese public vehemently supported their government in opposition to the United States and Taiwan, without much prodding from the government to “rally ’round the flag.”

The patriotic education campaign promoted the theme of the century of humiliation into modern Chinese life. Deng acknowledged the importance of the patriotic education campaign by saying,

I have told foreign guests that during the last 10 years our biggest mistake was made in the field of education, primarily in ideological and political education—not just of students but of the people in general. We did not tell them enough about the need for hard struggle, about what China was like in the old days, and what kind of a country it was to become. That was a serious error on our part.\textsuperscript{103}

In order to fix this mistake, beginning in 1991, the CCP leaders formulated a way to implement a patriotic education campaign. That year, Jiang was quoted in the \textit{People’s Daily}, saying:

We should conduct education on Chinese modern and contemporary history and national conditions to pupils (even to the kids in kindergarten),

middle school students and to the university students. The education should go from the easy to the difficult, and should be persistent.104

Different from governments in other countries, which used nationalism to form nation-states after World War II, the CCP used revolution as a theme of the success of class struggle. Mao, as an ideologically driven leader had a strong belief in Marxism. Based on class struggle theory, nationalism is only a short-term objective before achieving the long-term objective of subjugating all of the bourgeoisie in the world, and uniting all the proletariat throughout the world. Thus, when Khrushchev denounced Stalin in a secret speech in 1956, Mao criticized Khrushchev for being a revisionist. In fact, Mao even had no resentment toward Japan. In Mao’s era, CCP leaders saw the Japanese motive in World War II, including the Japanese invasion of China, as being driven by capitalist greed to get raw materials and markets. As a staunch communist, Mao believed that Japanese workers and peasants were actually victims as well.105 Driven by this ideological motive, the People’s Republic of China (PRC) during Mao’s era went to war in Korea and helped the North during the early phase of the war in Vietnam. Mao even had to abort plan to invade Taiwan in order for China to help its North Korean comrade. In Mao’s era, the theme was that China’s decline was due to an internal factor within the Qing dynasty and the Kuomintang regime.106

In the past, Mao always depicted China as a winner that could beat imperialism. In the patriotic education campaign of the post-Tiananmen period, however, the Chinese government depicted China as a victim of imperialism.107 Mao always proudly told the narrative of the victory of class struggle against Western and Japan imperialism, and against Kuomintang bourgeoisie.108 The Chinese nationalists under Chiang Kai Shek, on


105 Ibid., 790.


108 Ibid., 783–806.
the other hand, always used the Chinese humiliation theme to gather support for their struggle prior to the Chinese civil war—something that Chinese Communist Party did not even think about at that time. Because of the pragmatic need to maintain support for the party, in the post-Tiananmen era, the Chinese depiction as a victim was much better fit to boost nationalism. This paradigm could unite all Chinese, particularly the Han Chinese, which comprised around 92 percent of the Chinese citizens, under the CCP. This freed the CCP to deal with the common threats, which were the Japanese and Western imperialism. This co-optation of the national humiliation narrative after the Tiananmen incident was important to boost nationalism in China. Fears of revolt force the Chinese government to do whatever it takes, including the pursuit of assertive foreign policy, to calm down the Chinese public.\footnote{Shirk, \textit{China: Fragile Superpower}.}  

2. Three Core Issues in Chinese Public Nationalism: Japan, Taiwan, and the United States

In her book, Shirk makes a very interesting point about the three main subjects to which the Chinese government would devote its energy: Japan, Taiwan, and the United States.\footnote{Ibid.} All issues related to these three subjects would be managed by the central government. It means that these issues are the ones that concern the Chinese government the most. This is because these matters are the main issues that are very sensitive for the Chinese public.

China-Japan relations are the most sensitive issue for the Chinese public. This is due to Japanese atrocities committed against the Chinese people before and during World War II, and the Chinese government’s effort to use the memory of the Japanese atrocities to boost nationalism in the post-Tiananmen Square incident era. The Japanese atrocities are still remembered by many Chinese who either were victims of the atrocities themselves or saw the atrocities first hand. Naturally, all those memories were passed to their children and grandchildren. Even without any government propaganda to remind the Chinese public, the public memories of the Japanese atrocities already exist. Considering
the need to boost Chinese public nationalism in order for the CCP to stay in power, after the Tiananmen incident in 1989, the Chinese government picked the most available theme, which was the Japanese occupation and past atrocities. There are a total of 20 museums and public monuments to revive the memory of anti-Japanese war, from 1937–1945.111 The Chinese government also uses the media, for example film, to depict the war and stir anti-Japanese sentiment.112 The Sino-Japanese relations issue has been the easiest way for Chinese leaders to rally the public 'round the flag.

The Taiwan issue is the second most sensitive topic for the Chinese public. As a vanguard of the country, the CCP differentiates itself from the Qing dynasty, which lost much of its territories during the century of humiliation. The CCP has realized that it must not repeat the same mistake as the Qing dynasty. The failure to act correctly on the Taiwan issue could endanger the CCP’s legitimacy to govern. One of the biggest challenges for the PRC today is the possibility for Taiwan to declare independence. Because of the decline of the Kuomintang’s popularity, the chance for Taiwan to separate itself from mainland China is increasing.

As the strongest superpower in the world, the United States is the only state that could repeat the Chinese humiliation in the current era. As the second superpower in the world, the Chinese public realizes that today, no country in the world can humiliate China other than the United States. As in the past, Western powers, Russia, and Japan could easily humiliate China by imposing unequal treaties. Today, arguably only the United States has the power to make such things happen. For example, only the United States has the courage to challenge China’s claim of jurisdiction over its own EEZ, by conducting the Freedom of Navigation program. The United States role as an ally of Japan and Taiwan makes the relations between China and the United States even more precarious. Issues related to China–United States relations can seize the Chinese public’s attention.

112 Ibid.
Today, the Chinese government can no longer use nationalism for matters that deal with these three issues. These issues could boost Chinese public nationalism to the point that it could endanger the sustainability of the regime itself. The public anger in response to the acts of Japanese, Taiwan, or U.S. leaders could be redirected at China’s own government if—based on the Chinese public’s perspective—the government did not act properly to protect Chinese interests vis-à-vis those three countries. These three subjects, then, have become contra-indications for the medicine of Chinese nationalism.

3. **Avoiding Overdose: Nationalism and the South China Sea**

Different from issues related to Japan, Taiwan, and the United States, the South China Sea issue is a subject that is not as sensitive for the Chinese public. Chinese leaders today have no tendency to use Japan, Taiwan, and the United States as a political commodity, since they realize the danger of playing those three cards. The out-of-control nationalism regarding those three subjects could lead the regime to an end. On the other hand, the Chinese government still considers the potential of boosting nationalism to serve its political purposes regarding the South China Sea issue as a low risk political commodity. The Chinese leaders assume the South China Sea issue can be used to “wag the dog” without significant consequences. However, the Chinese government must realize its fragility and make sure that it would not spin out of control. Once the Chinese government takes the nationalism “pills,” it can be difficult not to get addicted. Three factors that related to the South China Sea issue could cause the Chinese government to suffer an adverse reaction: formal education, the media, and the passport incident.

It seems that the Chinese government reiterates its mistakes by educating its citizens regarding the South China Sea. The insertion of the South China Sea issue into textbooks for students could gradually develop their sense of belonging. In geography classes, Chinese students know very well where the southernmost part of the Chinese

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113 Shirk, *China: Fragile Superpower.*
territory falls. As a result, there is little wonder that a survey found a high degree of confidence among the Chinese public about the possession of the South China Sea. The majority of Chinese citizens even agreed with bringing the South China Sea case to the international tribunal.

By using the media, the Chinese government also cultivates a feeling of strong ties between the Chinese and the South China Sea. Documentary programs regarding the history of the South China Sea from the Chinese perspective seek to make the Chinese public unaware of the “other version” of history. Articles and materials are almost always lopsided toward the Chinese claim. Moreover, the statements made by public officials sharpen the grassroots perspective about who owns the South China Sea.

In 2012, the Chinese government published a new passport for its citizens. This passport included a map of China, which encompassed the South China Sea. One interesting point to note is the absence of the Senkaku/Diaoyu islands from the new passport’s map. It might be too small to be included in the map, or it might have been intentionally left out. It is likely that the Chinese government consciously sees the Senkaku/Diaoyu island dispute between China and Japan as a case that could endanger the Chinese government itself, since it would trigger public anger. On the other hand, the inclusion of the South China Sea on the new passport’s map suggests that the Chinese leaders feel the South China Sea issue would not boost Chinese nationalism to a level that the Chinese government could not manage. Even though the Chinese government’s reason behind the publication of the new passport, whether to “educate” its citizens about


116 Ibid.


118 Ibid.

119 Ibid.
Chinese territory or as an opportunity to rally them ‘round the flag, is not clear the result is clear. It indicates that the Chinese sense of belonging and the feeling of attachment to the South China Sea is growing and becoming stronger.

Additional problems are the potential perceptions within the Chinese public that the United States is the puppet master behind the South China Sea problem and that the South China Sea issue is a legacy of the Chinese century of humiliation. If this were the case, the degree of sensitivity would rise easily. Even though it is unclear whether this is part of the Chinese “education campaign,” the snowball has already begun rolling, and it could become bigger over time.

After the ruling of the International Tribunal for the Law of the Sea (ITLOS) in 2013, it became evident that the Chinese government seemed to realize its mistake. The public anger caused by the ITLOS verdict, which rejected the Chinese claim regarding the South China Sea with its Nine-Dash Line as historical claim, overwhelmed the Chinese government. Even though the Chinese public reaction was only limited to social media, without any real movement or rally, it revealed that the issue sparked huge nationalism among the Chinese grassroots. The Chinese government worried that the public anger could become out of control. To calm the situation, the Chinese government used censorship as its weapon. It removed some controversial postings and ultra-nationalist comments.

However, while the degree of national pride is much less tied to the South China Sea dispute than it is to other issues, over time, the sensitivity of the South China Sea

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124 Ibid.
dispute may increase, unless the Chinese government addresses the situation. If this situation continues, the Chinese government could find itself in a situation in which no one in the government would dare to act as an outlier, since he or she would be considered as a betrayer of his or her own constituents. Another possibility is that the Chinese government’s actions to reduce tensions in the South China Sea could be used by political rivals as a weapon to remove the administration from office. If this snowball continues rolling, a hawkish approach by the Chinese government to deal with the South China Sea issue could become increasingly likely.

4. Conclusion

The bitterness over the Tiananmen incident led the Chinese government to use nationalism to replace communism as a basis of legitimacy. However, by promoting a high degree of nationalism, the Chinese government has unleashed another movement that can endanger the survival of the regime. The Chinese government has realized the sensitivity of issues related to Taiwan, Japan, and the United States. In those three matters, the Chinese government knows that escalation risks are high and that conflicts should be avoided. In contrast, the Chinese government has been able to use the emerging issue of the South China Sea to gain “credit” from the Chinese public. However, some signs indicate that the South China Sea issue has become more sensitive than before. The trend is becoming evident that over time, the Chinese public’s nationalism in regard to the South China Sea is increasing. It is therefore possible that in the near future, the South China Sea issue will become more difficult to control.

B. INDONESIAN NATIONALISM AND THE SOUTH CHINA SEA ISSUE

In the post-reformation era, Indonesian nationalism emanates from anti-colonialist sentiment, maintaining that Indonesia needs to worry about its territorial integrity, which can be encroached on by foreigners, especially Western imperialists. In the post-reformation era, the Indonesian public is becoming more sensitive to territorial disputes after several cases that nearly resulted in Indonesian disintegration. However, in the case of the South China Sea dispute with China, it turned out that even though the Indonesian media tried to sell the issue to the public, but because China has never been targeted by
Indonesian nationalism in the past, and China has never become Indonesia’s enduring rival, the South China Sea issue has never become a sensitive issue among the Indonesian public.

1. History of Indonesian Nationalism

Indonesian nationalism was first celebrated in 1928 when youth representatives of many regions all over the archipelago held a youth congress. This pre-independence nationalism targeted the Dutch as a colonial power. The purpose of this movement was to liberate Indonesia from a foreigner. After Indonesia declared its independence in 1945, nationalism was a useful tool to resist the Dutch, who wanted to recolonize Indonesia.

After Indonesia gained recognition as a free and independent country in 1949, it entered what is widely known as the “old order era.” During this period, Soekarno was still maintaining anti-colonialism as a source of Indonesian nationalism. In 1961, he launched Operasi Trikora or the Trikora campaign to take back West Papua from the Dutch. In 1963, Soekarno launched konfrontasi or the confrontation campaign against the Federation of Malaya. The very well-known rhetoric that he used at that time was “ganyang Malaysia” or “crush Malaysia.” Many times in his public speech, he mentioned that Indonesia was under siege from colonialist powers. From south, there was Australia, which was part of the commonwealth, and from north, there was a newly established Malaysia Federation, which was backed by the British.

After the fall of Soekarno in the late 1960s, the confrontation policy came to a sudden stop. Soeharto, as the new leader, had a very different approach from his predecessor. He made peace with Malaysia, and ended the confrontation policy. There was no more anti-colonialism rhetoric, which targeted Western-affiliated countries. In contrast, Soeharto got even closer to the Western bloc to curb the influence of

communism in Southeast Asia.\textsuperscript{128} The narrative of anti-colonialism that characterized nationalism still existed, but only limited to the Dutch as Indonesia’s former colonizer. The Indonesian government in this era also added anti-communist ideology to the narrative of nationalism. In line with those two narratives of nationalism, in 1975 Indonesia invaded East Timor. The Indonesian government narrative to justify the invasion was just the same as that of Soekarno’s era, which centered on anti-colonialism,\textsuperscript{129} but with a motive to prevent East Timor from falling into communist control.\textsuperscript{130}

2. Reformation Era and Nationalism

In the post-reformation era, which began in 1998, the Indonesian public became more sensitive to territorial nationalism.\textsuperscript{131} The old rhetoric that warned Indonesians to always be wary of other countries, especially colonialists, who are envious of Indonesian richness, seemed fit with Indonesian condition in the post-reformation era. Other countries would not be happy with the unity of Indonesia, according to this narrative, and would try to divide Indonesia into pieces as the Dutch did in the past. After the fall of Soeharto in 1998, Indonesia was facing disintegration. Ethnic and religious conflicts erupted in several parts of Indonesia. Secessionist movements also showed up in several regions. The separation of East Timor from Indonesia in 1999 exacerbated this condition. Even worse, three years later, the International Court of Justice ruling that recognized Malaysia as the owner of the Sipadan and Ligitan islands stunned many Indonesians.\textsuperscript{132} For Indonesians, this situation represented a close call that could have resulted in the balkanization of Indonesia.

\textsuperscript{128} One of Indonesian motives to invade East Timor in 1975 was to curb the spread of communism in Southeast Asia.

\textsuperscript{129} The Indonesian government used a narrative of the same feeling as a former colony country as East Timor.

\textsuperscript{130} The Fretilin, a leftist party, became so popular that the Indonesian government and Western bloc countries and affiliates began to fear that East Timor would fall under communist rule, and then the Soviet Union could use it as a military base.


On the other hand, democratization in Indonesia undoubtedly provides a high degree of the freedom of expression today. In the reformation era, politicians and public figures have been able to speak on any topic and express their opinion on it. The politicians, especially from the left wing party, and Soekarno sympathizers are the ones who have commented in the media about reviving the idea of “ganyang Malaysia” or “crush Malaysia.” They have been the ones that remind the public of a dark history between Indonesia and Malaysia. They use Soekarno’s idea and rhetoric of anti-colonialism, which targeted Malaysia to launch his konfrontasi policy. Likewise, the media in Indonesia also has been unleashed. The free press eventually will result in a market-oriented press, which always competes for a sensational topic. The press will capture what the public wants to see and read.

In the case of East Timor, the Indonesian public did notice Australia’s involvement, which eventually led to Indonesia’s loss of East Timor. Australia’s motive for its involvement, whether humanitarian or political, is not important. But, one thing is for sure: the Indonesian public became aware that foreigners, especially members of the Western bloc, would try to dismantle Indonesia, as described in Soekarno’s rhetoric in the 1960s during his confrontation policy.133

Quite fit with the rhetoric is the sand dispute between Singapore and Indonesia. In order to reclaim land, Singapore needs to import sand from Indonesia. Meanwhile, since Singapore reclaimed its land toward Indonesian waters, there is an anxiety among Indonesians that in the future Singapore could shift its boundary because of a different interpretation of the United Nations Convention on the Law of the Sea (UNCLOS) of 1982.134 If so, Singapore would encroach on Indonesian territorial waters in the Singapore Strait.

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133 In Soekarno’s speech during the “ganyang Malaysia” campaign, many times he warned about imperialist powers, ultimately Great Britain with its commonwealth, including Australia and New Zealand.

3. Target of Indonesian Nationalism: Enduring Rival

As territorial disputes are becoming a more sensitive topic among the Indonesian public, how the Indonesian public will react on a specific dispute is dependent on the country involved. In the contemporary era, there are three countries usually targeted by Indonesian nationalism: Malaysia, Australia, and to some degree, Singapore. All of these are prime targets, of course, because of their proximity to Indonesia, and because of old memories from the konfrontasi era. The Indonesian public sees them as the embodiment of colonialist power in the region. It is worth noting, though, that the Indonesian public does not see these three countries as targets of nationalism equally. Undoubtedly, Malaysia is the one seen as an enduring rival by the Indonesian public.

As for the name, it is obvious that Malaysia was the one that Soekarno mentioned many times in his speech to crush Malaysia or ganyang Malaysia. Even though at that time Singapore was part of Malaysia, in fact, the Indonesian military sent two marines to terrorize Singapore. Yet, the Indonesian public today cannot fully understand that Singapore was part of the target of the ganyang Malaysia campaign. Meanwhile, Australia was targeted because it was one of the commonwealth states that helped Malaysia during the confrontation era.

Indonesian migrant worker problems also have a tendency to make the Indonesian public angry. Because of Malaysia’s need for a huge number of workers in 1970s, many unskilled laborers from Indonesia emigrated illegally to Malaysia. There are a million Indonesian workers in Malaysia, some of them are legal, but many of them are illegal.

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136 In Soekarno’s speech during the “ganyang Malaysia” campaign, many times he warned about imperialist powers, ultimately Great Britain with its commonwealth, including Australia and New Zealand.

137 Richard Dorall and Shanmugam R. Paramasivam, “Gender Perspectives on Indonesian Labour Migration to Peninsular Malaysia: A Case Study,” in *Population Studies Unit’s International Colloquium, Migration, Development and Gender in the ASEAN Region*, (Coral Beach Resort, Kuantan, Pahang, 1992), 13.
workers. Over time, the relationship between Malaysia and Indonesia has become like that of a master and slave. A pejorative term “Indon” has become daily use among Malaysians in referring to Indonesian workers. How Malaysian masters treat their Indonesian workers arbitrarily makes for sensational news in the Indonesian free press in the post-reformation era. Not to mention, much of this news taps the vengeance that many returning workers have after they were treated high-handedly by their master or even the Malaysian police. When they get back home, they share their grievances with their relatives, friends, or even the media. They tell how Malaysians degrade Indonesians and how they treat Indonesian workers like slaves. Many of them then became volunteers for the “second ganyang Malaysia” during the Ambalat crisis in 2005. All of these worker issues aggravate relations with Malaysia, giving the impression that Malaysia undermines Indonesian national dignity.

Another interesting facet of these nations’ relationship is highlighted by the Manohara Odelia Pinot case and the cultural heritage dispute between Indonesia and Malaysia. Both cases are unique, in the sense that it is rare in international relations for the relations between two or more countries to be influenced by non-political economic issues. In the case of Manohara, Indonesian public nationalism was boosted by a melodramatic household affair. In the case of the cultural heritage dispute, Indonesian nationalism flared up in response to the use of shared culture in a Malaysian tourism advertisement. As a comparison, Singapore, which also shares some cultural heritage with both countries, never has become a target of Indonesian cultural nationalism. For

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example, Singapore Airlines’ use of the word “Krisflyers” and the wearing of a batik uniform have never become an issue that can spark Indonesian public nationalism.

From the previous discussion, we can conclude that even though Indonesia is becoming more sensitive to territorial disputes, we cannot generalize that response to all cases in the future that may be similar to the Ambalat dispute with Malaysia. Not all territorial disputes will end up with a huge sense of nationalism among the Indonesian public as it happened during the Ambalat crisis in 2005. The enduring rivalry with Malaysia and the availability of anti-Malaysia rhetoric from the past are important in determining whether a territorial dispute would become a sensitive issue for the Indonesian public.

4. Putting to the Test: The South China Sea Dispute

Several times in recent years, there have been incidents between the Indonesian Navy and Chinese vessels, including fishing vessels and Chinese coast guard ships. In the most recent incident at the time of this writing, a Chinese coast guard ship tried to hinder Indonesian authority by ramming a fishing vessel, and there was no outrage among Indonesian public. There was no public protest. It is worth asking why it is very easy for Indonesian public to curse Malaysia, but not so much if it comes to China.

Different from the sensitivity toward the Ambalat dispute with Malaysia, the South China Sea issue is not as sensitive to Indonesian public. It is true that after reformation, the Indonesian public is becoming more sensitive to territorial disputes. However, the absence of historical enmity and past rhetoric with regard to China decreases the tendency for the Indonesian public to become emotional.

Indeed, the Indonesian media tried to fire up Indonesian nationalism once again in response to China’s aggressive behavior, as it did during the Ambalat crisis, but the result was totally different. Many Indonesian media put the South China Sea dispute with China
on their front pages using provocative tones.\textsuperscript{142} However, since there is no history of an enduring rivalry between both countries, there was almost no public reaction. In contrast, when the dispute with Malaysia escalated, the public easily reacted. In the South China Sea incident, there was no related historical content that Indonesian politicians could use as they could with Malaysia during the Ambalat crisis. There is no confrontational policy regarding China from the past. Soekarno was even very close to China. During the Soeharto era, even though Indonesia cut diplomatic relations with China, there was no rhetoric which Soeharto’s administration built that could generate significant anti-PRC feelings in Indonesia. Likewise, there is nothing about China that undermines Indonesian national dignity like what many Indonesians feel when it comes to Malaysia.

IV. CURRENT TRENDS: CHINESE FOREIGN POLICY TOWARD INDONESIA

A. OVERVIEW

Since Chinese President and General Secretary of the CCP Xi Jinping assumed power in 2013, China has been marked by a more assertive and nationalistic policy. On the other hand, to bring about his “China Dream” slogan, Beijing realizes that peace and a stable environment in the East Asia region is most important. The South China Sea issue is one of the biggest potential threats to regional stability, if Chinese leadership is not careful.

Different from other Southeast Asian countries involved in the South China Sea dispute, Indonesia is not a claimant state. As a result, the possibility of conflict between Indonesia and the PRC should be lower than the possibility of conflict between China and claimant states such as Vietnam, the Philippines, or even Malaysia. Indonesia and China only have a dispute regarding Indonesia’s EEZ, which overlaps with China's Nine-Dash Line claim. By considering this logic, China’s foreign policy would likely have a more dovish approach toward Indonesia than it would with claimant states.

However, as the most populous country in Southeast Asia, Indonesia could be harder for China to persuade. The incidents of Chinese fishing vessels arrested by Indonesian authorities are not unusual. Even if Indonesia dares to sink one of those fishing vessels—a bold measure that arguably will never be taken by other countries in Southeast Asia—such a provocative action would likely serve to rouse Chinese public anger, which eventually would bring about a more hawkish foreign policy toward Indonesia.

Based on the preceding considerations, it is necessary to analyze Chinese foreign policy toward Indonesia, particularly regarding the South China Sea issue. This chapter

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identifies China’s foreign policy toward Indonesia by looking at not only the current leader’s motives, but also any obstacles shaping those policies. Separating the Chinese key actors with their respective interests is also needed to make a deep analysis regarding Chinese foreign policy.

This chapter reveals that China is tempted to use the South China Sea dispute with its Southeast Asian neighbors, including Indonesia, as a stick, while at the same time, using the One Belt, One Road or OBOR initiative as a carrot. Because of the importance for Xi Jinping’s administration to achieve its first centenary goal in 2021, by multiplying the number of middle class citizens in China, Xi Jinping’s administration tends to maintain the status quo on the South China Sea issue. This stance preserves the option to stay open, and leave it to the next generation to solve.

B. CHINESE VIEW OF INDONESIA

As a developing medium-power state, Indonesia is not vitally important to China. It is fair to say that China sees Indonesia only as one of many other states in Southeast Asia. Nevertheless, some factors undoubtedly make Indonesia somewhat special in comparison to its counterparts in Southeast Asia, in China’s view. For instance, Indonesia has an important role in driving the course of the Association of Southeast Asian Nations’ (ASEAN), and its economy is relatively independent from China. Moreover, Indonesia occupies an important geographic location through which almost all of China’s energy supplies and trade pass. Indonesia also boasts relatively vast territories and a huge population.

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146 A large percentage of the Indonesian population is a potential market for the Chinese product. The Chinese industrialization will undoubtedly need a huge market. A relatively near distance from China, Indonesia is considered one of China’s potential markets.
On the other hand, even though not as important, some other factors could undermine the Chinese view of Indonesia. Historically speaking, the relations between the two countries have not always been good. Indonesia’s discontinuation of diplomatic relations after alleging China was behind a failed communist coup in 1965\textsuperscript{147} made China lose face. Furthermore, international isolation\textsuperscript{148}, the prosecution and discrimination of Han Chinese in Indonesia\textsuperscript{149}, the coming of Indonesian Chinese refugees\textsuperscript{150}, and a sense of betrayal, to some extent formed how China sees Indonesia today. These memories were exacerbated with several anti-Han Chinese-Indonesian riots in the near past\textsuperscript{151}.

However, it turns out that Indonesia always has a special place in China’s heart. During the Asian economic crisis of 1997, for example, China sincerely helped Indonesia by not devaluing its currency, providing some loans, and assisting Indonesia to get out from the crisis\textsuperscript{152}.

### C. THE NATURE OF THE DISPUTE FOR THE XI ADMINISTRATION

The South China Sea issue is not a priority for the current Chinese government, or even in the previous administrations’ agendas\textsuperscript{153}. As an issue with a relatively low degree of sensitivity, compared to the Taiwan issue, China-Japan relations, or China-United States relations, the South China Sea issue represents a low risk card, and in the past

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\textsuperscript{148} After the PKI failed coup in 1965, China was viewed as a communism exporter.

\textsuperscript{149} Leo Suryadinata, “Ethnic Chinese in contemporary Indonesia” (Singapore: Institute of Southeast Asian Studies, 2009), 28.


\textsuperscript{153} The Chinese government has some degree of ambiguity regarding the core interest. The South China Sea dispute occasionally was promulgated as one of the Chinese core interests, but not always. “Stirring up the South China Sea (I),” Crisis Group, August 9, 2016, accessed August 27, 2017, https://www.crisisgroup.org/asia/south-east-asia/south-china-sea/stirring-south-china-sea-i.
Chinese leaders could play that card as a political commodity. Unfortunately, this is not necessarily the case today. Because of the increasing of the sensitivity of the Chinese public toward the South China Sea problem, and its potential as a damaging factor for the current administration’s OBOR Initiative, capitalizing on the issue is now a high-risk strategy. As a state in which its public has a high degree of nationalism, the current administration has to be careful to carve out its policy regarding the dispute in the South China Sea.

After the ruling of the ITLOS in 2013, it became evident that the Chinese government seemed to realize its mistake. The public anger caused by the ITLOS verdict, which rejected the Chinese claim to the South China Sea with its Nine-Dash Line marking the historical claim, overwhelmed the Chinese government. Even though the Chinese public reaction was limited to social media, without any real movement or rally, the issue sparked a huge nationalist response at the grassroots level in China.

Although not a claimant state in the South China Sea dispute, Indonesia is at odds with China regarding its EEZ, which overlaps with the Chinese Nine-Dash Line historical claim. China’s ambiguity and the lack of clarity regarding the Nine-Dash Line give China a high degree of flexibility. However, as times goes by, it is likely that China will lose this flexibility. The Chinese public perception of who owns the South China Sea will need to be settled. The “incident” of the Chinese passport, and other previous administrations’ actions could make the Chinese public, especially the youth, just take it for granted that the whole of South China Sea belongs to China.


156 Yoga, “The Coward Authoritarian and the South China Sea.”
D. KEY PLAYERS AND INTERESTS

Even though many analysts believe that President Xi is a strong leader, the Chinese government today, is not a monolithic administration anymore. The assumption that the Chinese government runs with a top-down command only fit during Mao Zedong’s totalitarian era. Just as in other states, some key players and interests contribute to shaping Chinese foreign policy toward its South China Sea dispute with Indonesia.

The People’s Liberation Army-Navy (PLA-N) plays quite a significant role in shaping Chinese foreign policy regarding the South China Sea dispute. The statements of military officers and the actions of the military in the field can be seen as parts of Chinese foreign policy. However, President Xi’s strong control of the military, and his anti-corruption campaign, could reduce the PLA’s involvement. Moreover, China never sent the PLA Navy to handle its maritime dispute with Indonesia.

The Chinese Coast Guard, a newly formed institution under the State Oceanic Administration, has gained more influence in recent years. The Chinese government formed this new desk mainly because so many different institutions, without any clear


159 Xi Jinping’s personal background as a princeling, a son of a revolutionary military leader, makes him familiar with military personnel. See: Mitchell and Wildau, “Xi Jinping Takes Aim at China’s Military.”

160 There have been several incidents between the two countries, but never involving the PLA Navy, even though Indonesia was using the navy to deal with the dispute.

command and coordination, stirred up the situation in the South China Sea.\textsuperscript{162} The Chinese Coast Guard replaces the military to assert China’s claim in the South China Sea.\textsuperscript{163} Formed from four separated institutions in 2013, the Chinese Coast Guard has become the biggest coast guard in the region.\textsuperscript{164} As a new player, the organization would likely seek recognition for its new role in guarding Chinese sovereignty and sovereign right in the South China Sea. Nevertheless, the use of the coast guard, instead of the navy, in conducting patrols in the South China Sea, could be considered as a signal to a foreign audience that China does not want to increase tensions in the disputed area.\textsuperscript{165}

E. STRATEGY FOR THE DOMESTIC AUDIENCE: GAINING ROOM TO MANEUVER

Many analysts view Xi Jinping’s foreign policy as much more hawkish than that of his predecessor. After he stepped into power in 2013, several heavy-handed foreign policies have been made. Some examples of President Xi’s assertive posture include the enforcement of the Air Defense Identification Zone, or ADIZ, in the East China Sea; a staunchly strict attitude regarding the North Korean missile program; and several decisive actions in the South China Sea.\textsuperscript{166} In the South China Sea dispute, we can observe his assertiveness, for example, in his rejection of the ITLOS verdict in 2013, the reclamations of several features in the disputed area in the South China Sea, and in several standoffs between the Chinese government’s vessels and its Southeast Asian neighbors’ vessels. However, as time passes, China is becoming more dovish toward its Southeast Asian


\textsuperscript{166}Nie Wenjuan, “Xi Jinping’s Foreign Policy Dilemma: One Belt, One Road or the South China Sea?” Contemporary Southeast Asia: A Journal of International and Strategic Affairs 38, no. 3 (2016): 422–444.
neighbors. This approach is needed to provide a sense of safety among Southeast Asian countries. In May 2015, the Chinese government suddenly seemed to abandon its assertiveness regarding the South China Sea dispute, by announcing the cessation of features reclamations. President Xi’s peripheral diplomacy also puts aside the South China Sea dispute in order for China to make its One Belt, One Road initiative become a reality; this shift enables Beijing to ensure the stability of the region and maintain China’s economic growth to achieve its first centenary target. Some argue that this is actually an unpredicted for Xi Jinping to choose between two options. But, if we look more closely, we can see this as a deliberate effort by President Xi to gain sympathy from the domestic audience first, in order to maintain freedom of action in the future.

Xi Jinping does not want to be seen as a weak leader by the Chinese public. A weak statement by Chinese leaders in front of foreign leaders when they engage on the dispute in the South China Sea would be intolerable. However, as a politician, President Xi knows that he has to bargain to achieve his goal, or at least pay lip service to easing the tension in the South China Sea, in order to give a sense of security to the Southeast Asian countries. What matters is not the sincerity of the Chinese leader’s statement regarding the halting of Chinese reclamation, but the impact of that statement on the Chinese public.

As a successor of Hu Jintao, President Xi must appear to his domestic audience, at a minimum, no less patriotic than his predecessor. Hu Jintao’s tenure was marked by Chinese assertiveness in the South China Sea. Many incidents happened in Hu’s administration, and tensions heightened in the South China Sea due to his bold stand to


168 See: WenJuan Nie. “Xi Jinping’s Foreign Policy Dilemma: One Belt, One Road or the South China Sea?” Contemporary Southeast Asia: A Journal of International and Strategic Affairs 38, no. 3 (December 2016): 422–444, https://muse.jhu.edu/article/647378/summary.

169 See: Zhang Feng, “Beijing’s Master Plan for the South China Sea,” Foreign Policy, June 29, 2015, accessed August 27, 2017, http://foreignpolicy.com/2015/06/23/south_china_sea_beijing_retreat_new_strategy/. He explains that the cessation of the reclamation can be interpreted as China having already achieved enough of its goal regarding the South China Sea dispute; it can be considered a diplomatic signal to regional countries that China wants peace in the region; or it could be a way to keep regional stability and prevent outside powers from meddling in the South China Sea dispute.
include the South China Sea issue as one of the Chinese core interests.\footnote{MD Nalapat, “Beijing’s Ambitious ‘Hu Doctrine’ Claims the South China Sea,” \textit{National}, September 6, 2011, accessed August 22, 2017, https://www.thenational.ae/beijing-s-ambitious-hu-doctrine-claims-the-south-china-sea-1.598632. However, whether the South China Sea issue is China’s core interest or not is still unclear.} Because of Hu Jintao’s policy legacy regarding the South China Sea, President Xi was under pressure at the beginning of his time in office to continue his predecessor’s policy.

Chinese assertiveness at the beginning of Xi Jinping’s tenure could then be interpreted as an effort to gain extra room for maneuvering. Before he could abandon the South China Sea problem, he had to prove his hawkishness to the Chinese public. President Xi has to convince the domestic audiences that China has already gotten enough from the South China Sea dispute. The Philippines’ and Vietnam’s bandwagoning with China,\footnote{In the case of Vietnam, see: “Vietnam’s Foreign Policy after the South China Sea Ruling,” THC ASEAN, accessed August 27, 2017, https://thcasean.org/read/articles/333/Vietnams-Foreign-Policy-After-the-South-China-Sea-Ruling. In the case of the Philippines, see: Ralph Jennings, “Philippines Takes Strides Toward Alliance with China,” \textit{VOA}, December 23, 2016, accessed August 27, 2017, https://www.voanews.com/a/philippines-takes-strides-toward-alliance-with-china/3647995.html.} was one of the biggest political commodities that the Chinese government could sell to its domestic audiences. Having dealt with these two countries, Xi Jinping now has arguably, some greater freedom of action.

F. STRATEGY FOR FOREIGN GOVERNMENT AUDIENCES: CARROT AND STICK FOR SOUTHEAST ASIAN COUNTRIES

The forcefulness of the Chinese claim regarding its Nine-Dash Line has not led China to publish its assertion clearly.\(^\text{175}\) To date, China has never provided the exact coordinates of the Nine-Dash Line. Because of this, China still has control over its course of action, and in determining whether to heighten its tensions with Indonesia, or ease them. In the most recent statement made by the Chinese Ministry of Foreign Affairs in response to the dispute between the two countries, the spokeswoman provided no details except to say that China has a natural resources dispute with Indonesia.\(^\text{176}\) Similarly, China remains vague over the status of its claim. Although the Chinese Ministry of Foreign Affairs has stated that the dispute was only a matter of natural resources, Beijing sent Chinese government vessels to patrol within all the areas covered by Nine-Dash Line, signalling that China wants to uphold its jurisdiction.\(^\text{177}\) There is still no clear-cut explanation as to whether the status of waters within the Nine-Dash Line, including the area overlapping Indonesia’s EEZ, is a territorial waters or merely an EEZ. In the meantime, China is trying to keep all possible options open. One of the best and lowest risk actions is using a fishing vessel armada. The Chinese Government has intensified its fishing vessel armada, as evidenced by the encouragement in 2013 from Chinese President Xi, who said that Chinese fishermen should stake their claims around the disputed area.\(^\text{178}\)

At the same time, the OBOR initiative parallels the Indonesian administration’s priority of building infrastructure. President Joko Widodo (often referred to as Jokowi)


\(^{178}\) Ibid.
has a new slogan to make Indonesia the world’s maritime fulcrum, which inevitably demands a huge amount of money for the Indonesian government to build many ports, roads, and other infrastructure to lower logistics costs throughout Indonesia. Unfortunately, the government cannot reach the goal by simply relying on the national budget. Despite the fact that the Jokowi administration has tried mightily to collect the funds, for example by promulgating tax amnesty, budget tightening, and bureaucratic savings, Indonesia still lacks resources to make its goal come true. The OBOR initiative is one of the best alternatives that Jakarta has. In Jakarta’s view (at the beginning), OBOR is an economic incentive. Like a carrot, it could be given if Indonesia became cooperative with China, including on the South China Sea issue. The enthusiasm of other Southeast Asian countries\textsuperscript{179} might make this carrot even more attractive.

Using the South China Sea dispute as a stick and the OBOR initiative as a carrot to induce Indonesia to follow the Xi administration’s priorities presents difficulties. Unlike the Philippines and Vietnam, which adopted a bandwagoning strategy with China\textsuperscript{180} after being beaten by Chinese sticks and fed with Chinese carrots, Indonesia is steadfastly maintaining its position. As a country that just experienced some disruptions, by losing East Timor,\textsuperscript{181} losing the Sipadan and Ligitan islands,\textsuperscript{182} and suffering insurgencies in Aceh province and Papua Island, Indonesia sees maritime disputes as a sensitive issue for the Indonesian public. The most recent occurrence, the Ambalat case, a dispute over the EEZ with Malaysia, ignited anger and huge protests at the grassroots level of Indonesian society.\textsuperscript{183} This experience makes it difficult for the current Indonesian government to back down in facing its EEZ dispute with China. The low risk associated with President Xi’s strategy of using an armada of Chinese fishing

\textsuperscript{179} Many countries seemed enthusiastic at the beginning. See: Zhang Yunling, “One Belt, One Road.” Global Asia 10, no. 3 (2015): 8–12.

\textsuperscript{180} Bandwagoning strategy: A term that is commonly used in international relations. It refers to a strategy where a weaker state makes an alliance with the stronger state, instead of trying to balance it. See: John J. Mearsheimer, The Tragedy of Great Power Politics (New York: WW Norton, 2001), 162–164.

\textsuperscript{181} In 1999, East Timor became independent after the referendum.

\textsuperscript{182} In December 2002, based on an ICJ ruling, both islands became part of Malaysia.

vessels also seems doomed to failure. The current Indonesian government aggressively seeks to wipe out illegal fishing, rendering this armada largely ineffective. Many times, following the capture of Chinese fishing vessels by Indonesian authorities, the Indonesian government has asserted its sovereign right over the disputed area.\textsuperscript{184} The initial plan to use the OBOR initiative as a carrot has also failed to get the expected result thus far. Jakarta seems quite aware of not overindulging in Chinese incentives. For now, Indonesia has only accepted a relatively small amount of money from China, compared to other countries, such as Malaysia or Pakistan.\textsuperscript{185}

G. CONCLUSION

Xi Jinping’s ten-year tenure makes him think pragmatically. Bickering with his southern neighbors, including Indonesia, the biggest country in Southeast Asia, for the sake of a maritime dispute is not a priority, especially in light of the international community’s resistance to the Chinese rejection of the ITLOS verdict in 2013. However, in order to gain the Chinese public’s trust and credibility on foreign policy matters, before setting aside the South China Sea problem, President Xi had to make some assertive actions in his early period of office. After the reputation for hawkishness was attached to the current administration, Beijing then tried to persuasively induce Indonesia to join aspects of the Chinese project, in order to pursue joint development, at the expense of setting aside the maritime dispute in the north off the Natuna Islands. It therefore seems that the trend of China’s assertiveness will be decreasing in the coming years.

\textsuperscript{184} Indonesian Foreign Minister Retno Marsudi said that there is no dispute between the two states. This statement clearly expressed the government’s firm stand on Indonesia’s sovereign right based on UNCLOS 1982. See: “Indonesia Says Has No Overlapping South China Sea Claims with China,” \textit{Reuters}, June 22, 2016, accessed August 27, 2017, http://uk.reuters.com/article/uk-southchinasea-indonesia-idUKKCN0Z80NE.

V. CURRENT TRENDS: INDONESIAN FOREIGN POLICY TOWARD CHINA

A. OVERVIEW

Many different statements from Indonesian officials regarding the South China Sea issue, without question, contradict each other. Each cabinet member who feels an authority regarding the South China Sea issue can freely make public statements. At times President Jokowi’s administration has seemed strict about curbing China’s assertiveness. For example, several days after China’s Coast Guard tried to impede the Indonesian Navy Ship, KRI Imam Bonjol-383 in June 2016, the Indonesian minister of maritime affairs and fisheries, Susi Pudjiastuti, held a press conference to state that Indonesia would proceed with its law enforcement process by capturing all vessels that had conducted illegal fishing activities, including China’s vessels. She also praised the Indonesian Navy for acting based on the standard operating procedure, by shooting at China’s fishing vessel, which had been caught in the act of conducting illegal fishing within the Indonesian EEZ. In contrast, several days later, Indonesian Vice President Jusuf Kalla seemed to downplay the dispute between the states and remarked that Indonesia would not send a diplomatic protest to China.

Indonesia’s behavioral signals regarding the South China Sea issue have been ambiguous as well. For instance, on the one hand, the Indonesian military buildup and the conduct of military exercises in Natuna seemed to be a strong signal to China about Indonesia’s power balancing strategy. On the other hand, Indonesia’s decision to abort

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the sinking of Chinese fishing vessels caught by Indonesian authorities\textsuperscript{189} showed a compromise in Indonesia’s strategy toward China. All of these mixed signals showed that Indonesia embraces a “sitting on the fence, while drawing the red lines” strategy regarding the South China Sea dispute. Before we dive deeply into the reasons for Indonesia to adhere to this policy, it is important to understand the nature of the dispute itself for the Indonesian government, apart from the perspective of the Indonesian public or other domestic actors. After that, we dissect the internal factors and external situations that cause Indonesia to adopt this strategy regarding the South China Sea dispute.

**B. THE NATURE OF THE PROBLEM FOR THE INDONESIAN GOVERNMENT**

Legally speaking, the lack of clarity of China’s Nine-Dash Line makes the overlapping claim obscure. Such confusion regarding China’s controversial Nine-Dash Lines\textsuperscript{190} means the Indonesian government cannot take a firm stand on addressing this issue. Two possible issues emerge regarding the dispute between China and Indonesia: the sovereignty issue and the sovereign rights issue. The sovereignty issue presents itself if China’s Nine-Dash Line overlaps the Natuna islands or overlaps Indonesian territorial waters off the Natuna islands.\textsuperscript{191} The sovereign rights issue presents itself if China’s Nine-Dash Line overlaps the Indonesian EEZ. Based on the UNCLOS of 1982, the state only has sovereign rights over the EEZ, the right to harnessing its natural resources, and a jurisdiction to prevent other states from possessing the same right. Thus, while many of Indonesia’s neighbors have a “real territorial dispute” over island, reef, rock, low tide elevation, or even territorial waters, Indonesia only has a potential dispute over maritime economic resources.


C. THE PROBLEM FROM THE INDONESIAN PUBLIC’S PERSPECTIVE

Historically, the Indonesian government during the Soeharto era has had complicated relations with China. Two and a half decades of friendly relations is arguably not sufficient to erase all memories of the New Order indoctrinations about the “China Problem” or “masalah cina.”¹⁹² Even though there was no rhetoric that could glorify public nationalism as Soekarno did toward Malaysia, the Indonesian government in the New Order era still portrayed China as a threat. The New Order had a creed of triple Chinese threats: communism, Indonesian Chinese, and Beijing.¹⁹³ Even though bilateral relations resumed in 1990, and Beijing had shown itself as a true friend during the economic crisis in 1998, it is likely that remnants of the New Order indoctrination remained in the minds of many Indonesian people, including the elites. Many still feel skeptical about the sincerity of China’s intentions. The current tie between the two countries is also undermined by the presence of a large number of Chinese workers in Indonesia. The Indonesian public views this as proof of the government’s partiality.¹⁹⁴ The government is regarded as favoring China’s interests and failing to protect its local workers.¹⁹⁵ The South China Sea dispute with China therefore certainly has the potential to recall an old memory of China as a threat to Indonesia.

After the fall of the New Order regime in 1998, Indonesia faced the possibility of state disintegration. East Timor became independent in 1999. Several separatist movements emerged in many Indonesian regions, and in 2002, the IJC ruled that Sipadan and Ligitan islands belong to Malaysia. Since then, Indonesia has become more sensitive over the issue of territorial integrity. Furthermore, after the ruling on Sipadan and Ligitan islands, a new problem showed up: the Ambalat dispute with Malaysia. Even though the


¹⁹⁵ “Ibid.
Ambalat dispute was not a dispute over populated territories, but only a matter of an EEZ, the Indonesian public reaction was overwhelming. Many politicians and public figures demanded that the government take firm action, including the use military forces.

D.   INDOONESIAN PRIORITIES UNDER PRESIDENT JOKOWI

The development of maritime infrastructure to achieve high economic growth is undoubtedly among the top priorities of President Jokowi’s administration. By stating its strategy as a world maritime axis or “poros maritim dunia,” the Indonesian government plans to build many ports, roads, and other infrastructures to lower the logistics costs throughout Indonesia. Unfortunately, the government cannot reach the goal by simply relying on the national budget. China, at the same period, tried to invest in many countries, including in Southeast Asian countries. With its investment diversification program—the OneBelt, One Road project—and the newly established Asian Infrastructure Investment Bank (AIIB), China could become a promising source of funding. The economic crisis in 1998 opened Indonesia’s eyes. In the harsh economic situation, Indonesia learned who its real friend was. At a moment when Indonesia felt left out by many Western countries, including Japan, China provided critical monetary assistance, increasing the attractiveness of an economic bandwagoning strategy.

E.   KEY ACTORS AND INTERESTS

Several significant actors, institutions, and interests shape Indonesian foreign policy regarding the South China Sea maritime dispute with China. To make it easier to analyze, it is wise to separate them into three categories: the dovish policy proponent, the hawkish policy proponent, and the balancer.

The supporters of the dovish policy are key actors or institutions who encourage a soft approach toward China regarding the maritime dispute. Among them are Vice President Jusuf Kalla and Megawati Soekarnoputri. In March 2016, several days after the Chinese Coast Guard incident, Vice President Kalla went to China to attend the Boao
forum for the Asia Annual Conference.\textsuperscript{196} His trip invited a negative reaction from the Indonesian House of Representatives.\textsuperscript{197} The vice president even was at odds with Susi Pudjiastuti, the minister of fisheries and maritime affairs, regarding her regulation about the moratorium on illegal fishing by foreign vessels, issued several days after the Chinese Coast Guard incident.\textsuperscript{198} In June 2016, Vice President Kalla made a statement regarding the South China Sea issue with China. During the interview, it seemed that he was downplaying the conflict by saying that the state did not need to send a diplomatic protest to the Chinese government regarding the arrest of Chinese fisherman who got caught red-handed while poaching in Indonesian waters.\textsuperscript{199} Likewise, the relationship between Megawati (and her party, the PDIP) and the Chinese government is also close. In 2015, Megawati even went to China to inaugurate the “home of Sukarno” or “rumah Soekarno” in Shenzhen.\textsuperscript{200} Then, she met with Chinese Communist Party leaders.\textsuperscript{201} Several days later, she had a courtesy visit with Chinese President Xi in Beijing to discuss good relations between the two countries.\textsuperscript{202} As a PDIP party leader (the party to which President Joko Widodo belongs), her influence on Indonesia’s foreign policy regarding

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the South China Sea issue is unclear, but it would certainly affect Indonesia’s relations with China, including the South China Sea maritime dispute.

The supporters of the hawkish policy are key actors or institutions who encourage a firmer approach toward China regarding the maritime dispute. Among them are Susi Pudjiastuti and the military. The minister of maritime affairs and fisheries, Susi Pudjiastuti is an eccentric, dedicated businesswoman, who almost always takes assertive actions toward China. Her indiscriminate program to blow up all foreign fishing vessels—including China’s—caught red-handed while conducting illegal fishing in Indonesian waters often invites controversy. As a businesswoman who came from a fisherman’s family she has an aim to increase Indonesia’s fisheries exports and to elevate the standard of living of Indonesian fisherman. Likewise, the Indonesian military, including Chief of Staff General Gatot Nurmantyo, and Minister of Defense General (ret) Ryamizard Ryachudu, also want to show some firmness with China. Even though they disagree about many other things, they coincidentally have the same thoughts about the perception of threat. They believe in a conspiracy theory and a proxy war theory, which suspect that the major powers have an ill intention toward Indonesia.203 The military as an institution also believes in the New Order paradigm about the latent threat of communism as an ideology. China, as a state that allegedly supported the Indonesian Communist Party or Partai Komunis Indonesia (PKI) during the attempted coup in 1965, certainly must be handled with caution in their view. Such thinking certainly influences their reactions to the dispute over the EEZ in the South China Sea. One prominent example, military exercises, which are usually conducted alternately in various regions across Indonesia, now are always being carried out in the Natuna region.

The balancer is the one who is in the middle between the two extreme ends of the spectrum. This group tends to respond to the dispute diplomatically. Two prominent actors in this group are Luhut Binsar Panjaitan and Retno Marsudi. Luhut, a former general and businessman who has much experience in diplomacy. His pragmatic

approach makes sound Indonesian foreign policy. Retno Marsudi, a career diplomat, could provide the president with good advice. Together with Luhut, Retno assists President Widodo in international affairs.

F. THE STRATEGY OF SITTING ON THE FENCE

The Indonesian government tries to balance the South China Sea dispute with its need for China’s investment in Indonesia. The reversal by the president of the Philippines, Rodrigo Duterte, has added a new dynamic to the situation. His unprecedented action to align the Philippines with China has raised concerns about sparking a new trend among Southeast Asian countries. The implications for Indonesia of President Duterte’s action are twofold. First, by giving up its resistance, the Philippines allows China to reduce its provision of “carrots” for Southeast Asian countries, since China does not need as much support as before. Second, the Philippines would likely receive more “carrots” from China. This of course, reflects China’s effort to provide an incentive to a compliant country in Southeast Asia. For example, in November 2016, China invested 24 billion dollars in a Philippines’ infrastructure project.

China’s OBOR project, indeed, sets a current trend in Southeast Asia. The mega-project of OBOR with its enormous source of funding makes Southeast Asian states, including the claimant states in the South China Sea dispute, interested in gaining from it. Malaysia, for example, as early as September 2016, tried to push aside the South China Sea issue for the sake of its future potential economic gain. Vietnam, a country among

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the hardliners in the South China Sea issue also showed interest in joining China’s OBOR program.208

After the Permanent Court of Arbitration ruling came out in July 2016, Indonesia seemed to hesitate to be the one to act first. After several neighbors made statements regarding the issue, Indonesia took a more moderate stand than that of its neighbors.209 In contrast, during the administration of Susilo Bambang Yudhoyono, Indonesia almost always took the initiative in the ASEAN forum.210 Minister of Foreign Affairs Marty Natalegawa never hesitated to take the initiative, including in regard to the South China Sea issue.211 By juxtaposing these two different characters of the administrations, it is safe to say that President Joko Widodo’s strategy of “sitting on the fence” makes Indonesia more dovish than that of his predecessor. Another example is the regulation to sink an illegal fishing vessel. Although Indonesian officials always say that they would blow up all illegal fishing vessels without considering their nationality, including Chinese vessels,212 in practice, until April 2017, of the 317 vessels that had already been sunk, only one vessel was Chinese.213 This shows that the Indonesian government treats Chinese vessels differently from fishing vessels from other countries, such as Vietnam, Thailand, or Malaysia, providing further evidence of the Jokowi administration’s dovish approach toward China.


211 Ibid.


G. DRAWING “RED LINES”

Even though Indonesia tries to “sit on the fence,” the Indonesian government under President Widodo tries also to take into account the South China Sea dispute and the need for China’s investment in Indonesian maritime projects, by creating two “red lines”: limiting China from stepping in, and limiting Indonesia from stepping out.

The lack of coordination and the different interests of Indonesian government officials are reflected in the statements they have given concerning the issue. However, it may be that to some degree these uncoordinated behaviors are beneficial for Indonesia as a whole. The Indonesian government in some ways can leverage its domestic situation to draw a “red line” with China. For instance, after the arrest of Chinese fishing vessels by the Indonesian Navy in March 2016, the Indonesian government, represented by Foreign Minister Retno Marsudi, made a firm statement protesting the violation of territorial waters by the Chinese Coast Guard. The protest could easily be made without any moral backlash after the harsh statement and the consideration to bring the case to the international court from Susi Pujiastuti, the fisheries and maritime affairs minister. Even though everyone knew that Susi did not have the capacity to take the incident to the international legal arena, it is clear that by making her statement, she was trying to make the case a more sensitive issue for the Indonesian public. In China’s view, the Indonesian government could be seen as having no other choice but to send a diplomatic protest to appease the Indonesian public. The Indonesian government hoped that by viewing this as a threshold, China’s government could understand the “red line” that China cannot cross regarding the dispute in the north of Natuna.

Since the previously described case was not the only one, nor even the last one, the Indonesian government has seemed to somehow tolerate this incongruity, as long as it remained within a controllable spectrum. However, once it seemed that it would undermine the relations between Indonesia and China, the government tried to intervene with its domestic actors. For example, when Susi Pujiastuti wanted to blow up the

Chinese fishing vessels, the government stepped in and tried to stop her action, since destroying the vessels would jeopardize relations between the two countries, and eventually affect China’s investment in President Jokowi’s maritime infrastructure projects. By exercising this control, the Indonesian government also drew a “red line” that it, too, could not overstep. This would be necessary to achieve its short-term goal, which is for Indonesia to become a global maritime fulcrum.

H. CONCLUSION

Even though it is too early to predict, there is a strong possibility that Indonesia will cross its own “red line” in the near future. This is due to the fact that Indonesia’s enthusiasm for OBOR seems to be decreasing. The Jakarta-Bandung high-speed rail, a pilot project for the OBOR initiative, has generated many critiques not only from the Indonesian public, but also from various institutions within the government. Recent skepticism from many countries regarding the OBOR initiative, also likely makes Indonesia more aware of its own cost-benefit calculation regarding the OBOR initiative. If Indonesia’s dependency on the OBOR project decreases over time, the Indonesian government will be less dependent on the Chinese government’s financial support. This could alter interactions among key actors and institutions within Indonesia’s internal politics. While the dovish and hawkish actors will tend to be constant, under these circumstances the balancer actors might be more inclined to slacken their grip on the hawkish actors. With more freedom of action, Indonesia could become more assertive in its dispute with China. The current example of this assertiveness is the renaming of the area north of the Natuna islands to be called “Laut Natuna Utara” or “North Natuna Sea”


in July 2017, which marked a stauncher gesture of the Indonesian government regarding the South China Sea issue.

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VI. ANALYSIS AND CONCLUSION

A. SUMMARY OF FINDINGS

From the historical analysis in the preceding chapters, we can draw two main conclusions. First, China and Indonesia would not be motivated to engage in military action over the disputed area merely for the intrinsic value of the area. Second, China and Indonesia would most likely to go to war as a response to China’s domestic politics, as happened during Sino-Soviet war. Even though the Chinese government today is not the same as the Chinese government in the 1960s, the concern about domestic politics and sustaining regime authority is much the same. In Chapter IV, we saw that domestic pressure within China greatly influenced Beijing’s response to the South China Sea problem. The high level of nationalism regarding the South China Sea dispute may eventually force the Chinese government to take assertive action. This trend has been increasing without any significant effort from the government to ease public tension over the South China Sea issue.

Nevertheless, from our historical analysis, we further conclude that the likelihood of military escalation between China and Indonesia is low. From the current trend of Indonesia’s foreign policy toward China, we find that Indonesia is positioned to increase its hawkishness in dealing with the maritime dispute with China. However, it will not significantly influence the conflict escalation. If there was a strong public demand within Indonesia to use military power to deal with a maritime dispute, our evidence indicates that the Indonesian government would only show its muscle to the degree that it becomes satisfactory to appease its domestic audience. Moreover, our evidence also shows that the Indonesian public would be much more likely to demand the use of military might in response to an enduring Indonesian rival, such as Malaysia, than it would be toward China. Lastly, from the current trend of Chinese foreign policy toward Indonesia, the evidences show that the Chinese government is inclined to decrease its assertiveness in the South China Sea, since it needs Indonesia’s cooperation on the OBOR initiative.
B. RECOMMENDATIONS FOR INDONESIA

Even though the possibility of conflict escalation is low, it is still important to give recommendations for the Indonesian government in order to keep the risk of escalation low. Therefore, we propose several recommendations for the Indonesian government in order to minimize the possibility of armed conflict with China regarding the South China Sea issue.

1. Be Aware of the Chinese Government’s Weakness in Dealing with its Own Domestic Audience

The Indonesian government should realize that it is not easy for the Chinese government to control the behavior of its public regarding the issue of the South China Sea. As a result, the tendency for the Chinese government to use the South China Sea issue to rally citizens ’round the flag is likely to continue. Knowing this, the Indonesian government can try to put itself in the Chinese government’s shoes and predict the consequences before making policies regarding the South China Sea dispute.

2. Do Not Expect China to Obey the Law of the Sea

It is unrealistic to expect the Chinese public to understand the Law of the Sea. As the second largest superpower with 1.3 billion people, China, as a whole, has its own understanding about who owns the South China Sea, including the disputed area with Indonesia. Since it is not likely there will be any effort from the Chinese government to educate its public about the Law of the Sea in the short term, it is better to understand, how the Chinese public perceives the situation. By having this understanding, the Indonesian government can prudently carve its foreign policy regarding the South China Sea issue.

3. Do Not Provoke China Publicly

In general, the Indonesian government may achieve better outcomes by avoiding public statements that will easily provoke the Chinese public. Holding press conferences or taking actions that can be easily viewed by the Chinese public may reduce the freedom of action of the Chinese government and eventually force it to react assertively.
Backchannel diplomacy and written rebuttal of Chinese claims, as the Indonesian government has always done, are likely to be more effective than actions that provoke the Chinese public directly.
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