Jakarta Eyes South China Sea

Indonesia is set to chair ASEAN. With China in mind, it is looking to resolve the South China Sea dispute.

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In a recent interview with the Asahi Shimbun, Indonesian President Susilo Bambang Yudhoyono claimed that as chair of the Association of Southeast Asian Nations this year, one of his top priorities would be to make progress over the South China Sea dispute by bringing China into multilateral talks.

This concern over Beijing’s claims in the South China Sea reflects four underlying considerations in Jakarta regarding the dispute, which involves China, Vietnam, Malaysia, Taiwan, the Philippines, and Brunei.

First of all, while Indonesia isn’t technically a claimant state, it has a clear interest in the issue, especially as the Chinese claim in the infamous ‘nine-dotted line’ map threatens the waters around the Natuna Islands, an archipelago of roughly 300 small islands that hosts the country’s largest reserve of natural gas. Since the 1990s, Jakarta has sought clarification over the Chinese claim, but has so far failed to receive an unequivocal and consistent response.

This uncertainty around such a key strategic area perhaps explains why in 1996 and 2008, Indonesia held two of its largest-ever joint military exercises in the area. China’s claim is also likely behind Indonesia’s decision to forge strategic and security partnerships with Australia, India, and the United States in recent years.
A second, related, issue is broader Indonesia-China relations. Following a ‘freeze’ in diplomatic relations between 1967 and 1990, overall ties between the two geopolitical rivals have been improving. This warming culminated in the 2005 Strategic Partnership Agreement and the ongoing expansion in trade, investment, defence and education.

That said, there’s still some distrust within the Jakarta elite, especially considering China’s rapid naval modernization, lack of defence transparency, and growing assertiveness in the South China Sea. This last issue is perhaps the real litmus test for long-term Sino-Indonesian relations, especially with Beijing no longer issuing ‘statements of concern’ regarding Indonesia’s ethnic Chinese. In addition, there has also been some unease over China as an economic rival—Jakarta notes, for example, that the trade deficit with Beijing in 2010 was between $5 and $7 billion.

The third reason for wanting to tackle the dispute is the potential for conflict in Indonesia’s northern zone—considered its lifeline in terms of trade, fisheries and natural resources. Indonesia has no interest in seeing the dispute spiral out of control, especially if it involves regional powerhouses like China and the United States.

It’s with this in mind that since 1990, the Foreign Affairs Ministry has initiated track-two informal workshops and technical meetings on managing the conflicts in the South China Sea, which have been attended by government officials (in a private capacity), academics from affected countries and outside observers. These meetings have allowed for discussions on ‘practical’ cooperation such as search and rescue operations and marine scientific research.

The founder of the workshops, renown international law expert and former Indonesia Ambassador Hashim Djalal, believes that informal discussions will gradually build a feeling of comfort among those involved in the dispute, and perhaps eventually even lead to an agreement. Indeed, some have suggested that the 2002 ASEAN-China Declaration on the Conduct of the Parties (DoC), the first joint non-legally binding agreement of its kind on the South China Sea, was built upon the workshops’ proceedings.

Finally, and more generally, the South China Sea has always been one of the most contentious and divisive issues within the regional grouping, challenging its overall cohesion and occasionally creating a mockery of the ‘ASEAN Way’ of peacefully settling disputes.

According to the Energy Information Agency, there were 17 military clashes in the South China Sea between 1974 and 2002 involving variously China, the Philippines, Malaysia and Vietnam. Such figures underscore the fact that it’s not just about dealing with China, but also about reconciling the overlapping claims and interests of all countries involved.

As ASEAN chair this year, Indonesia has no choice but to push for the further implementation of the 2002 DoC, and even the formulation of a legally binding Code of Conduct. Whether Jakarta has the political creativity to tackle this long-running issue, of course, remains to be seen.