

## 6 South-South Cooperation Strategies in Indonesia

### Domestic and International Drivers

*Susan Engel*

Indonesia has been a central player in South-South cooperation (SSC) since it hosted the Asian-African or Bandung Conference in 1955. This conference produced the Declaration on Promotion of World Peace and Cooperation, which laid the foundations for SSC. Over the years SSC has become increasingly institutionalized in mainstream development cooperation channels. In 1978, it became part of the UN programme after the General Assembly established the UNDP Special Unit for South-South Cooperation. In 2008, after the Third High Level Forum on Aid Effectiveness in Accra, Ghana, SSC became part of the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) agenda with the establishment of a Task Team on South-South Cooperation, of which Indonesia is the co-chair. There are still a range of questions around SSC, including the drivers for participating countries, its transformative capacity, directions, and likely impact of SSC.

This chapter explores the historical evolution of Indonesia's SSC efforts in order to examine why SSC has re-emerged as a relatively prominent theme in Indonesian foreign policy and, in particular, whether this re-emergence has been driven by external forces, as it was in the Suharto years, or internal politics or some combination of these. Second, it considers what Indonesia's independent and active foreign policy means in the light of SSC activities. In recent years, Indonesian foreign policy has mostly been interrogated in terms of Indonesia's leadership ambitions; this chapter combines foreign policy and global development analysis to examine domestic, regional, and international drivers in politics and policy formation.

Third, the chapter reflects upon whether, and to what extent, Indonesia's current efforts are challenging development orthodoxies and Northern domination of aid systems and practices. Specifically, the chapter looks at whether the drivers, policies, and practices of Indonesia's SSC programme are overall more of a support, or challenge to, the contemporary North-South aid architecture. This is particularly interesting in the Indonesian case, as it was an early and prominent supporter of anti-colonialism and non-alignment. Back in 1955, then President Sukarno sought, if not to shake up the global order of his time at least,

as he said at Bandung, to 'inject the voice of reason in world affairs' (cited in Gde Agung 1973: 226; Palat 2008: 271). More recently, Indonesia was placed as part of the second generation of emerging powers called CIVETS (Colombia, Indonesia, Vietnam, Egypt, Turkey, South Africa), the first generation of course being the BRICS: Brazil, Russia, India, China, and South Africa. Nils-Sjard Schulz (2010: 5) has argued the second generation of emerging powers offers 'a welcome middle way between the traditional DAC donors and the BRIC push for global power stakes', whereas Emma Mawdsley (2012) sees them as more of a challenge to the existing donor system.<sup>1</sup> However, Ravi Palat (2008: 721) argued that even the first generation emerging powers have been timid in their challenges to 'the Euro-North American domination of world affairs'. This chapter adds to this debate by a detailed study of Indonesia's emerging approach to SSC.

The term SSC is used in the literature to cover both the general economic cooperation among developing countries (ECDC), that is the trade, financial, and related affairs between developing countries, and technical cooperation among developing countries (TCDC), where the focus is planned programmes of cooperation designed to promote development. The focus in this chapter is more on TCDC though ECDC provides vital context for understanding it and is thus discussed in relation to Indonesian foreign policy and is a direction for the next phase of this research. The focus also extends to triangular cooperation, a somewhat more recent phenomenon than SSC, which sees three (or more) countries collaborating, with one of these often being a traditional donor country (or organization) that contributes both finance and expertise. Finance is an important issue because although SSC is increasing, financing remains very limited apart from China's and India's programmes (United Nations General Assembly 2009: 7).

In terms of methodology, the chapter uses three main approaches: 1) critical engagement with extant historical sources on Indonesian foreign policy and SSC programmes; 2) critical analysis of policy documents from the Indonesian government, Northern donor states, and multilateral organizations; and 3) gathering of local perspective on issues of SSC through conducting interviews with nine Indonesian officials and scholars in Jakarta in January 2014.

Michelle Morias de Sa e Silva (2010) has shown that there have, so far, been three distinct phases of SSC. The first phase was in response to the post-war creation of the development project as developing countries recognized that, despite their heterogeneity, they shared many common interests and that cooperation could be vital in securing these interests. This phase saw the

1 The CIVETS grouping was coined in 2009 by Robert Ward of the Intelligence Unit of *The Economist*.

establishment of the institutional framework for SSC through the Non-Aligned Movement (NAM), established in 1961, and the Group of 77 (G77), established in 1964, and the framework for technical cooperation, which dates from the Buenos Aires Plan of Action (1978). The second phase was one of reduced cooperation due to the economic turbulence of the 1970s and the debt crisis; specifically, the focus on structural adjustment saw many developing countries turn inward. The third, more active and current phase of SSC is linked to the growing interest in multilateralism after the end of the Cold War. Morias de Sa e Silva (2010) notes that though this phase was initially dominated by the North, the growing economic and political importance of the emerging economies in the 2000s has been at the core of the re-emergence of SSC. Indonesia's patterns of SSC have broadly aligned with these global ones, though domestic politics saw an earlier turn away from SSC and a later return to it as this chapter demonstrates through an analysis of SSC cooperation in three periods which broadly align to Morias de Sa e Silva's periods: from independence to the end of the Sukarno era (1945-1966); during the New Order (1967-1998); and since its fall (1999- ).

### South-South Cooperation from Independence to Sukarno

As noted above, globally the first phase of SSC was motivated by the desire of newly independent states for development and the concurrent recognition of common interests in a world increasingly dominated by the superpowers and their conflicts. Indonesia was a leader and driver of SSC during this period, yet it had a slow start, as its early post-independence foreign policy was quiet and had a 'distinct inclination towards the west', including receiving Dutch and US military and other aid (Legge 1980: 161). Yet, independence leader and Indonesia's first prime minister, Mohammad Hatta, outlined that the country should have an independent and active foreign policy (*politik-bebas-aktif*) as a way to address both the dangers and tensions that the Cold War confrontation seemed to pose to Indonesia's security and the conflict domestically between Indonesia's secular nationalists, socialists, and Islamists by taking a centrist approach (Wicaksana 2016). This became the enduring formal approach to foreign policy, which in addition, was to be conducted in line with the ideology of Pancasila, protect national interests, be independent, and be pragmatic in its implementation (Sukma 1995: 308).<sup>2</sup> This approach also sat well with the public and, when early cabinets were

2 Pancasila is Indonesia's state ideology formulated by Sukarno and included in the 1945 constitution. Its five principles are: belief in one God; a just and civilized humanity; the unity

seen to accept too much dependence on the West, they faced strong criticism. Indeed, the Sukiman cabinet collapsed after it was seen to make too large a concession to the United States in return for aid (Grant 1972; Weinstein 1976).

The first cabinet of Ali Sastroamidjojo formed in July 1953 shifted the country to a more activist foreign policy and engagement with the communist countries. M.C. Ricklefs (1993: 247) argued that 'Ali wished Indonesia to be an active leader of an Afro-Asian bloc of nations, an aim [which was] warmly endorsed by Sukarno'. He floated the idea of an Asia-Africa alliance in parliament in August 1953 but did not progress it until the first meeting of the so-called Colombo Powers (India, Pakistan, Ceylon, Burma, and Indonesia) in April-May 1954 provided a window of opportunity (Gde Agung 1973: 204). The main focus of the meeting was to bring a peaceful end to the Indo-China War but Ali also proposed a large conference of Afro-Asian states. The other leaders were initially sceptical but endorsed the idea in the final communiqué. The idea gained momentum and the 1954 Bogor meeting of the Colombo Powers did the planning and scheduled the conference for April 1955 (Gde Agung 1973: 207-213; Grant 1972; Ricklefs 1993).

Twenty-nine states from Asia, Africa, and the Arab World attended the conference and many major leaders were present, drawn by the chance to promote the interests of the newly aligned nations (Grant 1972). Bandung was marked by a deep split between the non-aligned nations and those that had joined the Western bloc. The Final Communiqué was only concluded thanks to some skilful last-minute diplomacy from Zhou Enlai, but the key point for this chapter is the emphasis given to SSC. The opening paragraphs called for greater economic cooperation between participants, as well as with other countries, and for the provision of technical assistance to one another 'to the maximum extent practicable, in the form of: experts, exchange of know-how and establishment of national, and where possible, regional training and research institutes' (Ministry of Foreign Affairs 1955).<sup>3</sup> Each country was to appoint liaison officers to facilitate cooperation. Further, point nine of the Ten Principles of Bandung or the Declaration on Promotion of World Peace and Cooperation called for '[p]romotion of mutual interests and cooperation' (cited in Gde Agung 1973: 238). Sukarno and Ali

of Indonesia; democracy guided by the wisdom of deliberation and representation; and social justice for all the people of Indonesia.

3 They also called for the creation of a special World Bank fund focused on Asian and African countries; for action to stabilize the prices of commodities, especially primary commodities; for further processing of raw materials in Asia and Africa; and for a focus on shipping, banking, insurance, oil and the peaceful use of nuclear energy as well as promotion of cultural cooperation.

Sastroamidjojo gained a great deal of domestic standing from their role at Bandung and, importantly for them, the Final Communiqué endorsed Indonesia's claim to Irian Jaya (West Papua). The conference in many ways solidified the Indonesian elite's view that it could and should play a leadership role amongst newly independent countries and in Asia.<sup>4</sup> Moreover, it developed the commitment to an independent and active foreign policy as a force for promoting global order so long as it was 'rooted in prudence and compliance with common rules' and based on common interests (Wicaksana 2016: 12).

Indonesia's activist foreign policy continued with the second Sastroamidjojo cabinet (March 1956–April 1957) and during Sukarno's Guided Democracy, formally introduced in 1959. From 1956, there were efforts to initiate a second Asian-African Conference (Bunnell 1966). From early 1958:

Indonesia began to take the initiative in a wide-ranging campaign for treaties of various kinds – scientific, educational and cultural co-operation with Czechoslovakia, trade with Bulgaria, an agreement with India on naval co-operation, a treaty of friendship with Malaya, and a cultural treaty with the Philippines. Tito and Ho Chi Minh paid state visits. (Grant 1972: 182)<sup>5</sup>

In 1960 Sukarno introduced a new a framework for Indonesia's foreign policy, which viewed global politics as a contest between new emerging forces (NEFOS) and old established forces (OLDEFOS) and he promised a new approach to cooperation that would 'startle mankind with its freshness' (cited in Grant 1996: 199). This policy expressed itself in a more 'aggressive attitude on foreign affairs, especially "confrontation" of the new state on its border, Malaysia' (cited in Grant 1996: 200; see also Bunnell 1966;). Despite the focus on SSC, the new policy actually alienated many non-aligned Afro-Asian countries. However, Sukarno's foreign policy was again strongly influenced by domestic policy considerations and the focus on independence and anti-colonialism played well with domestic audiences, helping him to balance the power of the army against the Communist Party. For the populace, it has been argued that Sukarno's foreign policy gave them 'a sense of revolutionary progress without the social and political conflict that a thoroughgoing social revolution would entail' (Weinstein 1976: 309).

4 On the idea that Indonesia should play a leadership role as an ongoing idea in elite view, see Weinstein (1976).

5 For further details of agreement and loans from Soviet bloc countries, see Hindley (1963).

Indonesia's promotion of SSC continued through the first half of the 1960s. It was a founding member of both the Non-Aligned Movement (NAM), established in 1961, and the Group of 77 (G77), established in 1964, both of which have been key promoters of ECDC and TCDC (particularly in the late 1970s, which is discussed in the following section). The key point about the Sukarno era and SSC is that, while there was a significant level of growth in political cooperation, there was relatively little progress in concrete programmes. A number of treaties were signed, but there were few actual programmes – the only examples I found were an agreement with Guinea in September 1960 for an exchange of experts (Hindley 1963) and, in the sporting arena, the Games of the New Emerging Forces (GANEFO), which were held in Jakarta in November 1963. Indonesia was also the recipient of relatively substantial concessional loans and aid projects from both the Soviet bloc and from Western nations.

Overall, in the early post-independence years, Indonesia did have an important and indeed unique role in establishing SSC. Its role was more than just reflective of the broader politics of the time. While a number of newly independent countries sought to forge a path between the two superpowers or, at minimum, recognize the common challenges they faced, Indonesia played a driving role in developing formal, rules-based mechanisms for cooperation. The belief in the approach was reinforced by the statist development consensus of the era, in particular, the influential ideas of dependency theory held SSC as a key path to development. However, Indonesia pursued SSC equally because of its domestic political reverberations – SSC was central to the active and independent foreign policy that worked both as a compromise between divergent political forces and appealed to domestic audiences.

## South-South Cooperation under the New Order

The rise to power of the Suharto regime was bloody and violent, yet despite – or, perhaps because of – this, the language used in foreign policy suggested continuity with Sukarno. In practice, though, concepts were given new interpretations, allowing more flexibility and 'realism'. As Franklin Weinstein (1976: 170) notes, in this the New Order were seeking 'to demonstrate continuity with the past, while making clear the need to correct the Old Order's 'deviations' from Indonesia's traditional policy'. Notably, the Provisional People's Consultative Congress (MPRS) meetings in June/July 1966 'strongly reaffirmed its vigorous opposition to imperialism and colonialism and pressed for continued efforts to foster Asian-African solidarity' (Weinstein 1976: 171). Yet in reality, New Order policy was focused on national

interest and there was a clear return to the Western camp, which led to aid and investment. Jonathan Agensky and Joshua Barker (2012: 112) argued that Suharto's approach 'allowed the state to maintain its Non-Aligned bona fides [...] while also deriving [Western] military support and concessions for its illiberal domestic politics and state-society relations'. This may have been the aim but, in practice, Indonesia's non-aligned status was questioned.

Sukarno's project for a Conference of the New Emerging Forces (CONEFO) was dropped and Indonesia re-joined the United Nations in September 1966. The regime really focused on domestic development for most of its life span and only in the early 1990s did it return to a somewhat more activist foreign policy (or at least the public perception of a more activist policy), engagement with the UN system, contributions to peacekeeping missions, and some interest in non-alignment and SSC. The inward turn, which happened in 1967, could be seen as specific to Indonesian circumstances but, in many ways, it was just an early starter in the turn away from SSC frameworks that became a rush after the early 1980s when the debt crisis took its toll on cooperation programmes 'and made them very inward looking. That was a period of demobilization in the history of South-South cooperation and it lasted for another 20 years' (Morais de Sa e Silva 2010: 3).<sup>6</sup> From this time, when much of the developing world became focused on structural adjustment, Indonesia was an early starter in this adjustment process thanks to the disruptive nature of its post-independence rule and the coming to power of a Western, capitalist-oriented regime with Suharto.

Suharto's move away from SSC was widest in the early 1970s when Indonesia's status as a non-aligned nation came into question. This was clearest after the Indonesian delegation walked out of the 1972 Conference of Non-aligned Foreign Ministers and Suharto failed to lead the Indonesia delegation to the Non-aligned Summit Conference in Algiers in September 1973 (Weinstein 1976). The limited promotion of SSC during the New Order was of a variety that supported, not challenged, Western powers. A key event was Indonesia's founding membership of the Association for South East Asian Nations (ASEAN) on 8 August 1967. I Gede Wahyu Wicaksana (2016) has argued that Indonesia's role in the formation and leadership of ASEAN indicates that foreign policy under Suharto continued to be a longer-term concern with international society given a regional focus. This is a generous interpretation as ASEAN was not only a small, even reluctant grouping; it was a fundamentally pro-Western one, albeit Indonesia did have an agenda to keep major powers out of the region – even Western allies. Not all ASEAN

6 Another factor in the turn away from SSC was that by the mid-1960s the Soviet Union was taking a more cautious and pragmatic approach to economic assistance (Mawdsley 2012: 52–53).



members did or do share this agenda. For Indonesia, it was also about shoring up domestic sovereignty – ensuring the other South East Asian states respected the country's borders and sovereignty. This was the core of the 1976 ASEAN Treaty of Amity and Cooperation (TAC). Thus it is not surprising that after the TAC was agreed, ASEAN became one of Indonesia's top foreign policy priorities and remains so to this day. A further indication that, contra Wicaksana, the New Order was not concerned with international society was that there were no other initiatives promoting SSC until the creation of the TCDC programme in 1981 and then again little action until the early 1990s, after which there was some tendency towards a more activist foreign policy.

The creation of the technical cooperation programme in 1981 was driven more by international rather than local factors – in the late 1970s there was an attempt to revive the SSC agenda by the NAM, together with the G77, which formulated a call for TCDC. This was adopted by the United Nations in 1978 in the Buenos Aires Plan of Action (BAPA), which was supported by the UN-established Special Unit for South-South Cooperation. BAPA was part of the agenda for a New International Economic Order and TCDC was regarded as vital to achieving development in an era of growing interdependence (United Nations Special Unit TCDC 1978: 5-6). BAPA called on developing countries to establish mechanisms for cooperation among developing countries, with the support of developed countries and international organizations. A range of countries set up programmes, including Malaysia, which established the Malaysian Technical Cooperation Programme in 1980.<sup>7</sup> Malaysia had joined NAM in 1970 (along with Singapore) and was developing a less pro-British/West foreign policy and indeed under Prime Minister Mahathir Mohamad, who came to power in 1981, they became much more active in South organizations (Hamid 2005). In 1981, Indonesia established the Indonesian Technical Cooperation Programs (ITCP or *Kerjasama Teknik Antar Negara Berkembang*). Thus, it seems that Indonesia's policy was largely driven by leadership competition with Malaysia and a desire to remain part of NAM.

The ITCP is coordinated by the Bureau for Technical Cooperation in the State Secretariat and is a South-South training and exchange programme. It was established to develop knowledge and expertise and to address common needs and problems in development. Its main activities were and remain training programmes, study visits to Indonesia to learn from Indonesia's experiences and by Indonesian officials to other developing countries, apprenticeships for farmers, and expert group meetings. By the end of 2013, ITCP had more than 4000 participants from over 90 countries in Asia, the Pacific,

7 On Malaysia's programme, see Hamid (2005: 55).



Africa, and Latin America. Key sectors of activity over this period have been agriculture, education (this includes scholarships), and national population and family planning (Indonesia South-South Technical Cooperation 2010). From its early stages, ITCP has received some donor support, starting in 1982 with UNDP funding, while in the 1990s the Japan International Cooperation Agency (JICA) became the major funder (CEACoS 2010).<sup>8</sup>

Like in the rest of the developing world, focus on SSC in Indonesia was nominal throughout the 1980s, though there were signs of a somewhat more activist foreign policy in the 1990s as Suharto become confident that Indonesia was moving inexorably to economic development and he thus wanted to highlight the country's skills and expertise. Equally, regional competition drove activism: Thailand established an ASEAN leadership role during the Cambodia crisis (Emmers 2014) and in Malaysia, Mahathir Mohamad's foreign policy activism saw it take on some leadership role amongst developing countries. The renewed diplomacy was also motivated by a desire to bolster support for, and the reputation of, the New Order regime and to reduce the likelihood of other states supporting independence groups in Indonesia, in particular those in East Timor and West Papua. There were domestic motivators of the new activism, too; Suharto attempted to accommodate the increasingly assertive Muslim groups in Indonesia partly through improving relations with other Muslim nations. As well as serving domestic interests, this action improved relations with Arab-Islamic states (Agensky and Barker 2012: 114).

Pertinent examples of new activism in SSC were the high profile commemoration of the 30<sup>th</sup> anniversary of the Bandung Conference in April 1985 and the renewed interest in NAM, which saw Indonesia successfully propose the establishment of the Group of 15 developing countries (G15) and gain the NAM chair in 1992-1995 (Sukma 1995).<sup>9</sup> Whilst chair, Indonesia promoted practical SSC activities, centred on the idea of development with social justice. It is safe to say that in this they were focusing on an uncontroversial topic, which Indonesia had done little to progress internally and which presented no challenge to the West or to the often strained relations between countries of the South.

8 Other donors supporting activities include Germany, the World Health Organization, the UN Population Fund, the UN Food and Agricultural Organization, the UN Economic and Social Commission for Asia and the Pacific (ESCAP), and the Colombo Plan. Interestingly Australia has not supported Indonesia's SSC activities.

9 Indonesia was also a founding member of the Group of 15 (G15) established after the NAM meeting in Belgrade in 1989. The G15 is a lobby body on major developments in the world economy and international economic relations but it also aims to 'identify and implement new and concrete schemes for South-South cooperation and mobilize wider support for them' (Group of Fifteen n.d.).

In the lead up to the Eleventh NAM Summit in 1995 Indonesia, supported by Brunei Darussalam, proposed the establishment of a NAM Centre for South-South Technical Cooperation (NAM-CSSTC) (Non-Aligned Movement Centre for South-South Technical Cooperation n.d.). It was built in Jakarta and still operates today. There was also some progress in the ASEAN arena, when in late 1997, ASEAN agreed to establish the ASEAN Foundation to promote awareness of ASEAN and improved livelihoods and well-being for people in South East Asia and there are now other ASEAN cooperation programmes that also have developmental components. But of course, this was during the death throes of the Suharto regime, and this process overshadowed issues of foreign policy and SSC for quite some time, as we shall see.

During the New Order, there were concerns about the passivity of Indonesian foreign policy (Weinstein 1976). This in part arose from the widespread belief amongst Indonesia's foreign policy elite that it should be a leader, at the very minimum, in the South East Asian region, and should play a role globally. By the 1990s, Indonesia could no longer ignore regional leadership challenges from Singapore, Malaysia, and Thailand. Thus, late in the New Order Suharto started to develop a more activist foreign policy and promote SSC, a move that was also aimed at mollifying domestic audiences and shoring up support for his increasingly fragile regime, though this was a secondary concern. Equally, these efforts were focused on building international support for the regime and limiting support for separatist groups. Suharto's approach to SSC reflected his generally pragmatic approach, focusing as much on concrete programmes such as ITCP and the NAM-CSSTC as on diplomacy and conferences. While small, these programmes remain one basis for the current SSC push, though new elements have emerged.

## **The Post-Suharto Regime and the Re-emergence of South-South Cooperation**

The re-emergence of SSC occurred globally from the mid-1990s but really gained momentum from around 2003 as highlighted by the progress of international conferences discussing development cooperation and promoting SSC and triangular cooperation (SSTC) as a key pathway for progress (Morais de Sa e Silva 2010).<sup>10</sup> The decline in aid after the end of the Cold War was a motiva-

10 Key conferences with a specific focus on SSC include the 1995 meeting of the G77 calling for a study on mechanisms for TCDC (producing the New Directions Initiative); the Third United Nations Conference on the Least Developed Countries (2001); the International Conference of

tor of cooperation in the late 1990s but from the mid-2000s, it was as much the economic growth and social vitality in many emerging economies that provided the momentum for renewed SSC, in particular the increased trade between countries of the Global South.<sup>11</sup> Morias de Sa e Silva (2010: 4) argued that this third phase of SSC cooperation has retained some of the traditional focus on politics but added new dimensions such as ‘new energy, new actors and new practices’. Equally, what has changed in this third phase of SSC is the growing interest of developed countries. Some of this was due to the possibilities opened up by the idea of triangular cooperation promoted through a G77-initiated, UN Development Program report in 1995 recommending ‘new directions’ in order to meet the myriad of challenges arising from globalization (United Nations General Assembly 2009). Before this, there was very little support from traditional donors for SSC. Japan was the first traditional donor ‘to offer substantial and sustained support for South-South cooperation’ and it has been a major supporter of Indonesia’s SSC efforts (United Nations General Assembly 2009: 12). According to a UN report, developing countries have attributed their increased interest in triangular arrangements as due to the level of ‘developing country “ownership” of’ SSC projects (United Nations General Assembly 2009: 12), yet it is telling that its support only grew with the idea of SSTC, which gives traditional donors a more explicit role and, indeed, control. In Indonesia, the inward focus of the Suharto era continued under the Jusuf Habibie, Abdurrahman Wahid, and Megawati Sukarnoputri presidencies. However, Susilo Bambang Yudhoyono (SBY) returned to Indonesia’s founding (constitutional) discourse of participation in global peace and social justice efforts (Agensky and Barker 2012: 116) and, under his presidency, activism and interest in SSC has taken on an importance not seen since the Bandung era. This trend has remained under Joko Widodo and indeed, his discourse on SSC has taken a somewhat more political tone than SBY. These recent developments are discussed in the conclusion to the chapter.

For Yudhoyono, *politik-bebas-aktif* remains as the guiding framework, though early in his first term, SBY (2005) introduced the metaphor of ‘navigating a turbulent ocean’ to describe the current international environment and hence

Financing for Development (2002 and 2008); the World Summit on Sustainable Development (2002); the 2003 meeting of the G77 in Morocco which produced the Marrakesh Declaration on South-South Cooperation; the UN General Assembly declaration of 19 December 2003 as the UN Day for South-South Cooperation; the UN Conference on South-South Cooperation in Nairobi (2009); and the High Level Event on South-South Cooperation and Capacity Development (2010), which produced the Bogota Statement.

<sup>11</sup> Trade between countries in the South increased from \$577 billion in 1995 to over \$2 trillion in 2006 (United Nations General Assembly 2009: 5).

Indonesia needed an 'all direction foreign policy' (Yudhoyono 2008). In addition to the usual concerns of economic development and security (usually understood as ensuring Indonesia's territorial integrity), there has been a stronger emphasis on engagement in the United Nations and especially peacekeeping and on promoting democratic values and human rights externally (though not for independence-oriented groups within Indonesia). Engagement with ASEAN remains a strong theme, as the region is seen as key, not just to security, but to future economic prosperity.<sup>12</sup> Despite the renewed activism, analysts see that it remains quite a conservative actor (Anwar 2010; Sukma 2011). This is a reasonable assessment, though seen in the South East Asian context it looks a little less conservative as democracy is not flourishing in the mid-2010s. Thailand is again in the hands of a military regime. The Barisan Nasional coalition, which has ruled since independence in Malaysia, has been faced with issues pertaining to the misuse of the legal system to persecute the political opposition and growing concerns around corruption. And in Singapore, the People's Action Party rules supreme with a degree of legitimacy but also thanks to gerrymandering and various surveillance and control mechanisms.

The return to a more activist foreign policy had broad backing from all sectors of politics. Given the longevity of leadership as a goal in Indonesian foreign policy, it seemed likely that Yudhoyono's desire to return Indonesia to a position of 'prestige' and 'dignity' and to gain 'global recognition and enhanced status in the international arena' would have played well with domestic audiences (Bandoro 2006). However, during his first term as president, cynicism was expressed regarding both the purpose and impact of his international endeavours (Bandoro 2006). Leadership in SSC and related arenas does not seem to speak to domestic audiences, as it did during the early years of the Republic.

The first sign of Indonesia's resurgent SSC agenda occurred shortly after SBY's election with the prominence placed on the 50<sup>th</sup> anniversary of the Bandung Conference. The April 2005 meeting of 89 Asian and African countries in Jakarta adopted the Declaration on the New Asia-Africa Strategic Partnership (NAASP), which committed to 'practical and sustainable cooperation based on comparative advantage, equal partnership, common ownership and vision, as well as a firm and shared conviction to address common challenges' (Asia-Africa Summit 2005: 4).<sup>13</sup> Despite the Asia-Africa focus of SSC declarations, in

12 Indonesia positions itself as an emerging middle power with a distinct 'international identity' as the fourth most populous nation in the world, the largest Muslim population and the world's third largest democracy (Anwar 2010: 131-132). The Islamic influence is clear in that promoting interfaith dialogue is a strong plank in Indonesia's foreign policy.

13 The similarities to the ideas and language in the Paris Declaration on Aid Effectiveness, which had taken place just two months prior, are striking.

practice Indonesia's SSC has not had a strong focus on the continent because its strategic priorities are geographically based and this focus is reinforced by its commercial interests, where, as a natural resource exporter, it has little interest in developing ties with Africa (in contrast to China).

In 2006, a Ministry of Foreign Affairs (MoFA) restructure saw the establishment of a Directorate on Technical Cooperation in order to further Indonesia's cooperation with developing countries (CEACoS 2010: 67). This directorate is part of the Directorate General of Information and Public Diplomacy, which perhaps indicates the government's views of the role of SSC. However, MoFA is not the only Ministry responsible for progressing SSC, the Coordination Team on SSC established in 2010 also includes the State Secretariat (SEKNEG), the Ministry of Finance, and the National Development Planning Agency (BAPPENAS), as the chair.

A further signs of a resurgence of SSC was that in 2008, Indonesia became co-chair of the Task Team on South-South Cooperation, a southern-led platform hosted by the OECD DAC Working Party on Aid Effectiveness and that aims to contribute to the knowledge base about SSC. Since 2010, its focus has been on scaling up and best practices – knowledge sharing has been a key emphasis in Indonesia's SSC approach. In 2009, SSC was included in the 'Jakarta Commitment: Aid For Development Effectiveness Indonesia's Road Map to 2014'. Indonesia's role as an aid donor is a key rationale for the Jakarta Commitment's aim to re-tune Indonesia's relationship with traditional donors by creating greater equality between Indonesia and them. The Jakarta Commitment also pledges signatories to supporting Indonesia's SSC efforts (Government of Indonesia and Its Development Partners 2009). In 2010, SSC was included in the Medium-Term National Development Plan (Rencana Pembangunan Jangka Menengah Nasional or MTNDP) 2010-2014. The Plan claims that Indonesia 'has become an important proponent' of SSC and that it is an alternative form of development cooperation, which was the reason it was included in the Jakarta Commitment (CEACoS 2010: ii-iii).

Since 2010, the Coordination Team on SSC has been drafting plans for Indonesia's SSC, the work has had significant support from Japan, consultants had been funded for a 'Basic Study' and the 'Draft Grand Design and Blue Print' of Indonesia's SSC (CEACoS 2010; Japan International Cooperation Agency and PT Indokoei International 2011).<sup>14</sup> Interviews with BAPPENAS, MoFA, SEKNEG, and scholars working in the area revealed that there is some competition amongst the key ministries involved about control and directions of the

14 A version of the Draft Grand Design is available from the JICA website, though a BAPPENAS staff member interviewed was not aware of this.

programme and insufficient political leadership to overcome these divisions. Thus the final design was delayed to after the July 2014 presidential election. What this suggests about Indonesian foreign policy is examined later in this chapter; however, first the key aspects of Indonesia's current SSC activities are briefly explained in order to give a sense of what has been occurring.

The Indonesian government has at least five elements to SSC, the first is the general (political) promotion of SSC, and here Indonesia has been very active with conferences and events.<sup>15</sup> Second is the technical cooperation programme based around the ITCP, the NAM-CSSTC, and quite a number of small programmes conducted by a range of ministries. The bulk of the funds for these activities have come from traditional donors.<sup>16</sup> Third, Indonesia has made efforts in terms of global emergency and humanitarian relief efforts provided mostly through the Coordinating Ministry for People's Welfare, which is the ministry responsible for this area internally. Here we see ad hoc donations of cash and services in response to crises. These emergency relief efforts are not part of the agenda for improving coordination in Indonesia's SSC. Fourth, some ASEAN programmes can be seen as SSC, in particular, those of the ASEAN Foundation, which is headquartered in Jakarta, and Indonesia along with Brunei Darussalam have been the largest ASEAN contributors (ASEAN Foundation 2009: 50; ASEAN Foundation 2010: 47).<sup>17</sup> Finally, in the multilateral sphere, Indonesia has committed a small amount of funding to projects with SSC components, for example the World Bank's South-South Exchange Facility.

In terms of the geographical focus of Indonesia's activities, the priority has been ASEAN's new member states – the CLMV countries (Cambodia, Laos, Myanmar, and Vietnam). The next three priority countries are Afghanistan,

15 For example, the 2005 Bali Strategic Plan for Technology Support and Capacity Building (developed under the UN Environment Program); the 2008 Bali Democracy Forum; and the 2011 'Triangular Cooperation: Towards Horizontal Partnerships, But How?' meeting organized with the Asian Development Bank and German government support. In 2012, Indonesia decided to build a Knowledge Hub for South-South and Triangular Cooperation in Jakarta. This initiative originates from Indonesia's membership of the G20 and its key role in the Working Group on Development and the Knowledge Sharing Pillar, which includes South-South cooperation. Also of note is that President Yudhoyono co-chaired the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda and the BAPPENAS minister has been co-chair of the Post-Busan Global Partnership for Effective Development Cooperation committee.

16 See also Coordination Team of South-South and Triangular Cooperation (n.d.). The estimated value of activities between 2000 and 2013 was around \$49.8 million – though presumably most of this was funded from donors (Mauludiah 2013).

17 The Foundation's focus on development was heightened by the Hanoi Plan of Action (1998–2004), adopted at the ASEAN Summit in December 1998, which encourages using the 'Foundation to support activities and social development programmes aimed at addressing issues of unequal economic development, poverty and socio-economic disparities' (cited in ASEAN Foundation n.d.).



Palestine, and East Timor. Indonesia has long supported Palestinian independence from Israel and activities increased in recent years with Japanese funding. Indonesia has engaged with East Timor since 2010, again through a triangular cooperation project with Japan (Krismasari et al. 2012: 10; Shimoda and Nakazawa 2012: 162). Regarding Afghanistan, this flows back to a commitment from then foreign minister at the London Conference in 2006 that Indonesia would provide capacity-building programmes and technical cooperation in a range of fields (Institute for Defence Studies and Analyses 2006). In Africa, Gambia and Tanzania have been the main foci and mostly in the agricultural sector. Finally, engagement with Pacific Island countries is discussed in key reports as a further priority.

Given the limited domestic impact of Indonesia's SSC strategy, it is best understood, first, as a way for Indonesia to re-establish itself as a global middle power after the turbulent years of the Asian Financial Crisis and the transition to democracy. Second, it shows the jockeying for power, influence, and prestige within Asia. At the broad regional level, there is a concern about China and India's growing influence in the region; Indonesia has long wanted South East Asia to be free of big power rivalry and seen itself as a balancing force between these two powers (Emmers 2014; Kondoh et al. 2010).<sup>18</sup> In terms of the South East Asian region, there is a second level of jockeying between middle powers – in particular, Malaysia, Singapore, and Thailand (though the recent instability there has likely reduced Thailand's capacity for regional leadership). Malaysia, Singapore and Thailand have developed significant SSC programmes and Singapore has led on a number of regional economic initiatives (Emmers 2014). The Thai and Singapore programmes have focused on transport linkages but Malaysia's programmes targets similar areas to Indonesia – not surprisingly since they share a number of areas of expertise, for example, tropical agriculture, farming, veterinary programmes, and natural disaster management (CEACoS 2010).<sup>19</sup> The competition with Malaysia is strongest and reinforced by the general perception that Malaysian diplomacy has been more effective than Indonesian for the past couple of decades. The aims of Singapore and Malaysia's SSC programmes are quite neo-liberal, focusing on promoting private sector investment, privatization,

18 During the 1980s and 1990s, the focus was more on being a counter to Japanese influence (Weinstein 1976). On the role of regional competition and factors in SSC by Asian countries, see Kondoh et al. (2010).

19 Malaysia's programme has been running since 1980 under one specialized agency, the Malaysian Technical Cooperation Program, and its budget has grown significantly in recent years: it was an estimated US\$164 million in 2010 (United Nations ESCAP 2011: 3). On Malaysia's programme, see CEACoS (2010: 30–32) and on Thailand's (33–38).



and openness to the region, while Thailand's programme has a strong focus on concessional lending – a traditional donor approach often regarded critically by the aid sector. So, on the one hand, the format of regional programmes offers little incentive to Indonesia to move beyond a traditional donor model, while, on the other hand, it offers Indonesia a chance to differentiate itself from the mainstream. This is even more pertinent, given that, as discussed above, most of South East Asia is showing no signs of a democratic turn and Indonesia under Yudhoyono has sought to differentiate itself with a strong focus on human rights. For example, it was a driving force behind the ASEAN Intergovernmental Commission on Human Rights established in 2009, the Human Rights Declaration in 2012, and the Bali Democracy Forums.

The various ministries involved in Indonesia's SSC efforts have differing views about the reasons for engaging in it and its future directions. In interviews, BAPPENAS emphasized the partnership aspects of Indonesia's programme, stating that it made Indonesia's programme different from that of Malaysia or Thailand. MoFA emphasized Indonesia's economic interests, while SEKNEG also emphasized national interest though not as strongly as MoFA. This highlights both the competing bureaucratic interests at play in SSC and the lack of a clear political vision for SSC. Other motivations for Indonesia's participation in SSC were identified in 'Policy Direction on Indonesia's South-South Cooperation', a long report issued by the Centre for East Asian Cooperation Studies (CEACoS). In the political realm, motivations identified include boosting the country's image globally, boosting cooperation in multilateral fora, and, interestingly, it still highlighted minimizing support for separatist movements. In economic and sociocultural spheres, interests included promoting trade and investment; cooperation with Indonesia's small and medium enterprises; and promoting education and tourism (CEACoS 2010: iv).

While there are a range of motivations for Indonesia's SSC, the performative aspect of the Yudhoyono Administration's SSC is important – through the diplomacy of high-level meetings and events it seeks to actively constitute Indonesia as a state that respects the sovereignty and dignity of fellow countries from the South and as a leader.<sup>20</sup> This approach obscures the thornier dimensions of Indonesia's relations with some countries, at the same time as building its relations with the United States, in particular through the emphasis on Indonesia's democratic credentials (Laksmana 2011). SSC announcements provide one leg of the discursive frame around Yudhoyono's plans for 'a thousand friends and zero enemies' (Yudhoyono 2008). The constitutive discourse about why Indonesia is involved in SSC is another leg of this discourse. It is part of

20 On how this operates in other nontraditional donors, see Mawdsley (2012: 157).

various government documents and was recounted to me in a very similar form at interviews with the three key ministries involved in SSC. The origin story of Indonesia's SSC programme is that the 1945 Constitution commits Indonesia to promoting world peace and social justice and that the country has been active in promoting SSC. A list of initiatives is provided, most of which were pre-New Order: Bandung, NAM, and the G77 with only the creation of ITCP from the New Order making the list.<sup>21</sup> In the post-New Order era, the discourse focuses on the responsibilities that attaining (lower) middle income country status (2008) and G20 membership confers, often supplemented by noting that Indonesia (generally listed along with China and India) did not go into recession during the Global Financial Crisis as most developed countries did (CEACoS 2010: 151). This discourse indicates that Indonesia has a long unbroken engagement in SSC based on ideas of global solidarity. While this depiction is undoubtedly problematic, it is reflective of a broader trend in South-South relations about producing 'discourses and performance of mutual development cooperation' that actually serve to 'reveal the extent to which some Southern donors and recipients seek to reject the humiliations and impositions of Western aid' (Mawdsley 2012: 163). For Indonesia, this relates specifically to the humiliation produced by International Monetary Fund conditions in the wake of the Asian Financial Crisis.

### The Influence of Traditional Donors on Indonesia's SSC Strategy

Indonesia's technical cooperation projects have been largely funded by traditional donors. Japan is Indonesia's major supporter followed by UN agencies and USAID. JICA has SSC in its list of thematic priorities; it is seen as a complement to North-South cooperation and as a way for developing countries to increase their capacity. Japan's programmes, as with other donors, mostly works through so-called pivotal countries like Indonesia.<sup>22</sup> Schulz (2010: 3) argues that Northern donors have shown a preference for cooperating with 'second wave' emerging economies rather than the BRICS, as they are '[I]ess aggressive [...] in their struggle for a share in global power, [...] focus on joint solutions [...] and they are more flexible when engaging in development partnerships'. Further, he argues they 'generate few contradictions in policy and practices' for DAC donors. This provides part of the explanation for

21 See, for example, the Draft Grand Design (Japan International Cooperation Agency and PT Indokoei International 2011: 1-3). An academic expression of this is Laksmana (2011).

22 It is also thought that Indonesia could play a larger role in SSC (CEACoS 2010: 28 and 116).

why Japan and other donors are not just funding triangular cooperation projects but are also heavily involved in developing the management and administration arrangements for SSTC programmes. These activities also give donors some influence over the direction and form of the programmes and activities of those new donors. This section explores whether Indonesia's SSTC programme supports or challenges the existing aid architecture.

JICA has been supporting the design of Indonesia's programme for a few years and in 2013 renewed this support through a Capacity Development Project (Krismasari et al. 2013). As well as the Basic Study and Draft Grand Design already discussed, in early 2014 they funded a study by CSIS to make further recommendations on administrative structures. They are also supporting the development of a monitoring and evaluation (M&E) strategy for Indonesia's SSTC, which showcased a German Gesellschaft für Internationale Zusammenarbeit (GIZ) M&E and project management system (Shimoda and Nakazawa 2012: 160-161). In the Draft Grand Design, the key things to be accomplished by M&E were first demonstrating SSTC's value to the national interest and only second showing the advantages of cooperation for other developing countries (Japan International Cooperation Agency and PT Indokoei International 2011). USAID has offered assistance in the preparation of project appraisal documents and in February 2014 they signed a memorandum of understanding with Indonesia on SSTC and the two countries are jointly designing projects (Matts 2014). The strategy also recognized the country's role as a regional leader demonstrating Schulz's argument that Northern donors are promoting 'second wave' emerging economies. Further evidence that traditional donor support works to mould SSTC to the existing international aid architecture is that a triangular cooperation project in the roads sector between Indonesia, East Timor, and Japan led to the provision of the country's first ODA loan from Japan (Krismasari et al. 2013: 22-23; Shimoda and Nakazawa 2012: 162-163).

While it could be seen that traditional donors are merely sharing their expertise with emerging donors, these practices have an important underlying logic. There is a broad concern amongst 'traditional donors' about the activities of 'new donors' and there have been a range of attempts to bring them into the existing aid architecture. This concern is often presented as being about the efficiency and effectiveness of their activities; however, concern about competition to the dominant aid paradigm as well as to the influence of traditional donors also plays a major role.<sup>23</sup> Specifically, the OECD DAC has been working to

23 Concerns about transparency and efficiency have been expressed in UN reports (United Nations General Assembly 2011: 2) and in academic studies (Davis 2010; Manning 2006). For a very cynical take on the programs of emerging donors, see Naim (2007).

create 'a common standard of aid effectiveness for both Northern and Southern providers of development assistance' (United Nations General Assembly 2013: 4). Southern donors are rightly expressing scepticism about the benefits of this programme, arguing that it would likely produce an 'unfair scorecard' (United Nations General Assembly 2013: 4). Given the very limited progress from Northern donors in implementing the aid effectiveness commitments, this scepticism seems well founded (OECD 2009). Hence, SSTC developments are examined critically in terms of the ways they may shape Indonesia's programme to fit the traditional, and not very progressive, international aid architecture.

The process used to support Indonesia's development of SSTC also reinforces the dominance of Western systems and processes and makes its programmes structurally open to Western governments. The programme's development has been, and is being, heavily informed by donor-engaged consultants and it follows many of the archetypal patterns identified by Natasha Hamilton-Hart (2006) in her study of the use of consultants in Indonesia. One interesting difference from Hamilton-Hart's study is that, in this case, most of the consultancy inputs have been done by Indonesian organizations, not foreign consultants. However, the studies were undertaken in English and the 'professional background and career incentives' of the consultants doing the work do not, in my assessment, challenge Hamilton-Hart's argument that consultants tend to promote liberalizing economic policies and minimalist though regulatory states.

The continual engagement of consultants in the light of the current minimalist political vision for the SSC programme and the level of bureaucratic wrangling about ownership, suggests that the consultancies are unlikely to promote major progress in policy development, which has been the case to date. This supports Hamilton-Hart's (2006) argument that, while there is a long paper trail justifying the engagement of consultants in Indonesia, there are no processes for reviewing the results of the consultants themselves. This context suggests too that SSTC activities are as much donor-driven as Indonesian government-driven and, of course, donor-driven projects frequently fail to achieve their goals. Even with limited success, the reports, policies, procedures, and systems produced by consultants still influence ideas, thinking, and future directions for SSC, thus their impact should not be discounted. For the consultants themselves, if the aim is re-employment, the 'safest option' is to produce reports, etc., filled 'with whatever ideas are currently circulating as best practice' (Hamilton-Hart 2006: 266) and these will be amenable to the existing mainstream global aid architecture.

Of course, DAC donors are not monolithic; there are divergences amongst them – at times quite significant ones. Japan has challenged components of the mainstream discourse, especially in the 1980s when the role of the state

went out of fashion in development with the dominance of neo-liberalism (Wade 1996). The predominant focus of SSTC on state-led processes may be part of its appeal to Japan, though equally Japanese aid has long had a strong focus on promoting its commercial and political interests in South East Asia, which sits well with the strong focus of many new donors on growth (Mawdsley 2012). Japan is also aware that the triangular cooperation projects with Indonesia 'could be an effective way to increase pro-Japan perception in Asia and developing countries as a whole' (CEACoS 2010: 114–115). Given that the grant component of Japanese aid is relatively low, this increases the appeal of influence and goodwill through SSC. Equally, though, the focus of most of the re-emerging donors on economic growth sits well with Japan's ideas about aid. Notably, political changes in the West have also seen a renewed focus on growth not aid (or rights) and thus Japan seems more in line with global trends on thinking about development at the present than in earlier times.

To conclude this section, it is important to highlight how the existing policy documents drive the logic of SSTC as based on the benefits to Indonesia's economy – there is *no* analysis of what Indonesia's 'partner countries' may need or want. In fact, the Draft Grand Design contains a tension between the desire to help fellow developing countries and the potential for competition with them in Indonesia's areas of comparative advantage, and this potential competition is seen as even greater within South East Asia. This tension was also clear in my interviews and, as noted earlier, the majority felt that directions would be set in favour of Indonesian national interests. In the Draft Grand Design, the tension is resolved in favour of national interest with the first point of the proposed SSC mission being '[i]mprovement of Indonesia's role in the framework of South-South cooperation to achieve the national interests' (Japan International Cooperation Agency and PT Indokoei International 2011: S-2). The needs of cooperation partners do get a brief mention in a 2014 report (Sofjan et al. 2014). If Indonesia was to keep national interest as the key focus of its programme, this would suggest a continuation of the traditional donor model prioritizing donor interests over recipients. This does not sit well with the underlying political objectives of the Jakarta Commitment and Indonesia's other SSC statements.<sup>24</sup>

24 The Draft Grand Design mentions the possibility that Indonesia will provide loans as well as grants, which is a further continuity with the traditional 'aid' paradigm but equally with the 'Chinese model'. According to my interviews, loans were suggested by the Ministry of Finance at a meeting in 2009. During the interviews, the various ministries expressed different views about both the desirability and likelihood of the loans. In practice, even if a new government were to support the idea, it would be many years before the administrative structures would be in place to allow loans. SEKNEG also noted that loans were unlikely to be popular with the

## Conclusions

This chapter aimed to shed light on what has been driving Indonesia's renewed interest in SSC. During the Sukarno era, Indonesia sought to play an agenda-setting role in SSC and non-alignment, yet domestic forces were a major influence on activism as SSC played well with domestic audiences and Sukarno sought to use the support to bolster his precarious position between the military and the Communist Party. In the Suharto years, SSC was marginal and its mild re-emergence in the latter years of the regime was about regional jockeying and regaining the country's status as a non-aligned state. Since Yudhoyono, Indonesia's increased involvement in SSC reflects the jockeying for power between emerging or middle powers for not just regional but also global influence.<sup>25</sup> This supports José Antonio Sanahuja's (2010: 18) argument that SSC 'is often framed in more assertive foreign policies, whether for power or prestige, ideology or internal legitimacy, to support regional stability or to comply with international commitments'.

At the regional level, competition with Malaysia, Singapore, and Thailand motivated increased SSC efforts. Indonesia may be the largest economy, but it is not well integrated into the regional production chains that have emerged or even the well-developed efforts in building regional transportation infrastructure. This is partly due to its geography – the transportation networks are focused on the mainland and on rail and road infrastructure. Nevertheless, Indonesia risks further exclusion from regional integration successes without concerted efforts. Even where Indonesia is more deeply involved in regional leadership (for example, the ASEAN Economic Community starting in 2015), its agenda does not challenge the rules of the current political-economic order. Thus, ASEAN's Economic Community conforms to the system more than the regional cooperation promoted by other countries, such as Venezuela or Bolivia. The focus on knowledge sharing and training in Indonesia's SSC programmes is a common one for smaller emerging donors but equally it is a low-risk strategy, which also minimizes the likelihood that its efforts could enable any nations to compete against it. There is not much evidence then that the key SSC principle of solidarity is driving Indonesian thinking, though

public. This ministry is responsible for promoting SSC to the Indonesian public and it noted the general low level of awareness and interest in the topic.

25 On global jockeying and the strategies of India, Brazil, and South Africa, see Flemes (2010). On Latin America and the Caribbean, see Sanahuja (2010).

commitment to the traditional SSC principles of 'non-conditionality, mutual benefit and non-interference' is clearer (CEACoS 2010: 155).<sup>26</sup>

SSTC has become a clear plank in Indonesian claims of having an independent and active foreign policy. It provides a constitutive discourse that frames its identity as a leader of peaceful cooperation between emerging economies based on a set of long-held principles – in particular, dignity and sovereignty. This discourse, emphasizing mutual benefits and hiding the many differences among developing countries, was a key leg in Yudhoyono's claim of a foreign policy that creates 'a thousand friends and zero enemies'. As outlined above, this is a problematic representation of Indonesia's SSC, yet it does seem to have had some impact as the country has retained a degree of legitimacy as a regional/global SSC leader (United Nations General Assembly 2009: 8).

The other issue explored in this chapter was whether Indonesia's current efforts are a challenge to the traditional aid industry and to the current global order. The emergence of mid-sized developing countries (like the CIVETS) as donors is an important phenomenon; it suggests that these countries 'want to become more than just spectators in the global game' (Schulz 2010: 4). But the equally important question is whether they want to direct the 'global game' in ways that will promote social justice and equality or whether they just want more recognition and power within a profoundly unequal order. Most proponents of SSC/SSTC argue that it will challenge both 'traditional' donors and the aid architecture. Yet, despite the growth in development cooperation activities (now the preferred term) of a range of countries (especially China), emerging powers continue to be hesitant 'to challenge the Euro-North American domination' of both the international aid architecture and of 'world affairs', as Palat (2008: 721) has argued. Indonesia is no different; it is largely focused on promoting its own national interests within the existing order and these system-conforming tendencies are being entrenched by the reliance on triangular cooperation and traditional donor support in building Indonesia's programme. In this sense, the country's SSC could be argued to conform to the Global North's hub-and-spokes strategy, which is the idea that by playing on the desires for leadership of the middle powers in the Global South and supporting their regional leadership roles, Northern countries are seeking to embed components of the current global order through their leadership (Palat 2008). The fact that some of the biggest emerging states have

26 It has also been noted that it is the more advanced developing countries that play the key roles in SSC and this may further marginalize the least developed countries. On the dominance of emerging powers in SSC, see United Nations General Assembly (2009: 25). On the potential negative consequences to the least developed countries, see Ladd (2010).



been cautious about engaging in triangular cooperation projects, precisely because they are concerned that triangular cooperation backs the existing unequal donor system (Mawdsley 2012: 202), supports this contention.

In Widodo's election campaign in 2014, the official policy platform released with running mate Jusuf Kalla suggested significant continuity with the foreign policy platform of SBY. The focus was on advancing the country's role as a middle power and SSC was included as one of his Nine Development Priorities Agenda (Parameswaran 2014; Tahalele 2015). Like SBY, shortly after his election, Widodo led an anniversary of the Bandung Conference, this time the 60<sup>th</sup>.<sup>27</sup> Widodo's opening speech employed some fairly strong language reminiscent of the early years of SSC. He said that the world 'today is still fraught with global injustice, inequality and violence' and linked this to the rich nation's consumption of 70% of the globe's resources and the structure of global financial management through the key international financial institutions (Widodo 2015). These organizations, he said, cling to 'obsolete' ideas and it is 'imperative that we build a new international economic order that is open to new emerging economic powers' (cited in Danubrata and Greenfield 2015).<sup>28</sup> This language suggests a more active challenge to the international order than under SBY. However, as Parameswaran (2014) has highlighted, Widodo faces a range of foreign policy challenges, a number of which are very relevant to progressing the SSC agenda. A key one is ensuring 'that Indonesia's rising nationalism does not undermine its internationalist outlook' (Parameswaran 2014: 158). As this chapter has highlighted, since it re-emergence under Yudhoyono, SSC has been driven more by a regional and internationalist agenda than domestic interests and lack of domestic support could well see the agenda weaken. Widodo has flamed some nationalist sentiments and seems to have a limited interest in foreign policy matters. Second, there is a 'gap between Indonesia's commitments and the limited resources it has to implement them' (Parameswaran 2014: 157), which is becoming more intense. Triangular cooperation provides one avenue to help overcome this constraint, which is likely a key reason the Indonesian government is actively pursuing these avenues, despite the ways that it attempts to lock Southern countries into the Northern aid architecture. Indonesia's SSC path is still evolving but, to date evidence for progressive tendencies is at best partial.

27 In 2005, leaders of 89 countries attended but in 2015, only 21 leaders attended.

28 Other indications of the continuing commitment are that the work on programme development is proceeding and at the political level, Vice President Kalla attended the High-Level Round Table on South-South Cooperation held on the sidelines of the UN Sustainable Development Summit in September 2015.

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