

**THE INDONESIAN FOREIGN POLICY TOWARDS
MALAYSIA: THE CASE STUDY OF AMBALAT
AND INDONESIAN WORKERS (TKI)**

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ALI MAKSUM

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ABSTRACT

This thesis examines the Indonesia foreign policy towards Malaysia, specifically in the case of Ambalat and Indonesian workers (TKI). This study is important due to some changes in the Indonesian foreign policy towards Malaysia that have occurred in last few decades. The changes were significantly impacted to the rise of the tension between the two countries especially in the both cases. Generally, this study attempts to answer three main questions namely (i) how has the changes in Indonesian foreign policy towards Malaysia?; (ii) how has the changes in Indonesian foreign policy towards Malaysia in the case of Ambalat and Indonesian workers (TKI)?; (iii) to what extent has the impact of international structure on the changes of the pattern and behavior of Indonesian foreign policy towards Malaysia in the case of Ambalat and Indonesian workers (TKI)?. Therefore, using Defensive Realism, this study has three main objectives (i) to discuss the trend of Indonesian foreign policy towards Malaysia in the context of the Indonesia-Malaysia bilateral relations; (ii) to analyze the Indonesian foreign policy towards Malaysia in the case of Ambalat and Indonesian workers (TKI) and the influence factors; (iii) to analyze the application of Defensive Realism to explain Indonesian foreign policy towards Malaysia in the case of Ambalat and Indonesian workers (TKI). The findings of this study demonstrated that the new international political structure after the end of the Cold War was tremendously impact to the Indonesian foreign policy towards Malaysia in the two cases. Nevertheless, other factors such as leadership, domestic politics competition, sentiment of nationalism and media provocation also give

significant impact to the posture and behavior of Indonesian foreign policy towards Malaysia.

Keywords: Indonesian foreign policy, Defensive Realism, Cold War, international structure, Ambalat, Indonesian workers (TKI)

CHAPTER VI

CONCLUSION

6.1. Introduction

The main objective of this research is to understand the Indonesian foreign policy towards Malaysia, especially in the two main issues namely Ambalat dispute and Indonesian Workers (TKI) and determine factors that influence the policy. Specifically, using the theory of Defensive Realism guidance, this study seeks to answer the questions and meet the objective of study offered in the first chapter. Meanwhile, as discussed in the second chapter emphasized that in the theory of Defensive Realism's point of view, international structure is greatly affect the international relations. In this study assumed that the change in the Indonesian foreign policy towards Malaysia in both cases due to the change in the domestic politics and leadership (idiosyncratic). However, the domestic politics and leadership change are influenced by international structure. This main goal of this conclusion chapter is to provide a summary and conclusions of the thesis. To be more systematic, this chapter is divided into several important sections such as research findings, theoretical findings, recommendations and policy implications as well as limitations and future research.

6.2. Findings

Based on the discussions chapters, this thesis has answered two important points namely research problem and research objectives. The research problem of this study are (i) how has the changes of Indonesia foreign policy towards Malaysia?; (ii) how has the

changes of Indonesia foreign policy towards Malaysia in the Ambalat and Indonesian workers cases?; (iii) how has the impact of international structure in explaining behavioral changes and patterns of Indonesia foreign policy towards Malaysia in the Ambalat and Indonesian workers issues?, have been completely answered in the discussions chapters third, fourth and fifth. To answer the second and first question, generally it can be concluded that the trends and the development of Indonesia's foreign policy towards Malaysia is truthfully dynamics. It is precisely can be concluded that in the case of Ambalat and Indonesian workers, the Indonesian foreign policy towards Malaysia has changed compared to the previous era especially in the Cold War era. In the post Cold War era the Indonesia's foreign policy behavior particularly in the case of Ambalat and Indonesian workers is clearly more assertive which is different than before.

Meanwhile, to answer the third question of the study regarding the influence of international political structure, the conclusion is that international structure is arguably an important factor that change the Indonesian foreign policy towards Malaysia in the Ambalat and Indonesian workers cases. However, as discussed in the second chapter, the influence of international structures is should be discussed further. This is because the impact of international structure is under circumstances, either high pressure or low pressure. As discussed in the third, fourth and fifth chapters, the international structural changes obviously affect the patterns of Indonesia's behavior towards Malaysia. This change occurred due to the foreign policy formulation is influenced by two important factors, namely internal factors and external factors. The internal factors or domestic variables consist of leadership, nationalism, the role of the media and the competition of the political elite. These domestic factors are rely on external factors such as international

environment, regionalization, alliance resolve and economic interdependence which are determine the nature and degree of international pressure.

Moreover, this thesis also has successfully filled the objectives as clearly explained in the third, fourth and fifth chapters. The three objectives of the thesis are:

- a. To discuss the pattern of Indonesian foreign policy towards Malaysia in the context of the development of bilateral relations between the two countries;
- b. To analyze the Indonesian foreign policy towards Malaysia in the Ambalat and Indonesian Workers (TKI) cases as well as the determinant factors;
- c. To analyze the effectiveness of Defensive Realism in the Indonesian foreign policy towards Malaysia in Ambalat and Indonesian Workers (TKI) issues;

The first objective of the research in relation to the patterns of Indonesian foreign policy towards Malaysia in the context of the development of bilateral relations, have been explored in the third chapter discussion. The second and the third objectives are (i) analysis of the Indonesian foreign policy towards Malaysia in the Ambalat and Indonesian workers cases and the influence factors and, (ii) analysis of the appropriateness of Realism Defensive in the explanation of the Indonesian foreign policy towards Malaysia in the Ambalat and Indonesia workers isseus, has been comprehensively realized in the fourth and fifth chapters.

This thesis empirically prove the proposed hypotheses, namely:

1. The Indonesian foreign policy towards Malaysia especially in the case of Ambalat and Indonesian workers was changed due to some transformation in the domestic politics and leadership (idiosyncratic).

2. The change in the domestic politics and leadership (idiosyncratic) was due to the impact of the dynamics of international structure.

The following sections will explain the empirical evidences in order to testify and verify the hypothesis proposed. This hypothesis are basically divided into two important points, namely the role of international structure and the role of domestic elements. The domestic variables consist of four important variables namely leadership, nationalism, the role of media and the competition among the political elites.

The hypothesis have been completely testify and discussed in the case studies which are focus on Ambalat and Indonesian workers. In the Ambalat case for instance shows that the role of international structure is significantly important. As discussed in the fourth chapter, the Ambalat issues emerge twice, in 2005 and 2009. Basically, the emergence of Ambalat case closely related with the past and hidden problem particularly regarding border issues between Indonesia and Malaysia in the post-confrontation era. Due to regional security reasons as well as the pressure from major powers especially the United States, the two countries forced to agree to postpone the existing problems in order to realize the international demand which observed on the high pressure at the time. However, the borders issues emerge while the two countries attempt to resolve and international situation had changed due to the end of the Cold War. In fact, both countries as well as regional state actor have considerable concern to Ambalat issue and worried that it will highly impact on the regional security. This demonstrates that changes in the post-Cold War international structure greatly impact to the bilateral relations, especially in border issues. This situation presumably be different if the international structure remain constant and did not changed. This is because the borders issues would not be

problematize in order to keep mutual security interest. In the meantime, to acknowledge that the raise of border issues followed by tensions between the two countries is highly impacted by the dynamics of internal political structure. The increasing role of internal structure is substantially caused by the dynamics international environment which perceived more open and flexible. In this case, the low pressure of international structure provide a flexibility to the domestic variables to influence foreign policy making process. In the case of border dispute portrays that political elite and the media influence in the foreign policy decision making process. For instance, the first Ambalat issue outbreak simultaneously with the Indonesian government's decision to increase fuel prices while the Indonesian President Susilo Bambang Yudhoyono (SBY) political power was also weak in the parliament. The SBY policy on Ambalat case in order to gain political support from the people after raising the oil prices is considered as a treason against the people. While the second Ambalat issue occur concurrently with the national event, the 2009 Indonesian general elections. In the first and second Ambalat issues media have played important role especially in terms of provocation and psychological war which extremely impact to the rise of nationalism sentiment of the people of Indonesia. However, the increase of domestic variables was definitely influenced by the decline of international pressure in the post-Cold War era. Thus, the hypothesis of this study is proved that the international structure plays a critical role.

In the Indonesian migrant workers issues, the study has also concluded that international structure consistently plays an important role. This is because the Indonesian migrant workers issues is closely related to the current international situation. In fact, as it has discussed earlier, the arrival of Indonesian immigrants in Malaysia at

first phase was strongly encouraged. The Malaysian government is very concerned with Indonesian immigrants due to some political interests, especially the Malays political position after the May 13, 1969 riot. In addition, the Malaysian policy on migrant workers is clearly close with the agenda to counter communism influence, especially in the two countries. At the same time, the demand on Indonesian workers was increased due to the rapid economic development and the growth of the middle class which mostly do not want to work in the field of so-called 3D (dirty, difficult and dangerous). Conversely, in the post Suharto era, especially in the SBY era, some sensitive issues emerged involving Indonesian illegal workers in Malaysia such as the high number of abuse cases and mistreatment. While the existence of Indonesian workers was unfortunately exploited by various parties in Indonesia whether from worker agencies as well as at the ministerial levels. The human rights abuses have truthfully received wide coverage and attention among Indonesian people. It was indirectly evoked the nationalism among Indonesian which mixed with anti-Malaysia sentiment. The above phenomenon shows that the international situation was increasingly open following the lower pressure of international structure in post-Cold War which made migrant workers issues became more sensitive. Furthermore, in this context, domestic elements were seen more influence rather than external variables due to the low pressure of international structure. In addition, the achievement of democratization and freedom of press in Indonesia was tremendously important factor behind migrant workers issues. Likewise, the ideational factors especially human rights issues were also the primary factor following the raise of some varieties of mistreatment cases against Indonesian workers in Malaysia. The situation is more complicated succeeding provocation from mainstream

media notably in Indonesia. Consequently, the perception of Indonesian people towards Malaysia has changed indirectly. Thus, the hypothesis of this study about the role of international structure is correctly proved.

6.3. Theoretical Findings

This section will discuss the effectiveness of the theory applied, namely Defensive Realism and its suitability to analyze another international relations cases.

- i. The effectiveness of Defensive Realism in answering the questions that have been raised in the introductory chapter and also hypotheses have been proposed.

As discussed in theoretical chapter (chapter two), Defensive Realism is the appropriate theory to analyze Indonesian foreign policy towards Malaysia in the context of Ambalat and Indonesian workers cases compared with other theories, including Neorealism, Neoliberalism and Constructivism. The advancement of Defensive Realism compared with these theories is the position of international structure which considered has important role. This characteristics is distinguish and not discussed in the neo-liberalism and constructivism. In addition, Defensive Realism theory is more appropriate due to taking into account the domestic variables which also play an important role in the foreign policy formulation. In contrast to this, Neoliberalism for instance tend to neglect domestic variables. Moreover, Neorealism did not considere the domestic variables at all. Nonetheless, Constructivism emphasize on the domestic politics is very useful to strengthen Defensive Realism analysis. Thus, Defensive Realism is an appropriate theory to explain Indonesian foreign policy towards Malaysia specifically during Indonesian President SBY era (2004-2009), exclusively in the Ambalat and Indonesian workers cases.

The Defensive Realism paradigm is obviously applicable due to the analysis has been expanded and integrated with foreign policy concept which involves many important components. These components are directly or indirectly become important element of Indonesian foreign policy transformation towards Malaysia. Generally, these components are divided into two important factors, namely external factors (international structure) and internal factors (domestic politics). External factors consist of four components, namely the international environment, regionalism, alliance resolve and economic interdependence. Meanwhile, the internal factors including leadership, nationalism, media liberalization and competition among political elites.

After recognizing the components, the influence factors and patterns of Indonesian foreign policy towards Malaysia in the Ambalat and Indonesian workers cases are could easily identified, particularly the question in relation with the factors as well as under which condition of international pressure and in a specific time. This is because the bilateral relations will inevitably involve those components and immediately easy to understand which factors were most responsible either external or internal. As the priority factor, the role of international structure in this thesis is undeniable. However, as explained in theoretical chapter the concept of international structure should be more described further. This is because the role of international structure is highly dependent on whether in the high pressure or low pressure. At the same time, the level of international pressure is also decisively critical to the role of domestic variables such as leadership and other components in the foreign policy process. Through the observation on the trends and development of Indonesian foreign policy towards Malaysia in various

cases, it was demonstrated that the application of Defensive Realism in the Ambalat and Indonesian workers cases is greatly effective.

The structure of international system as the most fundamental assumption in Defensive Realism, is extremely prioritized. Nevertheless, the implementation of international structure in this thesis as previously described has applied in some of critical components such as international environment, economic interdependence, the influence of allies and regionalism.¹

In the Ambalat case for instance is certainly close with border problems between the two countries which has been postponed and incompleting in the past. The Ambalat case emerge due to the both countries have hold the settlement of the border, especially in the post-confrontation era. Furthermore, Indonesia was also forced to end the conflict with Malaysia mainly after confrontation followed by the establishment of the ASEAN. In line with this, the United States is noticeably concerned with the Southeast Asian security issues in the post-confrontation. As a result, Indonesia have agreed to temporarily hold the border issues with Malaysia.

The border issues become a sensitive issue while international situation has changed and more open. At the same time, the internal political situation is also increasingly open in the post-Cold War era. In addition, the post-Cold War have brought a new international issues such as democratization, energy and media freedom which are exactly effect the perceptions and foreign policy behavior of Indonesia towards Malaysia. Consequently, such delayed issues during the Cold War suddenly wake up following the

¹ Lai Yew Meng, Nationalism and Power Politics in Japan's Relations with China: A Neoclassical Realist Interpretation, *Ph.D Thesis* (Department of Politics and International Studies, University of Warwick, 2008), 60.

change of international political situation and domestic politics. The raise of media during Indonesia-Malaysia tension is the real evidence how the provocative news could simultaneously trigger Indonesia's nationalism sentiment colored with anti-Malaysia. Additionally, the complicated internal situation has been vigorously used by political elites to obtain political support. This phenomenon is clearly visible while SBY has utilized the first Ambalat issue to maintain political power after the increasement of oil prices. Similarly, the second Ambalat case is also close with the domestic political scene ahead of the 2009 Indonesian presidential election. The media provocation has absolutely triggered Indonesian nationalism sentiment and made highly emotional against Malaysia across the country. In generally speaking, the first Ambalat issue has saved President SBY from the overthrown by the people. While the second Ambalat issues has been smartly used by all presidential candidates including SBY to raise their popularity and to gain political support from the prospective constituent.

At this point, the analysis of Defensive Realism is evidently approved. This is because the Ambalat issues are basically hidden disputes which existed in the Cold War era, yet both countries urged to postpone temporarily due to the high pressure of international structure during the Cold War era. However, the Indonesian attitude was changed and more assertive following the change of international system. At the same time, the domestic variables such as media, leaders, political elites and nationalism sentiment have increased as a result of the low of international pressure.

On the Indonesian migrant workers issues, some components of Defensive Realism have played a role. Such elements are media, nationalism and competition among political elites. As already stated in early section, the racial riot May 13, 1969 in

Malaysia and the anti-communist sentiment in both countries are crucial factors that prompted the mass influx of Indonesian immigrants. However, in line with the openness of the international environment, the Indonesian migrant workers issues have generated some problems due to the involvement of the workers in various criminal cases. In this case, the systemic and domestic elements are concurrently playing a role. The international environment element is clearly impacted on the rise of the human rights issues which are dominated by Indonesian migrant workers issues. In addition, the economic interdependence element is also present. While the influence of the allies and regionalism is difficult to be recognized. Correspondingly, the four elements of domestic politics are most certainly appear such as leadership, competition among elites, nationalism and media liberalization.

Specifically, the growing role of the domestic variables is caused by the effects of the openness of the post Cold War era. In spite of that, the international political agenda after the end of the Cold War have already transformed which suddenly more focused on the non-security issues including human rights. Consequently, the domestic elements began to urge and did protest over Malaysia regarding some abuses against Indonesian migrant workers. Furthermore, it has triggered Indonesian nationalism added with anti-Malaysia sentiment which have been expanded to the humiliation issues against the people of Indonesia. In addition, Malaysia is also considered challenging Indonesia following the violation cases towards Indonesian expatriates. In the midst of this situation, the role of media has significantly influenced the attitudes and actions of Indonesian towards Malaysian. The situation is totally different when Indonesia was under Suharto rule which strictly control the media. Nevertheless, the economic interest is sufficiently

strong behind the Indonesian migrant workers policy towards Malaysia. Therefore, the assumption of Defensive Realism is valuable in the analysis of Indonesian migrant workers cases.

In the context of Indonesia's foreign policy towards Malaysia principally in the Ambalat and Indonesian migrant workers issues is determined by the extent to which the country's relative power position offered by Realism Defensive.²

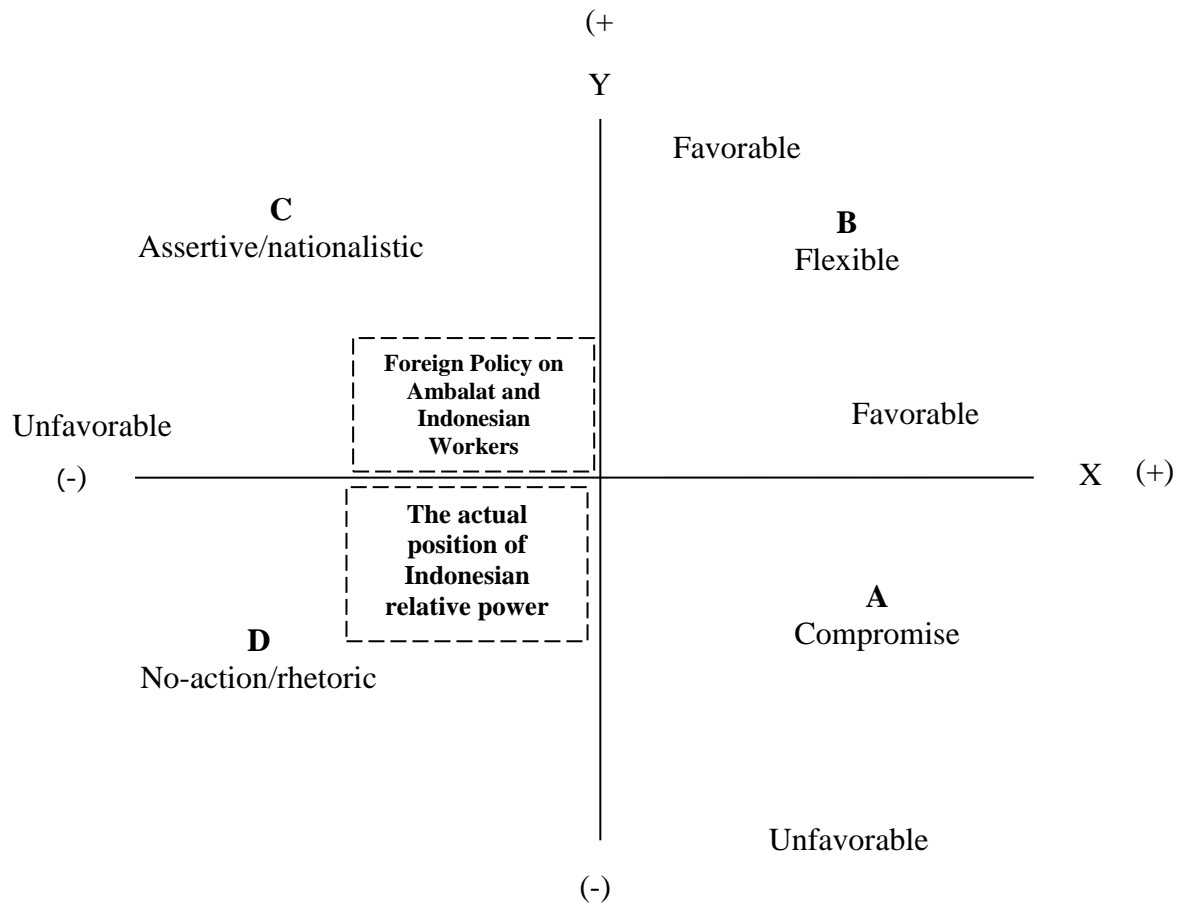
In the Ambalat and Indonesian migrant workers cases the international situations are more influenced by the agenda of the war on terrorism after the September 11 attack. In addition, in the next phases of international scenarios are more dominated by the economic recession that hit the United States and other developed nations. The United States as the sole super power in the international system which characterized as "Uni-Multipolarity"/"many powers and one superpower"³ has been stressed by with their own agenda in Iraq and Afghanistan. Thus, the power position of systemic is unfavorable (negative). Equally, the domestic power position is also unfavorable (negative). In the first Ambalat case for instance is coincided with the SBY's controversial decision to raise fuel prices while his political position is weak in the Indonesian parliament. In the same way, in the second Ambalat case, the SBY's power position is under pressure following the 2009 presidential election. While in the context of Indonesian migrant workers, the SBY administration have forced to overcome huge number of Indonesian migrant workers cases in Malaysia. Walau bagaimanapun, mengikut Realisme Defensif, melihat senario dalam kes Ambalat dan TKI, dasar luar Indonesia pada dasarnya di Sektor D atau dasar luar bersifat retorik semata-mata. Hal ini dilakukan adalah bagi memuaskan

² Please see Chapter 2 p. 54 regarding the pattern of state behavior /foreign policy in Defensive Realism.

³ Please see Fareed Zakaria, *The Post American World* (New York: W.W. Norton & Company Ltd., 2008).

penyokong dan mengawal kedudukan dan imej politik domestik. Dengan demikian analisis ini sesuai dengan Realisme Defensif. Berikut dapat dipamerkan rajah analisis Realisme Defensif. In the analysis of the fourth and fifth chapters, Indonesian foreign policy was undeniably assertive and nationalistic. However, according to the Defensive Realism, the scenario of the Ambalat and Indonesian migrant workers, Indonesian foreign policy should be on the Sector D means that the foreign policy defined as fully rhetoric. The policy should be conducted in order to satisfy the constituent as well as to maintain position and secure domestic political power. Hence, this analysis is correctly accepted by Defensive Realism. The following is Defensive Realism diagram analysis.

Chart 6.1: The Analysis of Pattern of State Behavior /Foreign Policy of Indonesia in the case of Ambalat and Indonesian Workers



Note:
Y= Systemic Factors
X= Domestic Factors

Finally, the above description and explanation of should be considered as the important contribution to the improvement of Defensive Realism, especially in the context of foreign policy analysis.

ii. Appropriateness of Defensive Realism and its application in the foreign policy studies

According to the study on Indonesian foreign policy towards Malaysia in the Ambalat and Indonesian migrant workers cases guided by Defensive Realism, to the the author point of views, the Defensive Realism is very effective to analyze international relations phenomena. This is because the concept of Defensive Realism has been widened to some components which can be applied in the foreign policy formulation. Foreign policy is essentially requires two variables, namely external variables (international) and internal variables (domestic). In the Defensive Realism, international variables position is totally important. Equally, the internal variables are also very much dependent on the international situation whether high pressure or low pressure. Thus, the international component of Defensive Realism which are divided into four aspects i.e. international environment, economic interdependence, alliance resolve and regionalism are strongly influence the country's behaviors. Regardless the international situation, the role of domestic variables are relied on the four international components.

In this thesis, the patterns of Indonesian foreign policy towards in the Ambalat and Indonesian migrant workers cases are strongly determined by four internal components namely leadership, nationalism, media and political elite competition. In the context of other international relations cases, the significance of these components will possibly change from time to time. At one time, the leadership and political elite competition will take a role while nationalism and media provocation lack contribute or vice versa. Another possibilities in other international relations contexts are likely some

new domestic variables will be appeared. Thus, it is clear that external variables (international) are completely important and decisive in international relations analysis in the various countries and region.

6.4. Limitations and Future Research

Starting from the first to the fifth chapter, this thesis has comprehensively analyzed to analyze the background of research, theory, the development of Indonesia-Malaysia relations and empirical findings as well as conclusion. Based upon the above discussion, this thesis has answered the research questions and meet the objectives proposed. This thesis also demonstrates that the study has many achievements especially the references from Indonesian sources. At the same time, this study also not abandoning the important material sources from Malaysia.

Along with some achievements, this study also has a weakness for example is the period limitation analysis which focus on SBY era (2004-2009). In the second term of his presidency some issues have raised which generate anger and emotional among people and the government of Indonesia. For instance, Indonesian migrant workers, border issues related to the construction of the lighthouse by Malaysia authority in Tanjung Datu in West Kalimantan, the arresment of maritime officers by the two countries maritime forces in Tanjung Balai Karimun in Riau Islands, haze issue, palm oil production proliferation including delimitation issues in various border areas. This thesis is also did not taking in to account ASEAN Economic Community agenda in 2015 as well as the role of Malaysian multinational companies operated in Indonesia such as CIMB Bank, Maybank BII, Petronas and XL-Axiat. Moreover, some Malaysian leaders have also

proudly shown their identity in relation to their Indonesian descent. Such Malaysian figures whom have Indonesian blood are Dato 'Seri Mohd Najib Razak claimed as a Bugis and Dato' Seri Ahmad Zahid Hamidi as Javanese. This factors are certainly can not be abandoned and may affect the attitudes of Indonesian foreign policy towards Malaysia. Additionally, various regional political issues such as the US foreign policy on the Asia Pacific region, Malaysia's success as ASEAN chairman and the Indonesian membership in the group of advanced countries (G-20). These issues are surely can influence the behavior of Indonesian foreign policy towards Malaysia. All in all, this weaknesses and limitations of the study will be more comprehensive if be considered in the future studies. This field of research is expected to be more develop and advance in the future.