"Indonesia Country Report," ASEM in its Tenth	ear: Looking Back,	Looking Forward; (ed.	Tadashi Yamamoto and	Yeo Lay Hwee),
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# [INDONESIA]

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### Discussion: The Future of Asia-Europe Cooperation

(First Discussion)

The discussion was held on 3 August 2005 at the CSIS building, Jakarta, and was attended by around forty people from academic institutions, NGOs, and the Department of Foreign Affairs of Indonesia.

The main topic of discussion was the future of Asia-Europe cooperation, particularly within the framework of the Asia-Europe Meeting (ASEM). A number of issues were discussed, including the performance and significance of ASEM for both Asia and Europe, a number of factors that support and hinder the ASEM process, and reasons why ASEM and Asia-Europe cooperation must be maintained.

Ambassador Wirjono S. opened the discussion by making a comparison between European and American foreign policies, on which he explained that the European Union prefers soft-core policies. ASEM is only a meeting, not cooperation. The EU prefers this type of policy, particularly in a situation where there is interdependence and developed states are less-dependent. The more-dependent Asian states should improve themselves domestically so that they do not continue to be scrutinised.

Asia's capability to integrate will be a significant aspect of its relations with other regions. Particularly for Asia-Europe relations, a specific system is needed which must be further discussed by the two regions.

Based on this condition, what actually should be done by the two regions? Ambassador Wirjono emphasized the need to cooperate while keeping in mind the domestic situation of the Asians (particularly issues such as transparency and accountability).

Furthermore, another opinion was expressed by a discussant from the Commission I of the Indonesian Parliament (DPR). Asia is still the dependent actor in the relationship and is more fragile under Europe's scrutiny. This has real impacts, including in the economic sector. For example, the UK has been known to hold back its loans due to an incompatibility of vision with Asian states. From the European perspective, the differences of the two regions are more significant.

For example, in the security sector, Europe and Asia have differing perspectives. Asia is more realist and considers the state to be the main actor. This is not the case for Europe. In the economic sector, Europe pays more attention to its ex-colonial states in Africa rather than in building cooperation with Asia.

Next, Robert Mangindaan of the National Resilience Institute (Lemhanas) specifically discussed the issue of Indonesia within ASEM. He explained that there is very little advantage for Indonesia with ASEM. Indonesia does not even know what it needs from the ASEM relationship. Indonesia cannot even define its interest and what it wants to represent in ASEAN. Thailand's and Malaysia's interests seem to be represented more in ASEAN. Thus, what must be done at the moment is to formulize Indonesia's policies and interests and then put them forward in meetings like ASEM.

Furthermore, Mr. Mangindaan explained that Indonesia does not have a clear security management construction. There are unclear job descriptions and allocations among the Minister of Defence, Commander of the Armed Forces, and the National Police. Specifically on terrorism, Indonesia still fights terrorism using ordinary law.

The same insufficiency also applies for the case of the Malacca Straits, where there are plenty of problems relating to piracy and other criminal acts. Indonesia does not have clear legal regulations on the security of the Malacca Straits. Perhaps Europe can be of assistance in this issue.

Mr. Aleksius from Parahyangan University complimented well-integrated and well-consolidated Europe. It is too bad that consolidation in Asia is still a mess; patterns of interregional cooperation cannot be well-designed. Asia is the region with limited capabilities. Indonesia is particularly disadvantaged if it does not have clear objectives for its involvement in ASEM. So far, Indonesia seems to be merely following the trend and it is prone to exploitation both by the Europeans and the stronger Asian states.

Next, a discussant brought up two significant issues related to ASEM. The first issue is Myanmar. This issue must be carefully attended to by ASEAN to prevent the spread of controversial matters. The second issue is the development of the economic sector, because this is the most urgent matter for Indonesia in ASEM. ASEM must focus on economic cooperation in the future. ASEM could bridge the trade between Asia and Europe, particularly over trade barriers.

Dr. Hadi Soesastro from CSIS explained in detail the history of ASEM. At the beginning, ASEM was not designed as an interregional dialogue and served only as meetings between European and Asian states. This changed along with the existing mechanism. The problem was that there was imbalance caused by bad consolidation in Asia.

Aside from that, ASEM's meeting agendas were not well-prepared. At the beginning, all sorts of projects were suggested, thus resulting in the creation of a long wish list. Now, the problem is: what is the common agenda? So far, due to its comprehensive nature, there have been no efforts in ASEM to prioritize certain issues. Now, it is important to formulate a priority agenda to create an institutional framework to replace the existing non-working mechanism.

Dr. Hadi Soesastro also reminded discussants that there was no interregional mechanism between Asia and Europe. So far, relations are developing between Indonesia and a number of European states. The economic agenda must be managed in an interregional and global framework. The geopolitical dimension can be used in international forums.

Responding to the issue of mechanisms in ASEM, Mr. Luhulima from CSIS explained that there is no mechanism. There needs to be a distinction between economic and security approaches. Economic cooperation is easier to pursue. Thus, cooperation in ASEM must be identified according to sector.

Moreover, one must keep in mind that there are problems in Europe related to the EU referendums. There is growing evidence that in the future, Europeans may not be governed by the EU.

Dr. Hadi Soesastro responded that the EU had a very limited budget for economic cooperation. Large funds are possessed by individual European states. With this condition, European states refuse to use the EU in their economic relations, and thus practices to boost trade are conducted by individual states.

A comparison between Indonesia's relations with Europe and with big states in Asia, such as China and India, was then presented by Ambassador Sabam Siagian. He claimed that the potentials of these big Asian states must be thoroughly considered.

Another discussant from the Department of Foreign Affairs said that there are still a number of barriers that prevent ASEM from developing into a more concrete forum.

Bilateral economic relations will still dominate. In fact, at this point, what has more potential would be to develop initiatives in socio-cultural relations.

Furthermore, he also explained that ASEM's working methods were still insufficient, and it is still often questioned as to whether a permanent secretariat was necessary.

Ms. Evi Fitriani from the University of Indonesia explained that it was significant to identify the interests of "Asia" and "Indonesia" in ASEM. They have to be differentiated because there will be recommendations for Indonesia, for Asia, and for ASEM as a whole. She considered that the discussion was intended to identify the weaknesses of Indonesia in this regard, and thus will bring up recommendations to improve that.

In academic matters, she viewed that there had been many advancements in peopleto-people relations. In fact, these relations are more sustainable with vast positive impacts.

Commenting on people-to-people relations, Dr. Hadi said that the relations were starting to get weak and fragile, particularly at the moment due to a decreasing budget. Thus, ideas for central funds must be revisited, because for ASEM to be a serious initiative, ample funds must be available.

The issue of civil society had been brought up in the second ASEM. Europeans declined this idea because they considered it unclear who or which institution could represent civil society. Civil society can only express its involvement at the national level. Thus, a well-organized mechanism to include civil society should be created at the national level.

Much valuable input was obtained from the discussion, and participants expressed desires that ASEM support interregional cooperation beneficial to both Europe and Asia. After about one and a half hours, the discussion was adjourned.

## **Discussion : The Future of Asia – Europe Cooperation**

(Second Discussion)

This second discussion was held on November 17<sup>th</sup> 2005, at the CSIS building, Jakarta. It was attended by approximately fifteen people from different institutions, including CSIS, academic institutions (International Relations Department - University of Indonesia), The Indonesian Parliament (1<sup>st</sup> Commission) and the Department of Foreign Affairs.

This discussion is intended to provide some contributions to the forthcoming ASEM Senior Officials Meeting (SOM) in Vienna, March 2006. Afterwards, this input will be brought to the Asia-Europe Meeting (ASEM) in Finland, September 2006.

The previous discussion identified several difficulties and possible solutions in Asia-Europe relations. Despite the fact that there is an abundance of cooperation institutions between Asia and Europe, it is clear that these institutions have not performed at their peaks. Therefore, in this discussion it is important for the forum to seek possibilities to strengthen Asia-Europe cooperation.

Ambassador Wirjono S. initiated the discussion by addressing the importance of analyzing the regional conditions of both Asia and Europe. He acknowledged several conditions that will influence EU policies towards Asia. *First*, Europe is in the process of enlarging the EU. Consequently, Europe is finding its pattern of relations and power in the international arena. In addition, Europe is looking for more soft-power influence to equalize the United States' hard power. *Second*, there are some frightened feelings amongst European countries that EU enlargement will bring more burdens, specifically for Western European member states. For example, there are problems regarding immigrants in France, Germany, and the United Kingdom. Accordingly, Europe will adopt more inward-looking policies in order to manage these particular problems. *Third*, the repudiation of the EU constitution by the French and the Dutch public has shown that there is reduced confidence in the EU among member states. *Last*, the EU is dealing with the dilemma caused by the Turkey's wish to join.

Ambassador Wirjono S. also suggested that several conditions in Asia influence its relations with the EU. *First*, Asia—particularly ASEAN—has lost its attractiveness in

comparison with China, for instance, though this may change as the region recovers from the 2005 tsunami. *Second*, Asia is having some difficulties in defining the membership of the region. There are at least three clusters in Asia, ASEAN plus three, ASEAN and the South Asian countries, and ASEAN and the Oceania zone countries. Since 1997, however, the gravitational center of Asia has been moving to the North, with competition between Japan and China becoming a focus. Therefore, Asia-Europe cooperation is abundant on paper but not in actual project implementation.

In addition, relations between the two regions are mostly asymmetric: the EU predominantly dictates to Asia, for instance in the Myanmar case. Consequently, if Asia wants to equalize this pattern of cooperation with the EU, it must revitalize and empower itself. Indonesia has the chance to be in the driver's seat as long as Indonesia is able to improve itself.

In conclusion, Ambassador Wirjono S. proposed several important agenda items on ASEM to address. *First*. Asia must be able to define itself and to handle the problem of the distribution of power among Asian countries. *Second*, Asia must be able to empower itself and create more balanced relations with the EU, by, for example, strengthening democracy. *Third*, Indonesia could and should be able to assume the driver's seat position.

Afterwards, Mr. Marbun from the Department of Foreign Affairs noted several impediments to bilateral cooperation between Indonesia and the EU. *First*, cooperation is mainly restricted by the rigidity of the internal standards of the EU. *Second*, the EU prioritizes cooperation with other European countries, specifically Eastern European countries. However, Asia and Indonesia in particular has appeal for the EU as a buffer zone in countering terrorism. Hence, ASEAN is being used by the EU in accordance with their interests.

Similar concerns were raised by A.S. Hikam, a member of Indonesian Parliament. He shared his experience when he joined the second Asia–Europe meeting in London as an observer from a non-governmental organization. Based on that experience, Asia–Europe relations are basically formed by a disparity of power. Asia has less leverage than Europe. Within Asia, Indonesia has less leverage when compared with Singapore and Malaysia. Therefore, Indonesia must construct a comprehensive blueprint to formulate its foreign policy. *First*, Indonesia has to set a limited, real and viable target

that is relevant and compliant with its conditions. It is a pragmatic and short-term perspective, however. This way will be better for Indonesia, which most of the time gains nothing from this kind of cooperation. *Second*, Indonesia could use economic and social issues to catch the attention of the EU, for instance in natural resources exploitation. *Third*, cultural and education issues are important for expanding cooperation between Asia and Europe. *Fourth*, Indonesia and other Asian countries' missions and visions of the idea of regional cooperation must be revitalized.

Then Mrs. Evi Fitriani from the Department of International Relations, University of Indonesia recommended that ASEM should be used as a part of global strategy to form a new global alliance to balance the power of the United States. There are, however, some internal problems in Asia. These problems have made Asia less coordinated in comparison with the EU. Bilateral cooperation has been developed by Asian countries in order to gain an advantage over other Asian countries. Hence, it is necessary to understand the interest of Asia, ASEAN, and Indonesia.

Indonesia must prioritize its interests. Thus, well-formulated policies, especially regarding relations with the EU, are essential. These policies should be made by various stakeholders, for instance scholars, NGO representatives, members of parliament, the members of the Department of Foreign Affairs, and others. Hence, these policies will be real, comprehensive, and most importantly consistent because they have been formulated and consented to by all stakeholders. Policy coordination is important. Furthermore, Indonesia must preserve its bargaining position and at the same time it must keep its attraction to the EU strong. There are at least three areas that require further development. First, environmental issues must be addressed because of their importance for the EU. Mr. Edy Prasetyono of CSIS also mentioned that it is possible for Indonesia to have a debt waiver as a reward for improving environmental protection measures. Second, the issue of ethnic conflict must be addressed currently as the EU is currently confronting similar issues; Indonesia has a common interest with the EU in building a pluralistic community. *Third*, it is important to improve economic cooperation between Indonesia and the EU, for instance by improving the welfare of workers in Indonesia. This could open our market share in the EU in comparison with China.

As the discussion proceeded, Mr. Hikam raised questions concerning the mechanisms for cooperation between Indonesia and the EU: are we doing it bilaterally or multilaterally? In addition, he asked about the role of individuals in these relations. As a former ambassador, Amb. Wirjono explained that diplomacy is not the monopoly of diplomats anymore. Everyone can practice the principles of diplomacy. International relations have been democratized; therefore, ASEAN must be more definite about its strategy. ASEAN was formed as a sovereignty-based organization; hence, the national identity of each member is still solid and less collective. It is utterly different with the EU, established fifty years ago. Regional consolidation is inevitable and it is important to promote "we" feelings in ASEAN.

In addition, Amb. Wirjono proposed that Indonesia endorse its own interests, in other words, a stronger economic recovery. Hence, Indonesia must improve its consumption rates, increase exports and develop an environment conducive to investment. In addition, although ASEAN's revitalization is important, there is another priority for Indonesia. Indonesia must be an anchor of stability in ASEAN. It can serve this role through confidence-building measures in the political, economic, and cultural areas.

Mr. Edy Prasetyono underlined several significant issues that have been raised in this discussion. *First*, ASEAN regional consolidation is a necessity to form better cooperation with the EU. *Second*, ASEAN must solidify its basic principles with a charter or other constitutional foundation. *Third*, ASEAN must reduce its elitist character in order to build its effectiveness and efficiency.

Afterwards, Ms. Tristanti, a member of Indonesian Parliament, expressed her enthusiasm for exploring this topic further. Amb. Wirjono replied that Indonesia should not feel inferior since Indonesia has shown its willingness to use peaceful mechanisms in problem solving. Indonesia greatly contributes to peaceful mechanisms in ASEAN.

Subsequently, Mr. Edy Prasetyono discussed changing the format of ASEM meetings. Currently, ASEM meetings are ceremonial meetings between heads of state. However, there is a proposal to change the meetings to ministerial level. Additionally, setting the agenda is difficult both at the state and regional levels. This is because of different perspectives of the state and the public interest.

Ms. Christine Tjhin from CSIS mentioned the difficulties in building the people-to-people connections. *First*, this condition comes about because of the government's inadequate support for cooperation mechanisms like the ASEAN People's Assembly. Hence, improvements should be made in the ways the government provides support. It should provide financial, structural, and institutional support so these kinds of activities can efficiently serve as a means of diplomacy. *Second*, there are impediments to dissemination of information. People-to-people connections have less publicity. Hence, ideas and results are not adequately distributed.

At the end of the discussion, several participants raised issues about the lack of trust between civil society and government. One participant noted that there is no clear agenda within the parliament, specifically on democracy. Moreover, Mr. Hikam pointed out that civil society is suspicious of political society. On the other hand, NGOs are also seen as a part of a local conspiracy. Thus, it is possible that Indonesia is facing a problem of trust among people and between people and government. University scholars should take a leading role to balance and neutralise these issues in order to overcome such problems.

Lastly, it is probable that the formal role for organizing cooperation between Indonesia and the EU will be assumed by the Department of Foreign Affairs. However, it is necessary to put it this before the National Parliament so that national consolidation can serve as an agenda for the whole nation. In conclusion, much valuable input was obtained from this second discussion. After about one and a half hours, the discussion was adjourned.

#### Conclusion

The discussion concluded that Asia-Europe cooperation has been confronted with some difficulties. *First*, there is the issue of limited resources. Over the past ten years, there has not been any significant progress in developing human resources to deal with Asia-Europe relations. Experts in European affairs in Indonesia are very few. They are limited to the European division of the Department of Foreign Affairs, several researchers at national universities, and research centers. Most of the members of the

Commission I on defence and foreign affairs of the Indonesian Parliament lack even basic knowledge of Asia-Europe cooperation.

Financial resources to promote Asia-Europe are a fundamental issue. Funds for research activities, cultural promotion, and economic cooperation have been decreasing. In the past few years funds have been available mostly to promote bilateral relations. Not only have these developments reflected a lack of interest between Asia and Europe, but they have also underlined prevailing differences between Asia and Europe in the area of security, political issues, particularly human rights and democracy, and the concept of regionalism in the future.

A second barrier in strengthening Asia-Europe cooperation is the fact that Indonesia and many other Asian countries are still beset by many problems resulting from economic crises of 1997. Economic recovery, democratization, and other domestic issues remain at the top of the national agenda. In these circumstances, Asia-Europe relations have appeared to be of little interest and relevance. At the regional level, the countries in the region have been seeking to reconstruct their relations after the crises as shown in the case of the ASEAN Security Community and East Asia project. Constraints confronting the region are huge. They show that striking a balance between national interests and regional cooperation will remain problematic in the coming years.

With this background, *third*, there has been little progress in promoting activities to strengthen Asia-Europe relations. Within the intellectual community, including at universities and research centers, European affairs remains an area of interest of few people. This has also been case with social and cultural initiatives that have not marked significant progress over the past ten years. There has been a perception in Indonesia that Europe is becoming more inward-looking due to its complex integration process. The only real progress is in the promotion of democracy and human rights. But, some see that relations are too one-sided and asymmetric and that Europe dominates the agenda.

Some argue that bilateral economic relations among individual states will still dominate. This is a very pragmatic attitude and cannot be long-term, and perhaps it endangers the prospect of Asia-Europe cooperation precisely as the two regions are embarking upon their own regionalism projects. The world is too complex and too dangerous to be left to closed paradigms of regionalism. The two regions have to

develop conceptual, workable, and operational cooperation projects for global and regional stability. Otherwise, each region will independently go it alone to pursue their interests. We do not want to see that happen..