

Indonesia's Foreign Policy Analysis on China's OBOR Policy in the National Attributes Level of Analysis

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Abstract: On May 2017, Indonesia attended Beijing Summit that discussed about OBOR policy of China. This policy is the most ambitious and large economic policy of China so far. Indonesia involved in one of the trade network planned in the policy. China promote their OBOR policy to Indonesia by offered The Jakarta-Bandung High-Speed Railway project with financial and labor investment and all the project will be done based on China standard. Indonesia accepted the offering, shows that Indonesia support China for this policy. This paper discusses Indonesia respond regarding China's policy in national attributes level of analysis. Sure, economic capability is one of the reasons why Indonesia acted so. But others attributess such natural resources, geography, military capability and demography and its correlation with Indonesia foreign policy will be further discussed in this paper.

1 INTRODUCTION

Over 2000 years ago, China's Emperor Zhang Qian had begun the construction of the Silk Road, a network of trade routes connecting China to central Asia and Arabia. This trade network is named Silk because Silk is one of China's most important trading commodities. This line has subsequently affected trade and economic development in the region for hundreds of years since the discovery of the trade route. Emperor Zhang Qian's ambition was then forwarded by Chinese President Xi Jinping by proposing a more modern network of trade routes through railways, roads, pipelines and utility contacts that would connect China with Central Asia, Western Asia and Southeast Asia (Jinchen, 2016). The policy then called One Belt One Road (OBOR) and not only offers physical connection. This policy aims to build the largest container of economic cooperation in the world, including policy coordination, trade and financial collaboration and social and cultural cooperation.

The policy issued in 2015 consists of two main components, the Silk Road Economic Belt that will connect China to Europe, the Persian Gulf, the Mediterranean Sea, and the Indian Ocean and the 21st Century Maritime Silk Road that connect China to the regional sea lane. More than 60 countries have shown their interest to participate in this OBOR

policy (Jinchen, 2016). Indonesia attended the OBOR Summit in Beijing in May 2017, indicating interest in this policy. China then offers major investments, including the construction of the Jakarta-Bandung high speed rail line and financial investment to Indonesia. Indonesia then approved this offer as a form of Indonesian support for China's foreign policy.

Foreign policy is the totality of a country's policies and interactions with the international environment beyond the limits (Breuning, 2007). Of course, in this regard, China's OBOR policy and Indonesia's decision to participate in Chinese policy are the foreign policy of their respective countries. The discussion on foreign policy is very broad. Therefore, there is a level of analysis in analyzing the foreign policy of a country. This level of analysis then able to explain why a country takes the form of a certain foreign policy in a certain level. So, not all levels always affect foreign policy. This paper would like to see the effect of national attributes on Indonesia's decision to engage in China's OBOR policy. National attributes level of analysis is the level of analysis consisting of aspects of state identity, such as size, natural resources, geography, demography, military capabilities and economic capabilities. The selection of the analytical level then adjusted to the policies that takes by a country. Each level of analysis can be seen the relevance of its aspects to the policy to be analyzed. In this paper,

the author will try to discuss Indonesian foreign policy on Chinese OBOR policy at the national attributes level of analysis.

2 LEVEL OF ANALYSIS: NATIONAL ATTRIBUTES

In many areas of study, there are certain ways in which phenomena can be learned, sorted and arranged for the purpose of obtaining systematic analysis (Singer, 1961). In analyzing the phenomenon, there are various factors and causes which can then explain why a phenomenon can occur. However, researchers then always find problems with system, subsystem and environment phenomenon to the overall research environment, making it very difficult to explain. In this case the researcher should be able to evaluate the utility, both conceptually and methodologically from various alternatives, to focus on one of these alternatives in explaining phenomenon. One of these alternatives certainly ignores the other alternatives, which are then called the level of analysis. The level of analysis explains the phenomenon in a certain sphere, ignoring the other levels to provide a focused and comprehensive explanation of a phenomenon.

One of the level of analysis used to analyze a country's foreign policy is national attributes. National attributes usually consist of elements that become the strength of the nation state, i.e. natural resources, geography, population characteristics, size and so on (Hudson, 2014). These attributes are usually relative in explaining changes in a country's foreign policy. The first national attribute is size. Size can affect a country's goals as well as decision-making processes. For example, a small country located between two major conflicting states tends to decide to be neutral to both. Small countries have no power to provide aid or against other countries, so in international relations, small countries tend to act diplomatically and persuasively. While the country's greater activity is more intense in foreign policy. Major countries tend to be assertive in foreign policy given their enormous capability.

The next attribute is the natural resources. Natural resources owned by a country, or lack of natural resources can affect a country's foreign policy. For example China in need of energy decides to become a supporter of countries whose oil resources have not been contracted by the UN Security Council (Hudson, 2014). It also makes China at odds with Japan-regarding pipelines

connecting Russian natural gas to the south. In addition to natural gas, minerals also affect foreign policy. United States then did not want to reject the white regime in South Africa during the Cold War because South Africa has several important minerals needed in the construction of technology other than Russia. In addition, fertile soils and agricultural capabilities are also influential in foreign policy making. Countries with this capability are the goal of large countries that lack fertile land and agricultural capabilities to forcibly take over their territory. Today, however, large countries tend to rent or buy fertile soil to provide for food they can't afford alone. Geographic attributes also relate to natural resources. Yet the physical position of the state significantly influences foreign policy such as a state with many restrictions often experiencing conflicts, and how landlocked states seek to gain access to the ocean by cooperation.

Furthermore, demographic characteristics also have an influence in determining foreign policy. Countries with populations tend to experience lateral pressure, which means the country is depressed to meet the needs of their citizens without the pressure to obtain these natural resources from abroad through trade, migration, colonization or conflict (Hudson, 2014). The issue of migration from countries with high population growth rates to low-growth countries dominates domestic politics in the shadow of developing countries with clear foreign policy consequences. In addition to population growth rates, other variables such as population distribution, gender distribution, ethnic/linguistic/religious distribution of total population, education and health also affect foreign policy. China and India have the same total population, but China is seen as more advanced because it has a higher life expectancy while India has malnutrition problems in the country.

The next attribute is the political system. For example is the concept of peace of democracy. Observation proves that a country with a democratic political system will not attack other democratic countries (Hudson, 2014). There are many explanations for this peace of democracy. One of them is transparency, which is the value of democracy that able to increase empathy among democracies. There is a common cultural view in a democratic society that prevents the emergence of conflicts, also because of the recognition of women who encourage the existence of a democratic peace. However, the author prove that there is no impact of the number of conflicts between democratic and

non-democratic countries. Democratic attack non-democratic and vice versa too.

3 INDONESIA'S FOREIGN POLICY ANALYSIS USING NATIONAL ATTRIBUTES LEVEL OF ANALYSIS OF CHINA'S OBOR POLICY

Indonesia is one of the countries involved in the development map of this OBOR trading line. China then offers various partnerships with Indonesia to succeed in this development plan, including the Jakarta-Bandung rapid train project to promote the advanced technology sector as China's technical development standard. China got the right to build a 142-kilometer-long railway line, connecting the Indonesian capital to Bandung, West Java after winning a bidding war with Japan (Cai, 2017). China was then able to win the offer by offering financial assistance to the project. To win this negotiation, Xi Jinping sends Xu Saoshi directly to Jakarta.

The construction of the Jakarta-Bandung rapid train line shows how Indonesia supports China's foreign policy, OBOR. China is trying to negotiate the development as best as possible to win it from Japan's offer towards Indonesia. There is a particular reason why Indonesia approved the Chinese offer and supported it by approving the construction of the fast train line. Indonesia's foreign policy is certainly influenced by various levels of analysis, the author will try to identify Indonesia's foreign policy from the national attributes level of analysis.

The first attribute is size. Indonesia is a country consisting of five large islands and about 13,677 small islands (about 6,000 of them inhabited), forming a bow between Asia and Australia. With a total area of 1,919,440 square kilometers, Indonesia is the fourth largest country in Asia after China, India and Arabia (Nations encyclopedia, tt). The five main islands of Indonesia are Sumatra, Java, Kalimantan, Sulawesi and Irian Jaya. Indonesia also has land boundaries with Malaysia on the island of Borneo, with Papua New Guinea in eastern Irian Jaya and East Timor. The Indonesian Sea Region also includes the South China Sea, the Pacific Sea and the Indian Ocean. Based on this data, we can see how Indonesia, by size, is smaller than China itself. China has an area of 9,596,960 square kilometers (Nations encyclopedia, tt).

East (1973) states that the country can be categorized as small in size because it has a small land area, has a small total population, has a small total GNP and has little military capability. However, in size analysis, Indonesia is not a small country in its relation to the international world. Its relationship with China in terms of size makes Indonesia smaller than China itself. Small countries, according to alternative models, have low risk habits, more cautious in their international relations. Because of their smaller size, which relatively indicates fewer resources, smaller countries tend to seek interaction methods with other countries that are not costly and economically viable (East, 1973). Indonesia then accepted China's OBOR policy of providing Chinese financially and conducting development according to Chinese standards, including its workforce. This is one of the reasons why Indonesia accepted China's OBOR policy. In addition, Hudson (2014) also explains how small countries are usually unable to provide assistance or challenge larger country. This is also in line with Indonesia's actions towards China's OBOR policy. However, apart from its relationship with China, Indonesia can't be classified as a small country. Indonesia has the highest economy in Southeast Asia. Although still in the stage of developing countries, Indonesia is considered middle powers considering the potential of resources and the maritime. In terms of size, the middle power in foreign policy making has limited influence in determining the distribution of forces, has the potential to change the position of great power and tend to maintain its position (Chapnick, 1999 in Dong-min, 2016). In the case of OBOR, Indonesia is considered a middle power country that has the potential to change the position of great power. In this case, China with its economic policy is certainly one of China's efforts to strengthen its country. Indonesia then took the opportunity to participate in China's OBOR policy for the future to have the potential to change China's position and maintain its position, in accordance with the assumption as middle-powers country.

The next attribute is the natural resources. Indonesia is a country that famous for its various natural resources. Nevertheless, Indonesia began to show oil shortage in 2008 that previously can be self-fulfilled and ended with Indonesia's decision to exit from OPEC. In 2015, Indonesia tries to re-enter OPEC but still can't meet the output set by OPEC. According to ESDM Strategic Plan 2015-2019, Indonesia's oil production reached 1,600.00 barrels per day in 1995, twice the current amount of oil

production in Indonesia (Martawardaya, 2017). This scarcity of natural resources is getting worse as Indonesia's fuel consumption also increases, from 62.1 million liters in 2007 to 75, 1 million liters in 2016, an increase of 21%. Car sales in Indonesia in recent years also increased by about one million units and motorcycle sales increased by about five to six million units, signaling an increasing demand for fuel. The offer given by China in its policy application to Indonesia then became one of the answers to this resource issue. Dwiastuti (2016) explains that one of Indonesia's advantages over its involvement in OBOR policy is the presence of FDI's potential from China in the fields of textiles, bioenergy, petrochemicals, agricultural industries and other investments. Furthermore, China has also invested in oil and gas in Indonesia. PetroChina, a Chinese energy company, has several oil and gas blocks in several regions throughout Indonesia (Carl, 2016). Considering the seriousness of energy problem in Indonesia, Indonesia then accepted the investment offer of infrastructure development from China, so the cooperation of the two countries in all fields, especially in the field of natural resources, keeps going well in the future.

If we look at the map of the development of the 21st Century Maritime Silk Road trade line, Indonesia is included in this trade route (Cai, 2017). This indicated that Indonesia is badly needed by China for its geographical location. Indonesia itself, based on geographical location, is a country flanked by two oceans, the Indian Ocean and Pacific Ocean, and directly adjacent to the South China Sea in the north. This makes Indonesia as a maritime country and added with the maritime policy of President Jokowi this year to make Indonesia increasingly vigorous in increasing its maritime power. For Indonesia, China as the country that has the greatest claim over the ownership of the South China Sea is certainly important for maritime development of Indonesia. The offer given by China to Indonesia will certainly strengthen the relationship between the two countries, including assistance for Indonesia in increasing its maritime power. In addition, it is a distinct advantage for Indonesia in terms of geographical location to include in the China's 21st Century Maritime Silk Road because it will bring a positive impact for Indonesian economy.

Regarding the next attribute, demography, the author assume that this policy is not related to the demographic arrangement between the two countries, especially the Indonesian state which is the main focus of this paper. Hudson (2014) mentions there are four major demographic issues

affecting foreign policy. First is the birth rate and migration policy. High birth rates will affect foreign policy such as Yellow Peril Australia and Russia. Migration issues such as the brain drain phenomenon, for example, in Afghanistan have made the government try to keep people from migrating to other countries. The second is the gender distribution. China which has an unequal gender distribution in its demographic composition and then seeks to recruit its citizens into the military to be deployed on the battlefield as an effort to reduce the number of male citizens. Third, the issue of diseases such as HIV also affect the foreign policy of a country such as the case in Botswana and Thailand. Fourth, migration outflows and human trafficking also affect foreign policy, as Philippine actions limit the export of nurses from the Philippines. These things then have no correlation to China's OBOR policy which focuses more on improving the economy, development and enhancement of international trade.

The next aspect of national attribute is the political system. The author has mentioned before how political system aspect such as democracy influence foreign policy. Indonesia is a democracy. This can be seen from the life of Indonesian politics itself. Indonesia conducts elections every five years to elect its president. Indonesia has the people's representatives in the seat of government, in charge of delivering the people's voice to the government. Several types of democracy have been applied in Indonesia, including liberal democracy, parliamentary democracy and Pancasila democracy, stating that Indonesia seeks to always implement democratic values suitable for its people (Khairazi, 2015). Indonesia always views democracy as the best political system. But on the other hand, China can't be classified as a democracy. The Communist Party still dominates the Chinese political system, although China itself has tried to apply the values of democracy. The development of China's democratic model is still unstable and still encounters many challenges. This is based on China's desire to adapt its country to the modernization process to maintain social stability, protect citizens' rights and promote good governance of the Chinese government internationally (Keping, t.t.). China is previously a closed state, has undergone a revolution and has become very open with various cooperation. Indonesia has long established cooperation with China, which means that it no longer necessary to questions Indonesia's democracy. In the other hand, China until now still controlled by the communist party despite starting to apply the values of

democracy in the country. This is then in line with the democratic peace assumption that democratic countries tend to cooperate.

Hudson (2014) also mentioned that the influence of military capability in foreign policy can be seen from countries with high military capabilities that tend to apply coercive diplomacy. Then, an analysis of the coercive diplomacy of a country comes up with an explanation of how much military capability, how much military influence it has in foreign policy-making and whether its military capability is followed by the country's economic capacity and size. In this case study, the policies issued by China are not at all aggressive. China even provides financial investment assistance, technology, manpower, energy resources and various other assistance in the implementation of this policy which is totally opposite to coercive diplomacy. The author conclude that the aspect of national attributes of military capability is irrelevant in analyzing the Chinese foreign policy from Indonesia's perspective.

The next attribute is economic capability. Some observers of Indonesia's economy stated that Indonesia's recovery to the Asian crisis was pleasant. This is due to internal problems, such as political instability, terrorism issues, deterioration of infrastructure and legislation. These matters caused the slowness inflow of FDI to Indonesia. In 2009, Indonesia's sales value fell drastically, due to global price declines and demand (Booth, 2011). In the same year, China became the second largest country after Japan for Indonesia. However, this export value is also involved with Indonesian imports from China. In 2010, Indonesia's import value from China has exceeded import value from Singapore and Japan. Recent developments say, Indonesia still has a great dependence on imported raw materials from China. BPS data dated June 15, 2015 states that the trade deficit between Indonesia and China reached US \$ 5.89 billion (Sari, 2017). Imports of consumer goods, raw materials and capital goods in Indonesia at 2017 increased by 17.63% when compared with the import of consumer goods in 2016. China controls more than 25% of total imported goods into Indonesia. Imports from China, machinery and equipment, iron and steel as well as organic chemicals. The data explains how the Indonesian economy depends on China's economy. This is based on Hudson (2014) argument which states that the ordinary dependent economy is characterized by Freedom on the export of one or more specific commodities from a particular country. Trade dependence can be done using dependent countries.

Indonesia, which then uses the data above, is still dependent on China, depending on Indonesia's high economic dependence on China.

Military capabilities have an impact on foreign policy making. Countries with good military capabilities tend to practice coercive diplomacy as a form of foreign policy (Hudson, 2014). Speaking of military capability, weapons of mass destruction are becoming a topic that often discussed nowadays. Today, although weapons of mass destruction are own only by certain countries, almost all countries can build such weapons and chemical weapons are not so strategic if the two conflicting countries share the same weapons. Countries with nuclear weapons are then taken into account in terms of military and diplomacy, even though the country is poor, like North Korea. The relative size of the influence of a country's military capability then needs to be analyzed in its foreign policy decision-making process. The authoritative regime is almost entirely dependent on their great military capability to maintain their power, and their views are prioritized on the military from another view.

Economic capability also determines the foreign policy of a country. A country's economic dependence on other countries must shape its foreign policy. This is characterized through their belief in the export of certain commodities in which the country will not experience the economic development of the exports (Hudson, 2014). In addition, the global economy also introduces new problems between economic relations and international relations. For example, United States is the largest debtor country in the world and they overcome it with Treasury bills. The country that holds the largest treasury bills is China, which makes Americans always worried whether China will keep buying T-bills on the same level or one day will ignore these T-bills.

4 CONCLUSION

Based on the above explanation, it can be seen that the national attributes level of analysis able to explain why Indonesia took such policy. The above explanation show that not all aspects in the level of national attribute analysis are related to Indonesian policy. But some aspects have significant relevance, explaining why Indonesia is taking such action. It should be emphasized that the explanation of national attributes level of analysis of foreign policy is relative, depending on existing country policies, aspects, and circumstances.

Because Indonesia located in one of the trade routes in China's OBOR planning, the two countries consider each other important. Indonesia for China is important because China's planned trade route involves Indonesia directly. China for Indonesia is important because the involvement of Indonesia in that path will bring good opportunities for the Indonesian economy in the future. China's bid to build the Jakarta-Bandung railway line also refers to Indonesia's economic capabilities directly. The construction of the fast train line is funded by China, including its workforce. Based on data above Indonesia that still needs financial assistance, technology, natural resources will certainly approve the Chinese offer. Various Chinese investment in Indonesia also many in quantities. Indonesia then seeks to build good relations with China because Chinese investment in Indonesia is very profitable for Indonesia.

In addition, Indonesia's economic dependence on China is also very high. This explains how China became an important economic partner for Indonesia. Of course, any economic cooperation becomes very important for Indonesia. Especially considering Indonesia's import balance from China is still quite high. According to the authors, the political system as a national attribute has no significant influence in this policy. Both countries have built long-standing cooperation and for Indonesia, the power of the communist party in China is not an obstacle for cooperation between the two countries.

Other attributes such as demographics and military capabilities, according to the author, have no relevance to this policy. China's OBOR policy is more to economic development, does not involve demographic issues, especially Indonesia. In the other hand, military capability becomes relevant to policy if the policy is in the form of coercive diplomacy or other aggressive form of policy. The China's OBOR policy does not show an aggressive attitude at all.

Through this national attributes analysis, China is an important partner for Indonesia. Seeing Indonesia as a middle power country, Indonesia has potential in determining the power of China which is considered as a great power. Cooperation is both considered to benefit each other, although there is an unbalanced economic and investment dependence on both countries. According to the authors, the economy, including the potential of natural resources, is the most significant factor affecting Indonesian policy in this case. By accepting China's investment offer, Indonesia expects a long-term economic

development through such investment as well through the development of the overall trade route.

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