

**INDONESIA IN AUSTRALIAN WHITE PAPERS:
CHALLENGES OR OPPORTUNITIES**

BY

Yunikeiserina Hidayat

THESIS

Submitted to

KDI School of Public Policy and Management

In partial fulfillment of the requirements

For the degree of

MASTER OF PUBLIC POLICY

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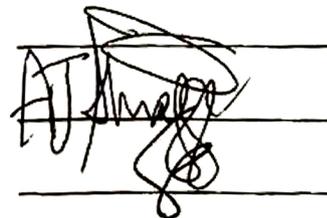
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A handwritten signature in black ink, appearing to read 'Jeffrey Scott Robertson', is written over three horizontal lines. The signature is stylized and somewhat cursive.

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Table of Contents

<u>I. Introduction</u>	1
<u>1. Issues Background</u>	3
<u>II. Bilateral Relations</u>	9
<u>1. Bilateral Relation 2003-2013</u>	11
<u>2. Highlight of Bilateral Relation</u>	12
<u>3. Lowlight of Bilateral Relation</u>	18
<u>III. Literature Review</u>	21
<u>IV. Methodology</u>	24
<u>V. Data Analysis</u>	29
<u>VI. Conclusion and Discussion</u>	57

INDONESIA IN AUSTRALIAN WHITE PAPERS: CHALLENGES OR OPPORTUNITIES

I. Introduction

The dynamic economic and political transformation in the Asia Pacific, including in Indonesia, is both an opportunity and a challenge to Australia. The prickly bilateral relations between Indonesia and Australia within the last decade, and the increasing political and economic profile of Indonesia both within the region and globally, have laid the groundwork for substantial debate within Australia as to how it should handle relations with its nearest neighbour. Views within Australia vary from seeing Indonesia as a strategic partner to seeing Indonesia as an imminent threat. Understandably, this debate would not be confined to media and academic circles, but could also be expected to be reflected in guiding government policy documents – in the Australian context, white papers.

The development of bilateral relations between Indonesia and Australia over the last ten years has its ups and downs. Both countries reached a significant milestone on their bilateral relations through the establishment of three dialogue mechanism, which include annual leaders meeting (ALM), Foreign Affairs and Defence Meeting/ 2+2 Dialogue (FADMM/ 2+2 Dialogue) and Indonesia-Australia Dialogue (IAD). In contrast, the recent incident of Australia's wiretapping on Indonesian President and several high ranking officials sparked strong reaction from the Indonesian Foreign Minister, Marty M. Natalegawa who stated that Australia should decide whether it consider Indonesia as a friend or a foe.¹

¹Indonesia Says Report of Australian Spying “Mind-Boggling”, The Jakarta Globe, 17 February 2014, accessed on 28 August 2014, <http://www.thejakartaglobe.com/news/indonesia-says-reports-of-australian-spying-mind-boggling/>

Such contradictory development in Indonesia-Australia bilateral relation raises an important question on how Australia actually perceives Indonesia in its guiding government policy documents. With four key foreign and defence policy white papers released over the last ten years, “does Australia see Indonesia as strategic partner or an imminent threat?”

This research will analyse Australian foreign and defence policy white papers issued by the Australian government during the period of 2003-2013 and assess Australia’s underlying perceptions of Indonesia. It will first outline the historical background and development of Australia-Indonesia bilateral relations within the last decade. It then looks at the theoretical framework of White Papers and discusses the methodology that will be used to analyse the White Papers. It will then compare and contrast the content of *the Asian Century White Paper 2012* with *the 2003 Foreign Affairs and Trade White Paper* and *the Defence White Paper 2013* with *the Defence White Paper 2009*. The analysis is expected to give an indication whether Australia views Indonesia as a strategic partner or imminent threat.

The term for strategic partnership defines a much closer and tactical relationship between countries. Before 1990, the term was commonly used by major power states, such as the United States and China, however recently the term has become more popular and is widely used by India and the United States, and other regional cooperation initiatives, such as BRICS and the EU.² Since the 1990s the term has become more popular to describe the situation where two countries or more actively seek common ground on issues of mutual interest to reach high priority goals. Strategic partners exhibit support for each other’s political agendas and take joint

² Anne Schmidt, “Strategic Partnership-a contested policy concept,” *Working Paper FG 1* (2010/ 07 December 2010), accessed April 8, 2014.

political action at the regional and often global level.³ While this can differ from partnership to partnership, there is a common recognition that utilisation of the term implies greater attention and greater importance to the relationship.

As for the term imminent threat, according to Webster Dictionary, the definition of imminent is ready to take place. It means the threat is always there hanging and waiting to be exposed. When one country sees another as an imminent threat, it means the other country is considered having the potential which can endanger that country.

1. Issues Background

On 28 October 2012, the Australian Government launched *the Asian Century White Paper*, an all-of-government policy document with the aim to steer Australian relations with the Asia-Pacific region. By definition, according to Oxford Dictionary online, white paper is *a government report giving information or proposals on an issue*.⁴ Michael A. Stelzner wrote that a white paper is an authoritative report to give guidance in understanding an issue or make a decision.⁵ In general understanding, a white paper is a country's policy document and it is usually made available for public online published in government's website.

Accordingly, the Australian White Paper is an official report in giving information and guide helping the Australian Government in conducting its foreign policy. It includes strategic framework to navigate set of Australia's actions which need to be taken for the next 5 to 10 or 15 years. These actions are taken in order to

³Ibid.,3.

⁴"Oxford Dictionaries", accessed on 16 October 2013, <http://oxforddictionaries.com/definition/english/White-Paper?q=White+Paper>.

⁵Michael A. Stelzner, "Writing White Paper", accessed on 16 October 2013, <http://www.writingwhitepapers.com/resources.html>.

seek for economic and strategic changes in the region, which can be beneficial for Australia and other countries as well.

The paper explores; current and future course of economic, political and strategic changes in Asia, domestic economic and social opportunities and challenges, business to business and people to people contact, implications of the Asian Century for Australia and also strengthening engagement with other countries in Asia.⁶

The Asian Century White Paper is the second Australian foreign White Paper within the last 10 years. The previous one was launched in 2003 under the leadership of Prime Minister John Howard. The paper which was called *National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, was a joint White Paper launched by the Department of Foreign Affairs and Trade of Australia.

Australia had consistently put forward its foreign policy platform based on the traditional alliance with United States of America and United Kingdom. Asia's current rapid economic growth and development have tempted Australia to position itself more distinctly in the region. Former Australian Prime Minister, Julia Gillard, captured the phenomenon and saw it as "the most profound rebalancing of global wealth and power in the period since the United States emerged as a major power in the world."⁷

Australia's White Papers toward the region indicate the importance of Asia Pacific region for Australia. The stability in the region is one of the most important factors for Australia's progress. The policy provides a roadmap for Australia's foreign policy toward countries in the Asia Pacific region. "It involves productive and resilient Australian economy, building on its strength and capabilities, operating in

⁶ "About the Australia in the Asian Century White Paper", accessed on 30 September 2013, <http://asiancentury.dpmc.gov.au/about>.

⁷ Hugh White, "White-Papering the Cracks: a Blueprint for the Asian Century?", *The Monthly Australian Politics, Society and Culture*, 2012, accessed on 16 October 2013, <https://www.themonthly.com.au/issue/2012/december/1354762584/hugh-white/white-papering-cracks>

and connecting to growing Asian markets, sustainable security in the region and deeper and broader relationship.”⁸ The papers highlighted China, Japan and Indonesia as predominant countries in Southeast Asia.

The Asian Century White Paper is welcomed by countries in the Asia Pacific region as a means to repositioning Australia in the region. It took almost 9 years for Australia to launch a new Paper Policy. This has shown Australia’s commitment to approach the Asia Pacific region. However, domestically, *The Asian Century White Paper* was criticized as lacking of funding in sustaining the Government commitment.⁹ This could have been published when the country had a solid budget about five years ago.

In the following year, the Australian government also launched the Defense White Paper 2013, which comprises security development, the country’s capability and future agenda for 2030. The paper explains the Australian government’s plans for defense and how they will achieve them, both domestically and internationally.

The Australian Government launched *the Defense White Paper 2013* for strategic reasons. Australia is located in the region which has seen unprecedented growth from countries, including China, India, Indonesia and the Republic of Korea.¹⁰ This situation requires a precise roadmap to guide them taking the right action; hence the Government launched this Defense Paper. It was launched to reposition and promotes Australia’s active engagement across the Indo-Pacific region, as it is stated

⁸ Australia in the Asian Century, Implementation Plan, Australian Government, April 2013, 3, <http://asiancentury.dpmc.gov.au/news-media/blog/implementation-plan>.

⁹ Rory Medcalf, “Australia’s Place in the Asian Century”, *The Diplomat*, 2012, accessed on 10 April 2014, <http://thediplomat.com/2012/11/australias-place-in-the-asian-century/>

¹⁰ Department of Defense, Australian Government, “Chapter One: Why a new White Paper Now?”, *Defense White Paper 2013*, 1.

in *the Defense White Paper 2013* “Australia has an enduring strategic interest in the stability of the Indo-Pacific, particularly Southeast Asia.”¹¹

Unlike *the Asian Century White Paper*, *the Defense White Paper 2013* was launched less than 5 years after the previous one, “*Defending Australia in the Asia Pacific Century: Force 2030*” which launched in 2009 under the leadership of Prime Minister Kevin Rudd. The issuance of the *Defense White Paper 2013* is to adjust some of national and international defense’s plan, strategy and the implementation according to current situation. It shows how Australia sees and seeks interest in a significant change in the security architecture within the Indo-Pacific region.

Both White Papers, *The Asian Century White Paper* and *the Defense White Paper 2013*, symbolize the strong commitment from the Australian Government to reorient itself with the vast growing region, especially with countries such as China, India, Japan, Indonesia and South Korea. It can benefit Australia economically, politically, socially and also in term of security. The White Papers are one of means for Australia to achieve its goal “To be a more prosperous and resilient nation that is fully part of our region and open to the world in 2025.”¹²

The purpose of *the Defense White Paper 2013* is to elucidate the plan by the Australia’s government to strengthen the foundations of Australia Defense Force (ADF) in order to meet the uncertain strategic challenges of the 21st century in the region.¹³ On the other hand, the purpose of *the Asian Century White Paper* is to set strategies for; Australia’s economic development, its relations with major allies,

¹¹ Department of Defense, Australian Government, “Chapter three: Australia Strategic Policy Approach”, *Defense White Paper 2013*, 25, http://www.defence.gov.au/whitepaper2013/docs/WP_2013_web.pdf.

¹² Australia in the Asian Century, Implementation Plan, Australian Government, April 2013, 2, <http://asiancentury.dpmc.gov.au/news-media/blog/implementation-plan>.

¹³ Department of Defense, Australian Government, “Chapter One: The Government’s Approach to Defense Planning”, *Defense White Paper 2009*, 15.

neighboring countries, and international organizations. It serves as a blueprint for Australia in achieving its national interests in international society.

These White Papers are one of Australian key tools in playing its role in the world and particularly the region. The introductory brief of *the Foreign Affairs and Trade White Paper 2003* states that “Australia is a western country located in the Asia Pacific with close ties and affinities with North America and Europe and a history of active engagement throughout Asia”.¹⁴ However, the Asia Pacific region had shown a remarkable development through its economic growth. This is where Australia took part in the region’s vast growth.

How do these White Papers affect engagement of Australia with the region particularly with neighboring countries? Indonesia is one of Australia’s closest neighboring countries. It has been recognized as having an important role in security architecture in the region and also one of the biggest trading partner and market for Australia economics.

Indonesia and Australia have a long history of bilateral relations with plenty of ups and downs. Both *the Asian Century White Paper* and *the Defense White Paper 2013* could be one of the turning points for both countries to accelerate their relations. A complete understanding about both countries is important, which should be done through the enhancement of bilateral cooperation and people to people contact. It is also essential because positive perception and good awareness are needed in order for both countries to boost their relationship.

Both Australia’s foreign policy and defense white papers define The Asia Pacific region as one of Australia’s top priorities with Indonesia being considered as

¹⁴ Department of Foreign Affairs and Trade, Australian Government, “Introduction”, *Current Issues Brief No. 23 2002-03 National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, Department of the Parliamentary Library, 2003, 3.

the strategic actor in the region. Australia mentioned Indonesia in the first paragraph of the first chapter in *the Defense White Paper 2013* together with China, India and South Korea. It also mentioned the importance of the Southeast Asian region for their national security and defense. Indonesia has always been the first country highlighted in the paper.

The Defense White Paper 2013 stated that Australia security architecture is characterized by three important factors, which are; the evolution of USA and China relations, the new Indo-Pacific strategic arc and the growing of other significant regional power such as Japan, South Korea and Indonesia.¹⁵ The inclusion of Indonesia in one of significance regional power indicates the acknowledgement of Australia to its closest neighboring country.

As quoted in the second chapter of *the Defense of White Paper 2013* point 2.32, “As Indonesia comprises much of this archipelago, Australia’s strong partnership with Indonesia remains our most important regional strategic relation and the partnership continues to deepen and broaden in support of our significant shared interest.”¹⁶ These White Papers could be a reference of what both countries have agreed upon or could also be a realization from bilateral agreements.

These lead to the research question for this thesis “Does Australia see Indonesia as a strategic partner or an imminent threat?” This thesis would like to analyse the changes made by the Australian Government within the content of both White Papers, by comparing *the Asian Century White Paper 2012* with *the 2003 Foreign Affairs and Trade White Paper* and also *the Defense White Paper 2013* with

¹⁵ Department of Defense, Australian Government, “Chapter two: Strategic Outlook”, *Defense White Paper 2013*, 7-8, accessed on 16 October 2013, http://www.defence.gov.au/whitepaper2013/docs/WP_2013_web.pdf.

¹⁶ Department of Defense, Australian Government, “Chapter two: Strategic Outlook”, *Defense White Paper 2013*, 11, accessed on 16 October 2013, http://www.defence.gov.au/whitepaper2013/docs/WP_2013_web.pdf.

the Defense White Paper 2009. The purpose of the thesis is also to determine whether Australia sees Indonesia as a strategic partner or imminent threat.

In order to have a complete understanding for this thesis, it is important to see three main themes, which are: 1) Australia-Indonesia bilateral relations, 2) Australian White Papers, and 3) Methodology. Then we can see how those three themes interrelated in the data analysis part.

II. Bilateral Relations

To understand Australia's place in the White Paper, first we need to list down some of its characteristics. Australia is rich in natural resources and a huge supplier for its market in Asia.¹⁷ Australia has a geographical proximity to Asia, especially Indonesia. Australia also has western cultural origins yet located in the Asian region, which continues to hamper its image in Asia.¹⁸

This unique situation put Australia as a middle power country during after the cold war era. Regardless of its large size, Australia's economic, military and diplomatic capabilities belonging to the group of middle power country. As mentioned by Carl Ungerer in the *Australian Journal of Politic and History* in 2007 that the concept of middle power and foreign policy behavior does not determined by the size of a country rather by the rank of economic and military and also diplomatic capabilities.¹⁹ In Australia's case, he explained that its middle power tradition is characterized by nationalism, internationalism and activism.²⁰ Australia rely its foreign policy on diplomatic resources and emphasize on diplomatic capabilities and

¹⁷ Rory Medcalf, "Australia's place in the Asian Century", *The Diplomat*, 4 November 2012, accessed on 7 March 2014, <http://thediplomat.com/2012/11/australias-place-in-the-asian-century/4/>

¹⁸ Ibid.

¹⁹ Carl Ungerer, "The Middle Power concept in Australian Foreign Policy", *Australian Journal of Politics and History: Volume 53, Number 4*, 2007.

²⁰ Ibid.

capacity to provide intellectual leadership. This concept helps to understand Australia's foreign policy in Asia Pacific region.

As a middle power country in the Asia Pacific region, Australia has number of challenges in facing the current international political architecture. Gareth Evans, an Australian former foreign minister, explained in 2012 International Affairs Oration speech that some challenges posed for Australia by the Asian century are to avoid the zero sum-game choice with U.S. – China relations, to improve its relations with India and Indonesia, and to contribute to the establishment of regional economic and security cooperation mechanism.²¹ The complexity of international political architecture requires Australia to sharpen its foreign policy towards the region. Australia needs to keep the balance of relationship with its allies and also neighboring countries in the Asian region.

In 2008, then Prime Minister Kevin Rudd proposed the concept of “*Asia Pacific Community*” by 2020, however the idea was lack of supports from either the US and China. The aim of Australia to be Pacific-centric which include US, Japan, China, India and Indonesia was not succeed. It actually further distanced Australia from China and countries in Southeast Asia. It created awkwardness and dilemma of Pacifism because Australia promoted pacifism despite being part of Asia. A journal written by Baogang HE highlighted that Australia should embrace relations with its geographical proximity first then continue to a broader region.²²It demonstrates the complexity and the enormous challenges of Australia's foreign policy.

²¹Gareth Evans, “Australian in the Asian Century: Foreign Policy Challenges”, *Speech at 2012 International Affairs Oration, International House, Melbourne, 10 May 2012*, accessed on 16 October 2013, <http://www.gevans.org/speeches/speech470.html>.

²²Baogang HE, “The Awkwardness of Australian Engagement with Asia: The Dilemmas of Australian Idea of Regionalism”, *Japanese Journal of Political Science*, 12 (2), 267-285, 2011.

In an article written by Daniel Grant, historically, Indonesia had always become an important and unclear element in Australia strategic environment.²³ What actually happened now is Australia sees Indonesia as a potential buffer from East Asian regional architecture. In fact, when we see the Asia Pacific strategic system, a strong Indonesia looks more like an asset for Australia rather than a threat. On one hand, Australia sees Indonesia's stability as its responsibility; however on the other hand, Australia is also dependent on Indonesia's capability to become a strong country.

1. Bilateral Relation 2003-2013

To have a better understanding, it is important to look back the history of bilateral relations. Australia and Indonesia have a long history of bilateral relations. The two countries have maintained unbroken diplomatic relations since 1949. There are ups and downs with the relationship; however both countries continue to engage cooperation in various fields. In order to get better understanding in analyzing Australian White Papers, it is necessary to look back the bilateral relations between both countries from year 2003, when the *2003 Foreign Affairs and Trade White Paper* was launched.

Bilateral relationship between two countries in 2003 just starting to recover due to several incidents that occurred in previous years includes the Independence of East Timor back in 1999 and Bali bombing on October 2002. In addition, International political climate was not conducive because of 9/11 attack to the United States and war against terrorism.

²³ Daniel Grant, "Indonesia and the next Defense White Paper", *International Security and Security Network*, 30 October 2013, accessed on 1 November 2013, <http://isnblog.ethz.ch/foreign-policy/indonesia-and-the-next-defence-white-paper>.

Relations between two countries since 2003 showed no significant improvement in the political and economic fields. At that time, then Indonesian President Megawati didn't have a closed tied relation with Former Prime Minister, John Howard. Furthermore, on September 2004, a bomb exploded in the Australian embassy in Jakarta. This incident further deteriorated the already stagnant bilateral relationship. However, in the aftermath of the Indian Ocean Tsunami on December 2004, Australian Government provided disaster aid to Indonesia for \$33 Million.²⁴ Both countries have common perceptions on the issues of terrorism and despite Australia's travel warning, former Prime Minister John Howard visited Indonesia twice in 2004 and 2005.

2. Highlight of Bilateral Relation

Nevertheless, the change of leadership from Megawati to Susilo Bambang Yudhoyono in 2004 brought the bilateral relations to its highlight. Both countries signed *the Joint Declaration on Comprehensive Partnership Agreement* on April 2005 which became an umbrella agreement for a variety of cooperation. This partnership was to boost equal principles of sovereignty and integrity between two countries. They also signed *the Agreement on the Framework for Security Cooperation* (Lombok Treaty) on November 2006. These two agreements marked the elevation of bilateral relations to more stable phase.

²⁴AusAID, Australian Government, "Australia's Response to The Indian Ocean Tsunami", *Report for the Period Ending 30 June 2005*,², accessed on 16 October 2013, http://www.ausaid.gov.au/Publications/Documents/tsunami_report_june05.pdf

Furthermore, the change of government in Australia, from former Prime Minister John Howard to Kevin Rudd in 2007 brought even more significant changes in bilateral relations. In his first month after Kevin Rudd held office in December 2007, he visited Indonesia for the Bali Climate Change and signed the Kyoto Protocol ratification. Then the following year he visited Jakarta for an official meeting with Indonesian President on June 2008. It shows how Rudd placed Indonesia among its foreign policy priority other than China, Japan, the Pacific and also the United States and the United Kingdom in broader region.

President Susilo Bambang Yudhoyono had visited Australia for four times since 2004, more than any of his predecessors.²⁵ While Former Prime Minister Kevin Rudd had visited Indonesia for ten times during his leadership as Prime Minister and Minister of Foreign Affairs since 2007.

Former Prime Minister Julia Gillard also visited Indonesia two times, in 2010 and 2012. The current Australian Prime Minister, Tony Abbot made an official visit to Indonesia on 30 September 2013 as the first country to visit after being elected.

The visit of President Susilo Bambang Yudhoyono to Australia on 9-10 March 2010 was considered as “a triumph” and “historically significant”.²⁶ Both leaders, SBY and Rudd, agreed to develop relations by having three dialog mechanisms. The three pillars include: Annual Leader’s Meeting (ALM), Foreign Affairs and Defense Minister’s Meeting/ 2+2 Dialogue (FADMM/2+2 Dialogue) and Indonesia Australia Dialogue (IAD).²⁷ During this visit, Susilo Bambang Yudhoyono was also appointed as an Honorary Companion of the Order of Australia. He was the first Indonesian president who gave speech at the Australian Parliament. This award indicated that

²⁵ Department of Foreign Affairs and Trade, Australian Government, “Indonesia Country Brief”, accessed on 3 October 2013, http://www.dfat.gov.au/geo/indonesia/indonesia_brief.html.

²⁶ Bureau of Policy Planning, Ministry of Foreign Affairs of the Republic of Indonesia, “Country Profile: Latest Bilateral Relations Australia-Indonesia”, 2013.

²⁷ Ibid.

Australia acknowledge SBY as a true friend who succeed in strengthening two nations relations. This gesture signifies the strengthening of ties of bilateral relations between two countries.

It was followed by Julia Gillard visit to Indonesia on 1 November 2010, five months after she became Prime Minister. The meeting discussed follows ups on the new dialog mechanism.

The first Annual Leaders Meeting was held in Bali on 20 November 2011 and the second one was in Darwin on 2 July 2012, both during Gillard leadership. On the second meeting, both leaders agreed on *Indonesia Australia Comprehensive Economic Partnership Agreement (IA-CEPA)* to achieve trade target of 15 Billion USD in 2015. Indonesia also encouraged Australia business people to invest and create economic partnership in building infrastructure for Master plan for Acceleration and Expansion of Indonesia's Economic Development. Annual Leaders Meeting comprises a whole range of discussion, economy, defense, social and cultural, immigration and education.

The third meeting was held in Bogor, 5 July 2013 under Kevin Rudd second leadership as Prime Minister. The meeting highlighted Australia's aid to Indonesia, which will be estimated \$540.1 million in 2012-2013.²⁸In this meeting, Kevin Rudd initiated the establishment of "*Indonesia-Australia Beef and Cattle Industry / Government Forum*". This is a progress after the banned live cattle export to Indonesia in 2011 due to social media coverage about Australian cattle mistreated in Indonesia.²⁹The frequency of leaders visit between both countries gets more intense due to the dialog mechanism. Both Indonesia and Australia have put each other as

²⁸ The President Post, "Indonesia-Australia Annual Leaders' Meeting 2013", 8 July 2013, accessed on 8 October 2013, <http://www.thepresidentpost.com/?p=30332>.

²⁹ Nick Bryant, "Australia bans all live cattle exports to Indonesia", BBC News Asia Pacific, 8 June 2011, accessed on 10 April 2014.

their strategic partner. The Coalition Government Planning Paper 2013 “*Our Plan: Real Solutions for all Australian*” stated that Tony Abbot, then running for a Prime Minister will put Indonesia as the first country that he would visit after got elected. It shows how Australian government sees the importance of Indonesia as a strategic partner in the immediate neighbor.

Tony Abbot was sworn as prime minister on 18 September 2013 and visit Indonesia less than one month after it. He was known for his controversial policy plan to limit the number of asylum seekers reaching Australian shores in Indonesia fishing boats. Tony Abbot had his first official visit to Indonesia on 30 September 2013. An informal interview with an Indonesian Ministry of Foreign Affairs officer, said that on the meeting, Abbot delivered an apology over a number of Labor Government’s policy which has been considered complicate Indonesia.³⁰ It was also noted that Abbott’s style of diplomacy is very different from the style on the campaign trail that seemed about to impose policies to deal with the issue of boat people to Indonesia.³¹

In the meeting, Abbot apologized for the previous government policy that ban live cattle export to Indonesia and stated that such a thing would never happen in his leadership. Abbot also regretted the previous policy related to asylum seeker which was considered “put sugar on the table” and causing the increase number of illegal immigrant to Australia. Both countries agreed to have a ministerial level technical meeting to discuss a joint awareness campaign. Abbot also encouraged the number of Australian student to study in Indonesia and learn Bahasa to increase people-to people contact and named this scholarship “Yudhoyono Fellow”.³²

³⁰Private correspondence, Indonesian Diplomat, 22 October 2013.

³¹ Ibid.

³² Ibid.

The ministerial level meeting under the three dialog mechanism is (FADMM/2+2) Dialogue. Indonesia is the fourth country which has this format dialog with Australia. The other countries are the United States, United Kingdom (UK) and Japan. The first meeting was held in Canberra on 15 March 2012 which discussed issues on *Defense Cooperation Agreement* (DCA), collaboration on disaster management training and the International Peace and Security Centre in West Java. Positive results from the meeting show that the relation was going more stable and strong.

The second (FADMM/2+2) in Bali, 2 April 2013 discussed about recent security issues, such as disputes in the South China Sea and East China Sea and Indonesia's role in Six Point Parties in the issue. The meeting also highlighted concern upon North Korea's and enhancing cooperation for people smuggling.

The last dialog mechanism is Indonesia Australia Dialog (IAD), with the first one being held in Jakarta, 5 October 2011. This is a second track bilateral dialog to enhance people to people contact between two countries. The chairmen of this meeting were Australian Ambassador for Indonesia and the Head of Center for Strategic and International Studies, a prominent Indonesian think tank. The second dialog was held in Sydney, 3 March 2013 which was opened by Australian Minister of Foreign Affairs, Bob Carr. The dialog was also attended by former Indonesian Minister of Foreign Affairs, Hassan Wirayuda, and Australian shadow Minister for Foreign Affairs, Julie Bishop. The outcome of IAD is distributed to government and policy makers of both countries.

In terms of economy, Indonesia is currently the 10th largest economy in the world which contributes 2.3 percent to the global economy, making it one of the

largest economies in the Asia Pacific region.³³ It is why Indonesia is actively expanding its economic cooperation with other global economic powerhouses in the Asia Pacific region such as Australia.

Currently, Australia sits in number 15 as Indonesia's export destination and the 8th largest importer of Indonesian products. The trade volume between two countries increased during 2007-2011 for 11.27% and reached \$10.76 Billion.³⁴ During 2006-2011 Australian investment to Indonesia reached \$613.83 Million which was distributed in 322 projects.³⁵ In contrast, Indonesian investment in Australia only reached AUS \$404 Million.³⁶ There are still ample rooms for optimizing the bilateral cooperation, particularly with the establishment of those three different dialog mechanisms.

Australia-Indonesia had enjoyed a quite stable bilateral relation during Gillard and Rudd leaderships. Indonesia has been one of the countries in the top list recipient for Australian aid, particularly in education sector. Rudd's Government initially wanted to increase the foreign aid to almost 0.5% of the Gross National Income (GNI). However after the election, Abbot the elected-Prime Minister would "integrate AusAid into the Department of Foreign Affairs and Trade where, aid priorities can be more closely aligned to diplomatic interests."³⁷

Furthermore, Indonesia is one of the biggest Australia's scholarship program beneficiaries. Hence, Australia is the most popular destination for Indonesian students

³³International Comparison Program, The World Bank, accessed on 31 August 2014, web.worldbank.org/external/default

³⁴ Bureau of Policy Planning, Ministry of Foreign Affairs of the Republic of Indonesia, "Country Profile: Latest Bilateral Relations Australia-Indonesia," 2013.

³⁵ Ibid.

³⁶ Ibid.

³⁷ Tim Costello, "Aid decision threatens to put politically expedient choices before improving lives of poor", *The Sydney Morning Herald*, 19 September 2013, accessed on 16 October 2013, <http://www.smh.com.au/comment/aid-decision-threatens-to-put-politically-expedient-choices-before-improving-lives-of-poor-20130918-2tzoq.html>

to go for their higher education. Indonesia currently ranked the 8th largest source country by international student. Postgraduate Research and the AusAID/ Defence sectors grew by 21 per cent and 11 per cent respectively in 2011–12.³⁸ In 2012, there are 11.670 Indonesian students visa holder, 3.8 percents out of all international students in Australia. However the number of Australian students studying in Indonesia is still very low, the average number is about 50 to 100 students per year.³⁹

3. Lowligh of Bilateral Relation

In addition to the above highlights, there are number of lowlights which became turning point in bilateral relations. Australia- Indonesia bilateral relation had not always been good. Tied relations between the US and Australia complicated Australia's relations with countries in Southeast Asia. A journal article by Craig A Snyder explained some evidence of Australia's deteriorating relations with Southeast Asian countries.⁴⁰ During Howard's leadership, Australian foreign policy shifted from passive to aggressive by sending the US alliance troops to Afghanistan and Iraq and joined ANZUS Treaty. Australia also promoted gunboat diplomacy in supporting the US. One of the lowest point of Australia-Indonesia bilateral relations was in 1999 during referendum in East Timor and in 2001 with the issue of boat people. Series of terrorism acts and bombing incidents in Indonesia leads to MoU on counter-terrorism which was signed on February 2002.

³⁸ Department of Immigration and Citizenship, Australian Government, "Country Profile Indonesia", accessed on 8 October 2013, http://www.immi.gov.au/media/statistics/country-profiles/_pdf/indonesia.pdf.

³⁹ Bureau of Policy Planning, Ministry of Foreign Affairs of the Republic of Indonesia, "Country Profile: Latest Bilateral Relations Australia-Indonesia," 2013.

⁴⁰ Craig Snyder, "Southeast Asian perceptions of Australia's foreign policy", *Contemporary Southeast Asia : a journal of international and strategic affairs*, vol. 28, no. 2, pp. 322-340, accessed on 3 June 2014

Several issues that stand out among others namely are Bali bombing, Corby issues, ban of live cattle and also the asylum seeker issue. One of the most memorable cases was the Bali Bombing on 12 October 2002. When a bomb exploded at a night club in Bali and killed 202 people, among them are 88 Australian. A violent Islamist group, Jamaah Islamiyah, was related to this case and three suspects were convicted. The investigation and judicial process were assisted and monitored by many institutions in Australia. After this attack, The Australian Government advised a travel warning for its citizens who wanted to travel to Indonesia. The bilateral relation became tense. Many Australian condemned Indonesia as a terrorist hub. The three convicted were executed by a firing squad on November 2008. Nevertheless, the fast investigation and judicial process raised appreciation from the Australian Government.

Another stumbling block in Indonesia-Australia bilateral relations is the arrest of Corby, the famous Australian drugs smuggling case in Bali. Schapelle Corby is an Australian who was convicted for drug smuggling on 27 May 2005 for 4.2 kg of cannabis. She was sentenced for 20 years and had served 9 years in prison since then. This conviction had received sensationalist media coverage both in Indonesia and Australia. The Corby issues have always been brought to the table in almost every bilateral negotiation even up until high-level lobby. The decision by the Indonesian government to release Corby on parole on February 2014 sparks a lot of protest and anger from many Indonesian citizens who views such decision as weak and undermines the nation's on-going war on drugs. As a response, the Indonesian Parliament sent a formal letter to the President expressing objection regarding the

parole policy and further stated that the President's decision had weaken the nation's drug law.⁴¹

Both countries are now facing a deteriorating point of bilateral relations, due to Australia's alleged espionage act over President Yudhoyono's phone. Another tipping point is when a Wikileaks intelligence document detailed the Australian Defense signals surveillance located in Jakarta. However, Australian Prime Minister Tony Abbott refuses to admit and apologize to the Indonesian government on these issues. Indonesia perceives this as a backward step in the progress of bilateral relations.

President Yudhoyono deeply regrets the fact that Prime Minister Abbot belittled the tapping issue. A strong response on Australia's wiretapping was also expressed by the Indonesian Minister of Foreign Affairs during the visit of the State Secretary of the United States to Jakarta on 17 February 2014. To some extent, the statement by the Indonesian Foreign Minister Marty M. Natalegawa which questioned whether Australia should decide whether it will consider Indonesia as a friend or a foe further reflects the thesis' central research question.⁴² Marty Natalegawa further stated that wiretapping should not be done in the first place, considering that both countries have already close bilateral relations.

In response, Indonesia downgraded its diplomatic relations by recalling its Ambassador back to Jakarta and suspended bilateral intelligence exchange and information sharing cooperation and also coordinated military operation. Indonesia also suggested both sides to establish a binding code of conduct and guiding principles for bilateral relations.

⁴¹TegarAriefFadly, "Corby Bebas, DPR LayangkanProteske SBY", *Okezone*, 07 February 2014, accessed on 10 April 2014.

⁴²Indonesia Says Report of Australian Spying "Mind-Boggling", *The Jakarta Globe*, 17 February 2014, accessed on 28 August 2014, <http://www.thejakartaglobe.com/news/indonesia-says-reports-of-australian-spying-mind-boggling/>

While, President Yudhoyono request for the official response from Abbot, Indonesia will suspended their intelligence exchange and information sharing cooperation, coordinated military operation and compose a binding code of conduct and guiding principles for bilateral relations.⁴³ President Yudhoyono requested to formulate protocols and codes of conduct governing bilateral cooperation in the presence of the Head of State despite, commitment by Prime Minister Abbot in his official reply letter that Australia is willing to foster bilateral relations with Indonesia.⁴⁴

Australia needs to convince Indonesia that it will conform to the proposed codes of conduct and demonstrate its willingness to further strengthen its bilateral relations with Indonesia as mentioned in the official response letter from Prime Minister Abbott.

III. Literature Review

Sam Bateman, of the Rajaratnam School of International Studies asserts that *“the White Paper was more than just political tricks to gain support for Federal Election. The White Papers actually offered something different which refocus Australia’s strategic attention back to its closest region”*.⁴⁵

The statement above by Sam Bateman signifies optimist regarding the content and direction of *the Asian Century White Paper 2012*, which somewhat had focused more on its region, than its long time allies. The White Paper tells us new points such

⁴³ The State Secretariat Office of the Republic of Indonesia, “Press Conference President of the Republic of Indonesia on the Wiretapping Incident Conducted by Australia at the Presidential Office”, Jakarta, 20 November 2013.

⁴⁴ The State Secretariat Office of the Republic of Indonesia, “Press Conference President of the Republic of Indonesia on the Wiretapping Incident Conducted by Australia at the Presidential Office”, Jakarta, 20 November 2013.

⁴⁵ Sam Bateman, “Australia’s new Defense White Paper: Shifting the Goal Posts”, *Rajaratnam School of International Studies Commentaries*, 23 May 2013, accessed on 16 October 2013, <http://www.rsis.edu.S.g/publications/Perspective/RSIS0982013.pdf>.

as acknowledging China as an important partner for Australia and broadening their bilateral relations in Defense Cooperation.

Bateman's also points out Australia's three strategic interests covered in *the Defense White Paper 2013*, which are: 1). refocus on Indo-Pacific arc, 2) emphasize the growing strategic importance of Indonesia and India, 3) stability of Southeast Asian countries. These are the three main concerns which will guide Australia's foreign policy.

Australia had been a long time partner for ASEAN. Both had established ASEAN–Australia Dialogue relations since 1974 and it had constantly strengthened. Australia also had signed *the ASEAN Australian New Zealand Free Trade Agreement* in 2009. It was the first region to region FTA for both ASEAN and Australia and New Zealand. Australia is also a member of East Asian Summit which includes United States, Russia, China, South Korea, Japan and India.

Australia also strengthened its relations with China, marked by Gillard's visit to China on mid 2013. As for Australia-Indonesia bilateral relations, both countries have the strategic partnership which was signed in 2005.

Several interpretations can be derived from these points. First, Australia embraced China in order to balance the United States lessened influence in the region. Even though the U.S. had been Australia's long time ally, geographically Australia is located in Asia region and cannot neglect its relationship with the rising country, like China. Second, regional organizations enable Australia to actively participate and closer itself to countries in the region and closer Australia to its immediate neighbor country, Indonesia. Third, it is easier for Australia to ensure one of its main interests, the stability of Southeast Asia.

Stephen Fruehling, in a recent Security Challenges article, stated that it is actually Australia's first post-Indonesia strategic guidance document even since 1950's.⁴⁶ However, Fruehling wrote that the Defense White Paper 2013 sounds too optimistic toward the bilateral relations of two countries. Fruehling stated that even Australia saw a stable Indonesia as an asset; it forgot that the prevailing uncertainty of Asia Pacific strategic environment will always be a threat.

Andreas Follesdal, in his paper on political theory of the White Paper on governance highlighted that a key characteristic of a White Paper is it does not put much attention to alternatives proposals. "*A White Paper is usually more visible in the preparatory stages but subdued during the process.*"⁴⁷

There is another approach to evaluate a white paper. William Hogg wrote there are three characteristics for a successful relationship between a white paper and foreign relations.⁴⁸ They are government degree, proximity and control. Hogg wrote that in term of foreign issues, government actors are much weaker, due to globalization and international actors. Foreign issues involved many state actors and also non-state actors. Government does not have full control over of what happen outside its country. In the case of Asian Century, Australia's vision to closer itself with Asian region will have to deal with other regional interests. Such methods can serve as references to the notion that the Australian White Paper is somewhat over optimistic in nature. There are in fact considerable amount of factors that needs to be put into account in interpreting the White Paper.

⁴⁶ Daniel Grant, "Indonesia and the next Defense White Paper", *International Security and Security Network*, 30 October 2013, accessed on 1 November 2013, <http://isnblog.ethz.ch/foreign-policy/indonesia-and-the-next-defence-white-paper>.

⁴⁷ Andreas Follesdal, "The Political Theory on the White Paper on Governance: Hidden and Fascinating", *European Public Law*, Vol. 9, No. 1, pp. 73-86, 2003, <http://papers.ssrn.com/sol3/papers.cfm> (accessed in April 28, 2014)

⁴⁸ William Hogg "Plus Ca Change: Continuity, Change and Culture in Foreign Policy White Papers." *International Journal* 59, no. 3 (Summer, 2004): 521-536, <http://search.proquest.com/docview/220858498?accountid=40940> (accessed April 28, 2014).

IV. Methodology

This thesis will use content analysis methodology to analyze Australian White Papers. In definition, content analysis is the systematic counting, assessing and interpreting of the form and substance of communication.⁴⁹The purpose of using this methodology is to find out relation or record of communication with any actors who are in the record or who we are interested in.

In order for us to determine whether Australia sees Indonesia as a strategic partner or imminent threat, we shall analyze its White Papers because it holds insight into Australia's attitude towards Indonesia. Therefore we shall use a Content Analysis method to determine how Australia's White Papers show its attitude toward Indonesia.

Content Analysis has a long history dated back since the beginning of 20th century. People use it as quantitative and qualitative method in their studies. Content Analysis is considered as one of the most common methods in political science because of its flexibility. Content Analysis can be used in many various fields of research like management, journalism, organizational studies, speech, White Papers, laws and political science. One of the most common researches using this method is education, by analyzing text books throughout the year. Content analysis enables researchers to filter through large number of data in a systematic way. Steve Stemier mentioned that we should begin our analysis with six questions in every content analysis. The questions include 1) which data are analyzed? 2) How are they defined, 3) what is the population from which they are drawn? 4) What is the context relative?

⁴⁹Jarol B Manheim et al, "Chapter 10: Content Analysis", *Empirical Political Analysis: Research Methods in Political Science Sixth Edition*, New York, Pearson/ Longman, 2005, 169.

5) What are the boundaries of the analysis? And 6) what is the target of the inference?⁵⁰

Harold Laswell, a prominent political scientist and a pioneer in content analysis, defined content analysis as *a set of integrated concepts or conceptual tools for framing thought and action and for guiding analysis, interpretation and resolution of any problem.*⁵¹ Laswell proposed to divide any types of communication that we are going to analyze into base value categories. It is called model of communications, which includes participant, perspectives, situations, base values and strategies. Category is a group of words with similar meaning of connotations. These categories will pose a question to answer our research. In order to make it easier for us to categorize then we should make code of our documents or sources.

Justin Grimmer underlined the key element in content analysis is the word and language. Thus in conducting a political science analysis we can use a content analysis. Grimmer mentioned that in order for us to understand what politics is about, we need to know what political actors are saying and writing. One of the types of content analysis which we can use for political science is Fully Automated Clustering (FAC). Its algorithms simultaneously estimated the categories and then classify documents into categories. Basically, this type is to change words into numbers using formula, like mathematics or economics. We still use the same unit of analysis which is word, text or document. Hereafter population of text to be analyzed will be called corpus and population of corpus called corpora.⁵² One of the important thing in FAC is

⁵⁰ Steve Stemler, "An overview of content analysis", *Practical Assessment: Research & Evaluation* 7(17). Retrieved October 29, 2013 from <http://PAREonline.net/getvn.asp?v=7&n=17>.

⁵¹ Dave Howland et al, "Merging Content analysis and the policy sciences: A system to discern policy-specific trends from news media reports", *Policy Science*, September 2006, accessed on 5 November 2013, <http://search.proquest.com/docview/221250252?accountid=40940>.

⁵² Justin Grimmer et al, "Text as Data: The Promise and Pitfalls of Automatic Content Analysis Methods for Political Texts", *Political Analysis*, 2013, accessed on 5 November 2013, <http://search.proquest.com/docview/1400587339?accountid=40940>.

in what context the word been used. Several ways in testing them are 1) simple list of words (unigram), 2) word pair (bigrams) and 3) word triple (trigram).⁵³ After we choose our words then we reduce the complexity o basic words, usually called stemming. It is to discard any capitalization, very common words and also very uncommon words.

Other type of content analysis which we can use for political science is word scoring. It predicts that the words mentioned most often are the words which reflect greatest concern. It can be used in political text to locate policy position of political actors by looking at the text they have generated. Michael Laver's article stated that political text is a *concrete by product of strategic political activity and have a widely recognized potential to reveal important information about the policy*.⁵⁴ There are two approaches in doing so, 1) hand coding, by using traditional and highly labor intensive and 2) computerizing coding schemes.⁵⁵ Usually hand coding is used in dealing such an intensive and big research which takes a very long time. Vincent J Duriau also suggested a same computerized method called Computer Aided Text Analysis (CATA) to increase the effective scalability of method.⁵⁶

Commonalities that can be seen in several related articles in Content Analysis basically stated that it is divided into steps or phases, which are data collection, coding, analysis of content and interpretation of result.

The first thing we need to do is to choose our population which we want to study. In this paper, our population will be *the 2003 Foreign Affairs and Trade White*

⁵³Ibid.

⁵⁴Michael Leaver et al, "Extracting Policy Positions from Political Texts Using Words as Data", *The American Political Science Review*, May 2003, accessed on 5 November 2013, <http://search.proquest.com/docview/214414062?accountid=40940>.

⁵⁵Ibid.

⁵⁶Vincent J Duriau et al, " A Content Analysis of the Content Analysis Literature in Organization Studies: research Themes, Data Sources, and Methodological refinements", *Organization Research Method*, January 2007, accessed on 5 November 2013, <http://search.proquest.com/docview/195101862?accountid=40940>.

Paper, the Asian Century White Paper 2012, Defense White Paper 2009 and Defense White Paper 2013. We will start our research from these papers.

After that we should choose the criteria that we are interested in. There are several types of criteria, such as:

1. Type of communication; form of papers that we will be analyzing. In this thesis it will be Australian White Papers,
2. Type of communicator; the sender or the creator of papers that we will be analyzing. In this thesis they will be The Australian Prime Minister, Minister of Foreign Affairs and Minister of Defense,
3. Location, Length and Time period; when and where the papers were made.

In this thesis it will analyze;

- *The National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper;*
- *The Asian Century White Paper 2012;*
- *Defending Australia in the Asia Pacific Century: Force 2030, Defense White Paper 2009;*
- *The Defense White Paper 2013.*

After we choose the population and criteria, we need to choose the unit of analysis. By definition, unit of analysis is the particular element or characteristic of a given communication that we shall examine.⁵⁷ The basic element for our thesis is word. So we must find appropriate word which will lead us to our research. In this case the main unit of measure is the word Indonesia. Hereafter, we should see the

⁵⁷Jarol B Manheim et al, "Chapter 10: Content Analysis", *Empirical Political Analysis: Research Methods in Political Science Sixth Edition*, New York, Pearson/ Longman, 2005, 171.

word score and in what context the word Indonesia appears. To learn the context we can use word pair and word triple in the sentence which we found the word.

We would like to see the position of Indonesia in Australian White Papers, both the Asian Century and Defense and also how Australia embraces Indonesia in its White Papers. We should see how they generate their words and sentences. In this case we would like to see either Indonesia plays an important role in cooperation or becomes a challenge. The analysis is to answer the research question and to see Australia's attitude from its White Papers toward Indonesia. Therefore we should see the word "Indonesia" paired with other words, such as cooperation, strategic and security.

We need to identify important words, count the frequency of the words that appear in the papers and see the relation with one words to another words or phrase and see the pattern. Of course there can be some pitfall in doing content analysis. One of the most commonpitfalls is to get biased results.

Content analysis provides basic text analysis functions such as word frequency counts and category frequency counts.⁵⁸ In recent years, this study has become easier to perform because there is much software available online and do it computerized. However it can also be done by human coders as well.

Undertaking a content analysis can be done in two ways, which are:

1. Substantive Content Analysis, this method is based on a study of words, themes and items which will focus on the substantive content of White Papers. In doing so, we should create a sort of dictionary to help us define our observation. After we have done with our observation, then we will come have to make decision on our conclusion. In this matter, we could use pair comparing technique.

⁵⁸ibid., 174.

2. Structural Content Analysis, this method will concentrate on what is said rather than how it is said and we are not only measure the subject but also something else. In this matter, we could measure coverage or articles written about Australian White Papers by scholars or press.

In this research, I would conduct a manual substantive content analysis to analyze Australian White Papers, using words and context with the help of computerizing coding schemes with Atlas.ti 7 software.

V. Data Analysis

In order to analyze the four documents, I am using Atlas.ti.7, software for qualitative data analysis which enables us to count words and see phrases which are those words appear.

1. National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper.

Before analyzing *the Foreign Affairs and Trade White Paper 2003* we should see our first unit of analysis. There are 58 words of “Indonesia” consists in the White Papers and 44 of them in the main document.⁵⁹The word of Indonesia in the White Papers mostly associated with security issues. The sentences and paragraphs which Indonesia mentioned also state the word security or terrorism.

The foreword from Minister of Foreign Affairs and Minister of Trade and Investment highlights about Australia’s position in the international system. Then it promptly recognized security threats which faced by Australia, such as terrorism,

⁵⁹Atlas.ti word cruncher 2.0, accessed on 30 October 2013.

weapons of mass destruction and people smuggling followed by discussion about economic cooperation and reformation.

How the White Papers introduce itself in the first part indicate how Australian government perceives Indonesia as a potential threat in security issues. The first part of the paper, Overview, states “Close cooperation with ASEAN member states, in particular Indonesia, will be fundamental to the policy of active engagement. Strong ties with ASEAN member will be essential in dealing with shared security problems such as terrorism and people smuggling.”⁶⁰ Australia sees that it is important to have a close relation with ASEAN member states. However Australia doesn’t see it beneficial for economic or other cooperation because Australia is of the view that there are a lot of security problems to deal with. The overview part also pairs the word Indonesia and Bali Bombings in a sentence and relates it with to the Australia’s government achievement in providing consular service for its citizen.

Chapter One on Australia’s place in the international system mentioned about the war against terrorism and underlined the importance of Australia’s defense relationship, particularly with countries of Asia. One of the examples which is mentioned in White Papers is the joint investigation between Australia and Indonesia for the terrorist attacks in Bali. The joint investigation is mentioned four times throughout the White Papers since in this period Australia’s citizens became victims of Bali Bombing. The success of this cooperation becomes a benchmark for another similar cooperation with any other countries in Southeast Asia.

Chapter two about the international environment: challenges and responses mainly discuss how Australia pursues its national interest in such an uncertain world, especially after the 9/11 tragedy. Like any other countries, Australia’s security is

⁶⁰ Department of Foreign Affairs and Department of Trade, “Overview” , *National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, xv, 2003.

threatened by international security issues, such as terrorism, weapons of mass destruction and transnational crimes. One of the main challenges for Australia is being a western country in the middle of Islamic populous countries. Australia sees Indonesia as the most populous Muslim state and still undergoing difficult political and economic changes and a fertile ground for international extremist Islamic influence.”⁶¹ Moreover, the paper mentioned Jemaah Islamiyah group and relates it with their attempt to overthrow states such as Indonesia. As a form of Australia’s government response in dealing with this issue is to build cooperation with Southeast Asian government and mainstream Islamic groups against extremist in order to repel terrorism. It is re-stated in this chapter about the success of the joint investigation between Australia and Indonesia for the terrorist attacks in Bali and how valuable this cooperation is.

Australia sees Indonesia as an important country to the stability of Southeast Asia. However, Australia also sees Indonesia’s fragility due to its fundamental transformation towards a decentralized democracy, weak economic base and potential threat from Islamic extremist. It is Australia’s main interest to have a stable Indonesia who can also take a firm action against terrorism. Nevertheless, Australia acknowledges the fast growing economy that is happening in Indonesia and other Asian countries such as India and China.

One of Australia’s main concerns toward its security is terrorism, and chapter three emphasized on fighting terrorism and global threats to Australia’s security. Australia is committed to eliminate this global threat because Australia sees that

⁶¹ Department of Foreign Affairs and Department of Trade, “Chapter Two: The International Environment Challenges and Response”, *National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, 2003.

terrorism had harm the security of its closest allies, United States and its regional friends such as Indonesia and the Philippines.

Australia sees Southeast Asian region as the region where the terrorist threat to Australian interest is most acute. It can have a direct threat especially to Australian citizen who live and visit this region. Terrorism threat can harm the stability of this region and affect Australia's security. Indonesia is one of the countries which Australia had identified as "being critical to the response to terrorism in the region."⁶²Indonesia also considered as having the most terrorist threat. This is why Australian government signed a counter-terrorism agreement as the umbrella agreement for the joint investigation and practical support to Indonesia in dealing with terrorist. This agreement is soon followed by other countries in the Southeast Asia region.

The counter-terrorism agreement is a base for joint investigation and any practical counter-terrorism cooperation. One of cooperation for war against terrorism is the four year program worth \$10 Million to help Indonesian police force.⁶³ In addition, this chapter also briefly discussed about bilateral arrangement on people smuggling.

The importance of having defense relationship with Indonesia is re-stated in Chapter five. Among other Southeast Asian countries such as Singapore, Malaysia, Thailand and the Philippines, Australia is taking an incremental approach to build a defense relationship specifically with Indonesia. Nevertheless, the importance of Indonesian role to Australia is motivated by the assumption of Indonesian potential terrorist threat to Australia.

⁶²Department of Foreign Affairs and Department of Trade, "Chapter Three: Fighting Terrorism and Global Threat to Our Security" ,*National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, 2003.

⁶³*Ibid.*

Under the sub-title of assisting Indonesia's historic transition, the paper re-stated about Australia's fundamental national interest in Indonesia's stability. Australia supports Indonesian unity, territorial integrity and strong democratic system in order to achieve stability. However, Australia sees potential threat toward Indonesia such as Islamic extremist, fragile economy and transition process to modern democratic country. Indonesia's ability in dealing with these threats is highly influenced Southeast Asia's stability. Therefore it re-stated again that Australia is committed to working with Indonesia to deal with terrorism through counter-terrorism cooperation.

In this matter, Australian assistance to Indonesia is not only for counter-terrorism cooperation but also economic cooperation. Australia sees Indonesia as an important economic partner with its fast growing economy despite its vulnerability. It is important for Indonesia to use the opportunity given by international financial support to perform strengthen its domestic its domestic economic reform in order to achieve sustainable growth.

The chapter also mentioned Southeast Asia as a region where growing security concerns and slow economic recovery. Counter-terrorism agreement re-referred to as a way to deal with the security concerns. As for the economic side, Australia had participated in ASEAN Free Trade Area.

Other than security issues, the White Papers only briefly mentioned about cooperation in other fields. It mentioned sectors where Australian government had given assistance to Indonesia as a form of cooperation. Chapter ten mentioned about Australia assistance in establishing the Indonesia's National Commission for Human Rights and its aid to Indonesia which affected by the East Asian financial

crisis.⁶⁴ Chapter twelve also briefly mentioned that Australia promoted people to people contact with countries such as Japan, China, Indonesia, Korea, India and France.⁶⁵

The 2003 Foreign Affairs and Trade White Paper in brief described about the steps taken by the Australian Government in facing uncertainty in international world due to terrorist attack in 2001. It is reflected in its policies towards its closest neighboring countries. Most of the chapters discuss about how Australia deals with potential terrorist threat in its region. Australia's foreign policy, especially toward its immediate neighbor is associated with security issues to ensure that the region does not pose a threat to its national security.

The Australian government also launched Current Issues Brief for *the 2003 Foreign Affairs and Trade White Paper*. The brief includes issues relevance to the paper, the opposition's shadow foreign minister response and comments which highlights the challenges facing Australian foreign relations.

The 2003 Foreign Affairs and Trade White Paper was launched under John Howard leadership as Australian Prime Minister. This is the second White Paper for Howard's government whereas the first one was launched in 1997. *The 2003 Foreign Affairs and Trade White Paper* had been influenced by some major developments since 1997. It was issued after the Asian financial crisis, regime change in Indonesia which leads to process of democratization, independence of East Timor, 11 September 2001 attack and also Bali Bombing in 2002.

The key element in *the 2003 Foreign Affairs and Trade White Paper* was on how Australia's security environment had changed since terrorist attack of 11

⁶⁴Department of Foreign Affairs and Department of Trade, "Chapter Ten: Promoting Good Governance, Human Rights and Development", *National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, 2003.

⁶⁵Department of Foreign Affairs and Department of Trade, "Chapter Twelve: Projecting a Confidence Australia", *National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, 2003.

September 2001 and Bali Bombing in 2002. These two incidents have showed that Australia's national security can be threatened in global or regional scale.

In response to the paper, the opposition argues that the objective of Australian foreign and trade policy was incomplete. It should not only identify national security and economic prosperity but also to seek a secure international order.⁶⁶ It also comment about the description of the regional and global order, which did not include other security threat throughout Asian region, including North Korea's nuclear threat, Al Qaeda in Southeast Asia, the destabilization of East Timor and the domestic security across Melanesia. It also criticized on how the paper described terrorism threat in Southeast Asia which is not limited to Jemaah Islamiyah.

Commentary:

The 2003 Foreign Affairs and Trade White Paper discusses more on security issues rather than trade and economy issues. The first point which is mentioned in the foreword part is security threats. The Australian government is still heavily traumatized with 11 September 2001 and Bali Bombing 2002 tragedies. The United States and other western countries have just declared war against terrorism. Australia sees the international world as a place full of uncertainties. One of Australia's fears is being a western country in the Asian region and also among Islamic populous countries.

Australia sees Indonesia as an immediate neighbor country and a key player in ASEAN and Southeast Asian region. Australia sees that it is crucial to have a close cooperation with Indonesia in order to deal with security problems. The importance of Indonesia to Australia is motivated by assumption that Indonesia has the potential

⁶⁶Department of Foreign Affairs and Trade, Australian Government, "The Opposition's Response", *Current Issues Brief No. 23 2002-03 National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper*, Department of the Parliamentary Library, 2003, 19.

terrorist threat for Australia. Australia acknowledges the reformation which Indonesia has undergone. However Australia also realized the potential threats related to Islamist extremist, fragile economic and transition process to modern democratic. How Indonesia could deal with these issues will influence the stability in Asian region, particularly the Southeast Asia. Therefore it is Australia's main strategic interest to have a stable Indonesia. In this matter, Australia sees Indonesia as an imminent threat.

Table IV.I National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper

Part	Word Cluster	Structural Context	Derived Meaning
Overview	Indonesia-cooperation	Close cooperation with ASEAN member states, in particular Indonesia.... Strong ties with ASEAN members will be essential in dealing with shared security problems such as terrorism and people smuggling.	Imminent threat
Chapter One	Indonesia - cooperation	The very good cooperation between Australia and Indonesia in the joint investigation.....	Strategic partner
Chapter two	Indonesia-cooperation	The success of the joint Australian-Indonesian investigation into the Bali Bombing showed how valuable such cooperation.	Strategic partner
Chapter three	Indonesia-cooperation	The government will extend this cooperation by offering further practical support to Indonesia's effort to develop counter-terrorism capabilities.	Strategic partner
Chapter five	Indonesia-cooperation	Australia and Indonesia have concluded a bilateral agreement on counter-terrorism cooperation	Strategic partner
Chapter five	Indonesia-relationship	We are taking an incremental approach to building our defense relationship with Indonesia	Strategic partner
Chapter two	Indonesia – extremist	Indonesia, the most populous muslim state.....is fertile ground for international extremist Islamic influence	Imminent threat
Chapter two	Indonesia – extremist	.....at a time when the economic base is weak and Islamic extremist are targeting the secular system of (Indonesian) government.	Imminent threat
Chapter two	Indonesia-stability	Indonesia is important to the stability of Southeast Asia.	Strategic partner
Chapter five	Indonesia-stability	Australia has a fundamental national interest in Indonesia's stability.	Strategic partner
Chapter two	Indonesia-terrorism	It is very much in Australia's.....interest that Indonesia remain a united and stable state and that it take firm against terrorism.	Imminent threat
Chapter three	Indonesia-terrorism	.....the Government had identified Indonesia s being critical to the response to terrorism.....	Strategic partner
Chapter three	Indonesia-terrorism	The government concluded a counter-terrorism agreement with the Indonesian government.....	Strategic partner
Chapter five	Indonesia-terrorism	Terrorism and Islamic extremism pose significant threats to Indonesia's transition....	Imminent threat

Chapter five	Indonesia- terrorism	Australia is committed to working with Indonesia to deal with terrorism.	Strategic partner
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Source: Atlas.ti

2. The Asian Century White Paper 2012

There are 152 words of “Indonesia” in the whole *Asian Century White Paper 2012* document.⁶⁷ *The Asian Century White Paper 2012* opened with the Prime Minister Julia Gillard foreword underlining the rise of Asia and its rapid economic growth. Gillard emphasizes Australia’s engagement with Asian countries and list down five countries which are considered as having principal relations with. These countries are China, India, Indonesia, Japan and the Republic of Korea. The foreword talks more about how Australia seizes economic opportunity in the region to achieve prosperity for its people. From nine chapters in the Asian Century, only one discuss about sustainable security in the region.

The word Indonesia in *the Asia Century White Paper 2012* associated more with cooperation and engagement. The Executive Summary re-stated about the engagement with Asian countries, especially those five countries. Australia have acknowledged its interest in Asia region in the previous White Paper, however *the Asian Century White Paper* discuss a more deeper and broader engagement and practical cooperation plan. It comprises a broader field of cooperation, such as economic, education, capacity building, people to people contact and aid.

Chapter one on the rise of Asia discusses about the cultural, social, economic and political transformation that are taking place in Asia which affect demography, human quality and interdependency among countries. Australia should quickly adapt to the region’s vast transformation to secure its position as one of the key players in the region. *The Asian Century White Paper* emphasized Australia relations with five

⁶⁷Atlas.ti word cruncher 2.0, accessed on 13 November 2013.

countries which are acknowledged as major powers in the region or key regional nations. Among ASEAN member countries, Indonesia is the only country which is elaborated.

One example given in the discussion of the rise of Asia in term of demographic dividend is changing the life in Indonesia. It recognized the improvement of life quality in Indonesia within the last 45 years and how it contributed to the increasing quality of Indonesian human capital. The paper also acknowledges how Asian countries started to invest in their people through education. It notes Indonesia's education system and the increase of secondary school enrollment in the last 30 years. These become a challenge as well for Australia because it gives a higher competition to human capital and employment opportunities in the region. Australia as one of education hubs in the region is a popular destination for many international students particularly from Asian countries. It is one the consequences of the rise and vast economic growth in Asia.

The White Papers re-stated its optimistic view about Asian economic growth in Chapter two. It noted how "Asian economic will be the biggest economic zone and majority for world's middle economic class."⁶⁸ The most important point for Australia's most strategic interest is stable relations between major power in Asia and the Pacific. The major powers here refer to China, India, Indonesia, Japan and the United States. Stability of these countries will be fundamental to prosperity and security in the region. The same statement is re-stated for three times throughout the whole White Papers. The White Papers recognized these five countries as "major powers", "larger countries" and "pre-eminent countries" in the region.

⁶⁸ Australian Government, "Chapter Two: The Future of Asia to 2025" ,*Australia in the Asian Century*, 2012.

Chapter two acknowledges rapid economic growth in Indonesia and other countries in Southeast Asia. It further argues that Southeast Asia region's economic, political and demographic weight will contribute in regional growth.

The White Paper also recognized challenges which occur from Asia's rapid development, such as; energy and mineral security concern, climate change, growing demand for food, increase of water scarcity and the need to increase infrastructure. Almost every developing country in Asia is facing it, including Indonesia.

The chapter recognized "young" demographic condition in Indonesia as one the factors which could replicate the East Asian success. However it also noted the low output of Indonesian labor compared to major economies like China and the United States. The Asia's integration and economic development has not been evenly distributed. The wide disparities still exist between the eastern and western Indonesia. It stated Australia's government positive view toward Indonesia's economic growth as well. Indonesia is predicted to be the tenth largest economies in the world in 2025, after China, India and Japan.

Another positive view mentioned in this chapter is Indonesia's emerging role as a regional leader in Southeast Asia. Indonesia has becoming more influential and plays an important role for Australia regionally and globally. The paper acknowledges Indonesia's key strengths, such as: "a large population, a strong growing economy and a pivotal geostrategic."⁶⁹

The positivism leads the paper to recognize changes in Australia's economic performance which become more related with Asian region's countries instead of the United States.

⁶⁹ Ibid.

Chapter three about Australia in Asia takes back from the long history of bilateral relations between two countries. It noted Australia government's support and role in Indonesia's independence back in 1945. Bilateral relations had not always well, notably during Australia's support to Malaysia during "Konfrontasi" period in 1963 - 1966. The relation had improved bilaterally and regionally since Australia had worked closely with Indonesia as regional partners in framework of ASEAN Cooperation. Also when the Asian Financial Crisis happened, Australia also provides assistance to Indonesia. The White Paper acknowledges the ups and down of bilateral relations between two countries. It noted that the difficulties in bilateral relation occur over misperception grew in Australian society toward Asian people. It quoted a survey by Lowy Institution in 2011 which found that "many believe that Indonesia is essentially controlled by the military, despite Indonesia's democratic system of government".⁷⁰ It becomes one of many factors that affect the under-performance of bilateral trade and investment relationship which should have actually grown more. Furthermore, the chapter briefly mentioned about the development of people to people relations between both countries.

Chapter four on Outlook for Australia to 2025 discusses about how Australia seek sustainable and long term opportunity in the vast growing region. It recognized opportunities of the Asia's economic growth for Australia, which are; changes in Australia's trade partner, sustainable demand for resources and energy due to urbanization, new opportunities will emerge in manufacturing, increased demand for high quality food and rising income which provide greater opportunities for education, tourism and service.

⁷⁰ Australian Government, "Chapter Three: Australia in Asia", *Australia in the Asian Century*, 2012.WP 2012.

The emerging rise of Asian economic will be increasingly important for Australia and its consumer market, particularly in India, Indonesia, Thailand and Vietnam. The development of regional economic has influenced trade pattern in the region particularly Indonesia which is the largest market for Australia's export products.

Chapter six on building capabilities mentioned education field of bilateral and technical cooperation which had been conducted between two countries. The paper acknowledges the decreasing number of Australian students who study Bahasa Indonesia. Yet it is already included in the Australia's National Objectives that "all students will have access to at least one priority Asian language, namely Mandarin, Hindi, Bahasa and Japanese."⁷¹ In this regard, Australia's school and university are promoting new courses for language learning. Some of education technical cooperation are:

- CSIRO-AusAID Research for Development Partnership with University of Mataram in 2010;
- Leongatha Primary School partner with SD Pondok Labu 11, under the Australia-Asia BRIDGE School Partnership;
- The Australian Consortium for In-Country Indonesian Studies, hosted by Murdoch University.

Chapter seven on operating in and connecting to growing Asian markets noted the importance of doing business with Asian business people. Australian business people must be fully part of Asian region to understand its culture, work ethic and being engage with them in order to grasp opportunity. Some of economic technical cooperation is Binder Group Joint Venture manufacturing facilities and operation of

⁷¹ Australian Government, "Chapter Four: Outlook for Australia to 2025 ", *Australia in the Asian Century*, 2012.

Linfox Australia in Indonesia. The chapter also mentioned about G to G technical cooperation in order to strengthen its investment policy and regulatory environment. Some of the cooperation is collaborative public sector leadership programs between Australia-New Zealand-Indonesia and Australia-Indonesia Partnership for Economic Governance Supports.

The paper discusses about various fields of cooperation, from economic, education, cultural and other deeper and broader relationship. One of key points in Chapter nine is about Australia's plan to open Consulate office in eastern part of Indonesia. So far, the Australian Embassy and Consulate in Indonesia are located in Jakarta, Denpasar and Medan. Meanwhile, Indonesia has offices in Canberra, Darwin, Melbourne, Sydney, Perth, and also Honorary Consulate in Adelaide and Brisbane. The plan by the Australian government to open another Consulate office in Indonesia reflects its new priorities in the country.

Australia's plan to strengthen its relations had requires official bilateral architecture to support a stable bilateral relation with a foreign country. The paper recognized that Australia had already made a bilateral architecture with Indonesia as an appendix for the Asian Century 2012 along with Japan and South Korea. It also noted that the bilateral architecture had become one of Australia National Objectives.

Australia mentioned Indonesia as one of key regional nations along with China, India, Japan and South Korea. It also acknowledges Indonesia's size and economic links. Therefore it is Australia's priorities to have a stronger and more comprehensive relationship with Indonesia.

The chapter briefly mentioned some form of broader relations, such as: awareness of Bahasa Indonesia in Australia's radio, volunteer program to Indonesia in

University of Melbourne, Alumni networks, sport engagement with Australia and the vast growth of social media and information in Indonesia.

The Asian Century White Paper 2012 in brief set out “25 objectives for Australia to take advantage of Asian boom by 2025 which are divide into five key areas, such as economy, education and skills, commerce, regional security and culture.”⁷² It is about Australia’s broader relations and cooperation with countries in the Asian region. It embraces five prominent countries, China, India, Indonesia, Japan and South Korea and the United States. It also seizes other fields of cooperation to enhance Australia’s role in the region.

There are targets from *the Asia Century White Paper* which are related to Asia Pacific region. They are: access to a priority Asian language, a stronger and broader diplomatic network with Asian countries and to have Australia’s leaders be more Asia literate.⁷³

The key elements in *the Asia Century White Paper* was based on assumptions that China emerging growth became dominant in Asia Pacific region and so do other prominent countries in the region namely India, Indonesia, Japan and Republic of Korea. These countries play a very important role in the region and influenced Australia’s strategies.

The Asia Century White Paper was launched in 2012 during Julia Gillard leadership as Australian Prime Minister. Many experts argue that this was Gillard’s political move for the Federal Election. The main purpose of the Asian Century is a better engagement with Asia. However, opposition thinks that most of the contents are commonsense and also full of exaggerative goals with no enough budgets.

⁷² “As it happened: Australia in the Asian century”, ABC News, 29 October 2012, accessed on 15 November 2013, <http://www.abc.net.au/news/2012-10-28/live-coverage-australia-in-the-asian-century/4337812>

⁷³Ibid.

Commentary:

The Asia Century White Paper underlined the Asia's fast economic growth and how Australia seizes the opportunity. The White Paper repeatedly stated about Australia's engagement with Asian countries and how Australia would like to strengthen and further expand its cooperation in various fields. Australia recognized Asia's key strength such as: political reformation, education development, human investment and young demographic. Australia stated it's optimistic about Indonesia's economic growth and its emerging role as ASEAN leader.

The White Paper refers Indonesia as a major power, larger country and key regional nation. It also discusses about the improvement of bilateral relations throughout the years and the underperformance of bilateral relations which is caused by misperception that still exist between two societies. In order to improve bilateral relations, Australia has also set up a bilateral architecture for Australia-Indonesia as an appendix of this White Paper. Therefore in this White Paper Australia sees Indonesia more as a strategic partner.

Table IV.II The Asian Century 2012

Part	Word Cluster	Structural Context	Derived Meaning
Foreword	Engagement	We also have the benefits that come from a track record of engagement with the nations of our region.	Strategic partner
Executive Summary	Engagement	But in this Asian Century we must enter a new phase of deeper and broader engagement.	Strategic partner
Chapter eight	Engagement	This level of engagement is growing on both sides	Strategic partner
Chapter eight	Indonesia-engagement	We will direct increasing effort.....and other forms of defense and security engagement with our neighbors, particularly Indonesia,...	Strategic partner
Chapter eight	Indonesia-engagement	IKAHAN encourages all participants in Australia-Indonesia defense engagement activities to renew and maintain their relationship.	Strategic partner
Chapter eight	Indonesia-engagement	Stronger Australian engagement with Southeast Asia, especially with our biggest neighbor, Indonesia.....	Strategic partner
Chapter eight	Indonesia-engagement	.....and step up engagement with ASEAN more broadly	Strategic partner

Chapter seven	Indonesia-partnership	...the Australia Indonesia Partnership for Economic governance supports partnership.....	Strategic partner
Chapter eight	Indonesia-partnership	We will deepen our comprehensive partnership with Indonesia.....	Strategic partner
Foreword	Indonesia-relationship	Our principal relationship with.....,Indonesia,...have strengthened in recent years.	Strategic partner
Executive Summary	Indonesia -relationship	Australia's relationships in our region are strong and robust, including with Asian nations like.....,Indonesia,...	Strategic partner
Executive Summary	Indonesia-relationship	Australia will have stronger and more comprehensive relationship with....., especially with key regional nations,.....,Indonesia...	Strategic partner
Chapter eight	Indonesia-relationship	.....a longstanding element of our bilateral defense relationship with Indonesia.	Strategic partner
Executive Summary	Indonesia-major power	Promote cooperative arrangements among major power in the region.,Indonesia,... as the economic and strategic landscape shifts..	Strategic partner
Chapter two	Indonesia-major power	Stable relations among the major powers in Asia and the Pacific.....,Indonesia,....will remain fundamental to prosperity and security in the region and will require sustained effort.	Strategic partner
Chapter two	Indonesia-larger nations	Positive an stable relations.....particularly the larger nations...,Indonesia,...will be fundamental to the prosperity and security in the region over the period to 2025.	Strategic partner
Chapter eight	Indonesia-Pre-eminent powers	Cooperative relations among the pre-eminent powers in the region,.....,Indonesia,...will be fundamental to regional security and prosperity.	Strategic partner
Chapter two	Indonesia-regional leader	In Southeast Asia, Indonesia has re-emerged as a regional leader, is emerging as a global influence....	Strategic partner
Chapter three	Indonesia-work closely	Working closely with regional partners, notably Indonesia, Australia has encouraged the development of broadly inclusive.....	Strategic partner
Chapter seven	Indonesia-work closely	Australia will work closely with Indonesia and China, APEC hosts....	Strategic partner
Chapter eight	Indonesia-joint	....including joint leadership with Indonesia at the Jakarta Centre for Law Enforcement Cooperation (JCLEC).....	Strategic partner
Chapter eight	Indonesia-Joint	We will continue to work with regional partners on joint approaches to managed.....,which Australia co-chairs with Indonesia.	Strategic partner
Chapter eight	Indonesia-joint	Trust and confidence.....,where Australia and Indonesia are leading a joint project.	Strategic partner
Chapter two	Indonesia-interest	Indonesia and the other members of ASEAN are of special relevance to Australian interest.	Strategic partner
Chapter eight	Indonesia-interest	Indonesia, which plays a leadership role in the region.....is unequivocally in our strategic and wider interest.	Strategic partner
Chapter nine	Indonesia-priorities	We will work with the Australian community to develop comprehensive country strategies, with.....,Indonesia,.....as our initial priorities....	Strategic partner

Chapter nine	Indonesia-priorities	Because of their size, economic links with Australia and strategic and political influence.....Indonesia,...will be the initial priorities for the development.	Strategic partner
Chapter two	Indonesia-important	Indonesia will become even more important for Australia.	Strategic partner
Chapter eight	Indonesia-important	...Indonesia, will remain important for our security and environmental	Strategic partner
Chapter seven	Indonesia-agreements	We are committed to concluding high-quality agreements with.....Indonesia,...and a regional trade agreement in the long term.	Strategic partner

Source: Atlas.ti

3. Defending Australia in the Asia Pacific Century: Force 2030, Defense White Paper 2009

Before analyzing *the Defense White Paper 2009* we should see our first unit of analysis. There are 19 words of “Indonesia” consists in main document of *the Defense White Paper 2009*.⁷⁴ The first part of the paper, Executive Summary, state that Australia’s most important strategic interest is the security and stability of its immediate neighbor, namely Indonesia, PNG, East Timor, New Zealand and the South Pacific islands states.⁷⁵

It is re-stated in Chapter five under the secure immediate neighbor sub-line. These countries are expected not to be source of threat and no major military power which could challenge Australia’s military control over sea and air. Indonesia’s stability and strong commitment about its territorial integrity and sovereignty is Australia’s vital strategic interest. Hence Australian doesn’t want to see a weak and fragmented Indonesia, because it means problem for Australia. If it happens, Australia will need to strengthen their defense posture.

Chapter four mainly discuss about Australia’s strategic interest in the global economic environment, U.S strategic primacy and Asia Pacific region. Indonesia is

⁷⁴Atlas.ti word cruncher 2.0, accessed on 30 October 2013.

⁷⁵Jarol B Manheim et al, “Chapter 10: Content Analysis”, *Empirical Political Analysis: Research Methods in Political Science*Sixth Edition, New York, Pearson/ Longman, 2005, 12.

the only country that is elaborated under the Southeast Asia sub-line. It highlighted the successful transition to multiparty democracy, economic reform and fight against terrorism.

Chapter eleven sees Australian alliance for defense which identifies the United States as the most important ally in defense relationship. Australia Defense Force (ADF) had accessed to U.S capability, technology and training to be the advanced force. Other than that, Australia has expanded its alliance in Asia Pacific region with Japan, China, Republic of Korea and India. Australia's long term strategy is to build Asia Pacific security environment with major and emerging powers in the region.

This chapter also mentioned that Indonesia is the most important defense relationship within the immediate region due to its size, strategic weight and political outlook. *The Defense White Paper 2009* underlined the Lombok Treaty and Joint Statement in the Defense Cooperation signed by the Chief of the Defense Force from both countries in January 2009. These are the keys to manage the bilateral defense relations and to expand technical cooperation. As for the Southeast Asia region, Australia's interest is to develop counter-terrorism capabilities similar to the one that it has conducted with Indonesia under the Lombok Treaty.

Chapter eleven stated that Australia realized the importance of promoting network of alliance to promote strategic interest. Australia involved in bilateral and multilateral defense relationship and other multilateral security forums. This frameworks help to mitigate the possible threat towards Australia. Australia is also strengthening the Australia Defense Force by providing ADF's access to equipment, intelligence and training opportunity. As mentioned in an article written in the Sydney Morning Herald, the defense white paper appreciates the transformation in Australia's

strategic perception of Indonesia from fears of invading hordes from the archipelago to a more sanguine view of Indonesia as a partner and friend.⁷⁶

The Defense White Paper 2009 in brief described about Australia strategic interest. The foremost important interest is the defense capability of Australia against direct armed attack from state or non-state actors which include weapon of mass destruction (WMD). Another important aspect is the stability and security in the immediate neighborhood. The last aspect is the stability of Asia Pacific region and then the international order. The paper also emphasized the strengthening of Australian Defense Force (ADF) to enhance its ability to combat with other armed forces. ADF should be independent and self-reliance in doing its principal task.

The key elements in *the Defense White Paper 2009* was based on assumptions that China emerging growth became dominant in Asia Pacific region and considered can be a possible threat to Australia and United States remain as a powerful actor. However the paper was not sure whether United States will play the same role like it had taken since after the end of World War 2.

The Defense White Paper 2009 stated that China has the potential to overtake the United States as the world's largest economy around 2020. The economic success also has an impact on China's military capabilities which can give its neighbors cause of concern.⁷⁷

The Defense White Paper 2009 was launched during Kevin Rudd leadership as Australian Prime Minister. The idea of publishing the White Paper was initiated by

⁷⁶Tom Allard, "Review afforded friendly reception in Indonesia", *The Sydney Morning Herald*, 2 Mei 2009, accessed on 23 October 2013, <http://www.smh.com.au/national/review-afforded-friendly-reception-in-indonesia-20090501-aq6s.html?skin=text-only>

⁷⁷Department of Defense, Australian Government, "Chapter Four: Australia's Strategic Outlook - The strategic implications of the rise of China", *Defense White Paper 2009*, 34.

Labor Party in 2007 during Australian Federal Election. It criticized Howard's government policy on Australia Defense Force was lacking of plan.

After the previous Defense White Paper in 2000, there have been many terrorist attacks since 9/11 in the United States followed by other attack in many part of the world. We also seen changes in global power as China's rise and also there is state fragility in South Asia and East Timor and other security threat. These phenomena were behind the publication of the White Paper.

Commentary:

The Defense White Paper 2009 underlined Australia's most important strategic interest. It prioritized Australia's national security and the defense of Australia against armed attack from foreign countries. The second most important is the security and stability of its immediate neighbor. Australia expected those countries not to be sources of threat with no major military that could challenge Australia. Therefore it is crucial for Australia to work up the Australia Defense Force's (ADF) capability.

Indonesia is the most important country in the immediate neighbor countries. Australia emphasized the importance of defense relationship which had been done between two countries. Australia's vital strategic interest is Indonesia's stability and strong commitment about its territorial integrity and sovereignty. Since a fragmented Indonesia could cause problem for Australia. Therefore, in this matter Australia sees Indonesia as an imminent threat in the immediate neighbor.

Table IV.III The Defense White Paper 2009

Part	Word Cluster	Structural Context	Derived Meaning
Executive Summary	Indonesia-strategic	Our next most important strategic interest is the security, stability and cohesion of our immediate neighborhood which we share with Indonesia.....	Imminent threat

		While we have a wide range of diplomatic.....,what matters most is that they are not a source of threat to Australia.	
Chapter four	Indonesia-strategic	The evolution of democracy gives Indonesia a sound foundation for long term stability.....This is keeping with Australia's strategic interest.	Strategic partner
Chapter four	Indonesia-strategic	An authoritarian or overly nationalistic regime in Jakarta would also create strategic risks for its neighbors. Indonesia's democratic development therefore continues to be very welcome.	Imminent threat
Chapter five	Indonesia-strategic	Of particular salience in this regard is the continued stability of Indonesia, one of the most important features of our strategic outlook.	Imminent threat
Chapter five	Indonesia-strategic	It is in Australia's vital strategic interests to see a stable and cohesive Indonesia.	Strategic partner
Chapter five	Indonesia-strategic	A weak and fragmented Indonesia would be a strategic liability for our security and would almost certainly require a heightened defense posture on Australia's part.	Imminent threat
Chapter five	Indonesia-strategic	The government's approach to enhancing strategic stability in the Asia Pacific region is to work to strengthen.....so that it embraces.....Indonesia,.....is able to engage in the full spectrum of dialogue.	Strategic partner
Chapter eleven	Indonesia-strategic	For reasons of size, strategic weight and outlook, Australia's relationship with Indonesia remains our most important defense relationship in the immediate region.	Strategic partner
Chapter four	Indonesia-security	A weak, fragmented Indonesia beset by intractable communal problems.....would be a source of threat to our own security and to Indonesia's other neighbors.	Imminent threat
Chapter five	Indonesia-integrity	The government's policy remains one of strong commitment to Indonesia's territorial integrity.	Strategic partner
Chapter eleven	Australia-interest	Australia has a fundamental interest in a stable.....Indonesia underpinned by a small military.	Imminent threat

Source: Atlas.ti

4. The Defense White Paper 2013

The Defense White Paper 2013 has 32 words of "Indonesia" in the main document.⁷⁸ Chapter one paragraph 1.1 stated that Australia is located in the region of unprecedented growth that has seen some countries like China, India, Indonesia and the Republic of Korea as the new regional powers. Such dynamics became a

⁷⁸Atlas.ti word cruncher 2.0, accessed on 30 October 2013.

challenge for Australia, particularly in terms of its maintaining and securing its national interests.

Since *the Defense White Paper 2009*, Asia's economic growth and broader international interest, especially China and India had globally increased. Chapter two elaborated some defining strategic outlook discussed in *the Defense White Paper 2009* which is becoming clearer. The region's strategic environment will be shaped largely by three characteristics. First is the importance of US- China relationship. Second is the emergence of Indo-Pacific strategic arc, notably India as an important strategic actor. The last one is the influence of other regional powers such as Japan, Republic of Korea and Indonesia. It all creates a more complicated environment for Australia's foreign policy to be heard.

Chapter two stated that the US rebalance security in the region includes partnership with India, Indonesia, Malaysia, New Zealand and Vietnam. They also have begun exploring military cooperation with China.

In Chapter two, Indonesia is mentioned twice as one of significant regional powers along with Japan and Republic of Korea in Southeast Asia and North Asia. Asian region is also home for seven of Australia's top ten trading partner, China, India, Japan, Malaysia, Thailand, Singapore and Republic of Korea. Nevertheless, the paper stated that Indonesia comprises many of the archipelagoes, so that Australia's strong partnership with Indonesia is the most important strategic relationship.

In order to give a brief comparison of Australia's bilateral relations with other South East Asian country, we can contrast its relations with Malaysia. Australia and Malaysia also had a long and winding historical bilateral relation dated back to pre-independence period, when both countries were still under English colonialism. Bilateral relations encountered challenges due to several incidents, such as the hanging

of two Australians for drug offences and the cancelation by the Australian Government for Mahathir to visit Canberra. The Australia - Malaysia bilateral relations was gradually improved after Mahathir retired in 2003, which is around the same period when both Indonesia and Australia pick up its bilateral relations.

Australia expresses its support towards Malaysian government by refusing the visit of Malaysian opposition leader, Anwar Ibrahim to Australia. The decision to reject such visit was considered as being inconsistent given the fact that Australia supported the presence of observer team in Malaysian general election in 2012. Such similar policy was also demonstrated by the Australian Government during the Referendum process in East Timor in 1999. Nonetheless, it is worthy to take note that even though both Indonesia and Malaysia experienced similar historical bilateral relations with Australia, Malaysia was not considered as priority country in the Australian White Paper.

Another useful subject of comparison in bilateral relation with Australia is South Korea, which is a country in East Asia with excellent economic performance. Both countries enjoy strong economic cooperation and trading partner. The relations are even stronger with the conclusion of Free Trade Agreement negotiation on December 2013. The focus of the bilateral relationship is on the economy and trade.

Chapter two also mentioned about Indonesia's influence and capability in playing its role in regional and global level, as seen in its leading role in ASEAN, East Asia Summit, APEC and G20. The importance of Indonesia as Australia's key security partner is its evolution in increasing influential democratic regional power and emerging global influence. Chapter two also highlighted about the stable trade route through the Indian Ocean, which heavily reliant on the stability of countries in that region, such as Indonesia.

Chapter two also mentioned about regional military modernization which see Australia's cooperation with Indonesia in the procurement of military equipment and rejuvenation.

One of security strategic outlook is counter-terrorism awareness and capability. Islamist terrorist presence in Middle East, North Africa and South Asia affect Australia's security. It stated that Islamist terrorism will also continue to exist in Southeast Asia, especially in Indonesia and the Southern Philippines. Although the White Paper acknowledge the success of regional counter terrorism effort especially in Indonesia, but it remain a concern.

Chapter three talks about Australia's Strategic Policy Approach, with one section mentioned about a stable Indo-Pacific. It re-stated that Indonesia's stability and security is a singular importance. Indonesia is Australia's largest and closest neighbor and also has the most important relationship in the region. Australia will gain benefits from having a strong Indonesia as its partner. Geographic proximity between two countries is the key to establishment of security interest. In order to enhance the stable Indo-Pacific, Australia seeks to strengthen regional security architecture which embraces the United States, China, India, Indonesia, Japan, the Republic of Korea and other states in the region.

Chapter three also discussed about the Australian Defense Force principle task and military strategy. The last principle is to contribute to military contingencies in the Indo-Pacific. In this chapter it is elaborated that aside from military purposes, ADF will also be ready for humanitarian assistance and disaster relief, as it did in Aceh, Indonesia when the tsunami hit the province in 2004 – 2005. The ADF also noted patrol boats visits to some Indonesian ports in Jakarta, Bali, Cilacap, Kupang and Ambon as part of the cooperation.

Australia's international defense engagement is achieved in how Australia direct its effort to a deeper defense cooperation with its neighbor, particularly Indonesia, other Southeast Asian countries, Japan, Republic of Korea, China and India as mentioned in Chapter six. The chapter is about how Australia embraces its international cooperation on security. As the sub-section on Southeast Asia, the White Paper has 4 paragraphs about Indonesia, while other countries only elaborated in one paragraph. Again, the paper mentioned that Indonesia is Australia's most important defense relationship in the region. Indonesia's importance to Australia will grow in parallel with its influence in global level. The White Paper emphasized Indonesia's success as a democracy, economic growth and defense relationship.

Indonesia and Australia conducted the highest training and exercise in 2012 that includes personnel exchanges, combined training and also Australia-Indonesia Defense Alumni Association. Both countries already signed a defense cooperation arrangement on September 2012 under Lombok Treaty to provide a formal framework for practical defense cooperation. The cooperation includes maritime, counter-terrorism, peacekeeping and humanitarian assistance and disaster relief cooperation.

The Defense White Paper 2013 in brief described about Australia military shift to the Indo-Pacific, the United States rebalance to the Asia Pacific and the emerging rise of China. It is also emphasized strategic outlook's characteristics which creates a more complicated environment for Australia's. Australia partnership will remain the most important; however Australia needs to adjust its priorities in the US-China relations. Australia also sees China and India as two most emerging power in the region. The last one is the influence of other regional powers in Southeast Asia and North Asia.

The key elements in *the Defense White Paper 2013* was based on rebalancing the US and China relationship and security cooperation with strategic neighbors in the region, such as Indonesia, Japan, Republic of Korea, China and India. Australia saw the importance of embracing these countries because of their potential to become a major force in the future.

The Defense White Paper 2013 was launched during Julia Gillard leadership as Australian Prime Minister. Likewise with *the Asian Century White Paper*, many experts argue that this was Gillard's political move for the Federal Election. *The Defense White Paper 2013* was launched only less than 4 years after the previous one. This is a continuation of *the Asian Century White Paper* which is quite optimistic about the Asian region prosperity.

Unlike the previous *Defense White Paper 2009* which saw China as adversary, Gillard took more cautious approach. The language on China was more softened. It declared that Australia listed China as a military partner with bilateral exercises, confidence building dialogue and even a military culture and friendship week.⁷⁹ Australia acknowledged the need to manage risk from China as an emerging country. The aim of *the Defense White Paper 2013* was not to create feud toward the region or the world. *The Defense White Paper 2013* sets out a different strategic view from the 2009 version, it made the case for lower planned levels of defense spending.⁸⁰

Another difference between *the Defense White Paper 2013* with *the Defense White Paper 2009* is that it firstly identified the international environment first rather than its domestic security issues. It started from the outer strategic environment of the

⁷⁹ Rory Medcalf, "Breaking Down Australia's Defense White Paper 2013", The Diplomat Blog, accessed on 30 October 2013, <http://thediplomat.com/2013/05/07/breaking-down-australias-defense-white-paper-2013/>.

⁸⁰ Peter Jennings, "The White Paper that cannot die", The Strategist, July 2013, accessed on 23 October 2013, <http://www.aspistrategist.org.au/category/defence-white-paper-2013/>.

relation between the United States and China then narrowing to Asia Pacific and closer region.

Commentary:

The Defense White Paper 2013 emphasized the unprecedented growth in the Asian Region, economically and politically. Australia's security and defense faces new challenges. Australia's strategic environment is determined by the rebalance relations between the US and China, the emergence of Asia Pacific region and the influence of other regional countries such as Indonesia.

Australia refers Indonesia as a significant regional power and also key security partner as for regional cooperation and global influence. Australia sees Indonesia as the most important defense relations because of its geographic proximity and its size. One of Australia's concerns is Islamist terrorist threat in Southeast Asia; however Australia acknowledges Indonesia's success in counter-terrorism. Hence, Indonesia's stability and security is very important. Australia benefits from having a strong Indonesia as a partner. Therefore, Australia sees Indonesia as a strategic partner to enhance defense cooperation to minimize the potential threat.

Table IV.IV The Defense White Paper 2013

Part	Word Cluster	Structural Context	Derived Meaning
Chapter two	Indonesia-strategic	Australia's strong partnership with Indonesia remains our most important regional strategic relationship.....	Strategic partner
Chapter six	Indonesia-strategic	.....Australia and Indonesia maintain a common commitment to regional security, which is reflected in our wider governmental strategic partnership.	Strategic partner
Chapter two	Indonesia-stability	Indonesia has an opportunity to play an increasing role in building regional and global stability.....	Strategic partner
Chapter two	Indonesia-stability	States proximate to the major trade route, such as Indonesia, are increasingly important to the region's strategic stability.	Strategic partner
Chapter three	Indonesia-stability	The stability and security of Indonesia,.....is our most important relationship in the region.	Strategic partner...

Chapter six	Indonesia-engagement	Australia's defense relationship with Indonesia has developed.....effective engagement program.	Strategic partner
Chapter six	Indonesia-engagement	.....of deeper defense cooperation,.....and security engagement with our neighbors, particularly Indonesia....	Strategic partner
Chapter two	Indonesia-partner	Indonesia's evolution as an increasingly influential democratic.....has seen its importance to Australia as a key security partner....	Strategic partner
Chapter three	Indonesia-partner	Australia benefits from having a strong and cohesive Indonesia as a partner.....	Strategic partner
Chapter six	Indonesia-partner	Indonesia and Australia are increasingly important and valuable partners.....	Strategic partner
Chapter six	Indonesia-partner	Australia's longstanding partnership with Indonesia remains our most important defense relationship in the region.	Strategic partner
Chapter two	Indonesia-terrorism	Islamist terrorism will also continue to exist in some form in Southeast Asia, especially in Indonesia.....	Imminent threat
Chapter two	Indonesia-terrorism	.....the success of regional counter-terrorism efforts-especially in Indonesia-it remains the case that it is in Southeast Asia that Australians are more likely to be targeted.	Imminent threat
Chapter three	Indonesia-security	Geographic proximity means that Indonesia's and Australia's security interest are intertwined.	Strategic partner
Chapter six	Indonesia-important	Indonesia's importance will grow as its significant regional influence becomes global.	Strategic partner
Chapter six	Indonesia-cooperation	The government is committed to further broadening and deepening our defense and security cooperation with Indonesia...	Strategic partner

Source: Atlas.ti

VI. Conclusion and Discussion

Within the last ten years, Australia has been using white papers to outline and guide two of its most important policies of defence and foreign policy. There is a strong correlation between both Australia's defence and foreign policy which is reflected in the simultaneous publishment of two foreign policy white papers and two defence white papers within the same period. Such white paper serves as primary

tools for current Australian government to respond and fine-tune its defence and foreign policies with the dynamics of its surrounding region.

In general, the white papers demonstrate how Australia's defence and foreign policy focus has gradually shifted from its traditional allies of the United States (US) and the United Kingdom (UK) towards the Asia Pacific region. Geographical proximity and the increasing global influence of countries in the Asia Pacific region requires Australia to put its national interests and priorities towards its neighbouring countries and to engage more with countries which are closest to it. Australia is fully aware that if it continues to align its foreign policy with the US and the UK, it would alienated itself from its neighbouring countries, and bear the risk of being left behind in any political and economic dynamics happening in the region. Therefore, the white papers serve as an effective tool for Australia to demonstrate its strong tendencies and willingness to engage more actively with the Asia-Pacific region, particularly with its key neighbouring countries such as Indonesia.

In terms of its foreign policy towards Asia Pacific region, Australia's foreign policy has been widely associated with security concerns, particularly due to the aftermath of the terrorist attack of 11 September 2001 in the US and the Bali Bombing in 2002. Although the White Paper 2003's title is *the Foreign Affairs and Trade White Paper 2003*, it doesn't cover much about economy and trade. It is heavily focused on security and defence issues, particularly to safeguard Australia's national security in regional and global scale. Instead of engaging itself with its closest neighbor such as Indonesia, Australia is making a clearer boundary lines with the region.

Such similar tone can also be found in the *Defence White Paper 2009* where Australia's main national objective, which is its national security and geo-strategic location, becomes the determinant factors why it has such high security concern. *The*

Defence White Paper 2009 also focused more about increasing the capability of Australia Defence Force which indicate that Australia's approach toward the region is more inward-looking.

Australia's perspective towards its surrounding region is fundamental to the way Australia formulate its defence and foreign policy towards Indonesia. One critical factor which determines the success of White Papers is the consistency of leadership's point of view. The research finds that basic issues which were addressed in all four White Papers have been similar. In terms of Indonesia, Australia sees it as its immediate neighbor which plays key role for regional stability that it should be included in Australia's strategic priorities. However, Australia's main concern from time to time still is to ensure the stability of Indonesia.

As any other bilateral relations, Australia-Indonesia bilateral relations also share their ups and downs. Even though *the Foreign Affairs and Trade White Paper 2003* and *the Defence White Paper 2009* were made under different leadership, word pairing both papers associated Indonesia with security threat. Australia emphasized its concern about the potential terrorist threat in Indonesia which could spread to Australia and jeopardize its citizen. Another concern is Indonesia's on-going political and economic transformation which was considered as the cause of Indonesia's security fragility. The way Indonesia deal with these issues was perceived by Australia as influential to the stability in the Asia Pacific region.

Even though Australia's change of perception towards Indonesia has been a positive gesture for a stronger bilateral relation, it was not accompanied by trust. The tapping done by Australia had downgraded the diplomatic relations between two countries and affected the close relations of the two nations. Although Indonesia's stability was considered as Australia's main strategic interest, the tapping incident

challenges the ethic on diplomatic relations and to some extent, seems to undermine the continuous effort by Indonesia to maintain its political and economic stability.

Nonetheless, there are significant changes found in the approach and the wording of the latest Australian White Papers. Unlike the previous defence and foreign White Papers which were heavily focused on security issues, *the Asian Century White Paper 2012* and *the Defence White Paper 2013* stated that Australia's main national objective is to build a prosperous Australia through close engagement with Asian economic powerhouse. *The Asian Century White Paper 2012* focused more on economy, socio-cultural and broader diplomatic relationship, while security issues were elaborated more within *the Defence White Paper 2013*.

Both *the Asian Century White Paper 2012* and *the Defence White Paper 2013* were made under Julia Gillard's leadership who view Asia as a vibrant and promising region characterized by the increasing number of middle class consumer and vast growing liberal democratic countries. *The Asian Century White Paper 2012* repeatedly mentioned five major countries of China, India, Indonesia, Japan and Republic of Korea, which is considered as important assets for Australia to have a deeper engagement in the Asian region.

As a conclusion, all four white papers provide evidence that Australia's perspective over Indonesia has gradually changed from an imminent threat to a strategic partner. Australia also perceives Indonesia as having great potential in terms of economic opportunities. Word pairing using the content analysis Atlas.ti.7 software finds that there are 152 words of "Indonesia" in the Asian Century White Paper 2012 main document, which is a significant increase compared to the National Interest, Global Concerns: the 2003 Foreign Affairs and Trade White Paper which only consists of 58 words of "Indonesia". The Defence White Paper 2013 also reveals

similar results with 32 words of “Indonesia” found in the white paper compared to the Defence White Paper 2009 which only consists of 19 words of “Indonesia”.

Word pairing in *the Asian Century White Paper 2012* and *the Defence White Paper 2013* also shows that the word “Indonesia” was no longer associated with security threat as it were in the previous white papers. In contrast, Indonesia is widely associated with the word “cooperation”, “major power”, “key regional partner”, “comprehensive relations” and “deeper and broader engagement” and Indonesia is the only Australia’s immediate neighbor country which is mentioned within the white papers.

Such alteration is most likely to be triggered by successful democratic transition in Indonesia which leads to long period of political stability and sound economic performance. Furthermore, Australia sees its cooperation with Indonesia as a bridge for a broader engagement with other Southeast Asian countries and other prominent countries in the region. A stable Indonesia will serve as a buffer for Australia, particularly in managing its relation with other Asian countries, such as China and Japan. Indonesia can also be a bridge for Australia to actively participate in the regional cooperation, such as ASEAN and APEC.

Both Australia and Indonesia have also signalled their willingness to ensure that the bilateral relations remain intact and stronger than before. Both countries have shown positive gestures to mend the strained relation caused by the tapping incident. The return of Indonesian Ambassador, Nadjib Riphath Kesoema to Canberra in the mid 2014 after previously being recalled to Jakarta was considered as goodwill from Indonesian side to normalise the diplomatic relations which was damaged by the spying scandal. On the other hand, Australia has also finally agreed to the request by Indonesian government to establish a code of conduct on intelligence which was

recently signed in Bali by both Indonesian and Australian Foreign Ministers. Such accomplishment indicates that despite all the ups and downs happening within the last ten years, both Australia and Indonesia realise that they need to manage the delicate relations in order to maximise the untapped potentials existing between the two countries.