

Defence diplomacy: the right ballast for Australia's fragile relations with Indonesia

Air Commodore Guy Wilson

FEBRUARY 2017

VICE CHIEF OF THE DEFENCE FORCE Australian Defence College Centre for Defence and Strategic Studies



The Centre for Defence and Strategic Studies (CDSS)

CDSS is the senior educational institution of the Australian Defence College. It delivers a one-year Defence and Strategic Studies Course, a professional development program that places emphasis on practical rather than theoretical research, on teamwork and support for the personal and professional goals of students. Students and staff share a commitment to achieving professional excellence. Students graduate with a range of postgraduate qualifications in strategic studies, policy and politics, and business administration.

In addition, CDSS is home to the Centre for Defence Leadership and Ethics (CDLE) and the Centre for Defence Research (CDR). CDR manages the publications on behalf of CDSS staff and students.

Indo-Pacific Strategic Papers

This range of papers reflects coursework and research submitted by Australian and international students and staff of the Defence and Strategic Studies Course. The papers have been chosen for publication based on their scholarly attributes and strategic relevance. The topics of the papers relate to Australia's area of primary and enduring strategic interest—the Indo-Pacific region—and present analyses and assessments that concern Australia's policy interests.

For further information about CDSS publications, please visit http://www.defence.gov.au/adc/publications/publications.html>

Copyright

© Commonwealth of Australia 2017

This work is copyright. It may be downloaded, displayed, printed and reproduced in unaltered form, including the retention of this notice, for personal, non-commercial use or use for professional purposes. Apart from any use as permitted under the *Copyright Act 1968*, all other rights are reserved. To replicate all or part of this document for any purpose other than those stipulated above, contact the Editor at <<u>CDSS.Mailbox@defence.gov.au</u>>

Disclaimer

This work is the sole opinion of the author, and does not necessarily represent the views of CDSS or the Department of Defence, or the Australian Government more broadly. The Commonwealth of Australia will not be legally responsible in contract, tort or otherwise, for any statement made in this publication.

The author

Air Commodore Guy Wilson graduated from pilot training in 1990. His early postings included RAAF Base Edinburgh to fly DC-3 Dakotas at the Aircraft Research and Development Unit, RAAF Base Richmond to fly C130E Hercules, a staff position at Headquarters No 86 Wing Richmond, and 33 Squadron to fly the Boeing 707 air-to-air refuelling and transport aircraft. From 2000-04, he performed the roles of Tanker Flight Commander and then Executive Officer of 33 Squadron, which included deployment as Executive Officer of the 84WG detachment to Kyrgyzstan to fly air refuelling missions over Afghanistan.

Following completion of the Australian Command and Staff College in 2005, Air Commodore Wilson was posted to Headquarters Joint Operations Command. In June 2006, he was appointed Deputy Director of the KC-30A Transition Team. In 2008, he was appointed the Commanding Officer of 33 Squadron, and moved the squadron to its new base at RAAF Base Amberley. In 2011, Air Commodore Wilson was appointed Chief of Staff of Headquarters Air Mobility Group. In late 2013, he was appointed Officer Commanding 86 Wing.

Air Commodore Wilson has a Masters of Management in Defence Studies from the University of Canberra. He attended the Defence and Strategic Studies Course at the Centre for Defence and Strategic

Studies at the Australian Defence College in 2016, graduating with a Masters degree in Politics and Policy from Deakin University. He is deploying to the Middle East for most of 2017 as the Deputy Commander of Joint Task Force 633.

Abstract

This paper examines the role of defence diplomacy in providing 'ballast' to the relationship between Australia and Indonesia. It contends that Australia has implemented many policies over the past three decades that have had limited success in helping to avoid serious ructions in Australia's relations with Indonesia. It argues, therefore, that the importance of establishing ballast, or a firm foundation for the relationship, is arguably more important for Australia than ever.

The paper notes that defence diplomacy, sometimes called defence international engagement, has been used by Australia and Indonesia to build trust and common ground through increased familiarity and cooperation, and that it has proven effective in cooling tensions and avoiding conflict. The paper argues that defence diplomacy should increasingly be employed, not least so that when the next crisis occurs, as history portends it will, defence diplomacy will reveal its value as providing substantial ballast for relations between the two countries.

Defence diplomacy: the right ballast for Australia's fragile relations with Indonesia

Introduction

In 1988, Australian Foreign Minister Gareth Evans, speaking about Australia's relations with Indonesia, suggested that:

For many years now we have possessed what could be called common strategic interests. These interests are important, but they have not been enough to give ballast to the overly intense political relationship. 1

The same sentiment arguably still applies today. Indeed, former Australian Defence Attaché to Jakarta, Gary Hogan, has contended that 'Evans' comments are all the more remarkable not for what has changed over a quarter of a century but for how little has changed'.² Over the last three decades, Australia has implemented many policies that have had limited success in providing the ballast necessary to avoid serious ructions in relations with Indonesia. Although these policies have had some success, more is needed. The importance of establishing 'ballast', or a firm foundation for the relationship, is arguably more important for Australia than ever.

Indonesia's importance to Australia's security is determined by geography and the intense cultural and demographic differences.³ However, although Indonesia has always been important to Australia's security, it is particularly so now that Indonesia is growing in power. There are numerous indicators pointing to the fact that Indonesia is indeed rising as a regional and global power.⁴ Fifty years of almost uninterrupted high economic growth is the most obvious and significant of these indicators.⁵ Indonesia's role in the region, particularly as a leader of ASEAN, has also indicated the emergence of the country as a prominent power.⁶ Although the rise has not yet translated into a significant increase in military power, it is very likely that it will in coming years.⁷

Although governments in Australia and Indonesia have acknowledged the need to build closer ties and thereby a more stable relationship, disputes between them have repeatedly derailed attempts to do so. Indeed, Peter Jennings observed in 2014 that 'every decade since the 1950s has seen a diplomatic or military crisis put bilateral ties into a deep freeze, at times lasting years'.⁸ It could be argued that the emergence of some of these tensions has been largely unavoidable. Australia's involvement in East Timor's independence in 1999 and the Bali bombings in 2002 are two possible examples. However, tension has often arisen when governments have put short-term domestic political gain ahead of a secure longer-term regional relationship. This is because governments, by their very nature, are obligated to do what they believe is best for their constituencies.⁹

There have been frequent disputes between the two countries since Indonesian independence in 1945. In the last two decades, these have included Australia's irregular immigration policies; Australia's banning of live cattle exports to Indonesia; Australia's spying on the Indonesian President; and Indonesia's execution of convicted Australian drug smugglers. In all these cases, domestic politics have had a significant impact on how the governments have acted and reacted. As Jennings ominously suggests:

We can't always assume that such crises will be resolved peacefully. That's ultimately the most compelling reason ... to look for win-win outcomes rather than short-term advantages driven by internal political priorities.¹⁰

There are a number of policy options at Australia's disposal to achieve a closer, more secure relationship with Indonesia, many of which have already been tried. Australia's commitment to stabilising relations with Indonesia is evidenced by the fact that Australia's largest diplomatic mission overseas is in Jakarta—not Washington, Beijing or London. Foreign diplomacy has

included statements of support and commitment to each other's sovereignty and prosperity. Attempts have been made to increase the relatively low bilateral trade between the countries. Education of Australians and Indonesians in each other's language and culture has also been tried.

Defence diplomacy, sometimes called defence international engagement, has also been consistently attempted by Australia and Indonesia. Defence diplomacy strives to use defence as a vehicle of 'soft power' to build trust and common ground through increased familiarity and cooperation. Opinion on the effectiveness of defence diplomacy is mixed. However, almost all commentators agree that defence diplomacy is effective in cooling tensions and avoiding conflict. A significant advantage of defence diplomacy is that it enjoys bipartisan political support. Furthermore, most defence diplomacy initiatives have been accommodated within the defence budget or involve a relatively insignificant increase to it.

This paper will therefore propose that defence diplomacy should be increasingly employed to provide ballast to relations between Australia and Indonesia. This conclusion will be drawn by first analysing why ballast is needed now more than ever by considering key factors that have and could adversely influence relations. The paper will then analyse in detail whether defence diplomacy is an effective and achievable policy to improve relations between Australia and Indonesia. Current defence diplomacy initiatives will be outlined and their effectiveness analysed. Finally, the paper will propose specific new defence diplomacy initiatives to put more ballast into relations between Australia and Indonesia.

Why is ballast needed?

For all the talk about Canberra and Jakarta needing to build closer ties, the reality is that mutual trust is lacking and connections are thin.

Peter Jennings, October 2014 12

Security issues

Good relations with Indonesia are important to Australia for two substantial reasons. First, although commentators generally agree that military conflict has become less likely in the last quarter of a century, good relations ensure that political missteps or misunderstandings are far less likely to provoke military action.¹³ As Paul Dibb contends, 'a friendly Indonesia acts as a strategic shield to the immediate north of Australia. But the obverse would also apply: an Indonesia in unfriendly or aggressive hands could use the advantage of geographical proximity for military operations against Australia'.¹⁴ As military confrontation is in neither nation's interest, good relations should ensure that contentious matters can be resolved peacefully.

The second reason that good relations are important to Australia is that Australia is likely to increasingly rely on Indonesia's support in regional forums and disputes. Examples of this support have already been seen; there was a sufficient level of trust for Jakarta to support Australia's inclusion in the East Asia Summit in 2005, even if hedging China's influence in the region was a key driver. Furthermore, geography dictates that the two countries have intersecting interests in the region, notably economic and migration activities in the waters that separate them. As Jamie Mackie suggests:

The dominant political imperative we must keep in mind is that we need to be able to count on Indonesia's cooperation with us, not opposition, in matters of regional international politics and also on problems arising from our contiguity in the Timor-Arafura Sea area, such as fisheries, quarantine, border protection, the maritime boundary etc. If Indonesia were to adopt an antagonistic attitude towards us on either front, its opposition could give rise to serious difficulties for us.¹⁶

Significantly, Indonesia's undeniable rise has magnified the importance to Australia of avoiding military conflict and retaining Indonesia's support in the region. After the spying scandal was revealed, some senior Australian politicians realised the change in the essential dynamic of relations with Indonesia, namely that 'that the relationship with Indonesia is fundamentally

asymmetrical, and that in security terms Australia needs Indonesia a great deal more than Indonesia needs Australia'. The fear is that Australia will continue to undervalue relations with Indonesia if the realisation of the changing dynamic does not translate into policy action. As Hugh White suggested after the spying scandal:

Distrust has been deepened. The pattern of regular crises has been repeated. The goodwill of a pro-Australian Indonesian president has been squandered. The opportunity to start afresh, building the kind of relationship Australia needs with Indonesia as its wealth and power overtakes Australia's, has been lost yet again, and time is running out.¹⁸

Coupled with the potential traditional security threat from Indonesia, however unlikely, is the threat to Australia's security coming *through* Indonesia, which is far more likely. In 1986, Dibb argued that 'the archipelago to our north is the area from or through which a military threat to Australia could most easily be posed'. However, today, it is clear that a more likely security threat will come not from foreign state militaries but from non-state transnational threats. Globalisation has allowed networks of crime and ideologies to propagate across state boundaries, presenting increasingly complex challenges to state-centric agencies. Thus, as Alan Dupont asserts:

The old drivers of conflict have not been rendered suddenly impotent. They co-exist in the same space as the new transnational forces and may be influenced or intensified by them.²²

The influence of leadership

If insufficient relationship ballast exists, both traditional and non-traditional security relations, though relatively stable now, could easily be affected by a range of unpredictable variables. This paper will now address perhaps the most influential variable—the individual political leadership of countries—which has a key effect on international relations. Although Indonesia's startling progress as a democracy is a positive development, democracy can produce unpredictable leaders as easily as authoritarian regimes.²³ White argues that 'democracy in Indonesia may produce increasingly belligerent governments ... that could introduce new and unexpected challenges to Australia's security'.²⁴

Had Susilo Bambang Yudhoyono not been the Indonesian President between 2004 and 2014, relations with Australia could have been more vulnerable to security tensions. ²⁵ This is because Yudhoyono's presidency is widely regarded as being beneficial for relations with Australia. ²⁶ He was generally considered a worldly leader, focusing on issues broader than his domestic popularity. ²⁷ The fact that Yudhoyono's son and four ministers in his government attended university in Australia may also have provided people-to-people links that influenced his attitude to Australia. ²⁸ Regardless, White laments that Australia did not take advantage of Yudhoyono's presidency, asserting that 'no Indonesian leader has ever offered such chances to build a new relationship with Jakarta, but they have been squandered'. ²⁹

Tim Lindsey asserts that of the two 2014 presidential candidates, it was generally regarded that Joko Widodo would be more favourably disposed to the relationship with Australia.³⁰ Yet there are already signs that he will not look on the relationship with Australia as positively as Yudhoyono.³¹ Comparing Yudhoyono and Widodo, Aaron Connelly suggests that:

Yudhoyono often led an effort at the political level to overcome crises in the bilateral relationship with the country's neighbours. Jokowi, focused on domestic reforms, concerned with the defence of Indonesian sovereignty in its interactions with others, and beset by strident political opposition at home ... is less likely to make that effort.³²

Widodo's attitude to Australia was glimpsed as he campaigned for president. In a pre-election debate, he said of Australia's relations with Indonesia that there was a 'lack of trust'.³³ Since his election, Widodo was responsible for one of the relatively few disputes between the countries that could have been considered to be caused by Indonesia—his handling of the so-called 'Bali nine' executions.³⁴ However, it is important to note that politicians must, first and foremost, retain the trust and support of their own constituents—an evident factor in the first two years of Widodo's presidency.³⁵

Although commentators are still gauging the likely effect that Widodo's presidency would have on relations with Australia, they would likely have been different if his 2014 presidential rival, retired Lieutenant General Prabowo Subianto, had won. Indeed, Lindsey claims that if Prabowo had become president, 'the tension that has already reduced between Indonesia and Australia would be increased by aggressive nationalism'. ³⁶ Of course, in the event, Widodo defeated Prabowo by 56 per cent to 44, and the alternative path was never travelled. However, there has already been speculation that Prabowo may run for president again in 2019, so the challenge could still materialise. ³⁷

Regardless, the relatively courteous tenor of the relationship between Australia and Indonesia, experienced under Yudhoyono's leadership, is unlikely to return in the near future. In Australia, bipartisan support for both the defence force and Indonesian engagement, to be discussed later, reduces the likelihood that political change will cause significant disruption in relations with Indonesia. Nevertheless, increasing the ballast in relations between the two countries is therefore necessary to mitigate against current and future political leaders, on both sides, whose policies are inimical to good relations.

Why defence diplomacy?

This is the way it should be: politicians come and go. As the relationship between our leaders and politicians have their highs and lows, the relationship between our militaries should be kept constant and cooperative. 38

Without the natural socio-cultural links that Australia enjoys with western nations like the US, UK and New Zealand, policy 'substitutes' are the only option to provide ballast to relations with Indonesia. Disputes will inevitably sour relations to some degree; the challenge is to minimise the degree and duration of animosity and distrust that results. Although there is no one policy that will ensure that Australia's relations with Indonesia can either avoid or completely mollify all substantial disputes, some will be more effective and achievable than others. This paper asserts that one such policy strand is defence diplomacy.

What is defence diplomacy?

Although there are minor variations in definitions of the term defence diplomacy, the basic tenets are the same. Andrew Cottey and Anthony Forster, in their seminal book on the subject, *Strategic engagement: defence diplomacy as a means of conflict prevention*, suggest defence diplomacy 'involves the peacetime cooperative use of armed forces and related infrastructure (primarily defence ministries) as a tool of foreign and security policy'.³⁹

Gregory Winger proposes a more specific rationale for defence diplomacy, suggesting it is 'the peaceful use of the defence institutions of one country to co-opt the government institutions of another country in order to achieve a preferred outcome'. For the purpose of this paper, defence diplomacy is defined as the peaceful use of defence means to achieve international cooperation and prevent conflict. Although defence diplomacy is sometimes referred to as 'military diplomacy' or 'defence international engagement', the three are considered interchangeable. The term defence diplomacy will be solely used in this paper.

Defence diplomacy could sceptically be regarded as a contradiction in terms. The military is generally regarded as being a nation's instrument of hard power, whereas diplomacy is its instrument of soft power.⁴² Although both statements are generally considered facts, the militaries of many countries have long been employed as a soft-power tool.⁴³ NATO, the Warsaw Pact and other alliances have engaged in defence diplomacy for narrow national interests for decades. Historically, they used it to 'counterbalance or deter enemies, maintain spheres of influence, support friendly regimes in suppressing domestic opponents or promote commercial interests'.⁴⁴

However, since the 1990s, nations have increasingly used defence diplomacy for different purposes. One obvious change is instead of it being an instrument of alliance building to counterbalance enemies, nations now use defence assets to help engender cooperation with

previous or potential enemies.⁴⁵ In so doing, defence diplomacy can expand important common ground with other security partners.⁴⁶ This application recognises what the father of soft power, Joseph Nye, asserted; namely, that it affords the opportunity 'to get the outcomes you want without having to force people to change their behaviour through threats or payments'.⁴⁷ Australia is no novice in this contemporary form of defence diplomacy. Rather, as Anthony Bergin suggests:

We've been in the defence engagement game for a long time and have established a reputation as a reliable partner, perhaps with fewer ulterior motives and clearer strategic interests than other countries. 48

The suite of contemporary defence diplomacy activities include but are not limited to the appointment of defence attachés; defence cooperation agreements; bilateral and multilateral military exercises; placement of exchange officers; provision of training teams; contacts between senior military and ministry officials; and provision of military equipment.⁴⁹ As former Australian Chief of Army Peter Leahy contends, 'in a globalised world it is clear that the task of diplomacy does not only belong to diplomats'.⁵⁰

Is defence diplomacy an effective policy?

Proponents of defence diplomacy claim that particularly for countries like Indonesia, with a strong military identity and presence in society, it has the capacity to cut through or at least ameliorate domestic political tensions. It therefore has the potential to provide ballast in a way that most other diplomatic policy options cannot. On the other hand, critics of defence diplomacy assert that it has no lasting effect on strategic relationships and therefore has little benefit for its cost. This section will now address the major criticisms of defence diplomacy and provide justification for Australia to employ it.

One criticism of defence diplomacy is that it fails to address strategic-level bilateral or multilateral issues. Daniel Baldino and Andrew Carr, who have written a number of articles refuting the effectiveness of defence diplomacy, claim that 'despite a range of positive spin-offs, defence diplomacy will not substantially transform the overall picture of Asia's ongoing political cleavages. Nor will it eliminate fundamental areas of strategic distrust'. ⁵¹ Cottey and Forster similarly claim that:

While military contacts and transparency can help to reduce misperceptions and mistrust, they are unlikely to fully overcome the tendency of defence planners and service personnel to prepare for the worst. Nor will contacts between professional soldiers necessarily prevent armed conflict if this is the direction in which political and military leaders wish to go.⁵²

On these assertions, the critics appear not to concede that political leaders can be heavily influenced by military commanders, particularly in countries like Indonesia, where the TNI (Indonesia's armed forces) is popular and influential.⁵³ On TNI's influence on Indonesian politics, Natalie Sambhi asserts that 'while the military is ostensibly out of politics, let's get real and acknowledge that it still wields influence in Indonesian politics and business today'.⁵⁴

Good relations with TNI are therefore likely to influence Australia's relations with the Indonesian government. Furthermore, by declaring that defence diplomacy cannot overcome deep-seated differences that cause tension between nations, the critics imply that there is a 'silver bullet' that can. Using the same logic, it could also be said that none of the commendable policies yet implemented by Australia's Department of Foreign Affairs and Trade has achieved this international relations nirvana; such a statement would similarly be unfair.

Critics also imply that proponents of defence diplomacy are indeed claiming that it can avoid conflict single-handedly.⁵⁵ From the author's readings, no primary source or commentator has made such a claim. Rather, Australia's *2009 Defence White Paper* asserts that:

[I]nternational defence relationships complement our broader foreign policy goals ... assist in building confidence and transparency ... and provide the ballast which ensures that when

circumstances demand we can work together with trusted allies and partners in crises and, if necessary, in conflict. 56

Similarly, the *2016 Defence White Paper*, while stating that defence diplomacy contributes to Australia's 'strategic weight', clarifies that 'our strategic weight is also built on our economic and trade links with other countries, our diplomatic ties around the world and our extensive network of other government-to-government linkages such as law enforcement'.⁵⁷ The document does not claim defence diplomacy to be the sole or even predominant strategic influence. However, as Michael L'Estrange concludes, 'defence international engagement will ... be increasingly important for the advancement of Australian strategic interests, particularly in the Indo-Pacific region'.⁵⁸

Defence diplomacy must be part of a suite of policy options that collectively alter the tone of relations in a positive direction, thereby providing ballast. Indeed, this paper argues that defence engagement can have a strategic effect. John Blaxland cites the effectiveness of years of defence diplomacy with Thailand in the 1990s as a key factor in Thailand being the first Asian nation to commit forces (and a deputy commander) to the Australian-led operation in East Timor in 1999. Blaxland also argues that the Philippines' contribution to the same operation was likely as a result of years of Australian defence diplomacy with that country. 60

Most critiques of defence diplomacy argue that there is little evidence that it actually works. The East Timor crisis of 1999 is often cited by both proponents and critics of defence diplomacy to support their position. Daniel Baldino and Andrew Carr, for example, assert that for East Timor, defence diplomacy provided 'security protection', rather than a 'strategic contribution'. Their conclusion is based on evidence that the ADF and TNI avoided military confrontation due to personal familiarity and relationships formed through years of defence diplomacy. Defence diplomacy, so their argument goes, helped avoid tactical conflict but would not have been able to 'diffuse or mitigate differences with Indonesia's leadership in a hypothetical situation where they had chosen to resist the presence of INTERFET [the International Force for East Timor]'. 62

It is true that the diplomatic efforts of the Australian Government as a whole facilitated Indonesia's acquiescence to the ADF's deployment to East Timor. However, senior military relationships ensured that TNI misunderstandings about the military lodgement, which could have led to conflict, were avoided.⁶³ Then Major General Peter Cosgrove, the Australian commander in East Timor, said after the event that 'I believe there was a pay-off there through an understanding ... [and] hopefully some level of respect, which defused situations which could have been much more critical'.⁶⁴ At the political level, Major General Jim Molan, who was the Australian Defence Attaché to Jakarta at the time, claims 'our access and insight into the Indonesian military allowed Australia's Government to make Indonesia policy decisions with confidence'.⁶⁵

Given Jakarta's extreme sensitivity to the issue of East Timorese sovereignty, had any military conflict occurred in East Timor, Australia's relationship with Indonesia may have become permanently adversarial. White, although generally cautious about extravagant claims of the benefits of defence diplomacy, concedes that its use in East Timor eased strategic tensions and rivalries. 66 Defence diplomacy, L'Estrange similarly concedes, 'can build vital connections on which to draw in times of crisis and tension. It can reduce the potential for miscalculation and misunderstanding'. 67

Two examples of occasions where ballast was needed in relations with Indonesia were discussed earlier, namely the banning of live cattle exports to Indonesia and the execution of two of the 'Bali nine' Australian drug smugglers. This paper asserts that defence diplomacy can assist Australia and Indonesia to get relations back on an even keel after such events. As Jennings suggests:

It's an investment that any likely future Australian government should endorse, as in time it would be able to draw on the good will generated when the next drug mule or live animal trading problem threatens to derail the relationship. 68

Political considerations of defence diplomacy

In both Indonesia and Australia, the defence forces enjoy support from the respective major political parties.⁶⁹ This is largely because, in both countries, there is very strong popular support for the military.⁷⁰ Defence diplomacy, not surprisingly, also enjoys popular and political support in both countries.⁷¹

In Australia, successive governments have enthusiastically built on existing levels of defence diplomacy with Indonesia.⁷² In Indonesia, despite the security focus being predominantly to its north, defence diplomacy activities with Australia have been generally embraced.⁷³ The only exception has been during times of conflict; for example, activities were curtailed (but not stopped) after the East Timor crisis and the spying allegations. However, both countries have demonstrated their faith in the value of defence diplomacy by subsequently restoring and progressively increasing engagement.

The cost of defence diplomacy, although not constituting a significant proportion of the defence budget, also receives bipartisan support in Australia. The Coalition Government dedicated an entire section of the *2016 Defence White Paper* to defence diplomacy with Indonesia and described Australia's relationship with Indonesia as 'vital'.⁷⁴ Although the Australian Labor Party reduced the defence budget between 2010 and 2013, it has remained committed to a strong defence force and is drawn to the low risk and potential high returns of defence diplomacy.

The Defence White Papers of 2009 and 2013, published under a Labor Government, were ambitious about defence diplomacy with Indonesia. Both claimed that Indonesia was Australia's most important partner in the region. The Labor Party platform at the 2016 federal election, when in opposition, stated that Labor commits to 'continue to strengthen our military and defence cooperation with partner countries in our region including Indonesia, Japan, Korea and India'.⁷⁵

Defence diplomacy therefore provides some unique advantages over other foreign policies: it is supported by both countries; its value is recognised by all major political parties; and funding is available for it. Furthermore, the *2016 Defence White Paper* flagged that defence spending would return to two per cent of GDP over the next five years, an increase of \$30 billion over current spending. Given that it also flagged an increase in defence diplomacy activities in Southeast Asia, funding for defence diplomacy will likely increase. Therefore, taking a broad view of the fragile regional security and the policy tools available to improve it, Nicholas Floyd concludes that:

With little prospect on the horizon for a large augmentation of Australia's diplomatic resources, and with security becoming a common thread across policy issues ranging from aid to climate change to terrorism to more traditional questions of war and peace, the need for good defence diplomacy has never been greater.⁷⁸

Specific defence diplomacy policy initiatives

Building defence cooperation with Indonesia with real substance is likely to prove a major challenge. Given the great differences between Australia and Indonesia in terms of culture, religion, language and political system, it will necessarily be a painstaking and incremental process.⁷⁹

The 'great differences' Tim Huxley refers to are exactly the reasons why ballast is required in relations between Australia and Indonesia. Without ballast, those differences are more likely to lead to misunderstanding and conflict. The implicit conclusion Huxley makes is that Australia's defence cooperation with Indonesia currently does not have real substance. However, there are many current examples, spanning almost the entire range of defence diplomacy options provided earlier, of current initiatives between the two nations to refute this notion. This section lists the major initiatives currently underway and proposes four new ones.

Current initiatives

Bilateral defence cooperation agreements are arguably at the high end of the post-Cold War defence diplomacy options proposed by Cottey and Forster.⁸⁰ Australia has had a number of agreements with Indonesia in recent years. Prime Minister Keating and President Suharto signed a formal security agreement between Australia and Indonesia in 1995.⁸¹ The agreement was considered significant, not only because it completed treaties or agreements with all its major neighbours, but because Indonesia had previously been determined to follow a policy of non-alignment.⁸² Unfortunately, Indonesia annulled the agreement after the East Timor crisis, due mainly to a sense of betrayal that Australia had led the mission.⁸³

The Framework for Security Cooperation, known as 'The Lombok Treaty', was signed in 2006 in an effort to restore some formality to security cooperation.⁸⁴ Again, the treaty was signed by two leaders, Prime Minister John Howard and President Yudhoyono, who were keen to stabilise relations. The treaty required the two countries to respect each other's sovereignty and territorial integrity, and refrain from the use of force against each other.⁸⁵ In 2012, the two countries signed the Defence Cooperation Agreement, aimed at putting a framework of practical defence engagement activities around the Lombok Treaty, which marked the high point of defence cooperation between them.⁸⁶

Subsequently, in response to the 2013 allegation that Australia spied on Indonesia, the countries signed the Joint Understanding on a Code of Conduct in 2014.⁸⁷ It provided further guidelines to the Lombok Treaty to ensure intelligence was not used against each other and that intelligence cooperation should occur.⁸⁸ All these agreements have demonstrated a general desire by Australian and Indonesian governments to build closer ties, avoid conflict, and cooperate on regional security issues.⁸⁹

Nevertheless, given Indonesia's policy of non-alignment, an alliance between Indonesia and Australia is considered unlikely. Indeed, in the wake of the spying allegations, at least one commentator considered the prospect that Indonesia may once again formally abrogate its security agreements with Australia. However, the fact that this did not happen likely indicates the value that Yudhoyono gave the agreements.

Another broad defence diplomacy initiative has been the recent Australian practice of engaging with Indonesia during the drafting of the *2016 Defence White Paper*. Indonesia was one of a number of key nations briefed by Defence officials on the contents of the paper prior to its release. Paper Indonesian officials thanked the Australian Government for the early consultation, which pointedly contrasted with the lack of warning before the announcement in 2011 of plans for US Marines to train in northern Australia. It appears that Australia has learnt the value of engagement with Indonesia on security issues to build trust and minimise unhelpful assumptions about Australia's intent.

In terms of military engagement, the two countries now conduct the highest level of exercises and training since before the East Timor crisis. Hese include Indonesia's participation in one of Australia's premier fighter aircraft exercises in the Northern Territory, Exercise PITCH BLACK. Indeed, the presence of Indonesian Sukhoi aircraft was the first time these aircraft had participated in an exercise outside Indonesia. Coordinated maritime security patrols of shared maritime borders also occur periodically, while a number of special forces and regular Army bilateral and multilateral exercises are conducted each year.

As L'Estrange notes, this type of diplomacy 'can further strengthen alliance relationships and can expand important common ground with other security partners'. Nevertheless, the conduct of international exercises is still subject to political ructions. Indonesia cancelled a number of exercises and recalled its ambassador to Australia after the 2013 spying allegations, although the level of exercise engagement has recovered and been increased since. 98

People-to-people defence engagement is also being conducted at a number of levels. Although Australia has generally led proposals for defence engagement, in 2013 (before the spying allegations) Indonesia demonstrated its commitment by initiating an annual High Level

Committee meeting, co-chaired by the respective defence force chiefs, and covering a broad range of topics, including operations, intelligence, logistics, education and exercises. ⁹⁹ Australia also has a one-star level defence attaché in Jakarta, supported by a large defence staff. ¹⁰⁰

A handful of Australian military staff, many of whom progress into the attaché appointments, also conduct staff and government courses in Indonesia. In Australia, about 100 Indonesian defence personnel participate in courses each year. Many of these officers are students or staff at the two major command and staff colleges in Canberra. The *2016 Defence White Paper* committed to doubling the training provided to international military students over the next 15 years. Delivery and strategic impact of this relationship-building and knowledge-sharing is captured by Hogan:

Dozens of senior Indonesian military officers, both active and retired, filling senior posts as governors, ambassadors, cabinet ministers, chiefs of service and senior civil servants, are graduates of Australia's highest level civil-military leadership training college at Weston Creek, Canberra. 103

New initiatives

Although the level of defence diplomacy interaction between Australia and Indonesia is higher than with any other country in the region, specific new initiatives could provide further ballast for relations. ¹⁰⁴ A common criticism of the current defence engagement is that it is not targeted to achieve the greatest benefit for the effort and financial cost expended. ¹⁰⁵ This perception may have been sustained because Australia's current Defence International Engagement Plan is classified. It details the priorities of defence diplomacy, their objectives and their performance measures, so would presumably satisfy much of what commentators claim is missing. ¹⁰⁶ Nevertheless, the initiatives this paper will now propose are selected to provide the maximum ballast to relations with Indonesia.

Initiative 1: Establish a Defence Regional Engagement Centre

The clear intent of the *2016 Defence White Paper* is that the range and scope of defence diplomacy activities will increase over the next 20 years. The increase extends to all Australia's current defence partners but with particular mention of Indonesia. It includes tri-service cooperation, exercises, operations, training, more frequent policy meetings and intelligence exchanges.

Given the likely burgeoning workload to establish and maintain these activities, a Defence Regional Engagement Centre should be established, as proposed by Sam Bateman and colleagues in their 2013 review of regional defence diplomacy. They reasoned that a Defence Regional Engagement Centre is necessary to prioritise and coordinate the myriad defence diplomacy activities that are underway or being planned. Furthermore, they argued that a Defence Regional Engagement Centre would allow Australia to increase what the 2016 Defence White Paper called its 'strategic weight' in an increasingly contested regional defence diplomacy environment. 109

The range of tasks that a Defence Regional Engagement Centre could perform would include establishing the maximum capability and relationship benefit of every defence diplomacy activity; providing a venue for conferences and symposiums to discuss regional security issues, doctrine and operational military matters; overseeing Australia's exercise program with regional countries, including the evaluation of the success of each activity; and regional intelligence-sharing in accordance with bilateral and multilateral agreements. As will be suggested later in this paper, other functions could also be incorporated.

The Centre would ideally be located in Darwin, geographically closest to the countries with which Australia would engage. It could be placed on one of the four main defence establishments in Darwin, either in an established building or a new, purpose-built one. 111 The cost would likely be less than \$5 million. The Centre would ideally contain approximately ten Australian military and civilian staff, and officers from regional countries would be invited to be employed at the Centre. As there is no comparable Southeast Asian institution in existence, the Centre would clearly signal Australia's commitment to Indonesia and the region. 112

Initiative 2: Increase maritime security cooperation

Shared interests are more important, ultimately, than cultural differences. 113

Maritime security provides a rare example of a shared interest between Australia and Indonesia. President Widodo has signalled his intent for Indonesia to be the 'world maritime axis'. As Australia seeks to secure its northern approaches, there is therefore great potential for increased maritime security cooperation. As stated in the joint communiqué from the third Australia-Indonesia Foreign and Defence Ministers 2+2 Dialogue in 2015:

Respectively the world's only island continent and the world's largest archipelagic state, located at the fulcrum of the Pacific and Indian oceans, Australia and Indonesia aspire to a secure maritime domain in which people, trade and the environment flourish.¹¹⁵

In the absence of a direct security threat to either country, shared maritime security interests could focus on non-traditional security concerns such as irregular people movement, transnational crime and illegal fishing. Such security cooperation is entirely consistent with Australian government policy as stated in the 2016 Defence White Paper:

We have a mutual and abiding interest in the security and stability of the maritime domains that we share, the free movement of trade and investment through these domains, and countering terrorism and people smuggling in our region. Australia welcomes Indonesia's increased focus on maritime affairs and Australia will seek greater cooperation on maritime security activities that contribute to a stable and prosperous region.¹¹⁷

It is acknowledged that maritime security cooperation is not just a task for the military; it requires the involvement of immigration, police, customs and fisheries agencies. However, as this paper focuses on defence diplomacy, it will only consider in detail the involvement of Australian defence assets, where obvious opportunities for maritime security cooperation include search-and-rescue, counter-piracy, counter-terrorism, and offshore oil and gas infrastructure protection. In such areas, cooperation with Indonesia could be enhanced through exercises, patrols, knowledge-sharing and people-to-people engagement.

Joint exercises and operations are an activity that would benefit from substantial expansion. Coordinated maritime security patrols of shared maritime borders have been conducted by the Australian and Indonesian navies for a few years. There are also air force maritime surveillance exercises being conducted between the nations, such as ALBATROSS AUSINDO. To realistically exercise the respective armed forces as they would in operations, joint exercises should be conducted. In this way, 'instead of only naval or air force exercises, Australia and Indonesia could conduct maritime bilateral exercises'. Joint exercising between the two countries has already commenced involving more than one Service from Australia but should be further expanded to include joint Indonesian participation.

Increased maritime security cooperation with Indonesia would magnify the benefits of interoperability, expand the sharing of doctrine and maximise people-people-engagement. Of course, these exercises would include interagency involvement from the aforementioned maritime security agencies, further increasing the level of engagement and trust, as well as the real world utility. Furthermore, in so doing, Australia would be seen to be assisting Indonesia achieve President Widodo's goal of being a world maritime axis. Consistent with this goal, Australia could assist the TNI to evolve into a regionally powerful security force, rather than remaining internally focused, which would improve regional security for Indonesia and partner countries.

To further enhance maritime security cooperation, Australia should consider helping to establish a National Maritime Security Information Centre. Such a concept was proposed by Indonesia in 2012 but the details are still being developed. The aim would be to develop an understanding of every maritime element that can affect safety, security, the economy or the environment. Australia could co-fund the centre with Indonesia, as it would be consistent with Australia's strategic interest of securing the sea lines of communication through which most of Australia's trade flows. Similar to the highly successful Jakarta Centre for Law Enforcement Cooperation,

which Australia jointly funded, the centre would ideally be located in Indonesia. ¹²⁶ It would incorporate extensive involvement from the Royal Australian Navy (RAN) and Australian Border Force but would be a multi-agency, multinational facility.

Initiative 3: Conduct regular LHD-ship visits to Indonesia

Humanitarian assistance and disaster relief operations are almost universally agreed to be a significant benefit of defence diplomacy. The consequential improvement in relations between countries providing and receiving the support is substantial and lasting. For example, Australia's assistance to Aceh after the 2004 tsunami was instrumental in restoring relations between the two countries after the East Timor crisis. 129

Although no-one can schedule or predict real humanitarian assistance and disaster relief operations, they can be practised. Such exercises are commonplace in defence diplomacy, as they are arguably the softest application of military power. Exercises allow not only procedural practice and interoperability benefits, they allow extensive personnel engagement at all levels of the chain of command. As Leahy has noted:

These missions are the lowest common denominator of military cooperation, but the potential benefits are closer patterns of cooperation, opening of lines of communications between countries in the region, and professional dialogue between military forces.¹³⁰

The two landing helicopter deck (LHD) ships recently acquired by the RAN provide an outstanding humanitarian assistance and disaster relief capability for the ADF.¹³¹ Although primarily purchased for their amphibious capability, their organic layout, embarked personnel and facilities provide a formidable medical and logistics capacity.¹³² As Anthony Bergin and Athol Yates explain, 'the LHDs, with their enormous capability can lift sufficient plant equipment to come in and rebuild large infrastructure quickly, and carry the medical support needed to treat whole communities rapidly'.¹³³ While providing humanitarian assistance and disaster relief, such deployments provide a wide range of operational skills essential to warfighting.¹³⁴

The capability of the LHDs to conduct humanitarian assistance and disaster relief operations and exercises is matched by the political signal that they send simply by being present. Indonesia does not possess any ships that even remotely match the size and capability of LHDs. They are huge, expensive ships that attract attention wherever they go in the region. After the LHDs were sent by the Australian Government to Fiji in the wake of Cyclone Winston in early 2016, the RAN conducted a joint exercise with the Fiji Navy. ¹³⁵ *Fiji Times'* reporting of the LHD's size reflects the impact of its inescapable presence, noting that 'even from as far as two kilometres away, the mighty Australian navy ship could be seen dwarfing structures [ashore]'; the size of the LHD ensures that Australia's commitment to the region is not just felt by those directly affected. ¹³⁶

The US uses its LHDs to provide humanitarian assistance and disaster relief to countries around the world, including to Indonesia through Exercise PACIFIC PARTNERSHIP.¹³⁷ Since 2005, US Navy LHDs have routinely conducted short humanitarian missions in East Timor and Indonesia, and have earned enormous goodwill.¹³⁸ Similarly, China conducts defence diplomacy in the region through similar exercises and operations, particularly through the use of its hospital ship, the *Peace Ark.*¹³⁹

For Australia to largely match the US and Chinese commitments, despite not being a major world power, would send a strong message to Indonesia that Australia is willing and able to cooperate with and help its near neighbour. The only cost to Defence would be that the ship would not be available for other operations for the relatively short periods it was in Indonesian waters. However, as the initiative is consistent with both Australia's defence diplomacy intent and the proposed utility of the LHDs, it is an entirely appropriate use of the capability.

Initiative 4: Enhance people-to-people engagement through IKAHAN

When it comes to Indonesia, nothing's more important than personal ties. 140

As previously outlined, there are many people-to-people activities currently being conducted between Australia and Indonesia. However, there is scope and benefit in increasing them. One activity not mentioned earlier is the Australian-Indonesia Alumni Association, known as IKAHAN. Conceived in 2011 by the then chiefs of the respective defence forces, it is the first defence alumni association Indonesia has entered into with another nation. It IKAHAN comprises over 1000 members of TNI and the ADF who have studied or worked together in each other's countries. The Association meets frequently to renew bonds formed during previous engagements. In so doing, relationships formed at all ranks have the greatest chance of developing into lasting relationships and therefore trust. Activities are funded by Australia but very well attended by Indonesian military members. It

The value of this form of defence diplomacy is not always immediately clear but, as Rick Burr asserts, 'you don't know how important these relationships are until you need them. But building trust takes time, consistency and sincerity'.¹⁴⁴ An excellent example of how relationships formed through engagement, including IKAHAN, can assist the two countries to navigate stormy seas is provided by former Chief of Army, Lieutenant General Peter Leahy (retired). He used personal contacts to diffuse tensions at the commencement of the East Timor deployment in 2006.¹⁴⁵ Furthermore, in 2013, the Australian Prime Minister asked General Leahy to deliver a message of apology to the Indonesian President after the spying revelations. He tells of the experience on arrival in Indonesia:

I was received very cordially in Jakarta and delivered the letter to a senior official in the Foreign Ministry. I did not get to see the President as he was in Bali. But I did get to see a range of my Indonesian friends. What was most significant was that they made the effort to come and see me once they learned I was in town. They all had a consistent message both as individuals but also from very senior government officials in the defence and security community. The message was simple—we are pissed off, but it will not be to the detriment of the overall defence relationship. 146

Jennings, acknowledging the value of IKAHAN, suggests that the Australian Defence Department should fund the establishment of a physical home for it in both Australia and Indonesia. ¹⁴⁷ This would signal a significant commitment by Australian to the Association and the relationship that it underpins. The commitment would be consistent with Defence's public policy as stated in the *2016 Defence White Paper*, which seeks to deepen Australia's defence relationship with Indonesia. ¹⁴⁸ The Australian home could be included in the Defence Regional Engagement Centre in Darwin. Alternatively, if that centre is not funded, office space in one of the four main defence establishments in Darwin would suffice. The Indonesian home would be in a location chosen by the TNI.

Conclusion

The time is opportune for closer defence relations with Indonesia and, despite the potential pitfalls, the net assessment must be that Australia's security stands to benefit from pursuing this course. 149

Relations between Indonesia and Australia have always been brittle. As with any two near neighbours, disputes will inevitably arise and it is wishful thinking to assume they can be avoided. When disputes occur, the vast cultural and social differences between the two countries tend to result in that distrust becoming magnified and prolonged. Former Foreign Minister Gareth Evans was right in saying that ballast is needed to reduce the severity of conflicts and abbreviate their effect. If the very different heritage of the countries cannot provide the ballast, trust must be engineered. In this endeavour, there must be many contributors. Traditional diplomacy, trade and people-to-people links are all required to provide the necessary foundations. No one policy will ensure that relations can recover quickly after disagreements.

There have always been compelling reasons for Australia to find the right policy formula to establish more stable relations with Indonesia. The primary reason is that Indonesia's propinquity to Australia has always dictated a special importance for Australia's traditional and non-traditional security. Indeed, as Ramesh Thakur suggests, 'for reasons of geography and demography, Indonesia is no less important to Australia than the big three in Asia'. However, the importance of establishing ballast for relations is now more important than ever due to Indonesia's rapidly increasing strategic weight. Indonesia's inarguable rise as a regional and future global power will ensure that its impact on Australia's security, both traditional and non-traditional, has the potential to be profound.

Stability in relations, afforded by a suite of effective policies, will ensure that the greatest security threats are avoided. Defence diplomacy must be a part of the policy mix—a conclusion both countries agree on.¹⁵¹ Defence diplomacy, in the form of security agreements, people-to-people links, exercises, operations and education can build trust and establish common interests. A number of factors make defence diplomacy not only a good policy but also a practical one: the strong influence of the Indonesia military on political deliberations in Jakarta; the ample capacity of the Australian government to offer desirable and affordable engagement options; and the bipartisan support afforded both the military in Australia and good relations with Indonesia.

Defence diplomacy can therefore provide some of the ballast on which a more stable relationship can be built and maintained. For maximum benefit, the Australian government must, as Floyd states, 'drop any remnants of its autopilot approach to defence diplomacy' and invest in the initiatives contained in this paper. These initiatives would add to existing defence engagement with Indonesia to comprise a potent component of the Australian government's policy mix—one that can reduce tensions, maintain trust and cooperation, and avoid conflict.

When the next crisis in relations between Australia and Indonesia occurs, and history portends that it will sooner or later, relations will need ballast to ensure the severity of the crisis is minimised. Despite being influenced by the narrow domestic focus of their politicians, and lacking shared socio-cultural bonds, the two countries will increasingly focus on common regional security challenges to find a common purpose on which to agree and cooperate. When this happens, as in the past, defence diplomacy will reveal its value as a substantial ballast for relations between the two countries.

Notes

- Gareth Evans, 'Australia's relations with Indonesia', (Address by Senator Gareth Evans QC, Minister for Foreign Affairs and Trade, to the Australia Indonesia Business Cooperation Committee, Bali, 24 October 1988), *Gareth Evans* [website], available at http://www.gevans.org/speeches/old/1988/241088 fm relations singapore.pdf> accessed 12 July 2016.
- Gary Hogan, 'Australia–Indonesia: defence ties the best ballast', *Australian Strategic Policy Institute*(ASPI) [website], 11 April 2013, available at http://www.aspistrategist.org.au/australia-indonesia-defence-ties-the-best-ballast/ accessed 5 September 2016; also Colin Brown, 'Australia-Indonesia relationship is back to "normal", meaning fragile as ever', *The Conversation* [website], 4 August 2015, available at https://theconversation.com/australia-indonesia-relationship-is-back-to-normal-meaning-fragile-as-ever-45513 accessed 2 May 2016.
- James Mackie, *Australia and Indonesia: current problems, future prospects*, Longueville Media: Sydney, 2007, p. 5.
- Hugh White, 'What Indonesia's rise means for Australia: northern exposure', *The Monthly* [website], June 2013, available at https://www.themonthly.com.au/issue/2013/june/1370181600/hugh-white/what-indonesia-s-rise-means-australia accessed 6 February 2017.
- Hal Hill, 'Indonesia's remarkable economic transformation', *ASPI* [website], 30 July 2015, available at https://www.aspistrategist.org.au/indonesias-remarkable-economic-transformation/ accessed 6 February 2017.
- Ross Garnaut, 'Indonesia in the new world balance', in Anthony Reid (ed.), *Indonesia rising; the repositioning of Asia's third giant*, ISEAS Publishing: Singapore, 2012, p. 16.
- Benjamin Schreer, 'Moving beyond ambitions? Indonesia's military modernisation', *ASPI* [website], November 2013, p. 29, available at https://www.aspi.org.au/publications/moving-beyond-ambitions-indonesias-military-modernisation/Strategy Moving beyond ambitions.pdf accessed 6 February 2017.
- Peter Jennings, 'Australia's golden opportunity to reconcile with Indonesia', *Australian Financial Review*, 17 October 2014.
- Bernard Manin, Alan Przeworski and Susan Stokes, 'Elections and representation', in Alan Przeworski, Susan Stokes and Bernard Manin (eds.), Democracy, accountability and representation, Cambridge University Press: Cambridge, 1999, p. 32.
- Peter Jennings, 'Australia and Indonesia: no way out', *ASPI* [website], 25 March 2015, available at http://www.aspistrategist.org.au/australia-and-indonesia-no-way-out/ accessed 29 May 2016.
- Catriona Croft-Cusworth, 'Australia's biggest embassy', *Lowy Institute* [website], 24 March 2016, available at http://www.lowyinterpreter.org/post/2016/03/24/Australias-biggest-embassy.aspx accessed 9 October 2016.
- Jennings, 'Australia's golden opportunity to reconcile with Indonesia'.
- For example, Schreer, 'Moving beyond ambitions? Indonesia's military modernisation', p. 30; also Christopher Roberts and Ahmad Habir, 'Australia's relations with Indonesia: progress despite economic and socio-cultural constraints?', Issue Brief No. 11, ANU National Security College: Canberra, May 2014; and Mackie, *Australia and Indonesia*, pp. viii-ix.
- Paul Dibb and Richard Brabin-Smith, 'Indonesia in Australian defence planning', *Security Challenges*, Vol. 3, No. 4, p. 68.
- Andrew MacIntyre and Douglas Ramage, 'Seeing Indonesia as a normal country: implications for Australia', *ASPI* [website], May 2008, p. 42, available at https://www.aspi.org.au/publications/seeing-indonesia-as-a-normal-country-implications-for-australia accessed 6 February 2017.
- Mackie, Australia and Indonesia, pp. viii-ix.
- Richard Tante, 'Indonesia, Australia and Edward Snowden: ambiguous and shifting asymmetries of power', *Nautilus Peace and Security*, 29 November 2013, available at http://nautilus.org/napsnet/napsnet-special-reports/indonesia-australia-and-edward-snowden-ambiguous-and-shifting-asymmetries-of-power/ accessed 19 September 2016.
- Hugh White, 'Old-world assumptions & Oz-Indonesia ties', Jakarta Globe, 17 December 2013.

- Paul Dibb, Review of Australia's defence capabilities, Commonwealth of Australia: Canberra, 1986, p. 48
- Allan Gyngell and Michael Wesley, *Making Australian foreign policy*, Cambridge University Press: Melbourne, 2007, p. 236.
- ²¹ Gyngell and Wesley, *Making Australian foreign policy*, p. 236.
- Alan Dupont, 'Indonesian ties much tighter', *The Australian*, 8 April 2013.
- Thinkal Hansan, 'Democracy in trouble: the era of democratically elected dictators', *Fetelina*, 2 September 2016.
- Hugh White, Beyond the defence of Australia, Lowy Institute for International Policy: Sydney, 2006.
- Aaron Connelly, 'Australia will miss Sby. America won't', *Lowy Institute* [website],16 June 2014, available at http://www.lowyinterpreter.org/post/2014/06/16/Australia-will-miss-SBY-America-wont.aspx accessed 17 October 2016.
- Paul Kelly, 'Susilo Bambang Yudhoyono: friend and statesman', *The Australian,* 28 September 2015; also Connelly, 'Australia will miss Sby. America won't'.
- Michael Bachelard, 'Susilo Bambang Yudhoyono's legacy: the great democratic leader who became a follower', *Sydney Morning Herald,* 18 October 2014.
- Linda Mottram, 'Susilo Banbang Yudhoyon's speech forthright and touching', *ABC Radio Australia* [website], 5 January 2012, available at http://www.radioaustralia.net.au/international/2010-03-11/sbys-speech-forthright-and-touching/232302 accessed 13 September 2016; also Greg Earl, 'Indonesia-Australia ties bounce back', *Australian Financial Review* [website], 7 September 2016, available at http://www.afr.com/news/world/asia/indonesiaaustralia-ties-bounce-back-20160906-gragn0 accessed 16 October 2016.
- White, 'What Indonesia's rise means for Australia', p. 6.
- Tim Lindsey, 'Jokowi's likely victory bodes well for Australia', *ABC* [website], 10 June 2014, available at <http://www.abc.net.au/news/2014-07-10/lindsey-jokowi-victory-bodes-well-for-australia/5586354 accessed 12 September 2016.
- Greg Fealy, 'Jokowi: why the game is not the same', *ASPI* [website], 22 May 2015, available at https://www.aspistrategist.org.au/jokowi-why-the-game-is-not-the-same/ accessed 15 July 16.
- Aaron Connelly, 'Sovereignty and the sea: President Joko Widodo's foreign policy challenges', *Contemporary Southeast Asia*, Vol. 37, No. 1, p. 18.
- Avery Poole, 'Addressing mistrust and phobias in Oz-Indo relations', *The Conversation* [website], 25 June 2014, available at https://theconversation.com/addressing-mistrust-and-phobias-in-oz-indo-relations-28389 accessed 12 September 2016.
- John McBeth, 'Indonesia, politics and the death penalty', *ASPI* [website], 30 April 2016, available at http://www.aspistrategist.org.au/indonesia-politics-and-the-death-penalty/ accessed 14 July 2016.
- John G. Ikenberry, 'The state and strategies of international adjustment', World Politics, Vol. 39, No. 1, October 1986.
- As quoted by Putri Karina, 'Prabowo win could pose difficulties for Australia', *Megaphoneoz* [website], 14 June 2014, available at http://megaphoneoz.com/prabowo-win-could-pose-difficulties-for-australia-2/ accessed 12 September 2016.
- Marselinus Gual, 'Jokowi: Prabowo, will you run again in 2019?', *Channel News Asia* [website], 7 May 2015, available at http://www.channelnewsasia.com/news/asiapacific/jokowi-prabowo-will-you/1831256.html accessed 12 September 2016.
- Susilo Bambang Yudhoyono, 'Australia's strategic outlook: the view from Indonesia', *ASPI* [website], 8 April 2016, available at http://www.aspistrategist.org.au/australias-strategic-outlook-the-view-from-indonesia/ accessed 10 July 2016.
- Andrew Cottey and Anthony Forster, *Strategic engagement: defence diplomacy as a means of conflict prevention*, Oxford University Press: Oxford, 2004, p. 6.
- Gregory Winger, 'The velvet gauntlet: a theory of defense diplomacy', *Institute for Human Services* [website], available at http://www.iwm.at/publications/5-junior-visiting-fellows-conferences/vol-xxxiii/the-velvet-gauntlet/ accessed 7 September 2016.

- Defence international engagement is the term used by the Department of Defence in most of its policy documents, such as Department of Defence, *Defence White Paper 2016*, Commonwealth of Australia: Canberra, 2016, p. 118. This may be because the Department of Defence is trying to deconflict its activities with those of the Department of Foreign Affairs and Trade. Reference to military diplomacy being synonymous with defence diplomacy is from Winger, *The velvet gauntlet*.
- Peter Leahy, 'Military diplomacy', in Andrew Carr (ed.), *Defence diplomacy: is the game worth the candle?*, ANU Centre of Gravity Series, Strategic and Defence Studies Centre: Canberra, November 2014.
- ⁴³ Cottey and Forster, *Strategic engagement*, p. 6.
- 44 Cottey and Forster, Strategic engagement, p. 7.
- ⁴⁵ Cottey and Forster, *Strategic engagement*, p. 7.
- Michael L'Estrange, 'International defence engagement: potential and limitations', Regional Security, Vol. 9, No. 2, 2013, p. 28.
- 47 Joseph Nye, Soft power: the means to success in world politics, PublicAffairs: New York, 2004, p. 15.
- ⁴⁸ Anthony Bergin, 'Defence White Paper: Darwin centre crucial to regional influence', *The Australian*, 29 February 2016.
- ⁴⁹ Cottey and Forster, *Strategic engagement*, p. 7.
- Leahy, 'Military diplomacy', p. 17.
- Daniel Baldino and Andrew Carr, 'The 2016 White Paper must get it right on defence diplomacy', *The Conversation* [website], 23 Feb 2016, available at https://theconversation.com/the-2016-white-paper-must-get-it-right-on-defence-diplomacy-53109> accessed 17 August 2016.
- ⁵² Cottey and Forster, *Strategic engagement*, p. 18.
- 53 The Jakarta Post, 'TNI extending its influence in civilian life', The Jakarta Post, 25 May 2015.
- Natalie Sambhi, 'Keeping it real in Australia's outlook on Indonesia', *Lowy Institute* [website], 8
 March 2016, available at http://www.lowyinterpreter.org/post/2016/03/08/Keeping-it-real-in-dustralias-outlook-on-Indonesia.aspx accessed 19 October 2016.
- Daniel Baldino and Andrew Carr, 'Defence diplomacy and the Australian Defence Force: smokescreen or strategy?', *Australian Journal of International Affairs*, Vol. 70, No. 2, p. 20.
- Department of Defence, *Defence White Paper 2009*, Commonwealth of Australia: Canberra, 2009, p. 93
- Department of Defence, *Defence White Paper 2016*, p. 118.
- L'Estrange, 'International defence engagement'.
- ⁵⁹ John Blaxland, 'Defending defence diplomacy', in Carr, *Defence diplomacy*, p. 7.
- 60 Blaxland, 'Defending defence diplomacy'.
- Baldino and Carr, Defence diplomacy and the Australian Defence Force, p. 3.
- Baldino and Carr, Defence diplomacy and the Australian Defence Force, p. 20.
- Nicholas Floyd, 'Dropping the autopilot: improving Australia's defence diplomacy', *Lowy Institute* [website], November 2010, p. 7, available at https://www.lowyinstitute.org/publications/dropping-autopilot-improving-australias-defence-diplomacy accessed 7 February 2017.
- Lincoln Wright, 'Ties with Indonesian military prevented bloodshed: Cosgrove', Canberra Times, 17 May 2000.
- Ouoted in Floyd, 'Dropping the autopilot', p. 7.
- Hugh White, 'Grand expectations, little promise', in Carr, *Defence diplomacy*, pp. 10-1.
- L'Estrange, 'International defence engagement', p. 28.
- Peter Jennings, 'A challenging relationship: Australia–Indonesia defence cooperation', *ASPI* [website], 1 March 2013, available at http://www.aspistrategist.org.au/a-challenging-relationship-australia-indonesia-defence-cooperation/ accessed 13 September 2016.

- Peter McCawley, 'Joko Widodo's Indonesia: possible future paths', *ASPI* [website], September 2014, p. 12, available at https://www.aspi.org.au/publications/joko-widodos-indonesia-possible-future-paths/Strategy_Joko Widodo Indonesia updated.pdf accessed 7 February 2017; also Mark Thomson, 'Defence funding', *ASPI* [website], June 2016, available at https://www.aspi.org.au/publications/agenda-for-change-2016-strategic-choices-for-the-next-government/Agenda-for-change-2016.pdf accessed 19 October 2016.
- Haeril Halim, 'Poll finds TNI more popular than KPK', Jakarta Post, 26 October 2015; also Mark Kenny, 'Army Chief David Morrison applauds bipartisan support of troops', Canberra Times, 2 March 2014.
- Jewel Topsfield, 'Australia is not a threat': Indonesian defence official', *Sydney Morning Herald*, 20 March 2016; also Rod Lyon, 'Forks in the river: Australia's strategic options in a transformational Asia', *ASPI* [website], June 2011, p. 17, available at https://www.aspi.org.au/publications/forks-in-the-river-australias-strategic-options-in-a-transformational-asia accessed 7 February 2017.
- Sambhi, 'Keeping it real in Australia's outlook on Indonesia'.
- Schreer, 'Moving beyond ambitions? Indonesia's military modernisation', p. 14.
- Department of Defence, *Defence White Paper 2016*, pp. 59 and 125-6.
- Australian Labor Party, 'Defence under Labor fact sheet Labor's 100 positive policies', available at http://www.100positivepolicies.org.au/defence under labor fact sheet accessed 19 October 2016.
- Benjamin Baker, 'What does Australia's Defense White Paper actually say?', *The Diplomat* [website], 5 March 2016, available at http://thediplomat.com/2016/03/what-does-australias-defense-white-paper-actually-say/ accessed 20 October 2016.
- Baker, 'What does Australia's Defense White Paper actually say?'.
- Floyd, 'Dropping the autopilot', p. 12.
- 79 Tim Huxley, 'Australian defence engagement with Southeast Asia', ANU Centre of Gravity Series, Strategic and Defence Studies Centre: Canberra, November 2012, p. 3.
- 80 Cottey and Forster, Strategic engagement, p. 7.
- Gary Brown, Frank Frost and Stephen Sherlock, 'The Australian-Indonesian Security Agreement issues and implications', *Australian Parliament House* [website], available at http://www.aph.gov.au/About Parliament/Parliamentary Departments/Parliamentary Library/pubs/rp/RP9596/96rp25#APPENDIX accessed 4 October 2016.
- Yulius Purwadi Hermawan, 'Indonesia in international institutions: living up to ideals', Issue Brief No. 8, ANU National Security College: Canberra, May 2014, p. 62; also Brown, Frost and Sherlock, 'The Australian-Indonesian Security Agreement issues and implications'.
- ⁸³ Jennings, 'Australia and Indonesia'; also Peter Chalk, *Australian foreign and defense policy in the wake of the 1999/2000 East Timor intervention*, RAND: Santa Monica, 2001, pp. 42-3.
- For details of the Treaty, see http://www.info.dfat.gov.au/Info/Treaties/treaties.nsf/AllDocIDs/ADA704593CAE4466CA25723 100100881> accessed 7 February 2017.
- Roberts and Habir, 'Australia's relations with Indonesia', p. 84.
- ⁸⁶ Jennings, 'A challenging relationship'.
- Daniel Hurst, 'Australia and Indonesia sign spying code of conduct', *The Guardian* [website], 28 August 2014, available at https://www.theguardian.com/world/2014/aug/28/australia-and-indonesia-sign-spying-code-of-conduct accessed 18 October 2016.
- Department of Foreign Affairs and Trade (DFAT), 'Joint Understanding on a Code of Conduct between the Republic of Indonesia and Australia in Implementation of the Agreement between the Republic of Indonesia and Australia on the Framework for Security Cooperation', *DFAT* [website], 28 August 2014, available at http://dfat.gov.au/geo/indonesia/Pages/code-of-conduct-indonesia-and-australia-on-the-framework-for-security-cooperation.aspx accessed 4 October 2016.
- Allan Gyngell, 'Australia-Indonesia', in Brendan Taylor (ed.), *Australia as an Asia Pacific regional* power: a friendship in flux?, Routledge: Abingdon, 2007, pp. 109-11.

- Huxley, 'Australian defence engagement with Southeast Asia', p. 3; and White, 'What Indonesia's rise means for Australia', pp. 9-10.
- Shannon Tiezzi,, 'Will Indonesia rip up their defense treaty with Australia?', *The Diplomat* [website], 20 November 2013, available at http://thediplomat.com/2013/11/will-indonesia-rip-up-their-defense-treaty-with-australia/ accessed 13 September 2016.
- Topsfield, 'Australia is not a threat'.
- 93 Yudhoyono, 'Australia's strategic outlook'.
- Catherine McGrath, 'Indonesia-Australia alliance: the state of defence cooperation', *ABC News* [website], 20 November 2013, available at http://www.abc.net.au/news/2013-11-20/indonesia-australia-alliance-defence-cooperation/5106256 accessed 5 October 2016.
- Stephen Smith, 'Australia and Indonesia: strategic partners', [Australian] Minister for Defence [website], 4 September 2012, available at http://www.minister.defence.gov.au/2012/09/04/minister-for-defence-australia-and-indonesia-strategic-partners/ accessed 5 October 2016.
- 96 McGrath, 'Indonesia-Australia alliance'.
- L'Estrange, 'International defence engagement', p. 28.
- Michael Brissenden, 'SAS anti-hijack exercise latest to be cancelled as Indonesia stops cooperation with Australia', ABC News [website], 21 November 2016, available at http://www.abc.net.au/news/2013-11-21/cancelled-military-exercises/5107566 accessed 9 October 2016.
- 99 Donald Greenlees, 'Let's try harder to rebuild trust with Indonesia', *The Australian*, 30 May 2014; also Dupont, 'Indonesian ties much tighter'.
- Australian Government, 'Australian Government directory: Indonesia', available at http://www.directory.gov.au/directory?ea0 lf99 120.&organizationalUnit&75015d3b-0c37-4772-b8e5-6580a4a1b5dd> accessed 9 October 2016.
- Ian McPhedran, 'Australian taxpayers are paying millions for Indonesian military officers to study down under', *News.com* [website], 6 March 2015, available at http://www.news.com.au/world/asia/australian-taxpayers-are-paying-millions-for-indonesian-military-officers-to-study-down-under/news-story/6ee9fed843ba977ae0eb342c8791a300 accessed 9 October 2016.
- Sam Bateman, Anthony Bergin and Hayley Channer, 'Strategy terms of engagement: Australia's regional defence diplomacy', *ASPI* [website], 18 July 2013, pp. 67-9, available at https://www.aspi.org.au/publications/terms-of-engagement-australias-regional-defence-diplomacy>accessed 7 February 2017; and Department of Defence, *Defence White Paper 2016*, pp. 118-20.
- Hogan, 'Australia-Indonesia'.
- This assessment is based on the size of the defence staff in the Australian Embassy in Jakarta relative to any other regional country, the prominence given to Indonesia in successive White Papers and publicly available information about Defence Cooperation Program funding, which comprises a proportion of overall defence diplomacy.
- For example, Baldino and Carr, 'Defence diplomacy and the Australian Defence Force', p. 3; and Floyd, 'Dropping the autopilot'.
- Bateman, Bergin and Channer, 'Strategy terms of engagement', p. 66.
- Department of Defence, *Defence White Paper 2016*.
- Bateman, Bergin and Channer, 'Strategy terms of engagement', p. 77.
- Department of Defence, *Defence White Paper 2016*, p. 118.
- Some, but not all, of these proposed tasks come from Bateman, Bergin and Channer, 'Strategy terms of engagement', p. 86.
- The four main defence establishments in Darwin are Larrakeyah Barracks, Robertson Barracks, RAAF Darwin and HMAS Coonawarra.
- Singapore's Information Fusion Centre performs only a maritime security coordination function and is therefore not comparable to the proposed centre: see Singapore Ministry of Defence, 'Fact sheet:

- Information Fusion Centre', *Singapore Ministry of Defence* [website], available at https://www.mindef.gov.sg/imindef/press-room/official_releases/nr/2014/apr/04apr14_nr/04apr14_fs.html accessed 18 October 2016.
- Paul Kelly, 'An Australian view: the outlook for the relationship', in John Monfries (ed.), *Different societies, shared futures: Australia, Indonesia and the region*, Institute of Southeast Asian Studies: Singapore, 2006, pp. 35-6.
- Atriandi Ristian Supriyanto, 'Waves of opportunity: enhancing Australia–Indonesia maritime security cooperation', *ASPI* [website], November 2014, p. 1, available at https://www.aspi.org.au/publications/waves-of-opportunity-enhancing-australia-indonesia-maritime-security-cooperation/SI79 Aus Indon maritime cooperation.pdf > accessed 7 February 2017.
- DFAT, 'Joint Communiqué Third Australia-Indonesia Foreign and Defence Ministers 2+2 Dialogue', [Australian] Foreign Minister [website], 21 December 2015, available at http://foreignminister.gov.au/releases/Pages/2015/jb_mr_151221.aspx accessed 15 October 2016.
- Riefqi Muna, 'Australia–Indonesia maritime security cooperation as a contribution to Indo-Pacific security', *National Security College* [website], 15 October 2016, p. 48, available at http://nsc.anu.edu.au/documents/ipmsc-papers/Australia%E2%80%93Indonesia%20maritime%20security%20cooperation%20as%20a%20contribution%20to%20Indo-Pacific%20security%20-%20Riefqi%20Muna.pdf accessed 7 February 2017.
- Department of Defence, *Defence White Paper 2016*, p. 125.
- Suprivanto, 'Waves of opportunity', p. 5.
- Supriyanto, 'Waves of opportunity', p. 6.
- 120 McGrath, 'Indonesia-Australia alliance'.
- Atriandi Ristian Supriyanto, 'From shipmates to mateship: improving maritime security cooperation with Indonesia', ANU Centre of Gravity Series, Strategic and Defence Studies Centre: Canberra, May 2015, p. 16.
- Department of Defence, 'Australia and Indonesia combine forces to tackle illegal fishing', [Australian] Navy [website], 1 July 2015, available at accessed 15 October 2015.
- Supriyanto, 'Waves of opportunity', p. 6.
- Huxley, 'Australian defence engagement with Southeast Asia', p. 3; also Concord Consulting, 'Indonesia's Defense White Paper: talk so much, say so little', *Concord Review* [website], 29 August 2016, available at http://open.concordreview.com/index.php/2016/08/29/indonesias-defense-white-paper-talk-so-much-say-so-little/ accessed 19 October 2016; Muna, 'Australia-Indonesia maritime security cooperation as a contribution to Indo-Pacific security', p. 45; and Department of Defence, *Defence White Paper 2016*.
- This paragraph is largely drawn from Supriyanto, 'From shipmates to mateship', p. 14.
- Jakarta Centre for Law Enforcement Cooperation, 'Jakarta Centre for Law Enforcement Cooperation about JCLEC', *Jakarta Centre for Law Enforcement Cooperation* [website], available at http://www.jclec.com/index.php?option=com_content&task=view&id=14> accessed 20 October 2016.
- For example, Nick Bisley, 'The possibilities and limits of defence diplomacy in Asia', in Carr, *Defence diplomacy*, p. 12; and Bateman, Bergin and Channer, 'Strategy terms of engagement', p. 79.
- The effect of Australia's assistance was still remembered fondly by President Yudhoyono, six years after the event: Susilo Bambang Yudhoyono, 'Address by the President of the Republic of Indonesia to the Australian Parliament, 10 March 2010', *Australian Parliament House* [website], available at http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22chamber%2Fhansardr%2F2010-03-10%2F0047%22 accessed 4 July 2016.
- Mackie, 'Australia and Indonesia'; and Leahy, 'Military diplomacy', p. 15.

- Peter Leahy, 'Good deeds and good strategy: humanitarian and disaster relief operations', *ASPI* [website], 8 April 2013, available at http://www.aspistrategist.org.au/good-deeds-and-good-strategy-humanitarian-and-disaster-relief-operations/ accessed 14 October 2016.
- Royal Australian Navy, 'HMAS Canberra (III)', [Australian] Navy [website], available at http://www.navy.gov.au/hmas-canberra-iii accessed 20 October 2016.
- John Blaxland and Karl Claxton, 'HADR—time to lift our game?', *ASPI* [website], 11 September 2014, available at <http://www.aspistrategist.org.au/hadr-time-to-lift-our-game/ accessed 14 October 2016
- Anthony Bergin and Athol Yates, 'Thinking beyond the ADF in preparing an amphibious capability', ASPI [website], 13 November 2013, available at http://www.aspistrategist.org.au/thinking-beyond-the-adf-in-preparing-an-amphibious-capability/ accessed 14 October 2016.
- Blaxland and Claxton, 'HADR—time to lift our game?'.
- Adam Connors, 'Cyclone Winston: tens of thousands of Fijians still in shelters as relief efforts accelerate', *ABC News Online* [website], 3 March 2016, available at http://www.abc.net.au/news/2016-03-03/fijians-in-shelters-as-cyclone-winston-relief-efforts-accelerate/7217028 accessed 15 October 2016.
- Quoted in Blaxland, 'Defending defence diplomacy', p. 8.
- Exercise PACIFIC PARTNERSHIP is an annual US-led humanitarian and civic assistance exercise aimed at strengthening international relationships with partner and host nations in the Asia-Pacific region. US LHD reference is from Gary Roughead et al, 'US Navy humanitarian assistance in an era of austerity', Center for Strategic and International Studies [website], available at https://csis-prod.s3.amazonaws.com/s3fs-public/legacy-files/files/publication/130226-Roughead-NavyHumanitarianAssist-Web.pdf accessed March 2013.
- Blaxland and Claxton, 'HADR—time to lift our game?'.
- Anthony Bergin, 'China's medical diplomacy and the Philippines', *ASPI* [website], available at http://www.aspistrategist.org.au/chinas-medical-diplomacy-and-the-philippines/ accessed 15 October 2016.
- Supriyanto, 'Waves of opportunity'.
- Purnoma Yusgiantoro, 'Defense Minister endorsement: IKAHAN', *IKAHAN* [website], 24 June 2011, available at http://ikahan.com/menhan-endorsement/> accessed 9 October 2016.
- Bateman, Bergin and Channer, 'Strategy terms of engagement', p. 27.
- The author attended two IKAHAN events in 2016 in Jakarta and Bandung.
- Rick Burr, 'Army and international engagement: opportunities and challenges in a changing strategic environment', *ASPI* [website], 26 June 2015, available at http://www.aspistrategist.org.au/army-and-international-engagement-opportunities-and-challenges-in-a-changing-strategic-environment/ accessed 5 October 2016.
- Leahy, 'Military diplomacy', p. 16.
- Peter Leahy, 'Meeting the defence and security challenges over the next two decades: an Australian perspective', *United Services*, Vol. 66, No. 3, p. 4.
- Jennings, 'A challenging relationship'.
- Department of Defence, *Defence White Paper 2016*, p. 126.
- Huxley, 'Australian defence engagement with Southeast Asia', p. 4.
- Ramesh Thakur, 'Is Australia serious about Asia?', *Global Brief* [blog], 5 March 2013, available at http://globalbrief.ca/blog/2013/03/05/is-australia-serious-about-asia/print/ accessed 18 October 2016.
- Dupont, 'Indonesian ties much tighter'.
- Floyd, 'Dropping the autopilot', p. 1.



http://www.defence.gov.au/adc/publications/publications.html

