Indonesia shaping the South East Asian foreign policy of India and Sri Lanka

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Indonesia with more than 17,000 islands, occupies a key geopolitical position in the ten-member Association of Southeast Asian Nations (ASEAN) regional bloc. In the recent past Indonesia has been trying to strengthen its foreign policy outlook both diplomatically and economically through bilateral or multilateral means.

Indonesia with its large population, military capabilities, vast territory and rich natural resources in Southeast Asia is trying to align with India possessing similar power potentialities in South Asia. With this strategy in mind Indonesia has been trying to access the 1.3 billion Indian consumer market and also has been trying to cooperate with Sri Lanka due to its vital geographical position in the Indian Ocean. In this regard, there has been a growing bilateral and trilateral interest among these three countries such that they can tap into the consumer and producer market hence generating higher revenue. However, these three financial hotspots have found themselves in the forefront of challenges posed by globalization and this makes it vital for them to revive their cooperation in different areas.

Over the past few decades, Indonesia has made several development landmarks through restructuring its polity and society. The economy and foreign policy goals of this nation have constructively transformed from President Sukarno to Joko. Furthermore, in the 1980’s Indonesia also took a large step in establishing the regional body of ASEAN. Since then for more than a quarter century, ASEAN has been the most important reason for bilateral and multilateral engagements between Indonesia and the two South Asian countries.

Currently, the two-way trade between Indonesia and India stands at about $18.13 billion according to the Indonesia’s Central Statistics Agency (bps). With this mutually beneficial relationship, in the coming years Indonesia and India are planning to enhance their bilateral trade to $50 billion. There is also said to be an increased strategic, defense and security partnership between the two which got reiterated with the state visit of the Indonesian President Joko Widodo.
Similarly, the trade between Indonesia and Sri Lanka has doubled from $418 million in 2011 to around a billion dollar in the recent past and the ties between the two is set to improve further with the establishment of a future Free Trade Agreement (FTA). The year 2018 has also marked the 66th Anniversary of the diplomatic relationship between Indonesia and Sri Lanka where the visit of the Indonesian President after 40 years saw the signing of a series of agreements between the two island nations.

Since the Bandung Summit of 1955, the Indonesia’s relationship with India and Sri Lanka has been strong. Later ASEAN has played a leading role in making this partnership grow further. However, India’s cooperation with Indonesia and ASEAN serves as a test bed for the new ideas to grow between the two regions.

Indonesia positioned between Southeast Asia and Australasia is a crucial gateway for India and Sri Lanka to further their foreign, economic and security endeavors in these two regions.

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