The Sources of Indonesian President Soeharto’s Contradicting Attitude in the APEC and NAM in the Mid 1990s

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ABSTRACT

Indonesia’s foreign policy during under Soeharto period (1966-1998) was closely related to the configuration of domestic politics, in which Soeharto comfortably enjoyed unchallenged authoritative power. After consolidating his power during the first and second decade in power, Soeharto sought a greater and more prestigious international leadership role since the late 1980s. The foreign policy’s higher profile was possible since Soeharto felt confident as he held a tighter decisive control over domestic politics and had successfully brought restoration to Indonesia’s debilitated economy. Details on how this process took place during the last years of Soeharto’s presidency were the central theme of this article.

APEC and NAM were the two latest cases in showing Soeharto’s ability to utilize his dominant position at home for his ambition in pursuing a more distinguished international figure in 1990s. In NAM, Soeharto projected his global statesmanship by playing a concessive role as a leader of developing countries. Soeharto’s ambition in NAM was to revitalized platform of NAM toward greater economic and developmental cooperation among developing countries. In the case of APEC, Soeharto seemed to employ conciliatory attitude toward developed countries, particularly US and Japan.

Based on this assumption, it was believed that Soeharto significantly influenced a sudden changing position of Indonesian policy toward APEC liberalization plan from strongly rejected in 1993 into the leading supporter in 1994 by sponsoring the Bogor Declaration. The Bogor Declaration itself was regarded as one of the most progressive liberalization plans in the world.

The dilemma was that in 1994 Soeharto assumed these two leaderships simultaneously. It is interesting to view how excellent Soeharto managed this seemingly contradictory attitude in foreign policy making. A closer look on the details of Soeharto’s international ambition in both cases; the pictures on national actors surrounding him; and the idiosyncratic factors proves initial evidence that different sources of policy advisers in national level did not necessarily produce contradictory foreign posture.

Instead, the nature of contradictory had been Soeharto’s inexperience and his personal ambition to be an internationally distinguished profile. For this purpose, he utilized different background of advisors whom were able to support his goal. In NAM policy he preferred to employ present diplomatic bureaucratic procedure while in APEC he felt needful to cut off inefficient bureaucratic line and developed a short cut policy-making process instead. A crucial finding is that the consistency and rationality in terms of foreign policies’ substances were not Soeharto’s main concern.
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Introduction:

Soeharto’s Role in Indonesia’s APEC and NAM Policies

At the Second Asia-Pacific Economic Cooperation (APEC) Summit in Bogor on November 15, 1994, Indonesia surprised the world by radically shifting its position on APEC namely sponsoring the Bogor Declaration, which proposed the fixed timetable of economic liberalization. Indonesia had transformed itself from a country that at the Seattle APEC Ministerial Meeting in 1993 still exhibited a strong rejection on the idea of liberalization to a strong proponent of a liberalization policy in the following year.

The Bogor Declaration itself is widely considered as a political decision for furthering APEC liberalization plan in a more technical term. One of the most significant provisions on the declaration is the specific time frame for full implementation of APEC free trade goals: by 2010 for the developed countries and by 2020 for the developing members. In an abstract, the Bogor Declaration constitutes the following principles:

1). A commitment to liberalization towards free and open trade in the region;
2). A target date for achieving free and open trade in the region;
3). A requirement of consistency with GATT/WTO rules and principles.

Ross Garnaut (1996) identifies the detailed terms as the “Indonesian formula” because he believed that the host, Indonesian Delegation, formulated the text. The content of Bogor Declaration could be viewed in comparison with the liberalization provisions under the GATT/WTO. There are explicit quotations of the GATT/WTO rules in the Bogor Declaration, meaning that the terms of global liberalization would be observed. The central pillars of the GATT, Article 1, “the-most-favored-nation” and Article 24 “the non-discrimination” principle, are assumed to be complied.

Further, Garnaut argues that the “Indonesian formula” would not justify discrimination under Article 24 GATT/WTO, nor launch a negotiation amongst APEC members to develop a binding schedule of reductions in protection to produce free trade that might one day qualify under Article 24. Above all, he regarded the APEC Bogor Declaration as a stronger commitment to the objective of free trade than have ever been made by other international communities such as GATT/WTO or G-7.

It was not very clear who in Indonesia drafted the text of Bogor Declaration. As far as the substance was concerned, the text resembles the liberalization proposal of the Eminent Persons Group (EPG) of APEC. In 1993, at the Seattle Meeting, Indonesian Delegation to APEC ministerial meeting, co-chaired by the Minister of Foreign Affairs and the Minister of Trade, firmly rejected the idea contained in the EPG proposal on the grounds that it would take place at the cost of the interest of APEC’s developing members including Indonesia.

President Soeharto was the only one in Indonesia who was able to clinch firm position in the change of APEC policy. Soeharto’s will to nurture APEC liberalization plan was backed by a group of econom-
ic technocrats that was informally led by Dr. Widjojo Nitisastro. Dr. Widjojo Nitisastro was largely dubbed as the architect of Soeharto’s New Order grand economic policies. Over the first ten year of Soeharto’s presidency, Dr. Widjojo served as a minister who chaired the National Development Planning Agency (Bappenas). He subsequently assumed higher ministerial post: the Coordinating Minister for Economic and Finance, but he had still been concurrently the chairman of Bappenas until 1983.

Afterward, although not holding formal portfolio cabinet post, Dr. Widjojo still took up the position of the President’s Economic Adviser and continued to be so in the post-Soeharto’s era at President Habibie’s administration (1998-1999). Either inside (1966-1983) or outside (1983-1999) formal portfolio cabinet posts, Dr. Widjojo was always a dominant figure in shaping Indonesian economic policies including the pursuant of economic reforms. His closeness to Soeharto also made him capable to place his junior colleagues from the Economic Faculty of the University of Indonesia to fulfill ministerial posts of economic portfolios at the consecutives Soeharto’s cabinets. Dr. Widjojo’s title as the President’s Economic Adviser was treated as equal to a senior ministerial position.

Under Dr. Widjojo strong influence, the economic technocrats –almost all of them were professors at the Faculty of Economic of the University of Indonesia– had from the beginning been very influential to the President’s decision in macro-economic policies, but only recently they involved in foreign policies like APEC, NAM and ASEAN.

The involvement of the technocrat group in APEC can be observed from the appointment of Professor Bintoro Tjokroamidjojo as Soeharto’s special assistant for APEC affairs. Though not an economist, Professor Bintoro was very close to the economic technocrats. Mr. Bintoro Tjokroamidjojo is a professor of public administration at the University of Indonesia. In mid 1980s he served as the Head of Public Administration Institute (LAN=Lembaga Administrasi Negara) and from 1990 to 1993, he was the Indonesian Ambassador to the Netherlands. The appointment of Professor Bintoro was interesting because for a similar role for NAM envoy, Soeharto appointed Mr. Nana Sutresna, a career diplomat from the Ministry of Foreign Affairs (MoFA).

Indonesia and Soeharto’s achievement in sponsoring the Bogor Declaration in 1994 was hailed by international media as a triumph of Soeharto’s personal diplomacy. It was vividly reported that the accomplishment in convening the APEC Summit and the promulgation of the Bogor Declaration had brought good international images to Indonesia, and more importantly to Soeharto himself. At the end of the summit, it was described that US President Clinton credited Soeharto as a great Asian leader who “is trying to spearhead and tear down trade barriers”. However, when Soeharto chaired the Bogor Meeting of APEC and sponsored the Bogor Declaration, he was also the chairman of NAM, which had by that time long become a body of developing countries claiming their right to development. Economic and trade liberalization, which is the essence of the Bogor Declaration, is more of developed countries’ interest than of developing countries’. And in the past, Indonesia, which is also a developing country, had been always sensitive to the interests of fellow developing countries, including those from other regions.

Indonesia’s leadership on the NAM was on its apex when the country hosted the Tenth NAM Summit in Jakarta in September 1992. It was obvious from the decisions at the 1992 Summit in Jakarta that as the chairman of NAM, Indonesia was obligated to preserve the interests of developing countries towards the challenge and pressure of developed countries in a more globalized world. At the Tenth NAM Summit in Jakarta, the NAM had taken one of the most significant decisions: the Movement decided to
restore the issue of economic cooperation to the top of the NAM’s agenda. At this Summit, the NAM, under Indonesia’s chairmanship, proceeded to craft the concepts and modalities that would be the basis and the framework of its concrete programs in economic programs, including the South-South cooperation, North-South dialogue and issues covering the relations with North, such as developing countries’ debt problems.

President Soeharto headed Indonesian Delegation to the NAM Summit in Jakarta and presided over the plenary meetings. And it was Soeharto –inspired by the success of Indonesian economic development– who turned the direction of the NAM from political rhetoric of “North versus South” confrontation into a pragmatic economic heavy agenda. This new direction of NAM was covered in a declaration called “The Jakarta Message.”

The dilemma for President Soeharto in playing a balanced role as the chairman of both NAM and APEC during the same period created a debate concerning North-South policy (relations toward developed countries) vis-a-vis South-South policy (relations toward developing countries). NAM and APEC, the two forums that Soeharto chaired in 1994, represented a contrasting or even conflicting character of his international leadership. Thus, it is worth investigating how Soeharto escaped from feeling any contradiction to be also chairman of NAM when in the capacity of chairman of the APEC Meeting he sponsored a “pro-North” liberalization proposal.

The answer can be found in various ways. It is possible to argue that NAM was so much weakened that even the state in chair dared to betray its collective interest. Though not denying this possibility, this article attempts to search for the answer in the foreign policy-making process, which was not marked by adequate experiences when Soeharto concurrently became a chairman of NAM and APEC.

Soeharto and Indonesia under his presidency had been, in contrast with his predecessor, Sukarno, in low profile in foreign policy till as late as the 1980’s. The reasons of low profile foreign policy will be easily found, as the new leadership under Soeharto had been busily preoccupied with the task of consolidating domestic power base. It is thus not until the mid-1980’s when Indonesia could pay more attention to its foreign policy and project itself to the international community. Moreover, foreign policy making from the 1980’s did not escape from overall Indonesian political structure, that is, authoritarian with Soeharto at its top. It is least possible to expect him to have any diplomatic skill. He had to depend on his officials in decision-making process, but authoritarian regimes do not permit any horizontal linkage between different sections of bureaucracy. Here could also sources of contradictory foreign policies be found.

The aim of this article is to trace the sources of contradictory attitudes in Indonesian foreign policy in 1994, which were found in its postures toward NAM and APEC respectively. Indonesian foreign policy under Soeharto has not been well studied so far, due to the reason that Indonesia only recently showed higher profile in its external relations. This article is hence to contribute to develop this field of study by adding some insights for understanding Soeharto’s Indonesia and its foreign policy making.

**The Development of Foreign Policy-Making under Soeharto**

Although it is a very recent feature that Indonesian foreign policy under Soeharto became a topic of academic research and, thus, very few works have appeared so far. One among the very rare studies explaining the role of Soeharto within the area of Indonesian foreign policy-making in 1990s is the work of Leo Suryadinata (1996). It could be said that this book is the only study attempting adequate elucida-
tion on the leadership aspects of the Indonesian foreign policy making in recent time. President Soeharto’s political functions were placed at the center of analysis, under the assumption that he was the axial figure in Indonesian politics and public policies.  

It has been widely acknowledged that since around mid-1980s, the dominant power of President Soeharto in shaping public policy-making process had extended into the area of foreign policy. One of Suryadinata’s most significant premises is that this situation occurred due to the shifting influence of other actors in foreign policy-making. Soeharto’s growing interests in foreign policy was closely related to the decreased importance of other prominent actors, or of the military among others. In other words, there was a tendency of shifting balance of power in Indonesian foreign policy makers, especially from the military to the President as well as other possible new actors. 

Dr. Suryadinata utilizes a tandem framework of historic-cultural and institution methods simultaneously as the main tool of analysis. The platforms of this approach are focused on several internal and external determinants: “Indonesian role in world affairs”, “capabilities”, “perception of external threat and archipelago concept”, and -ultimately- “political culture and the foreign policy elite”. The integrated analysis of these historical and institution approaches had been used in viewing the first three national determinants. As for the last determinant –the political culture of the elite– Dr Suryadinata exploits the combined application of the decision-making approach and political cultural perspectives. 

The work of Suryadinata adopted historical method of analysis, or “British-style of analysis” as he calls it. He does not apply a more sophisticated American foreign-policy style due to specific intentions. In an interview with me, Dr. Suryadinata explained some reasons why he opted for this approach: a) Working variables in the Indonesian politics are very limited, including foreign policy studies. It would therefore be rather delicate to analyze from the American style of foreign policy analysis that requires a more complicated pattern of decision-making environment; b) Given the distinction of Indonesian political culture, the description on Indonesian national elite would not be adequate if it was merely relied on Western theoretical frameworks; c) Dr Suryadinata is not a foreign policy expert. Rather, he is a scientist of Indonesian domestic politics. 

Deviating from these points, Suryadinata wishes to observe some crucial distinct characters concerning “the era of before and after” Soeharto’s higher profile in foreign policy making. He spends as many as two chapters—chapter 3 and 4—of his book to explain a number of basic comparisons between military’s dominant role before the mid 1980s and Soeharto’s more assertive roles after the mid 1980s. Thereafter he provides case studies of actual issues or topics in which Soeharto’s higher confident roles exerted significant influence in the direction of Indonesian foreign policy. These thematic issues are Indonesian new position on ASEAN, Australia, China, Vietnam, the world superpower—particularly the US and Japan—, the Middle East and Bosnia; and NAM and APEC. It is interesting that the cases of Indonesian bilateral relations with respective country and international organization were employed to describe the changing interests of Soeharto. 

One of the most crucial premises is the time framing of events. President Soeharto was considered as the central figure in foreign policy making since mid 1980s, or between 1982 and 1983 to be exact. The “new appetite” of Soeharto’s interest in foreign policy occurred after he was long-time preoccupied and satisfied with maintaining domestic power. A higher profile foreign policy was therefore considered as Soeharto’s new playing arena after he had secured domestic politics. During the earlier period, until early 1980s, Soeharto delegated almost all-foreign policy-making to the military and a little share to the MoFA. Soeharto carried out very little attention and as a consequence, Indonesian foreign
policy was in low profile. Dr. Suryadinata then proceeds to argue that Soeharto was considered as the prime-determining element in altering policy making at the national level. The decisiveness of Soeharto’s personal ambition for international fame in the change of foreign policy profile of Indonesia is an important insight in analyzing its diplomacy during the last decade. However, there is no further elaboration in Suryadinata’s study whether this situation was created by a simply personal growing interest, or there were also contributions from various groups or bureaucracy and other actors around Soeharto.

Instead, he proposes an assumptive model of military –Soeharto– MoFA\(^\text{25}\) swinging pendulum that is –according to Suryadinata– presumed as the most important platform of the Indonesia foreign policy-making process.\(^\text{26}\) The MoFA was generally considered representing a nationalist view but its role in the diplomatic and foreign policy-making in practice was very limited until the late 1980s. The MoFA was trapped in marginal role within the foreign policy making process in the first fifteen years of Soeharto’s presidency.\(^\text{27}\) Thus, the MoFA was regarded as the third player attached to Soeharto’s more assertive role in foreign policy.\(^\text{28}\)

The military, on the other hand, had for a decade of Soeharto’s administration overshadowed the functions of MoFA in executing foreign-policy making.\(^\text{29}\) This was believed to be in accordance with general trend in which the military’s influence over every function in public policy, governance or bureaucracy was slightly decreasing.\(^\text{30}\) The presumed superiority of the military over the bureaucrat (MoFA) was eminent in the actual cases. Excellent examples are, among others, the question of East Timor; the problem of external threat\(^\text{31}\) and –to some extent– Indonesian position toward ASEAN.\(^\text{32}\) Equally important were Indonesia’s relations with other neighbors, especially Australia, and some major global powers such as the US, Japan and the European countries.

In fact, there were more and more new players, actors, groups, appeared on the area of foreign policy-making when President Soeharto’s affection on this field was increasing. Provide the fact that Soeharto was central figure in the overall Indonesian politics, the augmentation of Soeharto’s attention in foreign policy would have created a number of possible spoilers who wanted to take advantage of this new situation.\(^\text{33}\)

One reason why Dr. Suryadinata fails to take these actors into horizon is that his concept merely concerns those issues in political and security matters. Actors in different field of foreign policy, for instance in economic issues, might be quite different.\(^\text{34}\) The actors or groups –around Soeharto– who advised the policies on developed countries, might be distinctly separatable from those who suggested the policies toward developing countries. Suryadinata’s basic argument is also not very clear in representing the policies on recent themes such as international trade and investment liberalization or the problem of foreign debts. The determinant factor of President Soeharto alone –no matter how huge his dominant rule in domestic politics– would not be sufficient to postulate satisfactorily the changing foreign policies on some recent and complicated issues, including APEC.

Departing from Dr. Suryadinata’s points of reference, my further elucidation on Soeharto’s contradictory attitudes in APEC policy, in comparison with NAM, will be conducted in the following fashions:

1. Observing Soeharto’s role in foreign policy making and diplomacy on APEC and NAM in the context of pursuing higher recognition for his international leadership.
2. Identifying what kind of groups or roots of influence on which Soeharto relied for his foreign policy choices in mid 1990s, particularly on the APEC and NAM policies.
3. Analyzing the idiosyncratic sources of Soeharto’s contradicting attitude in foreign policy making
process in mid 1990s, particularly for the cases of APEC and NAM.

The Pursuant of Soeharto’s International Leadership

For Soeharto, who, after establishing unparalleled status in domestic politics, had an ambition to be a glorious figure of international reputation, each of NAM and APEC gave good opportunities for this purpose. Although losing such a great momentum as in the 1970s, NAM was still the largest forum of developing countries. Indonesia, which had hosted the first and only Asian-African Conference four decades ago, was qualified enough to lead the depressed group of post-Cold War non-alignment. APEC, on its part, represented rapidly growing Asian economies. Though Indonesia’s economic development lagged behind some of other Southeast Asian neighbors, Soeharto was regarded as an informal political leader of the regional grouping, the Association of Southeast Asian Nations (ASEAN), as a leader of the biggest member-state.

Thus, in the context of Soeharto’s international leadership in 1990s besides APEC and NAM–ASEAN was an important place in which Indonesia as well as Soeharto expected to play a leading role. This created a triangular pattern for Soeharto’s international leadership. NAM represents the leadership at a global level, APEC at the regional cooperation and ASEAN at a sub-regional form. This triangular connection of Soeharto’s leadership in the NAM, ASEAN and APEC is a tentative thesis for the role Soeharto should play in APEC in 1994. Soeharto was regarded being able to apply its leadership skills in ASEAN and the NAM, and then adopted the lesson to APEC. The ability in creating a consensus within ASEAN and the NAM should have been instrumental in giving direction to APEC.

Indonesia’s –and personally Soeharto’s himself– initial position (1989 to 1993) towards APEC was characterized by some reservations. At the state level, there was deep concern that APEC might come into conflict with ASEAN, which was then the cornerstone of Indonesia’s foreign policy. Indonesia feared that APEC would eclipse ASEAN –and by implication– Indonesia’s prominent role as the largest member in the association. It was a mild surprise, therefore, that Indonesia conveyed a solid support for the 1993 –the first ever– APEC leaders’ meeting in Seattle chaired by US President Clinton. In Seattle, Soeharto agreed to host the second APEC Summit in 1994.

One of the foremost apparent personal ambitions of Soeharto was to upgrade his middle-ranked power into the global level. Some comments said that Soeharto had shown a good enough personality to project his international leadership and to engage into a more collegial style of relationship, which was characteristic in the post-Cold War era. There were personal relations among APEC leaders including a special relationship between the US President Clinton and Soeharto. Among APEC leaders there appeared strong personal dynamics, as they shared the activist’s passion for change and optimism. This was the very time when Soeharto established a personal rapport with Clinton.

Specifically on Soeharto-Clinton relations, it was said that Soeharto felt indebted to Clinton for meeting with him on the eve of G-7 summit in Tokyo in July 1993. In his capacity as chairman of NAM, Soeharto wanted to set an extra reputation by meeting with developed countries’ leaders. President Clinton ultimately accepted this proposed meeting with Soeharto on a bilateral basis. Having warm and collegial connections with major world leaders, President Soeharto became more confident in performing diplomatic maneuverings in order to sustain his international leadership in APEC.

Regarding the meeting with Clinton in 1993, there was an argument stating that Soeharto seemed disappointed on Clinton’s response towards the proposal to re-open North-South dialogue under the aus-
pieces of NAM cooperation. From various primary sources or resource-persons, and most importantly an impression by interviewing him, it seems that Soeharto could be convinced that his leadership in APEC in the following year (1994) would have been able to serve the desire of his, and also Indonesia’s, as chairman of the NAM to implement North-South dialogue. In this particular regard, it looks that Soeharto was confident that he could utilize APEC as a vehicle in realizing his interest as chairman of the NAM, especially concerning the employment of North-South dialogue.44

If Clinton was regarded as his closest ally, Malaysian Prime Minister Mahathir Mohamad was considered as one of the greatest challengers for Soeharto in APEC diplomacy. The rivalry seemed to arise from a clash of personal reasons rather than rational consideration of national interests.45 Soeharto had appeared since early 1994 as a leading proponent of APEC, whereas Mahathir had focused his energies on the fruition of the East Asia Economic Caucus (EAEC) that was considered as a “competitor” to APEC.

The preceding one-year period leading to the Bogor Meeting, challenges to President Soeharto in presiding over the success of APEC meeting were enormous. First of all, Soeharto as the host wanted to ensure that all leaders would attend the summit46. Prime Minister Mahathir, who was absent in Seattle meeting in 1993, agreed to participate. However, Mahathir was still in opposition to the free trade timetable for APEC but later changed his view, although with reservations about the 2020 deadline.47 In attempt to get breakthrough toward substantive deadlock, Soeharto offered to the meeting what he proudly dubbed as the “APEC flexible consensus”.48

It appears that Soeharto was not fully aware that it would be a political dilemma for him to push Indonesia to enter into preferential arrangements with industrial countries of the “North” (developed countries).49 According to Soeharto, an ideal policy for Indonesia toward APEC and NAM simultaneously would be to promote greater South-South cooperation on one hand and enter into open regional trade arrangements with countries of the “North” on the other.50 Based on Soeharto’s personal perception, there should have been no conflict of interests between promoting “South-South cooperation” on one hand and pursuing “open trade arrangement with North” on the other.51 As I hear directly from him, this was exactly what Soeharto attempted to handle during his concurrent leadership in NAM and APEC in 1994. As common analysis reveals otherwise, this view could imply Soeharto’s ignorance over the substance and all the consequences of his policy choices.

In my opinion, APEC leadership proves that Soeharto had shown pragmatism and flexibility —but perhaps inconsistency—in shaping Indonesia’s place as an emerging power in the Asia Pacific region and in the world. Along with his role in sponsoring the Bogor Declaration, and emerged as one of the most prominent leaders of APEC, he also wanted to be perceived as a symbol of bridging the North-South gap52.

However, in reality, Soeharto seems to have pursued merely conciliatory policy towards developed countries when he strove to make Bogor Meeting successful. In other words, Indonesia’s policy toward developed countries appeared to be formulated without considering its impact on Indonesia’s policy toward developing countries. How can it be possible when all the foreign policy issues were to be sanctioned by President Soeharto?

This suggests that there were problems in decision making of foreign policy and in participants to it. The next section will therefore discuss the participants of the foreign policy making or foreign policy actors, their roles and their mutual relations.
Domestic Actors in Foreign Policy Making

Actors in Indonesian foreign policy during the period of Soeharto’s higher foreign policy profile had become more plural and differentiated. There could be numerous possible classifications. However, for this article, the author is using two types of categorizing. The first type is based on the subjects or the problems of foreign policy making: politics versus economy for instance. The second one is based on the character of external relationship. There could be different approaches and actors, involved dealing with: a) issues toward developing countries; or b) issues toward developed countries.

According to the first classification, NAM can be regarded –generally– as a “political” issue and APEC an “economic” topic. From the viewpoint of the second categorization, the NAM case can be said as an issue that representing the relations toward developing countries while APEC can be regarded as an issue that deals with developed countries. Although not every member of APEC is a developed country, the main concerns such as liberalization, free trade and globalization issues are more relevant to be classified as the concern of policies toward developed countries.

It should be reemphasized here that my main argument in this article is that President Soeharto was still regarded as the central figure in decision-making process for both cases. This is what Suryadinata firmly argues. However, it seems that Suryadinata fails to elaborate the situations and problems on how the interactions between the President and those other institutions or groups took place.

As to the decision-making actors in the NAM policy, it can be referred to the Suryadinata’s logic. It represented the decreased role of military to the President and subsequently President Soeharto delegated the large functions of policy and diplomacy to the MoFA. The involvement of MoFA in the NAM policy was prominent. Most of the Indonesia’s NAM policy and diplomacy were formulated largely by and within the MoFA. President Soeharto appointed Mr. Nana Sutresna as his special assistant for NAM Affairs. Mr. Nana Sutresna –a career diplomat from MoFA– was installed a title of ambassador at large. Ambassador Sutresna also chaired a special MoFA’s task unit that enjoyed direct access to the President.

The main duty of Ambassador Sutresna, and his special task force at the MoFA, was to support the Chairman of NAM in implementing and following up all the decisions achieved at the Tenth NAM Summit in Jakarta in 1992. Ambassador Sutresna was responsible to provide assistance and guidance directly to President Soeharto in executing international leadership as the Chairman of NAM. During the three-year tenure of chairmanship (1992-1995), in his capacity as the Chairman of NAM, President Soeharto was preoccupied with enduring duties in representing the voice of developing countries forum he chaired. And, it seemed, Soeharto greatly enjoyed this new role. Soeharto’s two most significant activities as the Chairman of NAM were addressing the General Assembly of the United Nations (UN) in 1992 and meeting with US President Clinton in Tokyo on the fringe of G-7 Summit in July 1993. The discussion with Clinton was regarded as a very memorable to Soeharto and it subsequently affected Soeharto’s future perception toward APEC.

Contrast to the case of NAM, the existence of a team of technocrats and the pragmatic thought of President Soeharto was distinguished in the APEC policy in 1994. A group of economic technocrats who was advocating the liberal economy of Soeharto’s New Order government influenced the President’s view for the new APEC policy.

The involvement of economic technocrats in NAM policies did exist, but only took place in relatively
small portions. An ad-hoc supervisory group consisted of seven former economic ministers who also happened to be the technocrats including Professor Widjojo Nitisastro, Professor Ali Wardhana, Professor Emil Salim and Professor Muhammad Sadli was established to advise President Soeharto as the Chairman of NAM on debt problems.

At some occasions, the economists were given special task under the umbrella of cooperation among developing countries, though not necessarily under the formal NAM’s auspices. Professor Sadli for instance was given an ad-hoc task to represent Indonesia at the Tokyo International Conference for African Development (TICAD) in 1993 and 1997. Nonetheless, the role of these senior economists on the Indonesia’s NAM policies was relatively limited. By and large, the office of Ambassador Nana Sutresna and his MoFA staffs handled most of the main substantive Indonesia’s policies of NAM.62

Economic technocrats were, in general atmospheres, faced with nationalist or pro-protection groups.63 The latter were made up of the so-called group of “engineers” who believed that the cost of protection was justified by acquiring technological capabilities and developing domestic industries. This group frequently opposed liberal market oriented policies. Minister of Science and Technology B. J. Habibie (1978-1998) was broadly known as one of informal leaders of this group. There appeared an indication of clash of interest in terms of substance between pro-reform (liberal-economists) versus pro-protection groups in a number of economic policies. However, interestingly, the clash between the two groups was not the case in APEC policy making in 1994.

There were only limited evidences that the protectionists led by Minister Habibie directly challenged Soeharto’s APEC liberalization policy. The nationalists seem not to be very much interested in foreign economic policy. Their focus of attention was mainly on the domestic strategy, especially of the high-tech industries, and more specifically of the industries of their interest, such as Habibie’s favorite aircraft manufacturing. Instead of from the pro-protectionists, resistance against the intervention of the technocrats in APEC diplomatic process came from the MoFA.64

The conflict of perceptions between economic technocrats and regular bureaucrats, especially the officials in MoFA, originated from their differentiated views about Indonesia’s readiness to join a trade liberalization scheme with developed countries. This perception was naturally influenced by Indonesia’s commitment in NAM, which still persisted a view that joining trade preference with “North” was a threat to the interest of developing countries. Officials of MoFA perceived that Indonesia still lagged behind in terms of development stage and technological capabilities compared to developed countries, while economic technocrats seemed to view APEC liberalization plan as an opportunity for Indonesia to accelerate domestic economic liberalization program.65

Anticipating possible complain on this contradictory policy, and as an act of compromise, a number of “development cooperation” programs were inserted into the Declaration.66 The official position of Indonesia regarding the substance of the Bogor Declaration was that it had adequately covered the interest of development cooperation in addition to the liberalization and facilitation programs.67

The rivalry between the MoFA and technocrats was more apparent in the level of policy-making process. It was triggered by the decision of President Soeharto in January 1994 to appoint a non-MoFA senior official, Professor Bintoro Tjokroamidjojo, as his special assistant for APEC. Officially, there were 2 tracks of APEC management when Indonesia assumed APEC chairmanship in 1994, that is, Professor Bintoro’s track and the existing MoFA track. The function of MoFA in APEC regular activities such as senior official and working group meetings remained. However, the MoFA was put out of hand in the drafting of liberalization plan that later was called the Bogor Declaration.68
Unlike in the case of NAM, Soeharto personally showed his own intention of using a person from outside MoFA for advice on APEC. Soeharto also admitted that the appointment of Professor Bintoro was his strategy to avoid long and inefficient bureaucratic and diplomatic process. A resource person in MoFA acknowledges that the existence of Professor Bintoro as Soeharto’s aide created some tensions within the MoFA.

Actually, the duties between Professor Bintoro Tjokroamidjojo and Ambassador Nana Sutresna were more or the less identical, namely providing advice to Soeharto on diplomatic arrangements or preparations for NAM and APEC respectively. A slight difference on the duties between Professor Bintoro and Ambassador Sutresna was on the timing of event. In the case of NAM, it was the implementation’s stage, following the Summit, while in the case of APEC it was for the preparation leading to the Summit.

The rivalry simply occurred because Foreign Minister Ali Alatas, a career diplomat from MoFA, who had played a decisive role in the founding of ASEAN and had been an active leader within the NAM, was very influential in APEC policy-making until early 1994. It is easily seen from Minister Alatas’ on reason that career that he was anxious of joining a group like APEC on reason that it could be dominated by Japan and the US. Highly praised for his diplomatic acumen and impeccable record as professional diplomat, Minister Alatas was regarded to represent more cautious voices in APEC policy. This indicates that for the purpose of avoiding possible challenge from his foreign minister and other bureaucrats who opposed the idea of free trade was the rationale behind Soeharto’s appointment of Professor Bintoro as his special envoy in APEC diplomacy.

The most crucial task of Professor Bintoro was to conduct “secret diplomacy” in introducing the draft of the Bogor Declaration and proposed it to other APEC leaders, a duty that was commonly delegated to the professional diplomat(s) from the MoFA. Thus, the assignment of Professor Bintoro was made largely by the personal preference of President Soeharto, and it was not based on the professional meritocracy.

Idiosyncratic Sources of Soeharto’s Contradictory Attitude

Subsequent to the assessment on how Soeharto was brilliantly capable to manage the balance between his goals for international leadership and simultaneously to gain a highest degree of policy-making support at home, it is also important to find out how was Soeharto’s own personal thought on the substances. Basically, Soeharto’s standpoint on economy and foreign policy in mid 1990s remained nationalistic. As can be observed from his autobiography, his grand ideas generally relied on rhetoric, such as social justice and people’s welfare. Soeharto continuously refers to Article 33 of the Indonesian Constitution that contains the normative provision that national economy shall be based on the “people’s welfare and justice.”

Soeharto always wanted to impress that he strongly emphasized people’s basic needs, such as foods, housing and health as his government’s main concern. One thing that Soeharto was proud of lays on the fact that Indonesia under his leadership was able to achieve self-sufficiency in food production. Soeharto also denied that the orientation of Indonesia’s economy under his leadership concerned the growth of macro-economy only as reflected in the value of national GNP. However, Soeharto provided a wide room for what he called pragmatism in exercising the economic policy. In this regard, he seems to tolerate the adoption of liberal economic concepts. It could be assumed tentatively that
Soeharto’s liberal economic policy does not necessarily mean to represent his liberal economic ideology. He tends to regard economic liberalization as a means to achieve “the welfare of the people” rather than as a genuine liberal economic objective. 

It is interesting to learn that Soeharto claimed his original intention of APEC policy in 1994 was based on nationalism. It is a kind of mild surprise to directly hear from him that his main intention in APEC was to challenge the hegemony of the US and other Western countries. This indeed was contradictory to the common analysis that the economic liberalization plan was strongly influenced by the American ideas toward a global post-Cold War order. This could indicate his inconsistency. Alternatively, Soeharto’s substantive standpoint radically changed after his resignation. 

Aside from Soeharto’s surprising personal view, the most important root of his foreign policy attitude is that the unchallenged domestic authority had brought him more autonomy in foreign policy-making. Soeharto’s autonomy was determined by a number of inter-connected factors. First, the stronger grip in domestic politics that he held after more than 15 or 20 years in power. This occurred mainly due to his ability to manage the conflicting factions in order to sustain his political power at home. Second, Soeharto felt confident and had learnt a lot after being passive in foreign policy for the first two decades of his presidency. Third, Soeharto seems to have been displeased with the military, the previously most influential actor, at their mishandling of some crucial foreign policy issues, including the highly sensitive East-Timor case. Fourth, Soeharto perceived that Indonesia was under a severe pressure from the developed world for more deregulation and liberalization of national economy if it wanted to attract more investment, which was one of the most important backbones of national economy.

Adam Schwarz (1994) put forward some interesting reasons behind the so-called “Soeharto’s newly-discovered appetite” for a higher profile foreign policy since the late 1980s. The first factor is that Soeharto was motivated by desire to bolster his prestige at home and to defuse the nostalgia some Indonesians have for the high profile of his predecessor President Soekarno (1945-1966). The other factor was the need to counter the negative publicity, which Indonesia had attracted in recent years from the US and other developed countries, especially regarding the issues of human rights.

**Conclusion**

The most significant finding in this assessment is that mutually opposing and contradictory type of actors or advisers did not necessarily produce contradictory foreign posture. But Soeharto’s inexperience and his personal ambition to be an internationally distinguished figure were decisive. This can be explained when he used two different sources of domestic processes for similar purpose. In NAM policy, he preferred to employ present diplomatic bureaucratic procedure while in APEC he felt needful to cut off inefficient bureaucratic line and developed a short cut policy-making process instead.

Due to the autocratic regime, there had been only few independent policy makers appeared in Indonesia during his administration (1966-1998). At a later time when his attention to foreign policy was in a high gear, there had been a large room available for Soeharto to maneuver comfortably within the domestic win-set vis-à-vis external constraints. For his own purpose, he, by intention, utilized different source of advisers whom he thought were the most supportive in each respective subject (APEC and NAM) in trailing this goal. It is in this sense that the consistency and rationality in terms of foreign policies’ substances were not Soeharto’s main concern.

Further details to gauge with any precision of just how much, and to what extent, President Soeharto
shaped Indonesian APEC policy in 1994 particularly regarding the process of Bogor Declaration are imperative. This is worth especially in our attempt to obtain more accurate insight of Soeharto’s attitude toward Indonesian foreign policy-making in 1990s.

Abbreviations:

AELM = APEC Economic Leaders Meeting  
ASEAN = Association of Southeast Asian Nations  
APEC = Asia Pacific Economic Cooperation  
Bappenas = Badan Perencanaan Pembangunan Nasional (National Development Planning Agency)  
CGI = Consultative Group on Indonesia  
EAEC = East Asia Economic Caucus  
EPG = The Eminent Persons Group (of APEC)  
G-7 = Group of Seven (US, Canada, Britain, Germany, France, Italy, Japan)  
GNP = Gross National Product  
MoFA = Ministry of Foreign Affairs  
NAM = The Non-aligned Movement  
GATT = General Agreement on Tariff and Trade  
WTO = World Trade Organization  
TICAD = Tokyo International Conference for African Development  
UN = United Nations  
UNCTAD = United Nations’ Conferences on Trade and Development  
US = United States (of America)

References:


1 The official title of the Bogor Declaration is “APEC Economic Leaders’ Declaration of Common Resolve: Bogor Indonesia, November 15, 1994”. Quoted from authentic text (document) limitedly issued by The Ministry of the Foreign Affairs of the Republic of Indonesia, 1994.
2 Garnaut, (1996), 82.
3 Garnaut, (1996), 84.
6 The profile of Dr. Widjojo Nitisastro was derived from various sources, including informal interview with Dr. Widjojo Nitisastro on July 11, 1997.
7 At the diplomatic meetings and conferences, such as the donor-conference of Consultative Group on Indonesia (CGI), APEC and the NAM, although he did not have formal cabinet post, the position of Dr. Widjojo within the Indonesian delegation had been regarded and treated as a “Senior Minister”.

Ben Perkasa DRAJAT
The Sources of Indonesian President Soeharto’s Contradicting Attitude in the APEC and NAM in the Mid 1990s

Interview with a member of economic technocrats, March 23, 1999 and Interview with MoFA official on September 22, 1999.

For other reference on Professor Bintoro’s involvement in APEC diplomacy, see Funabashi, 1996, 89–91.

Mr. Nana Sutresna is now (February 2000) serving as the Indonesian Ambassador to United Kingdom in London.

According to Leo Suryadinata, President Clinton’s comment is a very significant thing both for the prestige of Indonesia and of Soeharto particularly because the international images of Indonesia and Soeharto due to East Timor case and human rights issues were not very bright. See also Suryadinata, (1996), 182.


Regarding Soekarno’s high profile confrontational foreign policy, please consult Michael Leifer (1983).

For a comparison, please consult David Jenkin’s opinion on Soeharto’s dominant role:

“Soeharto stood at the apex of the pyramid. His appointees sat in each of the key executive, legislative and judicial branches of government. His writ extended into every department and into every state-run corporation. In short, he had established himself as the paramount figure in a society in which deference to authority is deeply rooted.” Jenkins (1984), 37.

Adequate references on Soeharto’s role in Indonesian foreign policy in early 1990s are very scarce. One of these very-limited one is an article of Michael R. J. Vatikiotis (1995).

Summarized from Suryadinata (1996), 34–63 (chapter 3 and 4).

Interview on March 27, 1999.

An interesting discussion on recent problems of Indonesia-Australia bilateral relationship for instance was made by Rizal Sukma (1997a).

However, according to Rizal Sukma (1997b), the year of Soeharto’s “supreme authority” in Indonesian foreign policy is 1996.

The term of “new appetite” was firstly introduced by Dewi Fortuna Anwar.

A study on Soeharto’s attitude in his early period of presidency was done, among others, by Gordon Hein Ph. D. dissertation (1986). See also Leifer (1993).

Actually, this is not exactly the triangle because Suryadinata also mentions other actors such as Bappenas, Committee One of House Representative and other institutions. However, other actors are merely regarded as attachments. It seems that Suryadinata introduces this model in a simplified basis, that is a deduction from the general trend in Indonesian domestic politics in early 1980s in which the role of President Soeharto increased at the cost of military’s. As a consequence, Soeharto increased role brought about the expansion of other actors. In foreign policy, MoFA was the actor who was able to increased its role in following Soeharto’s higher profile.

Another important preposition proposed by Suryadinata is that the cultural determinants had influenced Soeharto’s attitude in foreign policy, especially Soeharto’s Javanese background. See Suryadinata (1996), 14–18.

Suryadinata, 47.

Suryadinata’s standpoint in this regard is clear as it can be seen discussion on page 42–47 under the sub title “MFA, the Military and the Increasing Role of Suharto”.

Suryadinata, 45–46.

For comparison, see Sukma (1997a), 252–297 (chapter 7).
In mid 1980s there was a different view on external threat between MoFA and military. See Sukma (1997a), 206–249 (chapter 6).

Regarding ASEAN, please also consult Anwar, Dewi Fortuna (1994).

The actors include business sectors, bureaucrats and technocrats outside the MoFA, political constituencies, families and cronies etc. Further on the new actors in recent Indonesian foreign policy, consult Rezasyah (1995), 249–251.


Regarding ASEAN and APEC, please, among others, refer to Soesastro (1996).


For comparison, see Krause (1994), 19.

Confirmed by an informal sources from Indonesian MoFA, Interview on August 10, 1999.

For comparison, see Vatikiotis (1995), 227.


Interview with Soeharto on March 24, 1999.


Soeharto also admits this fact. Interview March 24, 1999.

“The first time Soeharto announced his idea on having APEC as a vehicle to implement North-South dialog was at the press conference on the airplane in his way back to Indonesia from the First APEC Summit in Seattle on November 24, 1993 (The Jakarta Post, KOMPAS Daily, November 28, 1993). Soeharto continued to defend this argument, even after the end of the Second APEC Summit in Bogor, on November 15, 1994.

The author’s conclusion that derived from Interview with Soeharto on March 24, 1999.

For comparison, see Suryadinata (1996), 181.

Malaysia officially logged a reservation to the Bogor Declaration but it was no regarded as an official document consists of 3 pages diplomatic “aide memoire” sent to Indonesian Government as the organizer of the Second AELM, titled “Malaysia’s Reservations on the Draft APEC Leaders Declaration of Common Resolve, Bogor, Indonesia, November 15, 1994”. Document classified as a restricted circulation (internal usage) from the Ministry of Foreign Affairs of the Republic of Indonesia, Jakarta, 1994 and APEC Secretariat, Singapore, 1994.

Interview with Soeharto on March 24, 1999.

Abstracted from Interview with Soeharto on March 24, 1999.

Abstracted from Interview with Soeharto on March 24, 1999.

Abstracted from Interview with Soeharto on March 24, 1999.

This view was summarized from an interview with Soeharto on March 24, 1999.

As a matter of fact, from various references, there is not standard classification in the grouping of actors in Indonesian foreign policy making. Suryadinata himself only mentions 4 institutions in Foreign Policy Making namely The Ministry of Foreign Affairs, The Military, Committee One DPR (House of Representatives) and the Bappenas (National Planing Agency) —without further detailed elaboration of their functions or roles vis-à-vis President Soeharto’s strong power in decision-making process.

Informally, Ambassador Nana Sutresna was regarded as the second person at the MoFA after the Foreign Minister Ali Alatas. Source: Interview on August 10, 1999.

Interview with Soeharto, March 24, 1999.
Almost all of Indonesian political scientists such as Suryadinata (1996), Vatikiotis (1995) and Sukma (1997a) confirmed that Soeharto was very happy with his role as Chairman of NAM.

Suryadinata’s comment in this regard is “If the NAM Summit was a victory for Soeharto, his address to the General Assembly of the UN soon after the NAM Summit was a greater victory.” Suryadinata (1996), 178.

Another North-South dialogue that was conducted by Soeharto as the Chairman of NAM is the meeting with Japanese Prime Minister in Tokyo on his way back from the UN in November 1992. See Suryadinata (1986), 179.

Soeharto personally denied the existence of his personal relations with President Clinton. From Interview on March 24, 1999.

For comparison, see, among others, Rezasyah (1995), 247–249.

Interview with Mohammad Sadli, October 4, 1999.

According to William Liddle, there were 3 groups, instead of 2, around Soeharto. The third group is the patrimonialists or business cronies whose interest is in the distribution of spoils. See Liddle (1991), 437.

An official from MoFA in charge of APEC indirectly admitted this situation. Interview on August 19, 1999.

Interview on October 4, 1999.

The “development cooperation” is covered in Article 8 of the Bogor Declaration and it is on the page 5 and 6 of the authentic text/document of the Declaration that reads as follows:

(a) “Our objective to intensify development cooperation among the community of Asia Pacific economies will enable us to develop more effectively the human and natural resources of the Asia Pacific region so as to attain sustainable growth and equitable development of APEC economies, while reducing economic disparities among them, and improving the economic and social well-being of our peoples. Such efforts will also facilitate the growth and trade investment in the Asia Pacific region.

(b) Cooperative programs in this area cover expanded human resources development (such as education and training and especially improving management and technical skills), the development of APEC study centers, cooperation in science and technology (including technology transfer), measures aimed at promoting small and medium scale enterprises and steps to improve economic infrastructures, such as energy, transportation, information, telecommunication and tourism. Effective cooperation will also be developed on environmental issues, with the aim of contributing to sustainable development.

(c) Economic growth and the development of the Asia Pacific region has mainly been market-driven, based on the growing interlinkages between our business sectors in the region to support Asia Pacific economic cooperation. Recognizing the role of the business sector in economic development, we agree to integrate the business sector in our programs and to create an ongoing mechanism for that purpose.

Quoted from the authentic text of “APEC Economic Leaders’ Declaration of Common Resolve: Bogor, Indonesia, November 15, 1994” The Ministry of Foreign Affairs of the Republic Indonesia, 1994.
72 From 1989 until 1993 Foreign Minister Alatas was the Head of Indonesian Delegation to the APEC Ministerial Meetings. In 1994 the Head of Indonesian Delegation was removed to the Coordinating Minister for Industry and Trade, Mr. Hartarto.

73 Minister Alatas was the spokesman of UNCTAD when he served as the Indonesian Ambassador to the UN in Geneva in 1978–1983.


75 Funabashi, (1995), 89.

76 See also Funabashi (1995), 89–91.

77 Soeharto (1989).

78 Interview on March 24, 1999.

79 Interview on March 24, 1999.


81 Interview on March 24, 1999.

82 The inconsistency of President Soeharto for a liberal economy can be judged by the fact that in 1995—only one year after APEC—Soeharto proposed a national car industry that was widely protectionism in nature and against the idea of economic liberalization. He provided the privilege of national automotive industry to his youngest son, Hutomo Mandala Putra (Tommy).

83 My interview with Soeharto took place approximately 10 month after his resignation (on May 21, 1998) as the second Indonesian President for 32 year (1966–1998).

84 Regarding the theory of Soeharto’s autonomy please refer to Liddle (1991).

85 This is the author’s personal impression on Soeharto based on the Interview on March 24, 1999.


88 This could also be referred as a phenomenon to what Robert Putnam (1988) introduces as the “two level-games theory”.