

Submission No 3



THE UNIVERSITY OF
MELBOURNE

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Mr Grant Harrison
Secretary Joint Standing Committee on Foreign Affairs,
Defence and Trade
Parliament House
CANBERRA ACT 2600
Australia



Dear Secretary,

Enquiry into Australia's relations with Indonesia: Submission

There is a very broad range of issues which need to be addressed in looking into Australia's relations with Indonesia. Here I seek only to emphasize a few major issues which deserve priority, in my view.

National Integration

The territorial integrity of Indonesia is a matter of interest to Australia. While we must accept that claims for autonomy or even independence have been strengthened by the oppressive policies of the Soeharto years and that ultimately the resolution of these issues will be a matter for Indonesians themselves, in general it is not in the interest of Australia to see Indonesia disintegrate into multiple small nations. The question of how territorial integrity of the state is to be maintained it is therefore a matter for Australian attention.

The current policy of regional decentralization is an unavoidable response to centrifugal forces in the nation, but also raises the prospect of diminishing the degree to which Indonesia functions as a single nation. There are cultural aspects to this, but these are not directly amenable to Australian involvement.

A more tangible issue of great significance is the question of intra-Indonesian economic links. These are vital to maintaining the integrity of the state, by giving Indonesians across the archipelago strong economic reasons to continue to function as a single unit economically.

In this context, the state of inter-island shipping is a salient issue. Not since 1957, when the KPM line was nationalized by the Sukarno regime, has inter-island shipping really been satisfactory in Indonesia. It has suffered serious set-backs since the crisis of 1997. Throughout the country both ships and port facilities are in need of rehabilitation and development.

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I do not use the term 'modernisation' in this respect, for in certain contexts the appropriate technology might be to employ sail power rather than modern diesel engines for the transport of bulk commodities over great distances.

I have had occasion over the years to raise this issue with the World Bank representatives in Jakarta and believe that there is an understanding there of the significance of the issue. Australia itself could only make a small contribution in such a vast matter, but should, in my view, mobilize its influence to press the World Bank and other potential multilateral donors to give maritime infrastructure high priority in Indonesia.

This is even more urgent in the context of regional decentralization, for the capacity of Regencies to gain part of their revenue from local sources seems to be inclining some to impose revenue collection processes at land borders. Anecdotal evidence suggests that there are sometimes a very large number of such revenue collection points which are inhibiting land-based economic interaction.

In this context, inter-island trade by sea will be all the more important.

Religious Developments

I am confident that the Committee will know of claims that radical Islamic networks within Indonesia have links to international Islamic terrorists. While the level of evidence to support those claims is, as I write, very limited, nevertheless one can safely assume that, with a population including something approaching 200 million Muslims, such networks must exist in Indonesia.

We must, however, maintain an appropriate perspective on this. The leadership of Indonesian Islam is remarkable within the Islamic world for its liberality, open-mindedness and original thinking. That liberal and tolerant leadership has strong institutional foundations: notably, the modernist organization Muhammadiyah and the traditionalist Nahdlatul Ulama, which together have a following of 60-80 million people. And the State Islamic University and state Islamic institutes constitute an educational network with over 100,000 students, promoting an intellectual culture of tolerant and liberal Islam.

If extremist views represent a challenge to the leadership of Indonesian Islam, then that is a contest which will be resolved within Indonesia. Again, Australia's capacity to have any direct influence in that matter is very limited, except insofar as we can have a negative impact. That could be achieved by excessively clumsy acts (perhaps in support of American interpretations of events in the region) which would lend validity to the radicals' claim that the West is engaged in a war against Islam. I trust that our political leaders will have the wisdom to avoid any such clumsiness.

In an indirect way, using multilateral agencies, we can support liberal Islam in Indonesia by offering support for the educational networks which sustain their interpretation of their faith. Their schools are extensive but, in common with all educational systems in Indonesia, short of basic infrastructure. Through multilateral agencies such as the World Bank or possibly UNESCO, Australia should seek to mobilize world support for assistance to the educational networks in Indonesia.

People-to-People Relations

Australia needs to address people-to-people relations with Indonesia in a more intensive fashion than has been done to date. It is notable that, when government-to-government relations with Indonesia plummeted in connection with the Australian involvement in the freedom of East Timor, the people-to-people relations and non-governmental networks linking Indonesia and Australia remained strong. Indeed, in some respects they were strengthened by the recognition that the governments on neither side were managing their relationship very effectively.

So building non-governmental relations between Indonesia and Australia is a vital interest for our nation.

The Australia-Indonesia Institute is currently funding an exchange of young Islamic leaders between Australia and Indonesia. This is done through a grant jointly to Professor Virginia Hooker at the Australian National University and to me. So far this program looks most successful. The AII has allocated approximately \$250,000 over three years. It seems already that this will have a multiplier affect and generate even further networks and links between the Islamic communities of Indonesia and Australia, to the mutual benefit of both and to the benefit of Australia-Indonesia relations.

There is, however, much more that could be done. If the initial three years of this exchange program prove to be successful, I would urge a significant expansion of the program.

The Role of Universities

Universities have a particularly important role to play in building our relations with Indonesia.

In the Australian government, the Department of Foreign Affairs and Trade, the Department of Defence, the intelligence community, amongst journalists and more broadly, there is a far higher level of understanding of Indonesia than is to be found in any other developed country.

All of this expertise, however, ultimately depends upon Indonesian studies in our universities. And this, along with Asian studies more generally and, indeed, humanities and social sciences more generally, has suffered seriously in the cuts to universities over recent years. While there are still very considerable scholars of Indonesia to be found scattered widely within Australia, it is sadly the case that major programs of Indonesian studies now exist only at two universities.

A major expansion of Indonesian studies is highly desirable in this country, but I recognize that this issue is likely to be resolved only in the context of a general restoration of humanities and social sciences in our universities. I cannot pretend that I feel optimistic about that.

There are, however, quite specific areas in which targeted funding would be helpful. In particular, a restoration of scholarships which enable postgraduates studying Indonesia (and other areas of Asia) to spend up to twelve months doing intensive language work and research in-country would be immensely invaluable.

When that program existed in previous years, a significant number of the younger scholars of Indonesia who now play a major role in this country took that opportunity. This had the dual benefits of dramatically increasing their language skills and in-country experience and, by allowing them to intermit their other scholarships, giving them the longer period of time for the completion of doctorates which is essential for the study of non-Western areas. Such research work invariably requires extensive language study and fieldwork experience.

It would be highly desirable if any such scholarship program for Australian students were to be matched with a comparable program for postgraduates studying in Indonesia to spend a time in Australia. Here they could consult libraries which are often stronger than their own and interact with their academic colleagues in Australian institutions.

A matter of particular importance is the Australian Development Scholarships (ADS) program. This has enabled a very substantial number of the future intellectual leaders of Indonesia to undertake doctorates in Australia. The long-term good-will created by this opportunity is incalculable.

The ADS program, administered through AusAID, naturally targets development topics. In my experience, AusAID's definition of development has been broad and creative, but an extension of the program into more generally cultural areas of research (eg. literature, film, etc) would be beneficial as well.

I hope that your Committee will find these comments to be of interest. I would be happy to appear before the Committee if that were thought to be helpful.

In the meantime, please accept my best wishes.

Yours sincerely,



M.C. Rickards