

## HEDGING AGAINST CHINA INDONESIA'S STRATEGY TOWARDS ARISING POWER

### Abstract

The growing strategic partnerships between Indonesia and China, notably during the Jokowi administration, have garnered significant scholarly interest, along with widespread analysis and critics, due to its broader political, economic and security implications. This dissertation aims to analyse Indonesia's strategic responses to the increasing interactions with China, taking into account the existing issues and ongoing disputes. It contends that Indonesia's policy responses to China's rising power have been characterised by the embrace of mutually contradictory alternative policies by the Indonesian government in an effort to hedge against the uncertainties generated by the economic power of China. Supported by potential factors influencing the continuation of relations between Indonesia and China, such a hedging strategy proposed by Cheng-Chwee Kuik is comprised of two main categories: Return-Maximizing Options (Economic-Pragmatism, Binding Engagement, and Limited-Bandwagoning) and Risk-Contingency Options (Dominance-Denial and Indirect Balancing). The results of this analysis indicate that Indonesia has successfully adopted a hedging strategy to improve domestic infrastructure and secure a favourable position by participating in China's Belt and Road Initiative (BRI), all the while maintaining a cautious approach towards China. This dissertation intends to view these conducts through the lens of Kuik's hedging strategy, theories conceptualizations of alliances in international relations, Indonesian foreign policy, and China's Belt Road Initiatives in order to trace the development of Sino-Indonesian interactions and analyse their significance and implications.

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