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**RETHINKING INDONESIA-JAPAN RELATIONS
UNDER JOKO WIDODO GOVERNMENT: FOREIGN POLICY CHANGE,
NATIONAL INTERESTS AND CHINA'S RISE**

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ABSTRACT

This research examines the changing dynamics of Indonesia-Japan relations under the government of Joko Widodo (Jokowi), particularly following Japan's disappointment with Indonesia's decision to select China rather than Japan for the Jakarta-Bandung high-speed rail project. Employing a qualitative approach and neoclassical realism as the analytical framework, this study examines how domestic interests and changes in the international structure influenced Indonesia's foreign policy towards Japan. During the Suharto era (1967–1997), Indonesia-Japan relations developed into a close and mutually beneficial partnership, with Japan providing economic assistance and investment to support Indonesia's development. As a developing country rich in natural resources, Indonesia maintained close relations with Japan, a developed country with advanced economic capabilities but limited natural resources, based on complementary economic interests. In the post-Suharto era, particularly under the Jokowi administration, Indonesia's foreign policy towards Japan changed as economic cooperation with China became increasingly prioritized. This study argues that the shift occurred because the Jokowi government perceived China as a more responsive partner in fulfilling Indonesia's national interests, particularly its ambition to accelerate large-scale infrastructure development. Furthermore, changes in the international structure, especially the emergence of China as a major economic power, provided Indonesia with alternative sources of investment and cooperation. Consequently, Japan's relative position in Indonesia's foreign policy declined, although Japan remained an important economic and strategic partner. The findings demonstrate that changes in Indonesia's foreign policy towards Japan were shaped by the interaction between domestic economic priorities and transformations in the regional and international environment.

Keywords: Indonesia-Japan relations, foreign policy, Joko Widodo, Indonesia, Japan.

INTRODUCTION

During the New Order government of President Suharto (1967–1997), Indonesia maintained close relations with Japan to secure the economic assistance and investment needed to develop its economy. Indonesia is a developing country rich in natural resources, whereas Japan is a developed country with an advanced economy and considerable economic power but limited raw materials and energy resources. Thus, the two countries shared complementary interests. As a developing country with relatively limited power, Indonesia pursued a passive foreign policy that focused on domestic interests and maintaining political stability. It prioritized economic development to achieve its national interests. Consequently, Indonesia cooperated closely with Japan, fostering a strong and mutually beneficial relationship that has endured for more than 50 years.

In the post-Suharto era, Indonesia's foreign policy became more assertive, and the country assumed a more active role in international relations. Indonesia's success in developing its economy and democratic political system elevated its status as a 'middle power' in international relations (Acharya, 2014). This enhanced position increased Indonesia's confidence in pursuing its interests vis-à-vis other states. As a result, the attitudes of Indonesian leaders towards foreign countries, particularly Japan, also changed. Indonesia's relations with Japan became more equal, and Japan came to be regarded as a "friend," especially during the Yudhoyono administration (Anwar, 2014). Indonesian leaders became more confident and viewed Japan no longer as a threat to the Indonesian economy but as a development partner.

Under the Jokowi administration, Indonesia's foreign policy towards Japan changed significantly and became less favorable, with Japan no longer regarded as the country's main priority. China's rise in international politics has encouraged many Asian countries to develop closer relations with China, particularly in the economic sphere. Indonesia normalized its relations with China in 1990, but closer ties began to develop only after President Abdurrahman Wahid assumed office in 1999 and continued under President Megawati Sukarnoputri from 2001 to 2004. Gradually, Indonesia moved closer to China, influencing its foreign policy orientation from one that had traditionally favored Western capitalist countries and Japan to one that increasingly engaged with China. Consequently, the relevance of Indonesia-Japan relations to Indonesia's foreign policy has come into question.

This study proposes that the changes in Indonesia's foreign policy towards Japan occurred because the Jokowi administration believed that Indonesia could no longer adequately achieve its national interests through economic cooperation with Japan. The Japanese government's slow response to Indonesia's request for increased investment in infrastructure development prompted Indonesia to seek alternative partners. In addition, changes in the international structure introduced new actors, particularly China, which has emerged as a major global economic power alongside Japan. Indonesia's need to secure investment for its ambitious infrastructure development program was increasingly met by China as a new economic partner, reducing Japan's relative importance. As a result, Indonesia-Japan relations gradually lost some of their significance, even though Japan continued to regard Indonesia as an important partner in economic cooperation.

METHODOLOGY

This study employs library and desk research to examine Indonesia's foreign policy towards Japan under the Joko Widodo administration and its implications for Indonesia-Japan relations. Using a

qualitative approach, the study describes the state of Indonesia-Japan relations as a basis for analyzing the implementation of Indonesia's foreign policy towards Japan. The study also employs neoclassical realism as its theoretical framework to explain the domestic and international factors contributing to changes in Indonesia's foreign policy towards Japan. The paper is organized as follows. First, it presents the literature review and conceptual framework to explain how changes in foreign policy is shaped by domestic politics and the international structure. The second section provides a historical overview of Indonesia-Japan relations. The third section examines the Jokowi administration's domestic economic interests, which contributed to its closer engagement with China and a more distant relationship with Japan. The fourth section analyzes the international structure that influenced changes in Indonesia's foreign policy towards Japan. The fifth section examines Indonesia's approach towards Japan, followed by the conclusion.

RESULTS

Literature Review

Relatively few scholarly studies have examined Indonesia-Japan relations. As a result, Indonesia-Japan relations remain underexplored in the fields of political science and international relations. Most existing studies have focused on the historical development of the relationship between the two countries and its impact on Indonesia's domestic politics. Benedict Anderson's research was among the earliest studies to examine Indonesia-Japan contacts during the Japanese occupation, although it provided only limited discussion of the broader relationship between the two countries (Anderson, 1961).

In the post-independent era, Masashi Nishihara presented a comprehensive study of Indonesia-Japan relations during the Sukarno administration (Nishihara, 1976). Nishihara examined the initial contacts following the end of the Japanese occupation and Indonesia's independence (1945–1958), highlighting the important role of “lobbyists” in advancing the political and economic interests of both countries. Personal ties between President Sukarno and successive Japanese prime ministers, supported by the business community, shaped the orientations and objectives of the bilateral relationship. Although only a limited number of studies have been published, Nishihara's work paved the way for subsequent research on Indonesia-Japan relations.

From a foreign policy perspective, Dewi Fortuna Anwar (1990) examined Indonesia's relations with China and Japan during the Suharto administration. Anwar argued that leaders' perception of the threats posed by the power projection of China and Japan shaped Indonesia's relations with the two countries. During the Cold War, Indonesia froze its relations with China because of its perceived involvement in the failed communist coup attempt in 1965. Indonesia viewed relations with China as potentially dangerous because of the possible spread of communism through subversion and infiltration, which could have undermined the country's political stability. Meanwhile, relations with Japan were viewed more favorably because Indonesian leaders believed that Japan contributed to the country's economic development, despite the legacy of the Japanese occupation. Japan, as a rising economic power at the time, was regarded with admiration, and an economically focused relationship was not perceived as a threat to Indonesia's political stability or national security. Consequently, Indonesia-Japan relations became an important component of Indonesia's foreign policy during the Suharto administration.

McIntyre examined Indonesia–Japan relations from the perspective of power relations, focusing on the differences in power between Indonesia and Japan (MacIntyre, 2000). Given that Japan was regarded as a “superpower” while Indonesia was considered a “small power,” Japan could potentially exercise “political leverage” over Indonesia. However, Japan’s lack of assertiveness in foreign affairs weakened its political leverage over Indonesia. Moreover, Indonesia’s important role as a supplier of energy and raw materials to Japanese industries made Japan dependent on Indonesia. McIntyre’s analysis highlighted the limitations of Japan’s ability to exercise power in its relations with Indonesia. His study was therefore closely related to foreign policy analysis. More recent studies on Indonesia-Japan relations include publications by Saputro (2021) and Ziegenhein (2022). Saputro focuses on Indonesia-Japan economic and financial relations, whereas Ziegenhein examines Indonesia-Japan relations more broadly, covering political, economic, and security issues. Although both studies provide comprehensive accounts of Indonesia-Japan relations, their analyses of the implementation of Indonesia’s foreign policy towards Japan remain relatively limited. Consequently, they do not adequately explain why Indonesia despite maintaining very close relations with Japan for more than 60 years, eventually began to restrain its economic cooperation with Japan and shift its focus towards China.

The previous research has been heavily influenced by political realism in international relations, emphasizing the pursuit of national interests through foreign policy and the role of domestic politics in shaping state behavior. Consequently, Indonesia-Japan relations, which are based on mutually compatible national interests, have largely been taken for granted, making changes in the relationship between the two countries difficult to anticipate. This study builds on Anwar’s work by analyzing Indonesia-Japan relations through a foreign policy framework while offering a new interpretation based on neoclassical realism. It argues that changes in state behavior are influenced not only by domestic politics but also by changes in the international structure. Therefore, Indonesia’s changing attitude towards Japan can only be fully understood by examining both domestic political factors and the evolving international environment. The following section presents the theoretical framework in greater detail.

Conceptual Framework

This section presents the conceptual framework for understanding Indonesia’s foreign policy changes towards Japan under the Jokowi administration. It employs the neoclassical realism theory developed by Gideon Rose (1998), which emphasizes the interaction between domestic and international structures in shaping states’ behavior towards other states, as reflected in foreign policy aimed at achieving national interests.

Foreign policy is a central concept in the study of international relations. Holsti (1992) defines foreign policy as a state’s response to both the external environment and domestic conditions through the formulation of policy. Chandra (1995) defines foreign policy as a series of activities undertaken by a community or state to influence the behavior of other states while simultaneously adapting its own activities to the international environment. James N. Rosenau defines foreign policy as a state’s effort, through its attitudes and activities, to respond to and benefit from the external environment in pursuit of its national interests and according to its capabilities (Chandra, 1995). Foreign policy encompasses the formulation and implementation of values and principles that shape states’ patterns of behavior in their interactions with other states to protect their national interests (Holsti, 1992). The formulation of these values and principles are closely related to national interests, which constitute the foundation of foreign policy.

Holsti and Chandra both classify the goals of foreign policy into five categories: defending national integrity, promoting economic interests, guaranteeing national security, maintaining national prestige and strengthening national power, and promoting world order. Foreign policy cannot be implemented without a driving force, namely the pursuit of national interest, which are broadly defined as the objectives that states seek to achieve through foreign policy. According to Coulumbis and Wolfe (1990), national interest remains the central variable in efforts to define or explain states' behavior in international relations. As the goals that guide states in international relations, national interests provide direction for decision-makers in the formulation of foreign policy. The use of foreign policy to achieve national interests has long dominated foreign policy analysis. State behavior driven by self-interest is a defining characteristic of classical realism.

Richard N. Haass's well-known observation that "foreign policy begins at home" (Haass, 2014), reflects the view that foreign policy originates in domestic politics. Foreign-policy studies have traditionally focused on domestic politics, an approach commonly referred to as the *Innenpolitik* school of foreign-policy theory (Snyder, 1991). This school emphasizes the domestic factors that influence the behavior of policymakers, particularly state leaders, in the formulation of foreign policy. It assumes that domestic factors, such as political and economic ideology, the democratic political system, national character, partisan politics, and socioeconomic structure, determine how states behave toward other states in the international system (Rose, 1998).

Studies emphasizing domestic factors have formed the basis of much foreign policy analysis. However, this approach has two main weaknesses. First, states with similar domestic political systems often respond differently to the same external conditions. Second, states with different domestic political systems respond similarly to external challenges. Consequently, the *Innenpolitik* school has been challenged by neorealists and structural realist scholars, who emphasize the influence of the international system on state behavior. This debate gave rise to two major strands of realist thought—"offensive realism" and "defensive realism." Both approaches assume that states behave in response to the threats and constraints arising from the international system.

Interactions among states situated within the international environment are determined by rational calculations and by the international system in which they operate. According to Waltz, "foreign policy is driven by both internal and external factors" (Waltz, 1996). Therefore, foreign policy analysis should also consider the external factors that influence decision-making. The theoretical framework that supports this view is neoclassical realism, regarded here as the fourth school of foreign policy theory, initially developed by Rose (1998). Neoclassical realism—a reinterpretation of classical realism and neo-realism—emerged from foreign policy studies by integrating the structure of the international system with domestic factors and examining their complex interactions (Firoozabadi & Ashkezari, 2016). According to Rose (1998), The scope and ambition of a country's foreign policy is driven first and foremost by its place in the international system and specifically by its relative material power capabilities. This is why they are realist... however, that the impact of such power capabilities on foreign policy is indirect and complex because systemic pressures must be translated into intervening variables at the unit level. This is why they are neoclassical.

Thus, this theory provides a comprehensive analytical framework by combining systemic and unit-level factors in foreign policy analysis, enabling a more complete understanding of foreign policy through the integration of insights from both classical realism and neorealism. This approach is reflected in Kitchen's (2010) observation that "neoclassical realism explicitly incorporates both internal and external variables, updating and systematizing certain insights drawn from classical realist thought."

Proponents of neoclassical realism argue that the theory is better able to explain state behavior than structural realism as developed by Kenneth Waltz.

Furthermore, Gideon Rose explains that international pressure on the state must be translated through intervening variables at the unit level before they can influence foreign policy. These intervening variables include domestic politics, state power and institutions, leaders' perceptions, and the influence of ideas on foreign policy. Together, they help explain how states respond to changes in the international environment and how such responses shape foreign policy behavior. One intervening variable highlighted by Kitchen is the role of strategic ideas, which is particularly relevant to this study. According to Kitchen (2010), "statesmen have always used certain principles to guide their actions in the uncertain and anarchic world of the international system, developing identities and postures for their nations in often violent competition with others." This observation highlights the role of ideas in the formulation and implementation of foreign policy.

By employing neoclassical realism as its analytical framework, this study argues that the changes in Indonesia's foreign policy towards Japan under the Jokowi administration can be understood as the result of interactions between changes in the international structure and domestic interests. Indonesia's priority of accelerating infrastructure development motivated the government to orient its foreign policy towards countries, particularly China, that could provide the required investment. At the same time, the international structure evolved with the rise of China, which actively expanded its engagement with Indonesia, a country that had emerged as a "middle power."

This qualitative study draws on a range of primary and secondary sources including official documents, written reports, books, and journal articles, to address the research questions. The findings indicate that when national interests can no longer be adequately fulfilled within an existing bilateral relationship, changes in foreign policy may occur. They also demonstrate that changes in the international structure influence state behavior in its relations with other countries. These findings challenge the assumption that the close relationship between Indonesia and Japan is inherently stable or can simply be "taken for granted." In doing so, the study contributes to a deeper understanding of Indonesia-Japan relations and highlight the need for further research on this evolving bilateral relationship.

Indonesia-Japan Relations: An Overview

Indonesia-Japan relations in the post-war era began with Japan's reparation payments to Indonesia following Japan's defeat in the Second World War in 1945. The Indonesian government actively negotiated the terms of these payments, as it required substantial economic resources for nation- and state-building. For Indonesia, the reparations were important in transforming the relationship from one of occupation and conflict to one of cooperation and partnership. Indonesia's need for economic assistance, trade, and investment to support its development placed Japan in a prominent position in Indonesia's foreign policy. Consequently, economic interests became the cornerstone of Indonesia-Japan relations from the outset, laying the foundation for long-term bilateral relations. Both countries agreed to develop their relationship on the basis of mutual economic interests. The reparation payments also provided an important foundation for Indonesia's economic development, which was subsequently supported by substantial amounts of Official Development Assistance (ODA) from the Japanese government.

From 1945 to 1958, during President Sukarno's administration, Indonesia's foreign policy towards Japan was primarily directed at securing support for the newly independent state. Indonesia's foreign

policy was strongly influenced by nationalism, which emphasized complete independence from foreign domination and the active promotion of anti-colonialism among developing countries (Sukma, 1995). Relations with Japan centered on negotiations over war reparations and culminated in the signing of the 1958 peace treaty. Under the agreement, Indonesia received reparation payments amounting to US\$800 million in the form of infrastructure projects, technical assistance, and import financing, marking the formal establishment of diplomatic relations between the two countries. However, between 1958 and 1965, Indonesia-Japan relations did not develop significantly in political or strategic terms because President Sukarno pursued a more “radical” foreign policy. He shifted Indonesia away from the Western bloc—of which Japan was considered a part—and promoted the New Emerging Forces (NEFO), which included China (Tjin, 2011). Nevertheless, Indonesia-Japan relations continued to be regarded as “special” because, although the Sukarno administration aligned itself more closely with the communist bloc, economic cooperation with Japan continued with relatively few disruptions. Japan maintained its engagement with Indonesia by focusing on economic cooperation while avoiding politically sensitive issues.

When the Sukarno administration fell following the abortive coup attempt associated with the Indonesian Communist Party in 1965, Japan was the last non-communist country to withdraw its support for Sukarno (Olson, 1970). A few months before the coup attempt, Japan had continued to provide yen loans amounting to US\$37 million for textiles and other consumer goods under the so-called “Kawashima” credit scheme (Olson, 1970). Indonesia benefited from Japanese support because of the close personal relationship between President Sukarno and Japanese Prime Minister Sato Eisaku, as well as Japan’s strong political and economic interests in Indonesia. As Japan recovered from the economic difficulties that followed the Pacific War, economic cooperation with Indonesia became an important component of its strategy for achieving sustained economic growth.

President Suharto assumed power in 1967, replacing Sukarno and reorienting Indonesia’s foreign policy from the Communist bloc towards the Western bloc. Under Suharto, Indonesia’s foreign policy was strongly anti-communist and focused on three main objectives: achieving economic growth through development, maintaining political stability and national security, and containing the spread of communist influence both domestically and internationally (Weinstein, 1972). Within the context of the Cold War, Indonesia’s foreign policy orientation aligned closely with the interests of the United States (US) and its key regional partner, Japan, particularly in supporting the policy of containing communism. Consequently, Indonesia received substantial economic assistance and investment to support its development.

During the Suharto administration, Indonesia’s relations with Japan became exceptionally close because of the mutual economic interests shared by the two countries. Indonesian-Japan relations developed into a strong and mutually beneficial partnership that may be regarded as the “golden era” of bilateral relations, during which Indonesia was able to realize many of its national interests through economic cooperation with Japan. This partnership contributed significantly to Indonesia’s economic development and political stability. Political unrest surrounding Japanese Prime Minister Tanaka’s visit in 1974 slightly strained relations between the two countries. Nevertheless, Indonesia-Japan relations during the Suharto era demonstrate how foreign policy was effectively used to advance national interests in economic development and political stability, supported by the favorable international structure of the Cold War.

Suharto’s rule, which lasted for more than three decades, came to an end in 1998 following the economic and political crises that undermined Indonesia’s economic achievements and brought authoritarian rule

to a close. Indonesia subsequently entered the “Reformasi” era, which ushered in successive democratic administrations under Abdurrahman Wahid (1999–2001), Megawati Sukarnoputri (2001–2004), Susilo Bambang Yudhoyono (2004–2014), and Joko Widodo (Jokowi) (2014–2024). These administrations faced broadly similar domestic challenges, particularly the need to recover from the economic and political crisis of 1997–1998. Consequently, economic reconstruction became a central policy priority, with foreign policy serving as an important instrument for achieving this objective. As the international structure had shifted from the bipolar order of the Cold War to the post-Cold War era, Indonesia’s foreign policy assumed more diverse orientations. Nevertheless, its primary function remained largely unchanged, namely the pursuit of national interests through economic development.

In the democratic era, Indonesia-Japan relations experienced both periods of cooperation and tension as a result of adjustments in Indonesia’s domestic politics following democratization and the restructuring of the international environment. These development gave rise to changes in foreign policy that affected Indonesia-Japan relations, which were no longer consistently treated as a top priority. The Wahid administration shifted Indonesia’s foreign policy orientation towards the East by introducing the idea of an “Asian Identity” and proposing an alliance among Indonesia, India, Russia, and China, supported by Japan and Singapore (Wahid, 2000). This proposal was regarded as unconventional and reflected an anti-Western foreign policy orientation. Although Japan did not embrace Wahid’s proposal, bilateral relations remained generally positive. Nevertheless, Wahid’s efforts to secure economic assistance and attract foreign investment achieved only limited success. One reason was his government’s uncooperative stance towards the International Monetary Fund (IMF), which played a crucial role in Indonesia’s economic recovery program and whose assistance was also strongly supported by Japan. The deterioration in relations between the Wahid administration and the IMF culminated in the cancellation of the financial assistance scheduled for disbursement in 2001. Japan subsequently followed by cancelling a loan to Indonesia amounting to 39.5 billion yen because the Indonesian government had failed to meet the conditions required for its disbursement (Gunn, 2006). This decision came as a “shock,” as it marked the first time in the long history of Indonesia-Japan relations that Japan had rejected Indonesia’s request for financial assistance.

The rise of President Megawati, who replaced Wahid following his impeachment by the People’s Consultative Assembly (Majelis Permusyawaratan Rakyat [MPR]), shifted Indonesia’s foreign policy orientation back towards the West and its ASEAN neighbors. Megawati adopted a more accommodating approach towards the West and Japan, resulting in increased economic assistance, particularly in the form of Official Development Assistance (ODA). However, efforts to attract foreign direct investment remained largely unsuccessful. Relations with Japan became increasingly close, partly because the international environment following the 11 September 2001 terrorist attacks in the US prompted Japan to encourage Indonesia to align with the US-led “war on terror” campaign. During the Yudhoyono administration, Indonesia’s foreign policy became more assertive, with the country playing a more active role in international affairs. Relations with Japan also strengthened because of the close alignment of interests, particularly in economic development. Indonesia received development assistance to support various infrastructure projects, although Japanese private investment remained relatively limited. To encourage greater foreign investment in infrastructure development, the Yudhoyono administration organized an investment summit. Japan responded by proposing Public-Private Partnership (PPP) cooperation in infrastructure development, an initiative that Indonesia welcomed. Overall, Indonesia-Japan relations during the Reformasi era demonstrate how foreign policy was employed to advance national interests through economic development, attract investment from partners with different political orientations, and adapt to changing international political circumstances.

Domestic Interest in Jokowi's Foreign Policy towards Japan

President Joko Widodo (popularly known as Jokowi) became Indonesia's second president to be elected through a direct presidential election in 2014 and was re-elected in 2019. Coming from outside the traditional political elite, Jokowi had limited experience in foreign policy. Consequently, he stresses Indonesia's national interests as the center of foreign policymaking. In particular, economic interests became the government's foremost priority, as reflected in its policy of "economic diplomacy" towards various countries to maximize economic benefits for Indonesia. The Jokowi administration inherited challenging economic conditions at the end of the Yudhoyono administration, characterized by slowing economic growth, inadequate infrastructure, and insufficient investment, particularly from foreign sources.

The Yudhoyono administration's foreign policy principle of a "thousand friends and zero enemies" was replaced by Jokowi's emphasis on "win-win relationships" with partner countries. Jokowi stressed that Indonesia should derive tangible benefits from maintaining equal relationships with other countries. He underscored this pragmatic approach by stating, "If it's not beneficial, I won't do it" (Qin, 2015). In practice, Jokowi placed greater emphasis on bilateral than multilateral relations. This approach also affected Indonesia's engagement with ASEAN, long regarded as the cornerstone of Indonesia's foreign policy. Under Jokowi, ASEAN assumed a less prominent position because it was not perceived as offering immediate or tangible benefits in terms of securing economic assistance and investment. Consequently, Indonesia's relations with ASEAN became increasingly pragmatic and transactional, as illustrated by the policy of sinking Vietnamese fishing boats engaged in illegal fishing in Indonesian waters. These foreign-policy priorities shaped Indonesia's foreign policy, consistent with the neoclassical realist emphasis on the role of domestic politics influencing state behavior.

Jokowi's foreign policy ideas and orientation are reflected in the foreign policy manifesto outlined in his presidential election campaign's vision and mission statement, which identified four main priorities: promoting Indonesia's identity as an archipelagic state, enhancing the global role of Indonesia as a middle power, expanding engagement in the Indo-Pacific region, and further reforming the Ministry of Foreign Affairs with an emphasis on economic diplomacy (Widodo & Kalla, 2014). This document provides the clearest statement of the Jokowi administration's foreign policy orientation. In official policy, Indonesia's foreign policy was centered on three priorities: safeguarding national sovereignty, enhancing the protection of Indonesian citizens, and intensifying economic diplomacy (Parameswaran, 2015). Overall, economic interests became the dominant objective of Indonesia's foreign policy pursued through a more strategic and purposeful approach rather than through pragmatism alone.

In his first foreign policy speech at the ASEAN Summit, Jokowi stated: "national interests are the motivation for cooperation with other countries" and further emphasized, "We have to make sure the national interest cannot be lost" (Aizawa, 2015). The principle economic objective that Jokowi sought to achieve was infrastructure development, particularly in the maritime sector. At international meetings and in discussions with foreign leaders, Jokowi consistently emphasized need for foreign investment, including at the Asia-Pacific Economic Cooperation (APEC) Summit in Beijing shortly after his inauguration in 2014 (Witular, 2014). He announced an ambitious plan to increase investment in infrastructure to support an annual GDP growth rate of 7 percent throughout his administration (Siwage, 2016). In pursuing this agenda, Indonesia was actively courted by China, which offered substantial investment and development assistance. Since its emergence as an economic power, China has increasingly expanded its economic assistance across Asia and African countries (Sigit et al., 2023). Consequently, Jokowi developed closer relations with China, viewing it as the partner most capable of

supporting Indonesia's ambitious infrastructure program. His foreign policy reflected a preference for practical problem-solving and pragmatic policymaking rather than abstract theorizing.

Furthermore, Indonesia's national interests in foreign policy were reflected in the maritime doctrine that envisioned the country as a "Global Maritime Fulcrum" in the Indo-Pacific region (Schwartz, 2015). The doctrine proposed that Indonesia would become a maritime fulcrum between the Indian and Pacific Oceans, positioning itself among major powers such as the US and China while promoting the two oceans as peaceful and open maritime spaces for international trade (Kurlantszick, 2014). This vision was ambitious and arguably difficult to realize, particularly from a financial perspective. The Global Maritime Fulcrum doctrine placed greater emphasis on economic development and domestic welfare than on defense and security. As such, it represented a significant shift in Indonesia's foreign policy and became the centerpiece of the Jokowi administration's foreign policy agenda (Chen et al., 2014). To realize this vision, Jokowi strengthened cooperation with China, whose One Belt One Road (OBOR), later known as the Belt and Road Initiative (BRI), aligned closely with Indonesia's infrastructure development agenda. In this way, Indonesia's national interest converged with China's strategic interests, creating opportunities for extensive cooperation in infrastructure development. Meanwhile, cooperation with Japan on infrastructure development under the Master Plan for the Acceleration and Expansion of Indonesia's Economic Development (Master Plan Percepatan dan Perluasan Pembangunan Ekonomi Indonesia [MP3EI]) which had been promoted during the Yudhoyono administration, lost much of its prominence, although several projects continued to be implemented.

Since assuming office, Jokowi has adopted a relatively accommodating approach towards China in Indonesia's foreign policy. Nevertheless, many observers and domestic actors have remained skeptical of closer relations with China because of the historical legacy of bilateral relations (Sukma, 2009). Among other indicators, Jokowi's first official visit outside ASEAN was to China, followed by a visit to Japan. During his visit to Beijing in June 2015, the President reaffirmed Indonesia's commitment to join the newly established China-led Asian Infrastructure Investment Bank (AIIB). There were three main reasons why the Jokowi administration moved closer to China: to achieve a more balanced trade relationship, to gain access to financial resources from China's vast economy for infrastructure development, and to promote economic growth, security, and stability in Southeast and East Asia (Choiruzzad, 2014). Jokowi's approach towards China also aligned with Beijing's policy of strengthening relations with Southeast Asian countries, particularly ASEAN member states. However, Indonesia's relations with China have remained complex, creating challenges for Indonesia in maintaining its position as a 'middle power' with an important role in Southeast and East Asia. Consequently, the consistency of this approach with Indonesia's long-standing principle of an independent and active foreign-policy has been questioned. If Indonesia were to apply this principle consistently, its relations with China would be expected to remain balanced with those of other major powers, particularly the US and Japan. By moving closer to China, Indonesia appeared to shift its foreign policy orientation in China's direction, reducing the relative prominence of its relations with the US and Japan.

International Factors Influencing Jokowi's Foreign Policy

The international factors that influenced changes in Indonesia's foreign policy, and consequently affected Indonesia-Japan relations, were the transformation of the international structure following the end of the Cold War and the rise of China as a new major player in world politics, particularly in East Asia. At the same time, Indonesia emerged as both a "middle power" and an "emerging economy."

These developments were especially pronounced in East Asia, making the region more dynamic than many other parts of the world.

China's emergence as a major global economic power introduced a new strategic actor into East Asia, where regional dynamics had previously been shaped primarily by ASEAN and Japan under the broader influence of the US. As a result, the regional balance of power changed with China's growing presence. It can be argued, however, that China's integration into the regional order did not initially cause major disruption because it pursued a policy of "peaceful rise." Nevertheless, China's rapid economic ascent contrasted sharply with developments in the US and Japan, both of which experienced prolonged periods of economic stagnation. Japan's economy stagnated following the collapse of its asset bubble in the early 1990s, while China's economic influence in East Asia expanded significantly (Tsunekawa, 2009). Japan's economic position also weakened because of, among other factors, declining foreign direct investment (FDI) and prolonged weak domestic demand. Consequently, many countries welcomed China's growing role in the international economy and viewed it as a potential new engine of economic growth for East Asia. These changes in the regional balance of power inevitably prompted countries in the region to adjust their foreign policies. In Indonesia's case, they encouraged a reassessment of its foreign policy towards Japan. The relatively stable Indonesia-Japan relationship that had prevailed for more than four decades with few significant disruptions increasingly faced challenges from a rising China, which had actively sought to strengthen its relations with Indonesia following the normalization of bilateral ties in the 1990s.

Indonesia's foreign policy faced at least three challenges arising from changes in the international structure during the post-Cold War era. First, the normalization of Indonesia-China diplomatic relations influenced Indonesia's foreign policy orientation, gradually reducing its previous emphasis on traditionally pro-Western and pro-capitalist partners. Second, Indonesia's economic and political crisis, triggered by the Asian Financial Crisis in 1997, weakened its position in international relations, particularly within ASEAN. This situation created an opportunity for China to strengthen its relations with Indonesia by maintaining the stability of its currency exchange rate, which helped prevent further deterioration of the regional crisis. Third, following the collapse of Suharto's authoritarian regime in 1998, Indonesia's democratization process transformed its international identity into that of an emerging democracy and middle power. These developments also influenced Indonesia's foreign policy priorities. As a traditional partner of Western countries, Japan initially occupied an important position in Indonesia's foreign policy orientation; however, this gradually changed as Indonesia expanded its engagement towards the East.

Indonesia's responses to political changes in East Asia after the end of the Cold War and the rise of China were reflected in two major foreign policy adjustments: changes in foreign policy direction and orientation, and changes in foreign policy objectives regarding Japan. In terms of foreign policy orientation, the end of bipolarity in international politics altered Indonesia's strategic outlook from one primarily oriented toward the West—particularly the US, Europe, and Japan—to one that sought a more balanced engagement with both Western and Eastern powers. In this context, relations with former communist states became less problematic because ideological conflicts that had previously shaped international politics had diminished. The most significant development was the restoration of diplomatic relations with the People's Republic of China (PRC), followed by renewed engagement with other former communist states, particularly those in Eastern Europe.

However, although diplomatic relations between China and the former communist states of Eastern Europe were normalized, there were limited efforts to develop these relationships into more productive

partnerships that could advance Indonesia's political and economic interests. Therefore, the normalization of relations primarily served as a symbolic indication that Indonesia had become a more assertive actor in international affairs.

It was only in the post-Suharto era, beginning in 1998, that Indonesia-China relations entered a new phase of active re-engagement and cooperation, particularly in the economic sphere (Sukma, 2009). Under President Abdurrahman Wahid (1999–2001), who promoted the concept of an “Asian Identity” as part of his foreign policy vision, Indonesia sought closer relations with China to create a balance in its engagement with major powers in East Asia. President Megawati Sukarnoputri further strengthened relations with China by seeking greater trade opportunities and foreign investment. Meanwhile, President Yudhoyono pursued a more balanced foreign policy approach, positioning Indonesia between China and Japan. He also sought to project Indonesia as an important factor in global affairs by viewing foreign policy as an instrument to enhance Indonesia's status as an emerging middle power (Weatherbee, 2015).

Jokowi's Approach towards Japan

Under Jokowi's presidency, Indonesia-Japan relations, which had been developed and maintained over many decades under previous administrations, received relatively less attention. As Indonesia strengthened its engagement with China, its relations with Japan appeared to become less prominent within Indonesia's foreign policy priorities in East Asia.

Indonesia's closer relationship with China raised concerns in Japan, which subsequently encouraged Jokowi to maintain a balance between the two countries. However, maintaining an equal balance between China and Japan has been challenging because the two countries have different economic roles and strategic interests in Indonesia. China has become an important source of imports, whereas Japan remains a significant export destination and long-standing economic partner. At the same time, both countries share similar interests in expanding their political, security, and economic influence in Southeast Asia. Given Indonesia's strategic position in the region, particularly its central role within ASEAN, the country remains an important partner for both China and Japan.

Indonesia-Japan relations experienced several significant constraints during the Jokowi administration, and Indonesia disappointed Japan in several instances (Juwana, 2015). From the Japanese perspective, Jokowi's approach towards Japan appeared inconsistent and lacked a strong commitment to maintaining the traditionally close relationship. Since assuming office in October 2014, Jokowi's engagement with Japan was perceived as less enthusiastic compared with previous administrations (Suzuki, 2017). The most significant setback for Japan was Jokowi's decision to select China, rather than Japan, as the partner for the Jakarta-Bandung high-speed rail (HSR) project. In 2015, China won the tender to construct the high-speed rail project, valued at US\$5.2 billion. Japan's defeat in the bidding process was not merely an economic setback but also carried significant symbolic and political implications for Indonesia-Japan relations. As Kijima, the Japanese envoy involved in promoting the project, stated, “The high-speed rail is a symbol of national pride and development in Japan, and it will come as a shock to Japan and its people if the project goes to China” (Japan Times, 2015).

Another Japanese official stated that Tokyo did not consider the HSR to be a low priority for the Jokowi administration. He argued that “There was a big perception gap between Japan and Indonesia,” suggesting that Japan needed to offer public-private partnership arrangements rather than relying solely on bilateral financing (Harding et al., 2015). Japanese disappointment was partially alleviated by

Indonesia's continued engagement with Japan in other infrastructure projects that had been initiated or discussed during the previous administration. These included the development of Patimban Port, improvements to the 750-kilometre railway connection between Jakarta and Surabaya in 2016, and the Jakarta Mass Rapid Transit (MRT) project. In addition, Japanese company Inpex secured a contract to develop the Masela Block natural gas project in Maluku, one of the world's largest liquefied natural gas (LNG) projects.

Another area in which Japan perceived growing competition with China in Indonesia was security cooperation. Indonesia and China had gradually developed closer military relations, with Indonesia acquiring Chinese-made missiles and other military equipment (Japan Times, 2015). Japan's interest in Indonesia, however, remained unchanged, as Tokyo sought to maintain its reliance on the United States Pacific Command for regional security while simultaneously pursuing a more Asia-centric foreign policy (Sudarsono, 2015). Japan also recognized Indonesia's growing status as a middle power, as reflected in Japanese Defense Minister Gen. Nakatani's description of Indonesia as "a major power of ASEAN" (Japan Times, 2015). Indonesia's strategic position in maintaining peace and security in Southeast Asia made it an important partner for Japan. Therefore, Japan sought to strengthen security cooperation with Indonesia, particularly in the defense sector. As Defense Minister Nakatani emphasized, "Strengthening the relationship in the defense sector with Indonesia, particularly air and maritime defense . . . is indispensable for peace, stability, and prosperity in the whole region, including Southeast Asia" (Japan Times, 2015).

To balance Indonesia's increasingly closer relations with China, particularly regarding Jokowi's Global Maritime Fulcrum policy, Indonesia strengthened maritime cooperation with Japan through the establishment of the Indonesia-Japan Maritime Forum (IJMF) in December 2016. At the launch of the forum, Japanese Prime Minister Shinzo Abe stated, "As a fellow maritime country, Japan is prioritizing maritime cooperation with Indonesia. Japan is encouraging active cooperation in the field of maritime security with Indonesia (to develop) its remote islands through the Indonesia-Japan Maritime Forum" (Dyah, 2017). The forum aimed to enhance Indonesia's capacity to protect its coastal areas and strengthen maritime infrastructure development.

Considering the long history of political and economic relations between the two countries, it is necessary to rethink the significance of Indonesia-Japan relations under the Jokowi's administration. If bilateral relations are assessed solely from the perspective of achieving immediate national economic interests, failure to obtain expected benefits may encourage a government to seek alternative partners that appear more advantageous. However, such an approach may overlook the broader strategic value of long-standing diplomatic relationships. Therefore, Indonesia needs to consider not only economic interests but also political considerations and changing international structures when formulating its foreign policy towards Japan. Taking these broader factors into account is essential to strengthening and sustaining Indonesia-Japan relations. In this way, the partnership between the two countries can continue to develop despite changes in domestic priorities and the international environment.

CONCLUSION

Indonesia's close relations with Japan changed significantly during the administration of President Joko Widodo, becoming relatively less prominent compared with the approach of President Yudhoyono, under whom Indonesia-Japan relations remained particularly strong. During Yudhoyono's presidency, Indonesia's closer engagement with China did not lead to a distancing from Japan because Yudhoyono

was able to maintain a balance in relations with both countries. In contrast, under Jokowi's administration, Indonesia's increasing engagement with China contributed to the relative decline of Japan's position in Indonesia's foreign policy priorities. This research finds that Indonesia's domestic economic interest, particularly the need to attract investment for large-scale infrastructure development, were a major factor behind this shift. China was perceived as more responsive than Japan in providing the investment and financial resources required by Indonesia. Consequently, Indonesia's foreign policy orientation gradually shifted towards China, while Japan's relative importance declined. From the perspective of Indonesia's national interest in accelerating infrastructure development, closer relations with China were considered more beneficial because China could provide development resources more quickly and with fewer constraints. As a result, Indonesia-Japan relations received comparatively less attention.

At the same time, changes in international structure after the end of the Cold War contributed to Indonesia's emergence as a middle power capable of pursuing a more independent and flexible foreign policy. Indonesia gained greater freedom to determine its external partnerships based on its strategic interests. The preference for closer cooperation with China rather than Japan reflected the impact of China's emergence as a major economic power and the changing distribution of economic influence in East Asia. Indonesia responded to these structural changes by pursuing partnerships that could fulfill its immediate development needs. Meanwhile, Japan's relative economic decline reduced its ability to serve as the primary driver of Indonesia's economic development compared with previous decades. Therefore, this research supports neo-classical realism as an appropriate theoretical framework for explaining changes in Indonesia's foreign policy towards Japan. The shift was not caused by a single factor but resulted from the interaction between domestic political and economic priorities and changes in the international structure surrounding Indonesia.

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