Chapter-VII

Conclusion

India-Indonesia partnership is multifaceted and moving slowly in the right direction. The political, economic, and strategic cooperation which had been diluted during Cold War years are revived and both attach due importance to emerging relationship.

India had always opposed the role of military in politics of the country, but Indonesia had embraced dwifungti (dual role of the Armed Forces). The role of civilian leaders were projected as dirty compared to the role of the military, which were projected as dynamic and honest.

However, the situation started changing in Indonesia when Suharto resigned in 1998, and the country began to move on the democratic path. India began to look for missing links in the emerging order with keen interests. Indian Prime Minister, Atal Bihari Vajpayee and Indonesian President Abdurrahman Wahid exchanged state visits and friendly environment was found on both sides.

The strategic cooperation, which were dismal during cold war years, were revived. India invited Indonesia for joint exercises in the Andamans and see its strategic installations in the region. It assured to cooperate in collective surveillance of Malacca straits and exploration of Indian Ocean on the common borders.

India supported Indonesian policies on the question of East Timor. Unlike Australia and the Western World, it abstained from discussing Indonesian Omission and Commission in East Timor. Although India had sent its forces for peace keeping
in Cambodia, it did not like to involve herself in East Timor now may be independent but it. Indians do believe that East Timor is located in Indonesian archipelago and Indonesia had obligations to take interests in East Timor affairs.

India- Indonesia economic partnership are improving in the past one decade. Two-way trade which stood at US$1575.8 million in 2001-02 increased to US$2212.03. India is an attractive market for Indonesian goods and commodities, such as paper, and paperboard, wood pulp, synthetic fibres, edible oil (Palm Oil), etc. On the other hand Indonesia is an attractive market for Indian goods, namely feeding stuff for animals, vegetable oils, drugs, pharmaceuticals, organic and inorganic compounds, hydrocarbon, ingots, cotton and cotton yarn, ferro-alloys, automotive parts, etc.

India is regarded useful in the service sector. Information technology (IT) and biotechnology of India are very modern, and there is a vast, scope for establishing cooperative relations in those areas. The rapid globalisation of the software industry in recent years has focussed a great deal of attention on India whose software industry is now a small but a growing industry. It has a substantive share in IT software and services and has emerged as a preferred outsourcing destination. Indians have displayed expertise of global market trends, skills, needs and standards and if tried, it may prove efficient cheap and satisfactory.

India and Indonesia have lot of potentials to collaborate in the areas of human resources and education. India has advanced centres for education in engineering medical and humanities and it may prove esirable and useful destination for Indonesian students. Most of those Indonesians who have been educated and trained
in India, have excelled in their performances in Indonesia. There are potentials to study in plants and herbs in both countries which have been traditionally used to cure different types of illnesses. Indonesia and India have been using Ayurvedic treatment for centuries and if the two would work collectively, their products would be an important item for sale in the global market.

To conclude, India and Indonesia have lot of potentials to strengthen cooperative relations. The level of trade and investment are too small and the full potentials of the two for business and trade are yet to be explored. Indonesia is undergoing democratisation processes. It is keen to resurrect the glories of Srivijaya and Majapahit empires. In retrospect, we find that Indian contribution to culture and religion helped the greatness of those empires and substantial cooperation in culture, trade, investment, tourism, science, technology and human resources would indeed prove mutually beneficial in the democratic era. Indian support may prove strategically more important now as the two are democratic and facing similar problems of globalisation, environmental pollution and national integration. New thrusts to upgrade the level of cooperation in agriculture, small and medium enterprises (SMEs), information technology, and herbal medicines are areas to be focussed for future cooperation. Most of the constraints of cold war years have become the matters of historical relevance. There are new opportunities and now compulsions of the new world order demanding better and closer cooperation and understanding. It will prove prudent and realistic if India –Indonesia relations are given due importance, as it would contribute in building a suitable environment for regional integration.