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ANCHORING THE INDO-PACIFIC

THE CASE FOR DEEPER AUSTRALIA-INDIA-INDONESIA TRILATERAL COOPERATION

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Contents

Acknowledgement	4
Executive Summary.....	5
Anchoring the Indo-Pacific: The Case for Deeper Australia–India–Indonesia	7-32
Trilateral Cooperation	
Introduction.....	7
India, Australia and Indonesia in the Indo-Pacific	9
Minilateralism and Trilateralism in the Indo-Pacific	11
State of Bilateral Ties.....	15
Strategic Triangularity: Policy Proposals.....	22
Prospects and Challenges.....	30
Appendices	33
Endnotes	35
About the Authors	39

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Executive Summary

The growing importance of the Indian and Pacific Oceans have given new momentum to the ‘Indo-Pacific’ as a geostrategic construct. India, Australia and Indonesia are particularly prominent players. Indonesia lies at the crossroads between the Indian and the Pacific Oceans, while India flanks the Indian Ocean and Australia lies between the Indian and the South Pacific Oceans. In essence, Indonesia, India, and Australia strategically anchor the Indo-Pacific in the middle, northwest, and southeast. The long-term strategic stability of the Indo-Pacific thus depends to a significant degree on these three countries and how they interact with one another.

This paper calls for deeper trilateral cooperation between Australia, India, and Indonesia. Given the regional uncertainty in the Indo-Pacific, and the limitations of existing multilateral institutions and bilateral partnerships, we argue that stronger cooperation and alignment between the three countries could boost regional stability and provide strategic benefits for all three states. We acknowledge that India, Australia, and Indonesia have engaged in preliminary trilateral dialogues and cooperative initiatives. But the activities thus far have not been designed strategically nor have they been part of a broader trilateral framework. To address this gap, we offer a policy framework to elevate the trilateral relationship between India, Australia, and Indonesia.

The framework is built around two premises. First, the bilateral relationships that form each side of the triangle should be strengthened to ensure a stronger, equitable, and sustainable trilateral relationship. As we will show in this report, the trajectory of bilateral ties—Indonesia-Australia, India-Australia, and Indonesia-India—has been uneven over the past fifteen years. The strength varies across different policy areas, of course, but we focus on a few key indicators such as diplomatic engagement, economic ties, and military exercises. In essence, a strong trilateral partnership should be supported by equally strong bilateral relationships among the three countries.

Second, we offer a broad spectrum of policy areas and initiatives, from short to long term and from government-to-government to people-to-people. The policy proposals we outline here can be broadly grouped under: (1) Politics and diplomacy, (2) Defence and security, (3) Economy and sustainable development, and (4) Maritime domain. We also wish to note that the “core” of our proposals centre on the maritime domain as we consider it to be the most obvious point of strategic convergence. We suggest that policymakers in Canberra, New Delhi, and Jakarta lay the foundations for deeper trilateral cooperation in the maritime domain.

These policies are nonetheless sufficiently broad to accommodate a wide range of activities and engagements, from highly informal conversations to formalized and institutionalised cooperation. Policymakers therefore have the flexibility to pick and choose which initiatives they would like to start with and build further. This “accordion-like” principle is necessary as different capitals have different appetites for “new initiatives”. Taken together, this report is not proposing a new formal alliance between the three countries. What we are calling for is a realignment of foreign policy focus based on mutual understanding, comfort levels, convergence of interests, and shared modalities. We further argue that the main challenges to this trilateral trajectory are the uneven strength of the bilateral ties among the three countries and the absence of a trilateral cooperative framework. Our report seeks to fill this gap and builds on our research and interviews with dozens of policymakers across the three capitals.

Finally, we note some of the prospects and challenges to our call for a deeper trilateral cooperation. Any new initiative will suffer from the chicken and egg conundrum. Without meaningful, practical issues and projects to discuss, it is hard to build new habits of cooperation. Government officials in all three countries warned of the dangers of setting up “another meaningless talking shop” but disagreed about whether the trilateral relationship should be top-down, framed around ministerial dialogues, or bottom-up, focused on specific areas of practical cooperation.

Another major problem is the different approaches the trio take toward alignments. Despite concerns about the US’ long-term commitment to Asia, Australia is and will remain a key treaty ally of the US for the foreseeable future. By contrast, Indonesia jealously guards its non-aligned status and some in Jakarta fear that even loose trilateral cooperation initiatives such as this could undermine its diplomatic freedom of movement. Similarly, in India, some diplomats fear that Australia wants to use the trilateral to bandwagon against China, undermining its “issue based-aligned” approach.

Despite the challenges, the strategic rationale for deepening trilateral cooperation between Australia, India and Indonesia is clear. These three multi-ethnic, multi-cultural democracies form the anchor of the Indo-Pacific, which all three governments see as their defining geography. All three have articulated new or refreshed visions for their own engagement with the region, Indonesia through its work in pushing the ASEAN Outlook on the Indo-Pacific, India through Prime Minister Narendra Modi’s vision for the Indo-Pacific, and Australia through the white papers that lay out its determination to ensure a “secure, open and prosperous Indo-Pacific”. If the Indo-Pacific view of the world is to prove meaningful, these three anchor nations will need to find new ways to deepen their strategic conversation and their practical cooperation across a wide range of areas.

Anchoring the Indo-Pacific: The Case for Deeper Australia–India– Indonesia Trilateral Cooperation

ABSTRACT

The Indo-Pacific is marked by regional uncertainty and the existing multilateral institutions and bilateral partnerships are facing a variety of limitations. Deeper trilateral cooperation and more robust strategic conversations between Australia, India and Indonesia could boost regional stability and benefit all three. While these nations do engage in preliminary trilateral dialogues and cooperative initiatives, the activities thus far have neither been designed strategically nor been part of a broader trilateral framework. This report addresses this gap and offers a policy framework to elevate the trilateral relationship between India, Australia and Indonesia.

INTRODUCTION

The strategic flux in the Indo-Pacific, combined with the underwhelming effects of multilateral or bilateral ties create an opportunity for India, Australia and Indonesia to work together more effectively in anchoring the region and promoting peace, stability and prosperity. What is necessary is not a new formal alliance between the three countries, but deeper discussion and cooperation centred on overlapping interests and based on mutual understanding, comfort levels and convergence of interests. The main challenges to this trilateral trajectory are the uneven strength of the bilateral ties amongst the three nations and the absence of a trilateral cooperative framework. This report draws on the authors' research and interviews with a number of policymakers across the three capitals, and proposes a possible framework for consideration.

First, the report argues that bilateral relationships that form each side of the triangle should be strengthened to ensure a stronger, equitable and sustainable trilateral relationship. Over the past 15 years, the strength of bilateral ties—Indonesia–Australia, India–Australia, Indonesia–India—has been uneven across different policy areas. This report focuses on a few key indicators such as diplomatic engagement, economic ties and military exercises. In Indonesia, several officials believe that ties with Australia are susceptible to a longstanding “trust deficit.” In turn, Indian foreign policy officials question Australia’s reliability as a partner and Indonesia’s desire to step up in the region. Australian officials have expressed doubts about India’s and Indonesia’s willingness to move from talk to action when it comes to regional engagement.¹ Thus, a stronger trilateral partnership must be supported by equally strong bilateral relationships amongst the three countries.

Second, the report proposes a broad spectrum of policy areas and initiatives, from short- to long-term and from government-to-government to people-to-people. These policies are part of the Strategic Trilateral Partnership Framework proposed by the authors, which is sufficiently broad to accommodate a wide range of activities and engagements, from highly informal conversations to formalised and institutionalised cooperation. Policymakers in New Delhi, Canberra and Jakarta have the flexibility to pick and choose the initiatives they would like to start with and build further. This “accordion-like” principle is necessary, as different capitals have different appetites for “new initiatives.” One senior Indonesia diplomat, for example, argues that for diplomatic initiatives outside of organisations such as the Association of Southeast Asian Nations (ASEAN) or the Indian Ocean Rim Association (IORA), the country is “a bit restrained” and prefers instead to “champion leadership from behind,” especially in the context of geopolitical challenges.² While Australia is trying to step up as a middle power, its efforts are often framed by its alliance with the United States (US), on one hand, and its troubled but economically important relationship with China, on the other. India has been a vociferous adopter of minilateral initiatives, but there are big questions about the effectiveness of these efforts. All three countries have demonstrated large gaps between rhetoric and reality when it comes to their foreign policy visions in the Indo-Pacific. As one senior Indian national security official put it, “In the Indo-Pacific, our mouths advance way ahead of our money and our actions.”³

India, Australia and Indonesia in the Indo-Pacific

India, Australia and Indonesia are strategic anchors of the Indo-Pacific region. Indonesia lies at the crossroads between the Indian Ocean and the Pacific Ocean; India flanks the Indian Ocean; and Australia lies between the Indian Ocean and the South Pacific Ocean. Thus, the three countries share “the responsibility to look after the single strategic ecosystem” of the Indo-Pacific.⁴ The challenge is for India, Australia and Indonesia to exercise such responsibility as a collective (trilateral) group.

In recent years, each country has proposed its own “vision” for the Indo-Pacific. India views the Indo-Pacific as a geographic and strategic expanse, with the ASEAN connecting the two great oceans. To promote its strategic interests in the Indian Ocean, India launched the SAGAR (Security and Growth for All in the Region) vision. Moreover, its “Act East Policy” is similarly geared towards deepening economic engagement with Southeast Asia and broader cooperation with East Asia and the Pacific Island countries. In the recently concluded ASEAN Summit, Prime Minister Narendra Modi proposed an “Indo-Pacific Oceans Initiative” for the safety, security and stability of the maritime domain.⁵

Indonesia, too, has turned its attention to the maritime domain and the broader Indo-Pacific. In President Joko Widodo’s first term, the “Global Maritime Fulcrum” doctrine was meant to lay the foundation for Indonesia’s broader regional engagement. Unfortunately, Widodo’s government failed to build on the initial idea. Since 2018, Indonesia had been advocating its Indo-Pacific vision; in 2019, it led the process to have it adopted as the “ASEAN Outlook on the Indo-Pacific” (AOIP). While the AOIP is not without its flaws, Indonesia’s vision aligns with India’s own Indo-Pacific conceptions. Both countries want to uphold a rules-based maritime order and balance of power in the Indo-Pacific, as well as address the broader Indo-Pacific challenges such as energy, technology, regional connectivity and trade ties.

Australia’s Indo-Pacific vision was fleshed out in its 2017 Foreign Policy White Paper. In its effort to pursue an open, free and prosperous Indo-Pacific, Australia reaffirmed its alliance commitment with the US. However, it is also committed to expanding its strategic partnerships with India and Indonesia across the maritime, economic and security realms. Australia and Indonesia have entered into a Comprehensive Strategic Partnership agreement with each other, while Australia and India share geostrategic concerns over the Indian Ocean. Overall, Australia seems interested in shaping the increasingly multipolar Indo-Pacific order and ensuring that no single power dominates it.

Underneath these individual visions, India, Indonesia, and Australia share strategic concerns in the Indo-Pacific. All three view their immediate strategic environment to be broader (i.e. the entire Indo-Pacific) and wish to cooperatively manage a rules-based multipolar regional order, to prevent any single power from dominating the region or the waterways. The three nations want regional countries to focus on shared prosperity at home and abroad, and envision a central role for multilateral organisations such as the ASEAN in managing regional affairs.

Given the respective sizes of their economies and their military capacities, the three countries can stand to gain from each other. The growth of one can act as a tail-wind to bring growth to the others, through complementary trade and investment. At the same time, the security and economic risk to one will also likely impact the others. The rise of China and the re-focusing of the US' influence in the region has forced all three countries to re-assess their long-term strategic outlook and their role in the changing regional diplomatic geometry. In short, India, Australia and Indonesia share a convergence of interests in the Indian and Pacific oceans and should work to deepen their mutual understanding, strategic conversation and habits of cooperation. Amidst an ambitious China asserting itself and concerns about US' long-term commitment to Asia, these three countries must improve their cooperation to help maintain stability. As one Indian national security official put it: "The key question facing these three countries is can you build a security structure in the Indo-Pacific that maintains equilibrium without a single hegemon? To do so, we will need to leverage the economic and military strength of others."⁶

Minilateralism and Trilateralism in the Indo-Pacific

While India, Australia and Indonesia share strategic interests in the Indo-Pacific, they do not necessarily agree on the methods of defending or advancing those interests. All three countries have different foreign-policy outlooks. India and Indonesia have been staunchly “non-aligned” for decades, while Australia remains wedded to its formal alliance to the US. According to one policymaker, “Indonesia’s foreign policy is more oriented towards economy, rather than on security ... [while] Australia and India are more open to international security cooperation.”⁷ For another, there is considerable debate in the capital of all three countries about the role of values in shaping strategic behaviour and cooperation. Some policymakers argue that cooperation should be based more on interest and less on values, because each country has different levels or types of democracy.⁸ Talking about democracy has become “very problematic,” according to one Australian official, because of the recent spread of illiberal policies in both India and Indonesia, which violate minority rights and undermine democratic freedoms.⁹ Others, however, believe that stronger cooperation between India, Australia and Indonesia should centre around their common values, as “maritime democracies.”¹⁰ One influential Indian foreign policy commentator argues that “cooperation between the three countries should be issue-based ... based on a positive construct like the fact that they are democracies and maritime neighbours.”¹¹

This debate notwithstanding, most policymakers and analysts across the three capitals seem to agree that there are common regional and shared challenges the three must tackle together. The challenge is that the list of those problems is long and covers a wide range of issues, from cyber security and tourism to maritime domain awareness. As a retired senior Indian official explains, “It makes sense for us to have a deeper conversation about how we see the region, but we need to pick issues that really matter like maritime security. It’s about creating a web of relationships, dependencies and habits of cooperation that help maintain the existing order.”¹² This report discusses some of the issues that the three countries could focus on, building on existing policies and relationships.

Policymakers from all three nations are increasingly realising limits of some forms of multilateralism and bilateralism, and are open to the idea of minilateralism in general and trilateralism in particular. This is evident in the recent proliferation of minilateral initiatives. Bilateralism offers a transactional, narrow baseline that cannot be easily translated to regional affairs, while multilateralism dilutes the policies necessary to tackle regional challenges by seeking “lowest common denominator” positions.¹³ Minilateralism, on the other hand, is a narrower—and usually informal—initiative

to address specific problems with fewer states sharing the same interest; they are in essence “task-oriented.”¹⁴ The “tasks” are often regionally focused, making them “less threatening” to states that see themselves as the target of bilateral alliances.¹⁵ Thus, minilateralism can overcome barriers to collective action problems by insisting on fewer actors and a narrower convergence of interests, identity or power.¹⁶ Policymakers find minilateralism appealing because of its inherent flexibility, relatively low transaction costs and voluntary (not mandatory) commitments.¹⁷

In the Indo-Pacific, minilateral cooperation does not negate or eliminate pre-existing multilateral commitments (e.g. the ASEAN) or bilateral alliances (e.g. with the US). Minilateralism, bilateralism and multilateralism can work together to form a complementary “patchwork” that embraces “Asian informality.”¹⁸ Carefully crafted and gradually executed with enough buy-in from policymakers, minilateralism can allow smaller groups of countries to coordinate their actions and amplify the effectiveness of multilateral organisations or bilateral commitments. In the case of India, Australia and Indonesia, there are preliminary indications that each country may be exploring the benefits of minilateralism. India is perhaps one of the most vociferous adherents of minilateralism, as multilateral institutions are increasingly fractured by the US–China rivalry, the growing inequality between developed and developing countries, and contradictory approaches of the other members to key challenges from climate change to trade. In the 2019 Raisina Dialogue, Former Indian Foreign Secretary Vijay Gokhale said, “The governments in Delhi might have been the last, but they have certainly moved away from the straitjacket of non-alignment—in practice if not in theory. The rhetoric too has changed under the present government. India is now ‘aligned.’ But the alignment is issue-based. It is not ideological. That gives us the capacity to be flexible, gives us the capacity to maintain our decisional autonomy.”¹⁹ For India, the so-called Quad (Australia, India, Japan and the US) meeting was just one of several diverse minilateral and plurilateral meetings it has joined in recent years.²⁰ Australia, too, has participated in minilateral initiatives to deepen its strategic relationships and increase its heft across the Indo-Pacific, although such initiatives tend to involve the US or a US-ally such as Japan. While Indonesia has downplayed its minilateral initiatives for fear that they might undermine ASEAN centrality, in practice, it has engaged in various forms of minilateral cooperation, from MIKTA (a dialogue with Mexico, South Korea, Turkey and Australia) to the South West Pacific Dialogue (alongside Australia, the Philippines, Papua New Guinea, New Zealand and Timor Leste).

However, despite India, Australia and Indonesia engaging in different forms of minilateral cooperation, they do not yet have a framework for a trilateral alignment. Trilateralism is generally a cooperative and coordinated strategic behaviour amongst three states to promote specific interests.²¹ The venues or mechanisms for such cooperation focus on problem-solving and are thus more adaptive and pragmatic; they can create a unique framework using a combination of bottom-up, top-down, flexible or functional practices.²² “Flexibility” is particularly important in the Indo-Pacific context, since multilateral organisations are hamstrung by consensus-based approaches to decision- and rule-making, even as the hub-and-spoke system of US

bilateral alliances are insufficient for handling day-to-day security challenges.²³ Many also see a three-country grouping to be sufficiently effective without creating a new “security bloc.” This is perhaps why India, Australia and Indonesia have also been quietly increasing their trilateral engagements with other countries (See Table 1).

Table 1: Sample of Trilateral Initiatives Involving India, Indonesia and Australia

Indonesia	2017	The Indonesia–Malaysia–Philippines Trilateral Maritime Patrol (INDOMALPHI)
	2004	Indonesia–Singapore–Malaysia (MALSINDO) Trilateral Patrol
	2014	Timor Leste–Indonesia–Japan Triangular Cooperation Project
India	2011	India–Sri Lanka–Maldives Trilateral Meeting on Maritime Security Cooperation
	2002	The India–China–Russia Trilateral Cooperation
	2015	Japan–US–India Trilateral Dialogue
	2002	India–Myanmar–Thailand Trilateral Ministerial Meeting on Transport Linkages
Australia	2002	US–Japan–Australia Trilateral Strategic Dialogue
	2014	Australia–US–China Trilateral Exercise “Kowari”

There are multiple multilateral regional forums such as the East Asia Summit (EAS) and the IORA where India, Indonesia and Australia are members. Additionally, the ASEAN has its own strategic dialogue and partnership with Australia and India separately. There have also been Track 1.5 initiatives such as the (now-discontinued) Trilateral Dialogue on the Indian Ocean. However, there is no broader trilateral framework to integrate government-to-government or people-to-people relations between the nations across diplomatic, political, security and economic realms. The shared vision statement on maritime cooperation between India and Indonesia mentioned the idea of trilateralism.²⁴ Following their 2+2 foreign and defence ministers’ meeting in December 2019, Australia and Indonesia pledged to “to take forward greater trilateral maritime cooperation with India.”²⁵ However, official trilateral interaction has thus far been limited to three senior officials meetings (held in November 2017, September 2018 and October 2019) and a naval workshop on maritime security in the Indian Ocean in November 2019.

The trilateral relationship is nascent but can offer long-term advantages, should the governments decide to elevate it. Much of the challenge currently lies in the uneven state of the individual bilateral ties, i.e. each leg of the triangle is not equally developed. Indonesia–Australian ties have grown but are still punctured by occasional crises driven by domestic politics. India–Indonesia ties are the least developed, despite a Strategic Partnership Agreement between the two. With the elevation of the ties to a

Comprehensive Strategic Partnership in 2018, there has recently been some progress in India-Indonesia relations. According to an Indian diplomat, “Indonesia has not displayed its bandwidth completely yet despite being the largest country in ASEAN.”²⁶ Currently, India–Australia relations are perhaps the most promising.

The uneven state of bilateral ties must be addressed, as it can fuel misperceptions. For instance, an Indonesian admiral expressed concern that a trilateral grouping involving India and Australia could present problems for Indonesia as they come from a similar “bloc” and could “outnumber” Indonesia.²⁷

State of Bilateral Ties

In recent years, India's ties with Indonesia and Australia have deepened.²⁸ For the latter countries, India represents a potentially attractive partner in their efforts to play a greater role in shaping the Indo-Pacific. Appendix 1 lists the different bilateral agreements and Memoranda of Understanding (MoUs) between the three countries. These documents provide a sufficient basis to further consider how the three countries could better align their foreign policies in a changing Indo-Pacific strategic context. The positive growth in bilateral ties, however, is only just beginning and requires more push and buy-in from policymakers in the three capitals.

AUSTRALIA–INDONESIA RELATIONS

The prospect of deepening Australia–Indonesia relations is occasionally ruptured by reactionary diplomatic sentiments over the domestic political or policy choices of one another. Nonetheless, both countries are committed to a Comprehensive Strategic Partnership, the highest non-alliance relationship between two countries. The two also work closely on a wide range of security and defence issues. In counterterrorism, for example, they share one of the highest levels of coordination between any two police forces in the world. The joint exercises, as well as education and training relationship between their two militaries, are amongst the strongest in the region. Both countries are important players in regional collaborative measures on irregular migration, especially through the Bali Process.

Economically, Indonesia and Australia have recently signed a new trade deal (the Comprehensive Economic Partnership Agreement or IA-CEPA), which is set to be ratified in 2020. While their dependence on similar commodities has invoked competition, both nations want to see their economic relations become more complementary to one another. Further cooperation can be pursued in the services industry as well as in the transfer of modern equipment and advanced technology to Indonesia's industrial sector, especially those in the maritime domain.

However, the Indonesia–Australia relationship is not yet stable or well-institutionalised. Trade and economic ties are still lacking in the bigger scheme of bilateral ties.

INDONESIA–INDIA RELATIONS

There have been few serious ruptures in Indonesia–India ties in recent years. But, ironically, this is a sign that the relationship is not as developed as it should be,

especially given the close historical and cultural affinities between the two countries. The recent policy outlooks of PM Modi and President Widodo over the Indo-Pacific may have pointed the two countries towards the strategic potential of their bilateral ties. They are both concerned with regulating the Indo-Pacific region and the openness of sea lanes. They also share an interest in better managing trans-national security challenges and improving connectivity, and social resilience. But given the paucity in strategic ties for much of the Cold War until the early 2000s, there is plenty of catching up to do.²⁹ People-to-people ties have been sluggish and defence engagement activities are comparatively low-key compared to each country's activities with their other partners.

INDIA-AUSTRALIA RELATIONS

Until recently, the relationship between India and Australia was relatively lukewarm. Each had their bilateral ties with major powers, which seemed sufficient. However, recent geopolitical developments in the Indo-Pacific have given rise to a growing realisation that Australia must diversify its relationships. Conversely, a fast-growing India increasingly needs the education and energy that Australia can provide.

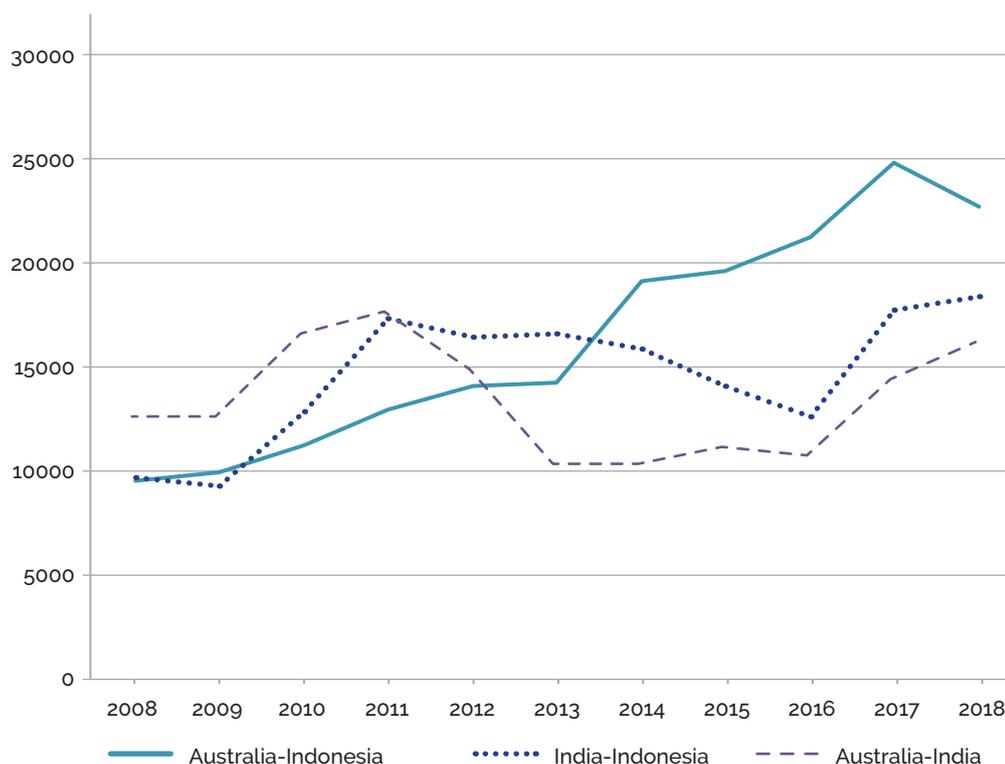
The two nations are linked through people-to-people exchanges through migration and education. While barriers remain in trade, investment and transfer of technology (and in the form of Australia's relationship with Pakistan), there are plenty of incentives for the two to intensify their interactions. Their geostrategic and geopolitical projections coincide with one another, given Australia's focus on the Indian Ocean. There is an overlap in the Indo-Pacific regional visions of the two countries. In recent years, India and Australia have also increased their military-to-military engagement.

GAPS IN THE RELATIONSHIPS

In the economic realm (See Figure 1), the trade relationship amongst the three bilateral ties has been on the upswing recently. Australia-Indonesia trade volume, in particular, made a significant jump over the past decade, from roughly US\$9.8 billion in 2008 to about US\$23 billion in 2018. Indonesia-India and Australia-India trade volume have only recently made bounce-backs. Further, India and Indonesia have committed to reaching US\$50 billion in trade volume by 2025.³⁰

The strength and value of economic ties are, of course, not measured only by trade volume, which is often subject to structural complementarities and other factors. However, trade volume can be a good indicator for how much and how often each country does business with one another, which is, in turn, another small indicator of how connected the economies and societies are with one another. India and Indonesia's relatively small trade volume is perhaps one of the reasons that there is not yet a direct flight from Jakarta to New Delhi. Since the positive economic trend is only just beginning, policymakers in Canberra, Jakarta and New Delhi must explore

Figure 1: Trade Volume between Australia–Indonesia, India–Indonesia and Australia–India



Source: Author calculation from Indonesian Central Statistics Agency and UNCTAD.

ways to strengthen the trajectory. In this context, the following section makes some suggestions.

In the diplomatic realm, we can also see a similar trend. As Figure 2 below shows, senior officials, the defence and foreign ministers, as well as the heads of state of India, Australia and Indonesia have been meeting bilaterally at least once a year recently. Indonesia–Australia diplomatic engagement is perhaps more developed than the India-Indonesia and India-Australia ties. Ever since the 2006 Lombok Treaty, Jakarta and Canberra have been eager to strengthen their ties. Additionally, the regular 2+2 defence and foreign ministers meeting has been a key feature in recent years.

The India–Indonesia diplomatic engagement over the past decade is perhaps the least developed amongst the three. Senior officials have been meeting since 2013, but there have not been sufficient high-profile defence ministerial engagements. Australia’s engagement with India in this regard has been more wide-ranging than Indonesia’s. Senior officials, defence and foreign ministers, and heads of state from Australia and India have met regularly in recent years.

The bottom line is that the diplomatic engagements within the three bilateral relationships have been uneven and under-developed. The progress of the past few years is a relatively new trend. Policymakers in Canberra, New Delhi and Jakarta must

Figure 2: Bilateral Diplomatic Engagements (India–Indonesia, Indonesia–Australia and Australia–India)



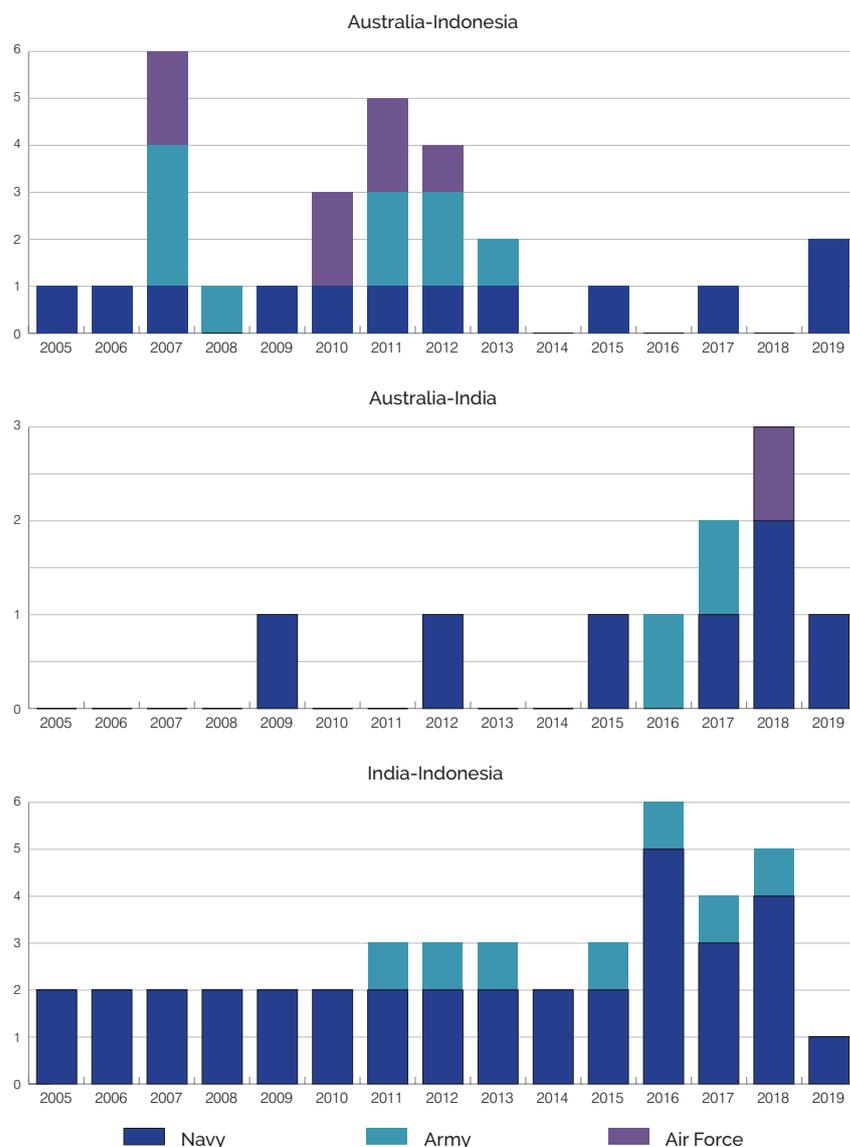
Source: Author calculation from various sources.

invest more in engagement and in diversifying their relationships, to ensure that the positive trend is sustainable and has “spill-over effects” to other areas such as trade or defence.

In the defence and security realm, there is both significant potential and severe challenges. With regard to bilateral exercises, the navy has been a consistent actor in the Australia–Indonesia and India–Indonesia engagements over the past decade (See Figure 3). In the India–Australia exercises, too, the navy has played a prominent role in the past five years. The navy’s domination indicates that the three countries recognise the strategic centrality of the maritime domain and that a closer trilateral military cooperation could usefully build on the strength of naval ties, following the first-ever trilateral maritime security workshop between the three countries in December 2019.³¹

Figure 3: Bilateral Military Exercises (Australia–Indonesia, India–Indonesia and Australia–India)

BILATERAL SERVICE-SPECIFIC EXERCISES, 2005-2019

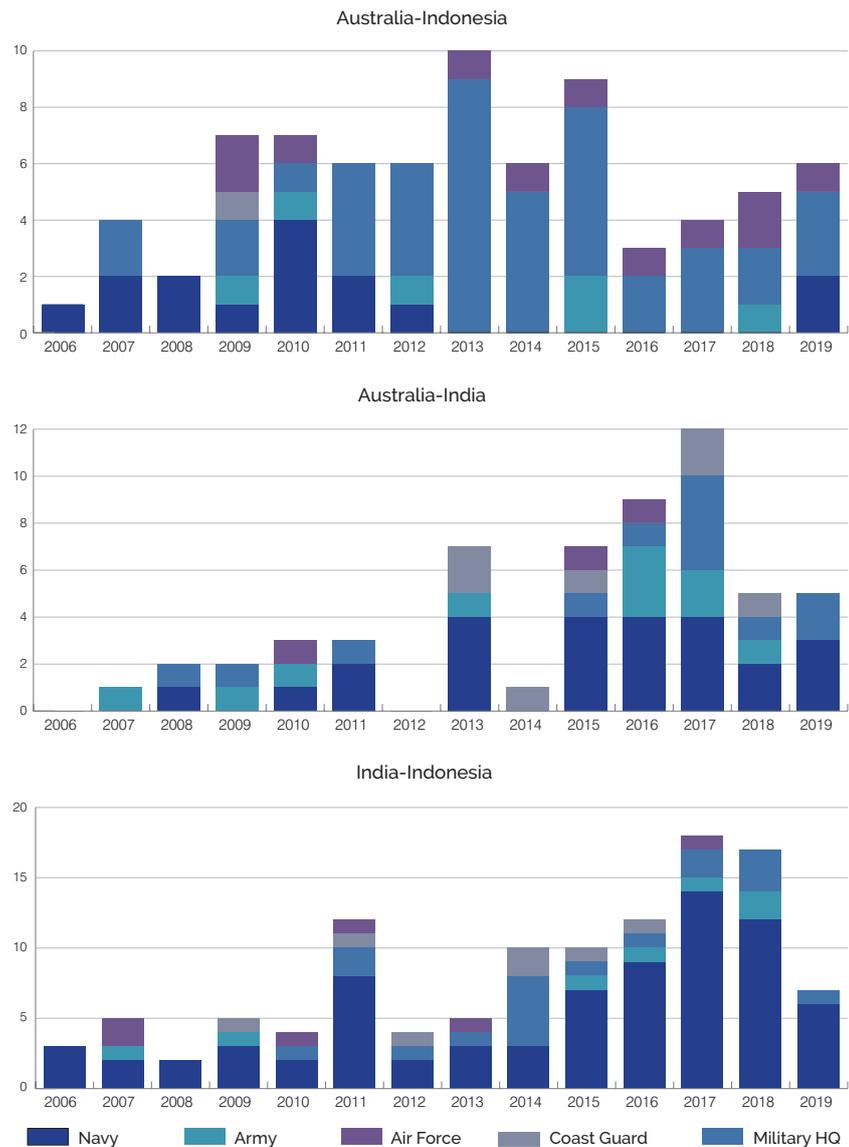


Source: Author calculation from various sources.

On the other hand, Figure 3 also shows the uneven strength of bilateral military ties amongst the three countries. Until recently, there has been a steady stream of bilateral exercises involving each of the three armed services (navy, air force, army), as well as various multilateral exercises across the Indo-Pacific. It should also be noted that in the long-run, a fully-developed trilateral military relationship should include organisation-wide combined armed forces exercises, not just individual service-specific ones.

It is not appropriate to measure the strength of a military-to-military relationship based on service-specific exercises alone. Other activities such as education, training or information-sharing are equally important indicators of how a defence relationship is between countries. Better indicators of specific military-to-military ties require further research and are beyond the scope of this report.

Figure 4: Bilateral Defence Engagement (Indonesia–Australia, Australia–India and Indonesia–India)



Source: Author calculation from various sources.

Figure 4 shows the broader non-exercise bilateral defence engagements between India, Australia, and Indonesia. These engagements, spanning over almost 15 years, have been wide-ranging—from courtesy calls, visits, to various defence-related arrangements and MoUs. For the Indonesia–India and Australia–India relationships, the navy has also played dominant roles in the dozens of defence diplomatic engagements for the past five years. In the Indonesia–Australia relationship, the air force has played a larger defence diplomatic role for over a decade. Diplomatic engagements between the armed forces headquarters (i.e. organisation-wide) also appear more frequent in the Indonesia–Australia relationship than in the other two ties.

Taken together, the bilateral economic, diplomatic and security relationships between India, Indonesia and Australia are under-developed and uneven in its scope, scale and

strength. Moreover, some of the upward trajectories in the engagement activities are only a few years old. These trends suggest that policymakers must formulate a long-term, well-rounded engagement framework for the individual bilateral ties to create a sustainable trilateral relationship. As Canberra, New Delhi and Jakarta work through some of their bilateral issues, they should also consider preliminary policies and steps to build a stronger trilateral partnership in the future. The following section makes a series of suggestions to improve the chances for strategic triangularity.³²

Strategic Triangularity: Policy Proposals

This report does not propose a new, formal *alliance* between India, Australia and Indonesia. Instead, it makes the case for deepening the *alignment* between the three, centred on the idea of “strategic triangularity.”³³ The concept of alignment is useful because it does not infer content, nor does it prejudge the type or level of cooperation involved. More importantly, an alignment also does not necessarily or inherently contain an exclusively security-centric focus.³⁴ As such, they can be built around deeper and coordinated cooperation on a wide range of issues, from military to economics, involving various governmental and non-governmental actors. The idea is to encourage these countries to devote more energy and investment—in the diplomatic, political, economic and security realms—to a trilateral cooperative relationship to help manage the changing regional order in the Indo-Pacific. In other words, for India, Australia and Indonesia to deepen their strategic conversation and work closer together on issues of common interest and strategic significance of the Indo-Pacific.

The authors envision the strategic triangularity between India, Indonesia and Australia to be a gradual process based on a convergence of interests (all three are geostrategic anchors of the Indo-Pacific), some shared values (all three are pluralist democracies) and similar power structures (all three are middle-powers seeking to stem the tide of great power politics).³⁵ The range of policy ideas starts from informal conversations in the short term, and extends to formalised cooperative engagements between key agencies in the long run. The aim is not to promote endless content-light meetings and position statements, but to kick-start a long-term process of cooperation and dialogue that will help to re-programme diplomatic muscle memories so that these three anchor nations can better work together in combatting both apparent and as-yet-unforeseen regional challenges to come.

The policy proposals we outline here can be broadly grouped under: (1) Politics and diplomacy, (2) Defence and security, (3) Economy and sustainable development, and (4) Maritime domain. It is important to note that the “core” of the proposals centre on the maritime domain as the authors consider it to be the most obvious point of strategic convergence. Ideally, policymakers in Canberra, New Delhi and Jakarta must start to lay the foundation for a trilateral cooperation at the maritime domain. The overall ideas will nonetheless cover two levels: government-to-government and people-to-people relations across different time frames (short, medium, long term).

Despite the general sense of resource constraints and the overwhelming number of diplomatic engagements in the Indo-Pacific, the authors’ conversations with policymakers suggest there is still room for further trilateral cooperation between

India, Indonesia and Australia as a form of “minilateral hedge” against the regional uncertainties. According to a policy advisor to the Ministry of External Affairs, “India needs to venture out to non-near neighbourhood where China has a presence and therefore it is important for India to be championing the Indo-Pacific concept and working with countries like Indonesia and Australia.”³⁶

The authors have formulated the proposals below by considering several key elements. First, it is important that the issues tackled in the relationship should generate “a trilateral sense of ownership,” without overloading governments and militaries that are already stretched on all three sides.³⁷ To “overreach and try to do everything at once” would undermine the nascent trilateral relationship, warned one Australian diplomat.³⁸ A senior Indonesian diplomat concurs, “We cannot simply add load or fatigue to the diplomats. Instead we need to relieve the stress between bigger and different meetings.”³⁹ Successful trilateral relationships require an entrepreneurial approach from policymakers, trying out different formats and initiatives, and seeing what works. Therefore, the authors have deliberately injected flexibility into the menu of policy proposals below, so that policymakers can pick and choose which areas to build from.

Second, the authors are not proposing alternatives to replace existing multilateral organisations or bilateral alliances and commitments. The suggestions could build from and further strengthen existing institutions. The proposals include a range of options, from informal conversations to institutionalised engagements in the future. As one Indonesian policymaker warns, “Initial moves should be kept informal. We need to keep the habit of meetings, such as through regularly meeting on the side-line of existing forums.”⁴⁰

Third, the authors recognise the possibility that a stronger trilateral relationship between the Indo-Pacific “maritime democracies” might be seen as a strategic challenge to China. Our conversations with various policymakers in the three capitals certainly underline such concerns. According to an Indian diplomat, “There is deep scepticism about whether these partnerships will last in the face of the China challenge, whether one of the partners strikes a deal with China on the side-lines separately or succumbs to Chinese pressure. The question is how can trust or confidence in such trilateral partnerships be built?”⁴¹ A senior former Indonesian official agreed that the three governments will have to manage the likely external perception that the trilateral partnership is an “anti-China grouping.”⁴² The authors are, therefore, developing “task-oriented” policy proposals, centred on common or shared regional challenges instead of advocating for abstract notions like “liberal international order.” A senior Indonesian diplomat suggests that having “well-defined target(s) will allow the trilateral to flourish without unnecessary geopolitical responses from other countries.”⁴³

POLITICS AND DIPLOMACY

Short Term

In the political and diplomatic realms, India, Indonesia and Australia could start by meeting on the side-lines of various multilateral forums. The three countries should build on the existing senior officials meeting by working towards an annual trilateral foreign ministers meeting, which could be held on the side-lines of a bigger forum such as the EAS. This would provide an opportunity to deepen personal relationships at the highest level and engage in a strategic conversation about shared interests and concerns. The governments must also collaborate on a few key issues in IORA, e.g. disaster relief, search-and-rescue, and collective maritime safety and security. The three countries can also push and lead the process for an IORA Indo-Pacific Statement, perhaps based on the ASEAN Outlook on the Indo-Pacific.⁴⁴ According to an Indonesian diplomat, “The heart of the AOIP is economics and this a “language” shared by all.”⁴⁵ A similar collaboration could also be considered within the EAS.

However, relying only on high-level, top-down approach alone may involve diplomatic risks (e.g. angering China) that policymakers may not be ready to take.⁴⁶ According to an Australian diplomat, “smaller building blocks” in the form of junior-level meetings is a more viable approach for this trilateral.⁴⁷ If so, there are several bottom-up approaches one can take. Jakarta, New Delhi and Canberra could, for example, start by organising workshops at the embassy level and invite the other two countries to discuss trilateral policy areas. The governments could also initiate visiting programmes between members of parliaments in a trilateral setting. Two parliamentary delegations (e.g. Australia and India) could be hosted by the third country (e.g. Indonesia) on a rotational basis and discuss common issues of good governance in the region. One could also initiate similar programmes for provincial governments from the three countries (building from existing bilateral programs). An Indo-Pacific Youth Forum spearheaded by the three countries could also be a step worth considering, as are Track 2 dialogues involving think tanks to discuss broader regional issues of concern, including the role of women in international security. The process should be lean, such that these initial meetings and conversations can lead the way towards future potential cooperation.

Medium Term

It would be productive to develop some geographically targeted cooperation with the Pacific Island nations. According to a former Indian naval officer, “Australia’s development assistance in the South Pacific can be a lesson or model for India’s outreach in that region as well. There can be joint projects undertaken by the three countries in the South Pacific.”⁴⁸ Australia, the primary power and largest aid donor in the region, launched a Pacific “step-up” in 2017. Earlier this year, Indonesia announced its own Pacific “elevation” plan. India has its own Pacific initiative as well—the “Forum for India–Pacific Islands Cooperation.”

All three nations are motivated by different factors.⁴⁹ However, the trilateral partnership could work on development assistance and cooperation with the Pacific Islanders; climate change and disaster relief are issues of concern that have come up in discussions.⁵⁰ The three nations also bring different capabilities to the table.⁵¹ For example, Australia can help India and Indonesia in their desire to expand their respective footprints through disaster-resilient infrastructure. Another possible area for collaboration is UN peace-keeping operations. Australia is already working with Fiji to transform the Blackrock Camp in Nadi into a regional hub for police and peace-keeping training. India and Indonesia are looking to increase their involvement in UN peacekeeping operations. Australia must think about ways it could involve India and Indonesia in the revamped Blackrock centre, whether through strategic dialogues, training or other exercises.

DEFENCE AND SECURITY

The state of bilateral defence relationships between India, Indonesia and Australia has been uneven over the past decade. Unsurprisingly, the appetite for a stronger trilateral security relationship varies from one capital to another. According to a former Indian naval officer, “India and Indonesia need to have more dialogues on their idea of security.”⁵² In Indonesia, for example, a senior diplomat argues that while the country could be aligned with one state on one issue, but not aligned on another, “it will never touch the realm of security.”⁵³ A senior Indonesian naval official also suggests that for a trilateral security relationship to be viable, “it needs to avoid being perceived as a security grouping and should not involve combat activities.”⁵⁴ That being said, there are several possible areas of trilateral cooperation policymakers could explore.

Short Term

The chief of staffs of each service could meet their counterparts every year and discuss service-specific new challenges, building on the first trilateral maritime security workshop. As the previous section shows, the bilateral service-specific exercises are also uneven. The armed forces of the three countries could formulate future exercises to fill the gaps are required. The chief of the defence forces could further form regular or annual meetings. The meetings could take place as part of a working dialogue or forum over a wide range of regional issues, such as peacekeeping, counterterrorism, maritime security, humanitarian assistance and disaster relief. The defence ministers could also meet on the side-lines of ADMM Plus. After a few rounds, those meetings could be elevated into a strategic dialogue held rotationally every year.

Medium Term

Once the armed services and defence ministers have their regular meetings, the engagement could be expanded to include defence educational and research institutions. At this point, the meetings should also involve the broader civilian

defence communities from the three countries. There could be coordinated patrols done by the three navies in the Sunda and Lombok straits, since these straits are strategically very important for all three countries, for their interests in the Indian Ocean. These straits are being increasingly used for people smuggling. Additionally, there is a growing presence of Chinese vessels and submarines in these straits. The countries can consider increasing the scope and intensity of bilateral exercises, such as the AUSINDEX (between India and Australia) and Samudra Shakti (between India and Indonesia). They can hold trilateral joint exercises, in addition to the existing bilateral exercises, as well as increase naval interaction to raise trust and interoperability.

Long Term

There should be joint or combined exercises involving all three services (army, navy and air force) between the respective armed forces of the three countries. However, such a trilateral combined exercise should be preceded by bilateral combined exercises between India and Indonesia, between Indonesia and Australia, and between Australia and India. Thus far, there have been no major trilateral combined exercises amongst these countries. Education exchanges and training exercises must be expanded to include all levels—from the academy to the senior staff colleges.

ECONOMY AND SUSTAINABLE DEVELOPMENT

Any trilateral cooperation between India, Australia and Indonesia will not be sustainable without closer economic collaboration. As noted above, the level of bilateral economic ties has been uneven for the three countries. However, it is clear that their shared prosperity lies within the Indo-Pacific region and in collaborating to strengthen the regional economic architecture. Yet, with regard to economic cooperation, the three countries cannot ignore the private sector. Cooperation will be easier and more concrete if it starts from promoting business engagements, perhaps starting with the chamber of commerce and then trade. Therefore, by the time a higher-level diplomatic framework is endorsed, business-to-business relationship will already be on the way.⁵⁵

Short Term

Completing the ratification and implementing the Indonesia Australia Comprehensive Economic Partnership Agreement discussed above should be a priority for Canberra and Jakarta. India is drawing up an economic strategy for Australia to mirror a high-level study commissioned by Canberra.⁵⁶ New Delhi and Jakarta should complete these steps as the foundation for broader economic engagement and sustainable development. Another short-term priority is perhaps discussing the pathways ahead for India to re-join the Regional Comprehensive Economic Partnership (RCEP) trade agreement. According to an Indonesia diplomat, “RCEP would be a game changer and could open up possibilities for the three to be economically complementary to

each other.”⁵⁷ In the meantime, the three countries could consider convening on the side-lines of the annual G20 finance ministers’ and central bank governors’ meeting to discuss geo-economic developments. The three countries can also consider developing a Joint Blue Economy Task Force to better engage the Pacific Island countries on broader economic development. The chambers of commerce and business associations in India, Australia and Indonesia can organise workshops on trilateral connectivity (e.g. how to deepen trade between Aceh and the Andaman and Nicobar Islands, or between Darwin and eastern Indonesia).

Medium Term

One area that would be fruitful for structured discussions is infrastructure development. Australia has the technical expertise in financing and assessing infrastructure projects, while India and Indonesia have a significant need for enhanced connectivity. Both India and Indonesia want to increase their overseas cooperation in this area.⁵⁸ All three countries are members of PM Modi’s recently launched Coalition for Disaster Resilient Infrastructure (CDRI) and face severe challenges in building and/or retrofitting infrastructure to withstand disasters.⁵⁹ Alongside IORA, the CDRI could be another initiative where the three countries can cooperate on medium-term economic outcomes.

Long Term

The three nations must find a way to better understand and overcome their differences in their approaches to international trade and economic development. India and Indonesia have strong protectionist tendencies. Australia, on the other hand, is a committed supporter of economic openness and greater trade and investment liberalisation. With India dropping out of RCEP, the three countries are unlikely to be aligned on trade policy. However, they can find many more ways to deepen trade and investment, and to collaborate on sustainability issues related to the ocean, from reducing marine plastic debris to curbing illegal, unreported and unregulated fishing.

MARITIME DOMAIN

Over 90 percent of global trade is conducted through the maritime route, with a value that has grown from US\$6 trillion to about US\$20 trillion in 15 years. Over 60 percent of world’s oil production also moves through sea routes.⁶⁰ Strategic stability in the Indo-Pacific thus depends on the ability to reap economic benefits from the oceans and to respond to the challenges in the maritime domain. The challenges are multi-faceted and transnational: sea-borne terrorism, piracy, climate change, natural and man-made disasters, and the proliferation of maritime disputes and flash-points across the Pacific and Indian Oceans. According to a retired senior Indonesian official, “the maritime domain is an obvious selling point” for a stronger trilateral cooperation between India, Australia and Indonesia.⁶¹

Short Term

There can be an exercise involving the coastguards of the three countries. Considering that BAKAMLA (the Indonesian Coast Guard) is a new establishment, it is possible to provide training at the Indian naval war colleges. However, as an institution directly under the president, BAKAMLA has the flexibility to manage its own international cooperation. One Indonesian official cautions that while a relationship with Australia and India could flourish, interoperability could become an issue.⁶² Nonetheless, small-scale and gradual trilateral cooperation amongst coastguards, from visits to table-top exercises, could strengthen the maritime security capacity of the three countries. This is particularly likely if the focus of such joint activities is on law enforcement and humanitarian efforts.

Indonesia could also invite the Indian and Australian coastguards to the ASEAN Coast Guard and Law Enforcement Forum. There can be Track 2 workshops centred on capacity-building, maritime safety and security for Indo-Pacific coastguards led by India, Indonesia and Australia. Similarly, workshops on both maritime domain awareness and UNCLOS familiarity amongst the maritime security practitioners of the three countries is worth pursuing. One Indonesian diplomat highlights the importance of understanding and interpreting different regional views on how “freedom of navigation” applies to foreign military activity in exclusive economic zones.⁶³ Broader joint research on maritime studies involving think tanks and universities from India, Australia and Indonesia could further strengthen these bottom-up approaches to maritime security architecture-building.

Medium Term

The three countries can cooperate on the sustainable use of ocean resources, joint efforts in managing humanitarian disasters, disaster relief and search-and-rescue, as well as collective maritime safety and security issues (e.g. countering maritime terrorism or managing illegal migration). Further, Australia can coordinate maritime research and information in the strategic seas. Bilateral naval exercises that are already in place can be elevated to trilateral joint maritime exercises between the navies of the three countries. The navies and coast guards can conduct anti-piracy operations.

The three nations can work towards ensuring Maritime Domain Awareness, especially in the Indian Ocean Region (IOR).⁶⁴ Trilateral cooperation in the IOR can start at the provincial level of the three countries facing the Indian Ocean. For instance, a Gujarat–Aceh–Darwin or Bengkulu–Gujarat–Darwin cooperation on maritime research could lay the initial groundwork for a broader focus on the IOR.⁶⁵ Information-sharing is another medium-term challenge for the IOR that the three countries must address. This can be done through direct communication and by sharing agreements between the respective maritime agencies or the three could find new mechanisms to work with regional information fusion centres. The initial focus for such an information-sharing mechanism can be on trans-national crime, e.g. drug smuggling.⁶⁶

Long term

Both the Indian Navy and the Australian Navy can work together to aid the capacity-building of the Indonesian Navy. There can be structured programmes for the training of in-service military officers. Institutions such as the Naval War Colleges of Goa, Mumbai, Madras, SESKOAL (Indonesia's Naval Staff and Command School), Indonesian Defence University, the Australian Naval War College, Sea Power Institute, Wollongong University can be made a part of this. Deals can be entered into with the Indian shipyards to supply patrol vessels and coast guard ships to the Indonesia coast guard.

Prospects and Challenges

Early attempts to build trilateral cooperation between Australia, India and Indonesia have made slow progress because of a lack of alignment in terms of diplomatic capacity, interests and enthusiasm about the idea. The Australian government has been the driving force behind this nascent trilateralism, as it seeks to broaden and deepen its regional partnerships in an era of renewed strategic competition and uncertainty. India and Indonesia, on the other hand, have expressed apprehensions, partly because of concerns that this will be seen as a “new Quad” and partly because of a lack of clarity about the immediate benefits of trilateral cooperation.

Domestically, each country faces its own structural baggage. Indonesia’s non-aligned posture makes the country’s leaders wary of any outside power growing too strong or being drawn into unwanted or expansive alignments. Indonesia’s persistent internal security challenges have also made it difficult to get policymakers to focus on geopolitical developments and policies. President Widodo has admitted to being more concerned about issues such as cyberwar and domestic conflicts, than external threats. The country also lacks any actionable grand strategy, even after the re-election of President Widodo in 2019; the Global Maritime Fulcrum is likely to be a one-term idea. Indonesia’s maritime policies have been mostly concerned with the maintenance of territorial and political integrity, and other considerations such as maritime security, in the context of external threats, have taken a backseat.

India initiated the Look East policy in the 1990s. However, the focus has been mainly on countries such as Vietnam and Singapore, and with regard to investments in Cambodia, Myanmar and Laos. While Malaysia, Indonesia, Thailand and the Philippines have been important in India’s foreign-policy calculus, collaboration has been quite limited. Despite the Indian Ocean being a primary theatre of interest for India, the country has mostly focused on its South Asian neighbours. The importance of the Eastern Indian Ocean and the littorals has been realised only recently. There is still a division amongst scholarly and policy circles regarding whether India can afford to pay equal attention to its extended neighbourhood in the Eastern Indian Ocean, even if a substantial part of India’s trade passes through those waters.

Any new diplomatic initiative will suffer from the chicken and egg conundrum. Without meaningful, practical issues and projects to discuss, it is difficult to build new habits of cooperation. At the same time, without the habits of cooperation, it is difficult to work out the issues and projects where joint discussions and efforts would be useful. Government officials in all three countries warned of the dangers of setting

up “another meaningless talking shop” but disagreed about whether the trilateral relationship should be top-down, framed around ministerial dialogues or bottom-up, focused on specific areas of practical cooperation. In fact, both top-down and bottom-up approaches are necessary to move from paper to practice. Another challenge will be to show the need and credibility of such a trilateral tie, since there are existing platforms where the three countries work together, e.g. the East Asia Summit and IORA.

The foreign ministries and militaries in all three countries are resource-constrained. Australia’s Pacific Step-Up has drawn resources from Southeast Asia and other key areas of focus, while defence officials claim that the military has a limited capacity for adding to the plethora of regional exercises and initiatives in which it already participates. The governments of India and Indonesia are facing even tighter resource constraints, but they are far larger countries, with much greater growth trajectories. And while Canberra sees Jakarta and New Delhi as vital future partners, Jakarta and New Delhi would not rank Canberra as highly on their list of key relationships. Different capabilities between the three countries could further hamper progress. BAKAMLA’s budget, for example, is so small that exercises must be planned two years ahead of schedule.⁶⁷

Another major problem is the different approach of each nation towards alignments. Despite concerns about the US’ long-term commitment to Asia, Australia is likely to remain a key treaty ally of the US in the foreseeable future. By contrast, Indonesia jealously guards its non-aligned status. Some in Jakarta fear that even loose trilateral cooperation initiatives could undermine its diplomatic freedom of movement by giving the appearance of “choosing sides.” This concern is, in large part, motivated by worries about how Beijing might react. Similarly, in India, some diplomats fear that Australia could use the trilateral to bandwagon against China, undermining its “issue-based alignment” approach.

Despite the seemingly overlapping Indo-Pacific visions, each country appears to have a different emphasis. For Indonesia (and ASEAN), the primary concern is making its presence felt and voice heard. Indonesia views the Indo-Pacific as an opportunity to engage economically with neighbours and key players in the region. For India, the approach is currently political, not operational. For Australia, the Indo-Pacific is a broader Asia-Pacific strategic theatre, where it expects both threats and economic opportunities.

Despite the significant challenges, the strategic rationale for deepening trilateral cooperation between Australia, India and Indonesia is clear. These three multi-ethnic and multi-cultural democracies together form the spine of the Indo-Pacific region, which all three governments see as their defining geography. They have articulated new or refreshed visions for their own engagement with the region: Indonesia through its work in pushing the ASEAN Outlook on the Indo-Pacific, India through PM Modi’s vision for the Indo-Pacific, and Australia through the white papers that lay

out its determination to ensure a “secure, open and prosperous Indo–Pacific.” If the Indo-Pacific view of the world is to prove meaningful, these three anchor nations must find new ways to deepen their strategic conversation and practical cooperation across a wide range of areas.

As the US’ commitment to Asia and to multilateralism comes under further question, and China looks to assume hegemony over the region, other powers must come together to uphold the rules that have underpinned regional stability and prosperity over the last few decades. Australia, India and Indonesia are not the most obvious partners, considering their own historical baggage, significant differences in size and development and diverse strategic cultures. However, these differences create a great opportunity for the three countries to learn how to do more together and capitalise on their overlapping interests.

Australia, India and Indonesia have an opportunity to cement their improving bilateral relationships by deepening their trilateral engagement across a wide range of areas. All three countries are members of important regional and global organisations and initiatives, including the G20, the East Asia Summit and IORA. On their own, none of these nations is a big enough voice to move the needle. However, with a better understanding of their overlapping interests, they can get more out of their regional and global engagements, as they did during their consecutive chairing of IORA. So far, such cooperation has tended to focus on summits or issues, fading away afterwards, as it did with IORA. Thus, the challenge is to establish more lasting habits of cooperation. Trilateral cooperation cannot simply be about achieving specific outcomes. It must be a process to retrain the diplomatic muscle memory in all three countries so that, in future, they readily turn to each other to seek help in tackling their shared challenges.

As a retired Indian official puts it, the rapid and unsettling changes in US–China power dynamics have caught many countries “like deer in the headlights.”⁶⁸ Nonetheless, Australia, India and Indonesia cannot afford to wait for the situation to change. They need to step up and find new forms of cooperation to ensure a regional order that delivers peace, stability and prosperity. Overcoming their respective resource constraints, historical grievances and residual mistrust will not be easy. However, building a thriving multipolar Indo-Pacific is possible with the help of painstaking and patient minilateral diplomacy.

Appendices

Selected Bilateral Agreements and MoUs

INDIA-AUSTRALIA	
2017	MoU on Cooperation in Combatting International Terrorism and Transnational Organized Crime
2017	MoU for Promotion and Development of Cooperation in Civil Aviation Security
2017	MoU on Cooperation in the field of Environment, Climate and Wildlife
2017	MoU on Cooperation in the field of Health and Medicine
2014	Civil Nuclear Cooperation Agreement
2014	Framework for Security Cooperation between Australia and India 2014
2009	India-Australia Joint Declaration on Security Cooperation November 2009
2007	Agreement on an Intelligence-Sharing Arrangement (Implementation of the 2006 Memorandum)
2006	India-Australia Defence Cooperation Memorandum
INDONESIA-AUSTRALIA	
2018	Joint Declaration on a Comprehensive Strategic Partnership
2018	Memorandum of Understanding on Cyber Cooperation
2018	Renewed Memorandum of Understanding on Countering Terrorism and Violent Extremism
2017	Joint Declaration on Maritime Cooperation
2012	Defence Cooperation Arrangement
2012	MoU on Joint Development of Indonesian Strategic Airlift
2011	Memorandum of Understanding on Civil Aviation
2010	Joint Statement on Strategic Partnership
2006	Agreement on the Framework for Security Cooperation ("Lombok Treaty")
INDIA-INDONESIA	
2018	Comprehensive Strategic Partnership Agreement
2018	Defence Cooperation Agreement
2018	MOU between India and Indonesia on Health Cooperation
2018	MoU on Scientific and Technological Cooperation
2016	Joint Statement on Maritime Cooperation
2013	Joint Statement on Five Initiatives for Strengthening the India-Indonesia Strategic Partnership
2013	MoU on Disaster Management
2013	MoU in Combatting Illicit Trafficking in Narcotic Drugs
2013	MoU in Combating Corruption
2011	Joint Statement Vision for the India-Indonesia New Strategic Partnership over the coming decade
2011	Air Services Agreement
2011	Extradition Treaty
2011	MoU on Exchange of Financial Intelligence (Money Laundering and Financing Terrorism)
2011	MoU on Cooperation in Oil and Gas
2011	MoU in Weather and Climate Services
2011	MoU on Cooperation in Marine and Fisheries

Existing, Planned and Possible Future Trilateral Initiatives

EXISTING INITIATIVES

- Senior Officials Meeting at foreign ministry level
- Track 1.5 trilateral dialogue hosted by DFAT
- Naval workshop on maritime security

LAPSED INITIATIVE

- Trilateral Dialogue on the Indian Ocean

PROPOSED POSSIBLE FUTURE INITIATIVES

- Annual foreign ministers' meeting or foreign secretaries' meeting
- Workshop on law around freedom of navigation and military activities in exclusive economic zones
- Coast Guard cooperation, including table-top or actual exercises
- Trilateral cooperation on Humanitarian Assistance and Disaster Relief (HADR) issues
- Trilateral cooperation on counterterrorism or non-traditional security threats at Jakarta Centre For Law Enforcement Cooperation
- Trilateral dialogue/conference on women, peace and security
- Track 2 dialogue between think tanks
- Conference/workshop on managing ocean plastics
- Geo-economics dialogue, perhaps around G20 finance ministers meeting
- Cooperation on infrastructure, perhaps connected to Coalition for Disaster Resilient Infrastructure
- Trilateral parliamentarians' dialogue on maritime issues
- Coordinated coast guard/naval patrols/exercises
- Trilateral cooperation/dialogue on UN peacekeeping, perhaps centred around Blackrock Peacekeeping and Humanitarian Assistance and Disaster Relief Camp in Fiji
- Joint election monitoring or election capacity building project, perhaps in a fourth country
- Cyber-security dialogue

Endnotes

- 1 Interviews with senior Indian, Indonesian and Australia officials, August and September 2019.
- 2 Interview with a senior Indonesian diplomat, Jakarta, 16 September 2019.
- 3 Interview with a senior Indian national security official, New Delhi, 27 August 2019.
- 4 Interview with Australian diplomat, Jakarta, 18 September 2019.
- 5 Dipanjan Roy Chaudhry, “PM Modi proposes Indo-Pacific Oceans Initiative,” *The Economic Times*, 5 November 2019, <https://economictimes.indiatimes.com/news/politics-and-nation/pm-modi-proposes-indo-pacific-oceans-initiative/articleshow/71915838.cms>.
- 6 Interview with a senior Indian national security official, New Delhi, 27 August 2019.
- 7 Interview with a senior Indonesian diplomat, Jakarta, 20 September 2019.
- 8 Insights from a closed-door focused group discussion at CSIS Jakarta, 18 September 2019.
- 9 Interview with Australian diplomat, Jakarta, 18 September 2019.
- 10 Interview with a senior Indonesian diplomat attached to the Coordinating Ministry for Maritime Affairs, Jakarta, 24 September 2019.
- 11 Interview with Indian foreign policy commentator, 28 August 2019.
- 12 Interview with retired senior Indian official, 28 August 2019.
- 13 In other words, bilateral alliances are exclusively focused on maximising the relative gains of participants, while multilateral institutions focus on identifying, building and establishing broader norms and rules. See William T. Tow, “The Trilateral Strategic Dialogue, Minilateralism, and Asia-Pacific Order Building,” *US-Japan-Australia Security Cooperation: Prospects and Challenges*, ed. Yuki Tatsumi (Washington, D.C.: The Stimson Center, 2015), 25.
- 14 William T. Tow, “Minilateral Security’s Relevance to US Strategy in the Indo-Pacific: Challenges and Prospects,” *The Pacific Review* 32, no. 2 (2019): 235.
- 15 Tow, “The Trilateral Strategic Dialogue,” op. cit., 24.
- 16 Troy Lee-Brown, “Asia’s Security Triangles: Maritime Minilateralism in the Indo-Pacific,” *East Asia* 35, no. 2 (2018): 168.
- 17 Tow, “Minilateral Security’s Relevance,” op. cit., 237.

- 18 See Victor D. Cha, “America’s Alliances and Asia’s Regional Architecture,” *Oxford Handbook of the International Relations of Asia*, eds. Saadia M. Pekkanen, John Ravenhill and Rosemary Foot (Oxford: Oxford University Press, 2014), 744–750.
- 19 C. Raja Mohan, “Raja Mandala: Alliances and strategic autonomy,” *The Indian Express*, 15 January 2019, <https://indianexpress.com/article/opinion/columns/raja-mandala-alliances-and-strategic-autonomy-indian-foreign-policy-5538447/>.
- 20 On the same day as the Quad convened in 2019, for example, India’s external affairs minister, S. Jaishankar, also met his counterparts from the BRICS (Brazil, Russia, India, China and South Africa), IBSA (India, Brazil and South Africa) and the Alliance for Multilateralism (led by France and Germany). See Jason Scott and Isabel Reynolds, “Indo-Pacific Ministers Elevate Security Talks That Irk China,” *Bloomberg*, 26 September 2019, <https://www.bloomberg.com/news/articles/2019-09-26/-indo-pacific-ministers-elevate-security-talks-that-irk-china>.
- 21 Tow, “The Trilateral Strategic Dialogue,” op. cit., 27.
- 22 Tow, “Minilateral Security’s Relevance,” op. cit., 116.
- 23 Ibid., 762.
- 24 Interview with Australian diplomat, Jakarta, 18 September 2019.
- 25 “Joint Statement on the Sixth Indonesia-Australia Foreign and Defence Ministers 2+2 Meeting,” 6 December 2019, <https://www.minister.defence.gov.au/minister/lreynolds/statements/joint-statement-sixth-indonesia-australia-foreign-and-defence>.
- 26 Interview with senior Indian national security official, 29 August 2019.
- 27 Interview with an Indonesian naval official, Jakarta, 17 September 2019
- 28 In 2018, Indonesia became India’s Comprehensive Strategic Partner, two years after both released the “Shared Vision of India-Indonesia Maritime Cooperation in the Indo-Pacific”. The two countries also started a bilateral naval exercise called “Samudra Shakti” last year. With Australia, the AUSINDEX bilateral naval exercise seeks to raise the capacity to integrate forces in addressing potential threats to the regional order and to provide humanitarian and disaster relief.
- 29 See for example David Brewster, “The Relationship between India and Indonesia: An Evolving Security Partnership,” *Asian Survey* 51, no. 2 (2011): 221–244.
- 30 “India, Indonesia agree to nearly triple bilateral trade to USD 50 billion,” *The Economic Times*, 30 May 2018.
- 31 “Improving Indian Ocean maritime security,” *Navy Daily*, 30 November 2019, <https://news.navy.gov.au/en/Nov2019/Fleet/5603/Improving-Indian-Ocean-maritime-security.htm#.XhKZFUczbiU>.

- 32 The term “strategic triangularity” is from William T. Tow, “The Trilateral Strategic Dialogue,” *op. cit.*, 23.
- 33 An *alliance* is typically a formal agreement that pledges states to cooperate in using their military resources against specific threats, while an *alignment* refers to a broader set of expectations of states about whether they will be supported or opposed by others in future interactions. See Robert E. Osgood and John H. Badgley, *Japan and the US in Asia* (Baltimore: Johns Hopkins University Press, 1968), 17; Glenn Snyder, *Alliance Politics* (Ithaca: Cornell University Press, 1997), 6.
- 34 Colleen Chidley, “Towards a Framework of Alignment in International Relations,” *Politikon* 41, no. 1 (2014): 141-157.
- 35 See the underpinning minilateralist logic in the Indo-Pacific in Troy Lee-Brown, “Asia’s Security Triangles: Maritime Minilateralism in the Indo-Pacific,” *East Asia* 35, no. 2 (2018): 168.
- 36 Interview with a policy advisor of the Ministry of External Affairs, 28 August 2019.
- 37 Interview with retired senior Indonesian official, Jakarta, 19 September 2019
- 38 Interview with Australian diplomat, Jakarta, 18 September 2019.
- 39 Interview with a senior Indonesian diplomat attached to the Coordinating Ministry for Maritime Affairs, Jakarta, 24 September 2019.
- 40 Interview with a senior Indonesian diplomat attached to the Coordinating Ministry for Maritime Affairs, Jakarta, 24 September 2019.
- 41 Interview senior Indian national security official, 29 August 2019.
- 42 Interview with retired senior Indonesian official, Jakarta, 19 September 2019
- 43 Interview with a senior Indonesian diplomat, Jakarta, 16 September 2019.
- 44 An Indonesian diplomat suggests the AOIP could be a common platform and was introduced first to India rather than Australia because of the latter’s association with the Quad. Interview with senior Indonesian diplomat, Jakarta, 16 September 2019.
- 45 Interview with a senior Indonesian diplomat, Jakarta, 20 September 2019
- 46 Interview with Indonesian diplomat, Jakarta, 16 September 2019.
- 47 Interview with an Australian diplomat, 19 October 2019.
- 48 Interview with former Indian naval officer, 29 August 2019.
- 49 Australia has been driven partly by concerns about China’s growing influence, while Indonesia seeks to promote connectivity with the relatively under-developed eastern Indonesia and to neutralise support for the separatist movement in Papua. India has strong diasporic connections in Fiji and the Modi government

has made deeper economic linkages with Pacific Island countries as a key factor in its extended 'Act East' Policy.”

- 50 Interview with a senior Indonesian diplomat, Jakarta, 20 September 2019.
- 51 Between 2011 and 2017, Australia committed \$7.7bn in aid to the Pacific and spent \$7.4bn. India committed \$130m and spent \$31m. Indonesia has only just launched its own overseas aid agency, which will have a likely focus on the Pacific, and its commitments are not yet captured in the main publicly available dataset. See <https://pacificaidmap.lowyinstitute.org/> and <https://www.reuters.com/article/us-indonesia-aid/indonesia-ramps-up-pacific-diplomacy-with-aid-fund-idUSKBN1WX1QJ>.
- 52 Interview with former Indian naval officer, 29 August 2019.
- 53 Interview with a senior Indonesian diplomat, Jakarta, 16 September 2019.
- 54 Interview with a senior Indonesian naval official, Jakarta, 17 September 2019
- 55 Interview with a senior Indonesian diplomat, Jakarta, 20 September 2019.
- 56 “Navigating from Potential to Delivery,” <https://dfat.gov.au/geo/india/ies/index.html>
- 57 Interview with a senior Indonesian diplomat, Jakarta, 20 September 2019.
- 58 See for example the Indonesia-Africa Infrastructure Dialogue <https://iaid.kemlu.go.id/>
- 59 “Member states declare support for Coalition for Disaster Resilient Infrastructure,” 25 September 2019, <https://www.unisdr.org/archive/67846>.
- 60 See, “Prime Minister’s Address at International Fleet Review 2016,” <https://www.mea.gov.in/Speeches-Statements.htm?dtl/26333/>.
- 61 Interview with retired senior Indonesian official, Jakarta, 19 September 2019.
- 62 Interview with BAKAMLA official, Jakarta, 16 September 2019.
- 63 Interview with senior Indonesian diplomat, Jakarta, 16 September 2019.
- 64 Interview with Australian diplomat, Jakarta, 19 September 2019.
- 65 Interview with a senior Indonesian diplomat attached to the Coordinating Ministry for Maritime Affairs, Jakarta, 24 September 2019.
- 66 Interview with Indonesian naval official, Jakarta, 17 September 2019.
- 67 Interview with Indonesian official, Jakarta, 16 September 2019.
- 68 Interview with retired senior Indian official, 28 August 2019.

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The strategic rationale for deepening trilateral cooperation between Australia, India and Indonesia is clear. The three democracies form the anchor of the Indo-Pacific, which all three governments see as their defining geography. If the Indo-Pacific view of the world is to prove meaningful, these three anchor nations will need to find new ways to deepen their strategic conversation and practical cooperation across a wide range of areas.