

Reproduced from *Special Relationship in the Malay World: Indonesia and Malaysia*, by Ho Ying Chan (Singapore: ISEAS — Yusof Ishak Institute, 2018). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of ISEAS — Yusof Ishak Institute. E-book is available at <<http://bookshop.iseas.edu.sg>>

Special Relationship in the Malay World



The ISEAS – Yusof Ishak Institute (formerly Institute of Southeast Asian Studies) is an autonomous organization established in 1968. It is a regional centre dedicated to the study of socio-political, security, and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute’s research programmes are grouped under Regional Economic Studies (RES), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS). The Institute is also home to the ASEAN Studies Centre (ASC), the Nalanda-Sriwijaya Centre (NSC), and the Singapore APEC Study Centre.

ISEAS Publishing, an established academic press, has issued more than 2,000 books and journals. It is the largest scholarly publisher of research about Southeast Asia from within the region. ISEAS Publishing works with many other academic and trade publishers and distributors to disseminate important research and analyses from and about Southeast Asia to the rest of the world.

Special Relationship in the Malay World

Indonesia and Malaysia

Ho Ying Chan

First published in Singapore in 2018 by
ISEAS Publishing
30 Heng Mui Keng Terrace
Singapore 119614

Email: publish@iseas.edu.sg

Website: bookshop.iseas.edu.sg

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the ISEAS – Yusof Ishak Institute.

© 2018 ISEAS – Yusof Ishak Institute, Singapore

The responsibility for facts and opinions in this publication rests exclusively with the author and his interpretations do not necessarily reflect the views or the policy of the publisher or its supporters.

ISEAS Library Cataloguing-in-Publication Data

Ho, Ying Chan.

Special Relationship in the Malay World : Indonesia and Malaysia.

1. International relations.
2. Balance of power.
3. Indonesia—Foreign relations—Malaysia—History.
4. Malaysia—Foreign relations—Indonesia—History.
5. National security—Indonesia.
6. National security—Malaysia
7. ASEAN.
8. Southeast Asia—Foreign relations.
- I. Title.

DS640 M3H67

March 2018

ISBN 978-981-4818-17-9 (soft cover)

ISBN 978-981-4818-19-3 (Ebook PDF)

Typeset by International Typesetters Pte Ltd

Printed in Singapore by Markono Print Media Pte Ltd

“Sometimes I see Malaysia as my brother;
sometimes I see it as my enemy.”

An Indonesian Senior Researcher

CONTENTS

<i>List of Figures</i>	xii
<i>List of Tables</i>	xiii
<i>Acknowledgements</i>	xiv
<i>Abbreviations</i>	xvii
Chapter 1 Introduction	1
PART I THEORETICAL FRAMEWORK OF A SPECIAL RELATIONSHIP	
Chapter 2 Making Sense of a Special Relationship	11
The Concept of a Special Relationship	11
The Coming About of the Conception of a Special Relationship	11
The Two Sources of Closeness in a Special Relationship	24
The Expressions of a Special Relationship	28
Special Relationship — An Intersubjective Understanding	33
The Concept of a Security Community and Its Links with a Special Relationship	43

Defining a Security Community	43
Security Community — An Intersubjective Understanding	46
The Two Elements that Breed a Pluralistic Security Community	48
A Special Relationship Leads to a Pluralistic Security Community	54
Chapter 3 The Conceptual Foundations for a Special Relationship	57
Power	58
The Definition of Power	59
States Pursue Power for Survival	59
Survival is Essentially Linked to the Existence of Self	63
Balance of Power — A Cause for Power Competition and a Basis of Order	66
Imbalance of Power — An Accelerator of War or a Basis of Peace	72
Strategic Cooperation	77
Identity	80
The Basic Dynamics of Self	80
National Identity	81
The Double-edged Effects of Common Identity	84
Expectation	89
Norms	92
Dependable Expectations of Peaceful Change	95

Chapter 4	The Evolution of a Special Relationship into a Pluralistic Security Community	97
	The Double-Edged Effects of a Special Relationship	98
	Substantial Cooperation	99
	<i>Cooperation in the U.S.–Canada Special Relationship</i>	100
	<i>Cooperation in the Anglo-American Special Relationship</i>	103
	Substantial Conflicts	106
	<i>Conflict in the U.S.–Canada Special Relationship</i>	108
	<i>Conflict in the Anglo-American Special Relationship</i>	116
	A Special Relationship as a Security Regime	123
	Security Regime	123
	A Special Relationship Constitutes a Security Regime	127
	A Special Relationship Transforms into a Pluralistic Security Community	140
	The Overwhelmingly Powerful Counterpart — The Guarantor of Survival	140
	The Strategic Importance of the Weaker Counterpart	146
	Power Imbalance — A Necessary Condition	151

PART II	HISTORY OF INDONESIA–MALAYSIA RELATIONS, 1957–2017	
Chapter 5	Not Yet Special: Indonesia–Malaya/Malaysia Relations, 1957–65	159
	Indonesia–Malaysia Common Identities — The Malay Way of Life	160
	Indonesia–Malaya Similar Strategic Understanding	166
	Indonesia to Assert Its Strategic Preponderance Over Malaya	168
	Malaya Desired for Mutual Strategic Dependence with Indonesia	178
	The First Encounter	181
	The Rebellions	184
	The Friendship Treaty	192
	The Regional Prescriptions	193
	The Fight for West Irian	198
	Time to Confront Malaysia	209
	The Absence of Power Balance between Indonesia and Malaya/Malaysia	227
Chapter 6	The Beginning of a Special Relationship: Indonesia–Malaysia Relations, 1966–84	229
	Indonesia’s Understanding of Malaysia Shaped by Power	230
	More than a Basis of Order — The Coexistence of the Two Sources of Closeness	232
	Ending Confrontation and Establishing a Special Relationship	238

The Forming of ASEAN — An Expression of the Indonesia–Malaysia Special Relationship	246
The Width and the Depth of the Indonesia–Malaysia Special Relationship	255
ZOPFAN — Competitive Cooperation for Regional Autonomy	267
The Presence of Power Balance and the Absence of a Security Community	278
Chapter 7 No More <i>Serumpun</i>? Indonesia–Malaysia Relations, 1985–2017	280
The Solid Presence of the Malay World and the New Stage of Economic Development	281
Looking Beyond Southeast Asia	298
Sipadan and Ligitan	316
Territorial Disputes in the Sulawesi Sea	322
Migrant Workers	337
Anti-Malaysia	353
No More <i>Serumpun</i> ?	370
Chapter 8 Conclusion	379
Bibliography	390
<i>Archival Sources</i>	405
<i>List of Interviews</i>	406
<i>Newspapers and Magazines</i>	407
<i>Internet Sources</i>	408
<i>Index</i>	411
<i>About the Author</i>	432

LIST OF FIGURES

7.1	GDP per capita of Indonesia and Malaysia, 1970–85	285
7.2	Contribution of Manufacturing and Agricultural Sectors to Malaysia's GDP in 1981 and 1990	295
7.3	Contribution of Manufacturing and Agricultural Sectors to Indonesia's GDP in 1986 and 1990	296

LIST OF TABLES

4.1	Chronological Transformation of the U.S.–U.K. and U.S.–Canada Relations	155
5.1	GDP per capita and Total Population of Malaya and Indonesia in the Early 1960s	180
5.2	Comparison of Military Power of Indonesia and Malaya in the 1960s	210
7.1	GDP per capita of Indonesia and Malaysia, 1997–2002	325

ACKNOWLEDGEMENTS

This book originated from my concern over the impacts of culture/identity on politics. To what extent does the factor of culture — especially common identities — shape the ties between states? The book is built on my PhD thesis, which I had completed at the University of New South Wales (UNSW) at the Australian Defence Force Academy (ADFA) in April 2015. It is the revised and updated version of the thesis. I am deeply indebted to the support of many people without which the completion of this study would not have been possible.

First of all, I would like to thank Professor Clinton Fernandes for his excellent supervision. I am indeed very fortunate to be able to develop my thesis under Clinton's supervision. Clinton has been a great source of inspiration and a dedicated supervisor. I thank him specifically for thoroughly reading through my chapters, offering both encouragement and incisive criticism, while also pointing out my technical mistakes. Clinton's supervision throughout had assisted me in clarifying my ideas and had made me want to improve the quality of my thesis. I express my deepest gratitude for Clinton's guidance and his firm support for the publication of this book.

I am also very grateful to the kind support I had received from the School of Humanities and Social Sciences (HASS) of UNSW at ADFA. My special thanks go to Professor David Lovell, the former Head of School, for his help in securing partial financial support from UNSW for my PhD study at the university. This financial support had been crucial in allowing me to have peace of mind throughout my

PhD study. I thank Associate Professor Jian Zhang for his kind advice and support. I would also like to thank Associate Professor Craig Stockings, the then Research Coordinator, and the administrative staffs for ensuring strong administrative support for my research. Bernadette McDermott, Marilyn Anderson-Smith and Shirley Ramsay had never hesitated to assist me when I needed their help in solving administrative matters that I encountered.

I, meanwhile, would like to express my deep gratitude to my employer in Malaysia — Universiti Tunku Abdul Rahman (UTAR) — for partially sponsoring my PhD study at UNSW. I am deeply indebted to Professor Chuah Hean Teik, President of UTAR. Professor Chuah was indeed the very first person that had discerned the academic qualities in me, and had since strongly encouraged me to develop my intellectual capacity through a PhD study. Professor Chuah together with Professor Lee Sze Wei, Professor Ewe Hong Tat and Dr Stephen Leong Mun Yoon from UTAR had provided me their invaluable support and encouragement throughout my study in Australia. I owe special gratitude to them.

My earnest appreciation goes to the interviewees of this study, who had been very patient in sharing with me their knowledge, experience and insights on Indonesia–Malaysia relations. The analysis of the bilateral ties in this study has surely benefited from these interviews. I too extend my thanks to Perdana Library of Perdana Leadership Foundation (Malaysia), ISEAS Library (Singapore), and Ali Alatas Library of the Ministry of Foreign Affairs of the Republic of Indonesia, for their generosity in sharing with me their materials related to this study.

I express my sincere gratitude to Mr Ng Kok Kiong, Head of ISEAS Publishing, and Ms Sheryl Sin Bing Peng, the book's editor, for their generous assistance during the preparation for this publication. Besides, many thanks are due to the three anonymous reviewers. Their valuable comments and suggestions have helped make the manuscript a better one.

I am also thankful to all my friends for their care and support. In particular, I would like to thank Dr Huang Chia-Yu, who had

been supportive in my four years of PhD study in Australia; Ms Lee Kar Hui, who had been kind in assisting me during my fieldwork; and Ms Samantha Cheah Pei Wen, who had selflessly helped me to design the cover of this book.

Finally, I dedicate this book to my parents, Ho Yew Kee and Tan Sook Ha, and my two sisters, Ho Key Kuen and Ho Pui Kuen. Their love, patience, encouragement and understanding make this book possible.

Ho Ying Chan
May 2018

ABBREVIATIONS

AMDA	Anglo-Malayan Defence Agreement / Anglo-Malaysian Defence Agreement
APEC	Asia-Pacific Economic Cooperation
ASA	Association of Southeast Asia
ASEAN	Association of Southeast Asian Nations
Bendera	Benteng Demokrasi Rakyat (The People's Democratic Front)
CPM	Communist Party of Malaya
CPOPC	Council of Palm Oil Producing Countries
DPR	Dewan Perwakilan Rakyat (People's Representative Council)
EAEC	East Asia Economic Caucus
EAEG	East Asian Economic Group
EC	European Community
FAO	Food and Agriculture Organization of the United Nations
FPDA	Five Power Defence Arrangement
GAM	Gerakan Aceh Merdeka (Aceh Independence Movement)
GATT	General Agreement on Tariffs and Trade

GBC	General Border Committee
GDP	Gross Domestic Product
G-15	Group of Fifteen
ICJ	International Court of Justice
Maphilindo	Malaysia–Philippines–Indonesia Confederation
MASOC	Malaysia SEA Games Organising Committee
MOU	Memorandum of Understanding
MPR	Majelis Permusyawaratan Rakyat (People’s Consultative Assembly)
MPRS	Provisional People’s Consultative Assembly
NAFTA	North American Free Trade Agreement
NAM	Non-Aligned Movement
NATO	North Atlantic Treaty Organisation
NIC	Newly Industrializing Country
NORAD	North American Air Defense Agreement
OECD	Organization for Economic Co-operation and Development
OIC	Organisation of Islamic Cooperation
OPEC	Organization of the Petroleum Exporting Countries
OPSUS	<i>Operasi Khusus</i> (Special Operations)
PJBD	Permanent Joint Board on Defence
PKI	Partai Komunis Indonesia (Communist Party of Indonesia)
PRB	Partai Rakyat Brunei
PRRI	Pemerintah Revolusioner Republik Indonesia (Revolutionary Government of the Republic of Indonesia)

RELA	Jabatan Sukarelawan Malaysia (The People's Volunteer Corps)
SAF	Singapore Armed Forces
SEAFET	Southeast Asia Friendship and Economic Treaty
SEATO	Southeast Asia Treaty Organization
SESKOAD	Sekolah Staf Komando Angkatan Darat (Army Staff and Command College of Indonesia)
TAC	Treaty of Amity and Cooperation in Southeast Asia
TNKU	North Kalimantan National Army
TPDA	Three Power Defence Arrangement
UMNO	United Malays National Organisation
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
USSR	Union of Soviet Socialist Republics
ZOPFAN	Zone of Peace, Freedom and Neutrality