# The Impact of the One China Policy on Indonesia's Diplomatic Relations with Taiwan

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The One China Policy or commonly referred to as the One China Policy is China's policy which states that no more Chin countries may be recognized other than their own. In this case, another country referred to by China is Taiwan, which also claims to be a country that has original power over mainland China and claims to be an independent country, not under the control of the People's Republic of China. Indonesia is one of the countries that implements the implementation of the One China Policy so that it has a fairly large impact on diplomatic relations or cooperation between Indonesia and Taiwan.

# Keywords :

Indonesia's Relations with China, Indonesia's Relations with Taiwan, the One China Policy

### BACKGROUND

Indonesia is a country that has diplomatic relations with many countries in the world. Building diplomatic relations means Indonesia admit full sovereignty of the country. According to Montevideo convention, a country can be said to be a sovereign state if it has fulfilled several requirements, namely, having people, having territory, have sovereign government and has ability for establish relations with other countries [1].

A country must get recognition from the other countries in order to establish diplomatic relations with other countries and official government declared sovereign, namely holding the highest authority so that it can fulfil the four conditions in the Montevideo convention [2].

With recognition from other countries, it also makes it easier for that country to be able to conduct relations in any field in the future. Such as agreements, making trade export-Import transactions of goods as well as labour, tourism, etc. By giving acknowledgment as well, there will be rights and obligations that must be fulfilled as a state that recognizes and is recognized so that a diplomatic relationship will be established between the two parties out recognition from other countries, a country cannot be declared as a sovereign country de jure. Because it is considered unable to establish diplomatic relations with other countries.

One of the rights and obligations that arise is the right of legation or what in Indonesian is called the representativeness. This right right of representation consists of two things that will be owned by a sovereign state. The first is the right to send diplomatic representatives to countries that we have diplomatic relations with it, and the second is the right to receive envoys from other countries who are assigned as their diplomatic representatives to that country. So that it has become the authority of a country to give the authority to represent country diplomatic representatives [3].

By giving recognition to other countries, which means acknowledging that the government of that country has the highest authority. However, this authority will be limited by the territorial area it owns and the territory of other countries bordering the country. So, recognizing the sovereignty of other countries also shows that the authority possessed by one country to another is equal, no one is higher or more powerful. Also, that Sovereign country is an independent territory with the ability to govern its own territory without interference from other countries or other parties who intend to control the government of that country [4].

In carrying out the exchange of diplomatic representatives, according to the Vienna Convention, both parties, in this case, are the exchanging countries messenger diplomatic representatives or consular representatives first make an agreement. Without an acknowledgment of the sovereignty of each other, this is impossible to do.

Indonesia itself has opened diplomatic relations with one of the most influential countries in Asia and the world economy, namely China. The good relations that Indonesia has with China both from the economic sector through trade agreements, export-import goods, and also other things make Indonesia one of the countries that has good relations with China following one of the policies issued by China, namely One China. Policy. One China Policy or which in Indonesian is defined as the one China policy is a policy issued by China which states that there is only one China country [5]. This policy can be said to be sufficient to require countries that have diplomatic relations with China to only recognize the Chinese government and cannot give recognition of state sovereignty to Taiwan [6]. In this policy, China also makes guarantees for countries that want to cut off diplomatic relations or who want not to establish diplomatic relations with Taiwan will be given assistance to support that country in return for the choice to implement policies made in China.

So that Indonesia and other countries cannot recognize the existence of other Chinese countries such as Taiwan. It made Indonesia and Taiwan not having diplomatic or consular relations because Indonesia cannot recognize Taiwan as an independent and sovereign country because Indonesia obey policies issued by China [7].

Taiwan has declared itself as a separate country from China, while China itself still considers Taiwan as part of a province under Chinese control. This was motivated by the end of the Chinese empire due to the Xinhai Revolution in 1911 that cause the change in the Chinese government system, which was originally an empire, became a republic. This then gives rise to pros and cons among the people that make China's political condition unstable. Until then, there was a dispute between mainland China which embraced the Communists which we now know as the People's Republic of China and the democratic nationalist group then moved to another island and established their own government which we now know as Taiwan. Both claim each other to be the true sovereign Chinese government and claim each other's territory [8].

This later became the aftermath of the conflict between China and Taiwan, so China issued the one China policy in order to prevent countries that already have good diplomatic relations with China and recognize the existence of Taiwan as a country. China wants to make itself the only mainland Chinese country that has a sovereign government and recognized by countries in the world.

One of the countries affected by the One China Policy implemented by China is Indonesia. Indonesia itself cannot open diplomatic relations with Taiwan. Indonesia followed this one-China policy and implemented it because of the Memorandum of Understanding (MoU) on August 8, 1990. This agreement was approved by the Ministers of Foreign Affairs of both countries [9].

However, although Indonesia follows the policies made by countries that have diplomatic relations with it, namely China with its One China Policy, but Indonesia has a foreign policy that has always been firmly adhered to, namely being free-active [10]. So the result is that Indonesia and Taiwan only cooperate in several fields, such as economy or education, without admit Taiwan's status as a country.

This means that Indonesia also does not have the right to send diplomatic representatives such as ambassadors and consulate generals to Taiwan, and vice versa, Indonesia is also not obliged to receive diplomatic representatives from Taiwan and provide services like hosting diplomatic representatives of other countries.

The results obtained by Indonesia through cooperation with Taiwan also bring many positive impacts that can be taken by Indonesia so that the decision to continue to cooperate in several fields of cooperation with Taiwan is the right step for Indonesia.

At first, Indonesia established relations in the economic field first with China, but this cooperative relationship foundered in 1965. As a result, Indonesia had to find new allies to cooperate in this field. Therefore, Indonesia then established relations with Taiwan in 1987 which was called the establishment of a chamber of commerce to improve the country's economy. However, in 1990, Indonesia and China succeeded in re-establishing their tenuous relationship through a Memorandum of Understanding (MoU) on August 8, 1990. In this memorandum, it is also stated that Indonesia will apply the principles of the One China Policy and will not recognize Taiwan as a country, but only establish unofficial cooperative relations with Taiwan.

Then in 1994 the relationship between Indonesia and Taiwan increased. Which in 1994 Indonesia issued Presidential Decree no. 48 of 1994 concerning the Indonesian trade office in Taipei.

This Presidential Decree states that Indonesia already has a non-government office located in

Taiwan as a trading office representing Indonesian economic institutions in Taiwan this facilitate cooperation in the field of trade between the two parties. This office will not be under the authority of the Ministry of Foreign Affairs such as when opening an office in a country that has diplomatic relations with Indonesia but will be under the Indonesian Economic Trade Office or abbreviated as IETO.

#### CONCEPTUAL FRAMEWORK

#### **The Spirit of Commerce**

The spirit of commerce or which in Indonesian means commercial spirit is one of the sub-theories in liberalism which used for analyze the relationship between one country and another and how the state determines its attitude in the political field and the world economy. [11] This theory emphasizes the economy in this modern era more towards cooperation between countries rather than war for commercial advantage. It also conveyed by John Stuart Mill who stated free trade is a solution or a way out to resolve the competition to take advantage through war.

# Concepts of Interdependence and Institutionalism

Interdependence means two parties lean on each other. The interdependence that is meant here is how the commercial spirit that we discussed above succeeded in encouraging one country to another to cooperate with each other to gain benefits for the interests of their respective countries. Well, if the cooperation is mutually beneficial, then of course these countries have no desire to end their cooperation between them, which means the cooperating countries will experience a relationship between one another. The relationship with each other that occurs continuously over time will lead to dependence where both will not be able to survive or will not be okay without each other.

In his book The Rise of the Trading States: Commerce and Conquest in the Modern World (1986), Richard Rosecrance issue a statement if the desire to attack and control other countries with the aim of controlling natural resources or obtaining benefits from occupying that country will decrease if there is a cooperative relationship between countries that affects each other and creates dependence.

# Neoliberal-Institutionalism

Neoliberal-institutionalism see through in international politics there is no world authority

or more commonly referred to as anarchy.

Neoliberal-institutionalism also agrees that countries in carrying out politics in the international arena must cooperate with each other. Neoliberal-institutionalism also provides approval on a statement that in order for mutually beneficial cooperation between countries in the world to run smoothly, it is necessary to have stability in international politics.

Neoliberal-institutionalism also does not blame if there is an interest that is owned by a country and the country wants to enter into a cooperation agreement to fulfil that desire, so this is natural and the agreement there should beneficial for both parties [13]. Besides, it argues that with the existence of anarchic world politics, the state remains feel need for cooperate and cooperate in cooperation to get their own interests and benefits.

## ANALYSIS

According to the Neoliberal perspective, institutionalism which holds that cooperation between countries also must reflect the national interest of the country and the cooperation agreement must fulfil the country's national interest, this is in accordance with China's objectives in establishing agreements and diplomatic relations with other countries that contain agreements must support its national interest is to become the only Republic of China recognized by the world.

Indonesia alone could implement the one China policy is due to the relationships recovery among Indonesia-China which had drifted apart in 1965 [14]. This relationship began to be restored through Memorandum of Understanding (MoU) on August 8, 1990. Apart from the diplomatic representatives of the two signing parties Memorandum of Understanding (MoU) was also attended by President Soeharto and the Chinese side was represented by Premier Li Peng.

This agreement discusses the implementation of the One China Policy in Indonesia so that Indonesia is not allowed to recognize the sovereignty of Taiwan which is defined by China as "another Chinese country" because the only one that can be declared a China is only China. So that Indonesia is allowed to enter into treaty relations in the economic and trade fields only with Taiwan [15].

Indonesia and China itself already have a strong enough bond so that interdependence arises between them. So that the agreement cannot be violated because both parties need each other. The existence of interdependence between these two countries can also affect in the political field.

A simple example that we can take is to mention it in the agreement Memorandum of Understanding (MoU) which is more like relationships recovery diplomatic relations in the economic field of the two countries but able to regulate the political steps of a country so as not to recognize the sovereignty of other countries. This proves that the theory that stated existence interdependence reduces the risk of war or disputes between one country and another to be valid because these countries already dependent on each other so that they can influence each other in other fields. And the passion for commercial is also reflected in how Indonesia although it does not have diplomatic relations with Taiwan, it still maintains relations in the economic and trade fields for profit.

In the economic field, there have been many economic agreements that involve Indonesia and Taiwan. One of them is Bilateral Agreements Investment Promotion and Protection in 1990, and Double taxation avoidance in 1995.

The Double taxation avoidance agreement itself begins with a desire to avoid taxes that can be levied twice in the two countries that make the agreement. The tax applies to the ratio of interest, profit, fees, etc. for Taiwanese living in Indonesia. This agreement was approved by both parties represented by their respective ministries of commerce. Taipei Economic Trade and Office (TETO) and Indonesian Economic Trade and Office (IETO) or better known as the Indonesian Chamber of Commerce and Economy (IETO)[16].

In the non-economic field of Indonesia also make a cooperation with Taiwan in the other sector. Although the China Policy stipulates that Indonesia can only enter into agreements with Taiwan in the economic and trade fields, but with the foreign policy principle set by Indonesia, namely being free without pressure from any country to enter into cooperative relations with any party and actively participate in peace. Indonesian food industry has cooperation in noneconomic and non-trade fields with Taiwan.

The first is cooperation in the field of law. This time the collaboration is done relation with cooperation trading what these two countries have done before. Cooperation in the field of law has goals to prevent tempted smuggling of goods and human trafficking. This agreement was made between the Indonesian Economic and Trade Office (IETO) Taiwan and The Taipei Economic and Trade Office (TETO). At a meeting on 3-4 August 2015, both parties agreed to an agreement containing immigration, and the prohibition of its existence smuggling and human trafficking [17].

The second is cooperation in the field of agricultural technology. There is a technical mission carried out by agricultural graduates from Taiwan in Indonesia. Here the research focuses on the fields of agronomy, horticulture, and marketing of products in the field of agricultural technology. And also build The One Village One Product project which is an agribusiness project. As well as entering into agreements in the agricultural sector.

The third is policies in the field of education. Every year there is at least a quota of 25 Indonesian students who can get scholarships to Taiwan. Taiwan University provides many scholarships for Indonesian students who wish to study abroad for free. Students who continue their education in Taiwan also have a student association consisting of students from Indonesia who study in Taiwan itself. This agreement started in 2004. During the next ten years, starting from 2004 to 2014, there were 221 agreements approved by Taiwan and Indonesia related to the agreement [18].

The last is the policy of cooperation in the tourism sector. To increase the number of Indonesian and Taiwanese tourists, this agreement was carried out to increase tourism numbers on both sides of the country. To achieve this, an agreement was made between the two parties with the aim of increasing tourist in both countries. By targeting the exchange of tourists from both sides of the country, it was decided to release the can for both countries so that foreign tourists from both sides can easily visit without having to pay more for the can or the difficulty of processing the can which will later complicate visits between the two parties. This is quite successful make increase tourist visits are quite soaring for both parties [19].

### Indonesia's Policy Towards Taiwan

In order to comply with the principles applied by the One China Policy, in carrying out relations with Taiwan, Indonesia must perform certain procedures and attitudes. For example, Taiwan is not allowed to call itself or Indonesia calls Taiwan as "Republic of China". Because this is a wrong thing, because in One China Policy only allowed to recognize or call China the same as the People's Republic of China. In addition, Indonesia at every meeting with Taiwan must also uphold the principle that this visit is not an official visit, there is no need for excessive publication, and ensure that what is done does not conflict with the agreement that has been signed Among Indonesia and China in the past, namely the Memorandum of Understanding (MoU) on August 8, 1990 which also contained the agreement between Indonesia and China to apply the principles of One China Policy[20].

## **Taiwan's Policy Towards Indonesia**

Taiwan in promoting itself in the Asian scene has the desire to show a new image for Asia. Providing examples and new values for Asia and promoting democracy in its participation in Asia [21]. To establish cooperative relations with Indonesia itself, Taiwan created an institution called the Taiwan Economic Trade Office (TETO). This establishment was based on the creation of the Taiwan economic and trade office in Jakarta. Then later in 2015 also opened a trade and economic office belonging to Taiwan in a city other than Jakarta. This city is located in the province of East Java. That is more precisely the capital city of East Java, Surabaya [22].

# Providing Adequate Protection Indonesia Residents in Taiwan

The existence of the Indonesian Economic and Trade Office (IETO) which is funded by the State Budget through the Ministry of Trade in Taiwan has in fact provided many benefits for Indonesia [23]. This office is basically under power The Ministry of Trading. However, in practice this office does not only provide services regarding trade.

Apart from being responsible for economy interest and make cooperation easier with Taiwan. This office also provides protection services for Indonesian Migrant Workers in Taiwan. With various problems faced, such as wages that are not appropriate, work that is not in accordance with the work contract, fraud that turns out to be the workers being sold, and many other cases. But even though it happened, it doesn't mean making this trading office equivalent to diplomatic representative offices in other countries. This trading office does not have the immunity possessed by office diplomatic representatives and also have a different focus of function [24]

# CONCLUSION

Based on what we have discussed, it is evident that the impact of the One China Policy is enormous on Indonesia's relations with Taiwan. With Memorandum of Understanding (MoU) on August 8, 1990 which according to Neoliberalism is a natural thing if when we have cooperative relations between countries reveal national interests and strive to achieve them. One of them is that in this case China has a desire that countries with diplomatic relations with it cannot have diplomatic relations with Taiwan or do not recognize Taiwan as a sovereign country.

Countries that have established relationship with China also already has a relationship that causes the emergence of interdependence between them so that China can influence the country's political attitude. In this case the political attitude that can be used as an example is the attitude of a country to recognize the existence or sovereignty of another country. Through agreements between countries that can make a country obedient to apply the principle.

However, with the encouragement of a commercial spirit that encourages the state to continue to cooperate with other foreign political partners in order to gain profits, which is the goal of the it's national interest. This is evidenced by Indonesia which even though based on an agreement with China, Indonesia cannot open diplomatic relations with Taiwan, Indonesia still opens non-formal cooperation with Taiwan in the field of economy and trade, as well as several other fields to get the benefits and things that Indonesia wants. And to fulfil this, cooperation with Taiwan is carried out even though Indonesia does not have diplomatic relations with Indonesia.

At the end, the establishment of the Indonesian Economic and Trade Office and also the Taipei Economic and Trade Office to Indonesia is very beneficial and strengthens relations and helps each other between the two countries even though Indonesia cannot fully recognize Taiwan's sovereignty but only opens cooperation [25].

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