

The Complex Interdependency Between Taiwan and Indonesia Through the Implementation of New Southbound Policy

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ABSTRACT

Taiwan's limitations in diplomatic relations, access to intergovernmental results, and international law are the consequences as a quasi-state. New Southbound Policy is implemented to counter the intervention and shrinking international space due to the influence of the People's Republic of China. Under the One Belt, One Road initiative, the People's Republic of China provides aid, including Indonesia. Despite getting a lot of aid from the People's Republic of China, Indonesia's relations with Taiwan are not significantly affected, especially after implementing the New Southbound Policy. This paper used qualitative methods with a descriptive analysis approach. This paper focuses on analyzing the complex interdependency between Taiwan and Indonesia to define the critical role of Taiwan in the development of Indonesia through the implementation of the New Southbound Policy.

Keywords: *New Southbound Policy, Quasi-State, Neoliberalism.*

1. INTRODUCTION

One China Policy is the diplomatic acknowledgment of China as the only Chinese government, and it does not recognize Taiwan as a sovereign state. One China Policy will automatically cut off the diplomatic relation between the People's Republic of China and other states that recognize Taiwan as an independent state [1]. According to article 1 of the Montevideo Convention in 1933, states should have four elements: a permanent population, a defined territory, government, and the capacity to enter relations with other states. Taiwan should be included as a sovereign state due to the fulfillment of four aspects. However, most of the state in the international arena has viewed Taiwan as a quasi-state due to lack of feature empirical statehood. The empirical statehood means that Taiwan should be entirely free from any intervention from other states in their domestic politics. As a result, Taiwan has limited diplomatic relations, limited access to intergovernmental results, and limited access to international law, agreement, and court [2].

In 2016, the administration of Tsai-Ing Wen introduced the New Southbound Policy to promote global cooperation, protect international peace, and enduring world peace. Tsai-Ing Wen aims to broaden exchanges with ten member states of ASEAN, 6 South Asian states, Australia, and New Zealand to significantly influence Southeast Asia [3]. New Southbound Policy focuses on cooperation in economic and trade between ASEAN, South Asia, New Zealand, and Australia with measured short-term, medium-term, and long-term goals. ASEAN is the world's third most populous economy predicted to become the fourth-largest economy consumptive region by 2030. Moreover, the World Economic Forum (WEF) notes that in the next ten years, ASEAN will see an additional 10 million consumers, rapid digital adoption, and 575 million internet users in the region by 2030. Therefore, ASEAN is a strategic market for Taiwan that could provide bilateral and multilateral cooperation [4]. However, this paper will only focus on implementing the 'New Southbound Policy' in Indonesia due to the dependency of Indonesia on China that does not hinder the relation with Taiwan, and the absence of diplomatic

relations does not mean significant in international relations.

New Southbound Policy aims to promote economic and trade collaboration, encourage resource exchanges to focus on talent cultivation, and forge regional connectivity [5]. The interactions between Indonesian and Taiwanese have maintained good relations, especially in education, where Indonesia has recorded the fourth-highest number of students in Taiwan after Malaysia and Japan [6]. Moreover, Taiwan also helped Indonesia develop its agriculture economy by cooperating in the production, which aims to help Indonesian farmers learn through demonstration and training programs [7]. Even more, only migrant workers from Indonesia got higher and better payment NTD 17.000 in comparison with other states that send their migrant workers to Taiwan [8]. The presence of numerous Indonesian migrant workers in Taiwan is a strategic way to strengthen Taiwan's relationship with Indonesia [9]. In the case of regional autonomy, cooperation between transnational actors from Taiwan and provinces in Indonesia can be seen in a particular province, namely West Java and Central Java. West Java focuses its energy cooperation with CPC Corporation Taiwan, explicitly developing an Integrated Petrochemical Industrial Complex [10]. Moreover, Central Java's cooperation with the Taiwan External Trade Development Council (TAIRTA) to develop Kendal Industrial Park also helped Taiwan and Indonesia's national economies [11].

This paper focuses on analyzing the complex interdependency between Taiwan and Indonesia to define the critical role of Taiwan in the development of Indonesia through the implementation of the New Southbound Policy. The complex interdependency between Taiwan and Indonesia needs to be examined from 2016 as Taiwan officially launched this policy until the present day. "The Complex Interdependency between Taiwan and Indonesia through the implementation of New Southbound Policy" is necessary and relevant to the study of international relations since it involves two actors that try to influence each other in the political process or decision-making beyond their national borders. It also tries to examine the effectiveness of the quasi-state strategy in terms of diplomacy to achieve its goals.

2. LITERATURE REVIEW

Theory can be thought of as a way of looking at phenomena based on scientific findings. The theory is used as a general explanation to know and predict why and when a particular event happens. The theory of international relations consists of various concepts that

organize and identify phenomena in international politics [12]. The theory of complex interdependency is a theory that stresses the complex ways in which, because of growing ties, the transnational actors become mutually dependent, vulnerable to each other's actions, and sensitive to each other's needs. There are three keys of complex interdependence consist of multiple channels, the absence of hierarchy among issues, and the minor role of military force.

Multiple channels mean that societies in every layer, whether the interstate, trans governmental, or transitional organizations, create a sense of mutual needs among actors across their national borders. Moreover, the interaction between governments is indeed a source of connecting societies. Still, informal ties among non-governmental and transnational organizations are gaining more and more roles in influencing foreign policies. The absence of hierarchy among issues means that in the world of complex interdependency, there is no hierarchy in the international arena that is followed by a blurring parameter between domestic and foreign policy. Furthermore, the minor role of military force indicates that states tend to reconsider their decision in exercising the military force, which might entirely terminate the relations between states [13].

According to the theory of complex interdependency and its three keys of characteristic, Taiwan and Indonesia have shown two phenomena of multiple channels and the absence of hierarchy. Indonesia and Taiwan do not have formal diplomatic relations. However, the agreement and the connectedness of each states' society and transnational actors still exist, especially within the higher education, agricultural, and migrant workers. The absence of hierarchy among issues between Indonesia and Taiwan occurs in trade and investment where the parameter between domestic and foreign policy blurs.

The role of the transnational actor is crucial in the absence of hierarchy within the theory of complex interdependency. According to Law Number 32 in the Year 2004 and Law Number 23 in the Year 2014 about the authority of Foreign Relations and Cooperation, the freedom to conduct foreign relations and cooperation is given to the Autonomous Region concerned under the mechanism of consultation and coordination with the Ministry of Foreign Affairs [14] ([15], [16]. New Southbound Policy that acts as a tool to strengthen the relations between Taiwan and Indonesia in trade, education, and human resources is also implemented within the regional level.

3. RESEARCH METHODOLOGY

This paper used qualitative methods with a descriptive analysis approach. The qualitative method is a research

method carried out in certain conditions focusing on understanding a phenomenon to examine what happens, why it happens, and how it happens. Furthermore, the descriptive analysis approach can be explained as an analytical procedure that is investigated by displaying images, subjects, or research objects such as individuals, institutions, groups, and dominant society based on written facts, descriptions, etc. This thesis uses secondary data by conducting literature studies to collect written data from journals, books, news, reports, and other sources to support this research [17].

4. RESULT & DISCUSSION

4.1. One China Policy and United Nations Resolution 2758

As a quasi-state, there are three limitations that Taiwan has included Taiwan. Those limitations are diplomatic relations, intergovernmental results, and international law, agreement, and court [18]. The situation is worsened by the One China Policy and United Nations Resolution 2758 that can directly confirm that Taiwan is not an independent state at the international level. The international relations procurement is hindered due to the missing element from Taiwan to be recognized as an independent state within the international community which is the capacity of entering international relations. The capacity to enter international relations is essential since recognition is a process where a particular fact is accepted under a specific legal status which includes but is not limited to statehood and sovereignty over newly claimed territory [19].

One China Policy was introduced first time during the Shanghai Communique of 1972. One China Policy also acts as the countermeasure for Taiwan's effort in the international arena through the elevation of substantive relations with the United States and many other strategic states [20]. One China Policy is the diplomatic acknowledgment of China as the only Chinese government. The recognition of Taiwan as a sovereign state will automatically cut off the diplomatic relation with the People's Republic of China due to states' choice to hold diplomatic relations with Taiwan [1]. Other than One China Policy which only involved two states, United Nations Resolution 2758 involved the international community in determining the position of Taiwan and the People's Republic of China. According to the United Nations Resolution 2758, which was agreed on October 25, 1971, the People's Republic of China and its Central Government of the People's Republic of China is the only legitimate government of China. Followed by the United Nations Resolution 2758, Taiwan was replaced by the People's Republic of

China as the permanent member of the Security Council in the United Nations. Within the United Nations Resolution 2758, the People's Republic of China also gets all its rights to expel Taiwan from the United Nations and its sub-organization [21].

4.2. New Southbound Policy

In return for that status of quasi-state and to repress the repercussion of One China Policy and Resolution 2758, Taiwan must create a strategic policy to increase its role within the international community. New Southbound Policy acts as the compass and new driving force in the development of through redefining Taiwan's role in the development of Asia and determining future's value. New Southbound Policy focuses on the cooperation in economic and trade between ASEAN, South Asia, New Zealand, and Australia with measured goals in the short term, medium-term, and long term. To understand what New Southbound Policy is and what it contains, therefore, this part will explain the principles of New Southbound Policy as the foreign policy of Taiwan as a quasi-state [22].

There are short-term, medium-term, and long-term goals within the New Southbound Policy. Short-term and medium-term goals are compiled to four points, namely: (1) integrate national objectives, incentive policies, and business opportunities to promote and expand "two-way" exchanges in the fields of economy and trade, investment, tourism, culture, and talent; (2) support the new model of economic development, encourage industry to adopt a new "Southbound" strategy in planning next steps; (3) produce more people with the skills needed to support the New Southbound Policy; therefore they can overcome development barriers; (4) expand multilateral and bilateral negotiations and dialogues to enhance economic cooperation and resolve disputes and differences of opinion. Furthermore, the long-term goals of Taiwan within New Southbound Policy consist of (1) develop relations between Taiwan and the countries of ASEAN and South Asia as well as New Zealand and Australia in the fields of economy and trade, science and technology, and culture; share resources, talents, and markets; as well as making new cooperation model that will benefit all; (2) establish extensive negotiation and dialogue mechanisms; forming cooperation agreements with ASEAN and South Asia as well as New Zealand and Australia; resolve related issues and disagreements effectively; and gradually build mutual trust and a sense of community [22].

Furthermore, the principles of Taiwan's New Southbound Policy consist of (1) a sense of economic community; (2) determining the future of Taiwan in the region development; (3) pursuing four key chains of soft

power, supply chain, connect regional market, and public relations; (4) nurture capable people to support New Southbound Policy; (5) achieve bilateral and multilateral institutionalized cooperation; (6) plan comprehensive, coordinate, and effective risk management; (7) international cooperation; (8) improve the mechanism of comprehensive talks and dialogue; (9) cross-strait goodwill interaction and cooperation; and (10) utilize private organization [22].

4.3. Complex interdependency: Indonesia and Taiwan through the implementation of New Southbound Policy

The principles of the New Southbound Policy are the guideline that will determine the implementation of the policy itself. New Southbound Policy involves more aspects such as social and cultural approaches that are exclusive within New Southbound Policy compared to Go South Policy 1.0 and Go South Policy 2.0. It can be seen through New Southbound principles such as (1) a sense of economic community; (2) determine the future of Taiwan in the region development; (3) pursue four key chains of soft power, supply chain, connect regional market, and public relations; (4) nurture capable people to support New Southbound Policy; (5) achieve bilateral and multilateral institutionalized cooperation; (6) plan comprehensive, coordinate, and effective risk management; (7) international cooperation; (8) improve the mechanism of comprehensive talks and dialogue; (9) cross-strait goodwill interaction and cooperation; and (10) utilize private organization [22]. Taiwan's act to connect Indonesia-Taiwan society in education, science, and economy and cooperation with regional autonomy provinces in Indonesia are the consequences of the principles. The efforts of Taiwan to make multiple channels through the Industry Academy Collaboration Program, comparative agriculture studies, and the improvement of welfare for Indonesian migrant workers are in line with the principles within the New Southbound Policy. Those principles that are related are (1) nurturing capable people to support New Southbound Policy; (2) a sense of economic community; and (3) planning comprehensive, coordinated, and effective risk management play essential roles in promoting and improving the aspect of the economy, education, and science.

Moreover, the absence of hierarchy between Indonesia and Taiwan's domestic and foreign policy can be seen through the regional autonomy cooperation between both states in making Integrated Petrochemical Industrial Complex and Kendal Industrial Park. According to Law Number 32 in the Year 2004 and Law Number 23 in the Year 2014 about the authority of Foreign Relations and Cooperation, the freedom to

conduct foreign relations and cooperation is given to the Autonomous Region concerned under the mechanism of consultation and coordination with the Ministry of Foreign Affairs [14] [10], [16]. New Southbound Policy that acts as a tool to strengthen the relations between Taiwan and Indonesia in trade, education, and human resources is also implemented within the regional level. The other principles that are in line with that cooperation in the industrial sector are (1) a sense of community and (2) pursuing four key chains of soft power, supply chain, connecting regional market, and public relations [22].

4.4. Taiwan-Indonesia Multiple Channels

4.4.1. Industry - Academia Collaboration Program

Taiwan has initiated Industry-Academia Collaboration Program 2018 to support the implementation of the New Southbound Policy [23]. Industry-Academia Collaboration Program is a collaboration program between Indonesia and Taiwan on assisting university to university relations. The collaboration is conducted by the Ministry of Research, Technology and Higher Education, Indonesia, and the Ministry of Education, Taiwan. The goals of the Industry-Academia Collaboration Program are (1) bolster bilateral collaboration between universities in Taiwan and the targeted states; (2) create a friendly environment for foreign on exchange to the ASEAN region; and (3) promote a talent cultivation plan for new immigrants' children [23].

This program is applicable for the diploma three programs and undergraduate program with a program composition of 1.5 years of on-campus learning and 1.5 years of industrial internship in Taiwan. The selection procedure happens twice by selecting outstanding students from Indonesia and then an interview by the Taiwan delegation. Taiwan universities that participate in Industry-Academia Program are Cheng Shiu University, JinWen University of Science and Technology, Lunghwa University of Science and Technology, Minghsin University of Science and Technology, Chieh Hsin University of Science and Technology, Hsing Wu University, Kun Shan University, Lee-Ming Institute of Technology, and the National Chin-Yi University of Technology [24]. On the other hand, there are 15 Indonesia State Polytechnics that collaborate with Taiwan universities [25] such as Politeknik Jakarta, Politeknik Sriwijaya, Politeknik Medan, Politeknik Bengkalis, Politeknik Malang, Institut Perkapalan Politeknik Surabaya, Electronic Engineering Politeknik Surabaya, Politeknik Padang, Politeknik Indramayu, Politeknik Ujung Pandang, Politeknik Batam, Politeknik Madiun, Politeknik Bali, Politeknik Semarang, Politeknik Kupang, Politeknik

Banyuwangi, Politeknik Madura, Politeknik Manado, Politeknik Samarinda, and Politeknik Jember [26]. Moreover, universities in Indonesia also participate in the Industry-Academia Program, such as Universitas Sebelas Maret [27].

It is worth mentioning that Indonesia and Taiwan both benefitted from the implementation of the Industry-Academia Collaboration Program. Education has become a vital aspect for developing human resources, economic growth, and a conducive business climate. Industry-Academia Collaboration Program implements the principle of the New Southbound Policy, namely "Nurturing Capable People to Support New Southbound Policy." Indonesia has been recorded as the fourth-highest number of students in Taiwan after Malaysia and Japan [6]. It happened due to the quality of education offered by Taiwan that is better in comparison with Indonesia.

Moreover, Taiwan's computer industries dominate the market by fulfilling the demand for computer products, motherboards, monitors, optical scanners, and power supplies. It is well known that Indonesia has Muslims as the majority. Therefore, Taiwan also provides the needs of Muslims to conduct its prayer in Masala and halal food in the canteen that is primarily given to Indonesian. Taiwan has also given access to Indonesian for learning Chinese in writing and understanding the tone by providing dictionaries, children's books, textbooks for people learning Chinese, and newspapers and magazines to help understand Taiwanese pronunciation characters. Industry-Academia Program is considered helpful to boost Indonesia's Human Development Index (HDI) through the offer of studying in Taiwan and doing an internship at the same time [28].

However, in 2019, there was a moratorium by Indonesia to Taiwan and its Industry-Academia Collaboration Program due to the issue of exploitation for Indonesian students that participated in the program. The issues were how the Indonesian students were not doing internships according to their specialty, living with the Indonesian migrant workers instead of living in the dorms for students, and working overtime or lacking working time [29]. The government of Indonesia did not stop the cooperation with Taiwan in the education aspect since they also knew the benefit that they got from the program. Instead of stopping the Industry-Academia Program, Indonesia chose to delay the cooperation until Taiwan could re-manage its program and solve the issues related to the exploitation of Indonesian students. The government of Taiwan also responds to the Indonesian students' issues by being cooperative in the investigation effort, and the facts indicate that Indonesian students were not

exploited. Indonesian students in Taiwan stated that they chose to work overtime according to their conscience and not forced by the Taiwanese government [30].

4.4.2. Agriculture Comparative Studies

Comparative studies between Indonesia and Taiwan in the agricultural sector include demonstrating, examining, and comparing each state's agricultural condition. Improving the quality of education in the classroom is not enough to build the capacity and capability of good human resources. Therefore, improving practical skills is vital to the state, especially in the developing state where food production and economic development are essential to accelerate food production, poverty reduction, and food security. The role of Taiwan in sharing its knowledge and experience related to agriculture as part of agriculture comparative studies between Indonesia and Taiwan has existed for 42 years. Taiwan shares its knowledge and experience related to agriculture in Indonesia through Taiwan Technical Mission. Taiwan Technical Mission aims to ensure that Taiwan's resources are fully integrated and fit to deliver aid with appropriate care well by improving rural life, upgrading industrial and occupational competitiveness, strengthening cooperation with international organizations, and pursuing environmentally sustainable forms of development [31].

The presence of Taiwan Technical Mission itself could be considered Taiwan's strategy in creating interconnectivity between Indonesia and Taiwan which upholds the principle of New Southbound Policy, namely "A Sense of Economic Community." Growing the sense of economic community becomes crucial within the New Southbound Policy due to the limitations on access to an international agreement that Taiwan has. Having a sense of economic community will help Taiwan reduce and remove trade barriers with the other states while conducting international trade. To grow the sense of community in Indonesia, Taiwan Technical Mission is one of many media that has shared its past experiences as an information exchange and expanded exchanges of personnel, capital, technology, culture, and education. Those efforts are expected to forge a new and mutually beneficial cooperation model and a sense of community [32]. These comparative agriculture studies can be seen through collaborative projects such as the development of superior varieties of rice in South Sulawesi and cooperation in a horticulture development project in Karawang [33]. The development of superior varieties of rice in South Sulawesi involves Universitas Hasanuddin. Meanwhile, cooperation in a horticulture development project in Karawang involves the Ministry of Agriculture in Indonesia.

The domestic production of rice in Indonesia has not fulfilled the demand of the state's growing population. It looks problematic since Indonesia is the fifth most populated state globally that produces an agricultural product [34]. The use of uncertified or qualified seeds often limits the capacity to expand the rice production due to the poor management of Indonesian rice producers. Therefore, this cooperation between Taiwan and Indonesia that initiated from 2018 until 2020 would like to cover the issues of improving the technology of qualified rice seed production and increasing rice production capacity in the national rice producing areas. Taiwan has conducted six seminars for rice seed producers, constructed the greenhouse and warehouse, produced 3,700 metric tons of qualified rice seeds, completed transplanting 335 hectares of seed fields, and counseled local farmers in cultivating 300 hectares of seed fields to produce qualified rice seeds to develop superior varieties of rice in South Sulawesi [31]. Other than South Sulawesi, Karawang also mainly produces rice as its main crop. The vegetables are only produced during the non-rice production period. However, the income from selling those vegetables does not directly benefit the farmers due to the outsourcing, which regulates the market system. The aim of cooperation in the horticulture development project in Karawang implemented in 2020 is to enhance market access through joint marketing and echo the Indonesian governments' goals as farmers' income increases. Taiwan has assisted cooperative farmers in increasing crop production capacity, market capability and coaching farmers' organizations on operation and promotion [31].

4.4.3. The Improvement of Welfare for Indonesian Migrant Workers

The absence of diplomatic relations between Indonesia and Taiwan has supported Indonesian migrant workers' role in enhancing people-to-people relations as the second-track diplomacy actor [9]. However, it is known that migrant workers, mainly from Indonesia, only serve as low-skilled workers, which often sparks the issue of human rights. Historically, Indonesia has sent its migrant workers away during the Asian Financial Crisis under the administration of President Soeharto to leave the state. Indonesian migrant workers have known to work in the productive industries and social welfare and family nurses. Taiwan is dependent on the labor force, especially Indonesia, due to the decreasing population. Indonesia has a well-managed promotion for its immigration industry at the grassroots level. The promotion of the immigration industry starts from the village organized by local sponsors who are mostly

known to the families and trusted to accompany the workers to their states destination such as Malaysia, Saudi Arabia, and Taiwan. The issue of human rights occurs during training where the females are forced to get boyish haircuts to prevent jealousy within the employer's household, followed by abusive Indonesian migrant workers and their mysterious death. There are also cases where Indonesian migrant workers do not have a humane facility for sanitary, beds, or permission to leave the training center.

Moreover, there are also cases of Indonesian migrant workers leaving the contract they already agreed on. Taiwan has implemented the Employment Service Act in Taiwan to regulate the rights and welfare of foreign workers through Labor Standards Law [35]. Due to the human rights issue faced by Indonesian migrant workers during training or after the training, there are many cases where the Indonesian migrant workers would desert their duties. The government of Indonesia does not remain silent the moment Indonesian migrant workers' human rights are violated. The government of Indonesia has enacted Law Number 18 in the Year 2017 to protect Indonesian migrant workers and regulate the duties that they should fulfill during their contract. The government of Taiwan also provides free legal counsel to accompany the process of legal settlement as well as a translator during the court process the moment Indonesian migrant workers break the contracts. Mediation will become the priority before the legal settlement [36]. Indonesia and Taiwan also discussed collecting unnecessary fees, requirements for job changes for Indonesian migrant workers, delays in the handling process due to illness or severe injury, as well as the obligations of each party and the exchange of opinions on other issues to conclude [37]. Taiwan admits that these migrant workers are also prominent for both states' relations since Indonesia has become the most crucial supplier of jobs for Taiwan. Taiwan is also the second-largest country for Indonesian migrant workers overseas.

Despite the issue of human rights circulated in Taiwan, the number of Indonesian migrant workers keeps increasing. It is recorded that in the early 1990s, the number of Indonesian workers was far smaller than that of Thais and Filipinos; however, Indonesian workers reached 260 thousand, which equals 40 percent of Taiwan's total foreign contract workers. Three-quarters of Indonesian migrant workers work as family nurses, while the rest works in productive industries and social welfare. In line with the principles of the New Southbound Policy, namely "Plan Comprehensive, Coordinate, and Effective Risk Management Utilize and the Private Organization." Indonesian migrant workers have enjoyed better treatment in exchange for their

contributions in fulfilling Taiwanese social care needs, including the establishment of new worship places and increased wages from 15.850 NTD to 17.000 NTD [8]. The expectation of most Indonesian migrant workers in Taiwan and for their families is the main drive that motivates them to work in Taiwan. Moreover, there are cases where Indonesian migrant workers are married to Taiwanese. Furthermore, many Indonesian migrant workers are satisfied working in Taiwan family nurses due to the wages and work environment factors [9]. Not only that, but Taiwan also gives beneficial facilities to Indonesian migrant workers such as health assurance and the best welfare compared to other states' migrant workers [38].

4.5. Taiwan-Indonesia Absence of Hierarchy

4.5.1. Integrated Petrochemical Industrial Complex

Regional autonomy is the authority of the autonomous region to organize and manage the local interest community according to their initiative based on society's aspiration according to the law. According to Law Number 32 in the Year 2004 and Law Number 23 in the Year 2014 about the authority of Foreign Relations and Cooperation, the freedom to conduct foreign relations and cooperation is given to the Autonomous Region concerned under the mechanism of consultation and coordination with the Ministry of Foreign Affairs [14] [15], [16]. The regional government has broad authority in taking care of its household except for central government affairs, which be a matter of government, intending to increase well-being, public service community, and regional competitiveness. Six central government affairs consist of foreign policy, defense, security, judicial, monetary-fiscal, and religion. It is essential to understand that regional autonomy policy is an extension of central policy. Another important point regarding regional autonomy is that it is also not in conflict with the principle of national unity [39].

The authority of regional autonomy is limited; however, the region plays an important role such as (1) creating a potential region that could offer something for a foreign investor in the form of candidates, natural resources, and human resources; (2) creating conducive climate and support investment in the region such as the existence of guarantees security and legal certainty for investment in the area; (3) producing regulations that can spur economic growth that is capable of taking foreign direct investment and domestic investment [40]. The Governor of West Java, Ridwan Kamil, aims to get foreign investment from relocating Taiwanese companies in China to Southeast

Asia. It is known that Southeast Asia has its fair share from 70 thousand Taiwanese companies that will relocate. Half of them are rumored to enter the ASEAN region. Ridwan Kamil says that he prepares Balongan as a good place and invites Taiwanese companies to relocate and invest. Balongan is one of the 13 new industrial cities in the Rebana Metropolitan Area, West Java [41]. Rebana Metropolitan area is the northeast area of West Java Province which includes Sumedang, Majalengka, Cirebon, Subang, Indramayu, and Kuningan Regencies, and Cirebon City. The total population in the Rebana Metropolitan area is 9.28 million people, or about 18.82 percent of the total 49.3 million inhabitants of West Java as of 2019.

As the heart of this region's growth, Patimban Port in Subang and West Java International Airport (BIJB) Kertajati in Majalengka serves as a connectivity and logistics center. Rebana Metropolitan is projected as a driving force for West Java's economic growth in the future through the development of an integrated, innovative, collaborative, highly competitive, and sustainable industrial area [42]. It is decided that Balongan will become a place for the Taiwanese company to develop the Integrated Petrochemical Industrial Complex in West Java. The Integrated Petrochemical Industrial Complex development is the form of cooperation between the regional autonomy of West Java, Pertamina, and CPC Corporation Taiwan. Pertamina and CPC Corporation is the state-owned enterprises of both states. According to the New Southbound Policy, Taiwan's efforts consistently promoted institutionalized economic cooperation with its primary and potential trading partners through foreign direct investment could create a sense of economic community and connect regional markets. It is in line with the establishment of the Integrated Petrochemical Industrial Complex in Balongan. The Integrated Petrochemical Industrial Complex discussion happens between West Java and Pertamina first, then continued by Pertamina with CPC Corporation Taiwan [15], [16]. In this case, Pertamina, as a state-owned enterprise, asks West Java for licensing issues and location appointments to establish the Integrated Petrochemical Industrial Complex after investors would like to enter West Java. Although Pertamina handles the further coordination of cooperation, the role of regional autonomy of West Java to prepare and invite the Taiwanese company to invest in Indonesia should not be taken lightly.

4.5.2. Kendal Industrial Park

According to Law Number 32 in the Year 2004 and Law Number 23 in the Year 2014 about the authority of Foreign Relations and Cooperation, the freedom to

conduct foreign relations and cooperation is given to the Autonomous Region concerned under the mechanism of consultation and coordination with the Ministry of Foreign Affairs [14] [15], [16]. Other than West Java, Central Java expands cooperation with Taiwan External Trade Development Council (TAITRA) to develop Kendal Industrial Park. Taiwan External Trade Development Council (TAITRA) is Taiwan's foremost nonprofit trade-promoting organization sponsored by the government and industry organizations. The missions of the Taiwan External Trade Development Council (TAITRA) are to assist Taiwanese companies in developing international market, to collaborate closely with the Taiwanese government in trade policy implementation, to provide business consultation service and connect international firms with Taiwanese partners, and to complement government policies around the world [43].

As one of the missions of the Taiwan External Trade Development Council (TAITRA) in line with the principles of New Southbound Policy, such as creating a sense of economic community and connecting regional markets [22]. The Government of Central Java, Ganjar Pranowo, also invites foreign investors to invest in Central Java to empower regional people [44]. In 2019, Ganjar Pranowo met President Taiwan External Trade Development Council Trade Development (TAITRA), James C.F Huang, to discuss the incentive and investment permission in Central Java [45]. Central Java province is claimed to be the target of investors in various fields from Taiwan. The signing of an investment cooperation agreement for the construction of a factory in the Kendal Industrial Estate worth US\$170 million by a Taiwanese company [11].

5. CONCLUSION

Neoliberalism states that the absence of a formal international organization can create collaboration where principles, norms, and actors' expectations converge on a particular issue area. New Southbound Policy is more ambitious by focusing on developing relations between ASEAN maritime states or ASEAN 6, New Zealand, and Australia and focusing on all ASEAN member states with the other South Asia states. The goal of the New Southbound Policy is to increase its role within the international community by redefining Taiwan's role in the development of Asia and determining future value due to the challenges from the One China Policy and United Nations Resolution 2758. According to the theory of complex interdependency and its three keys of characteristic, Taiwan and Indonesia have shown two phenomena of multiple

channels and the absence of hierarchy. Indonesia and Taiwan do not have formal diplomatic relations; however, the agreement and the connectedness of each states' society and transnational actors still exist primarily within the higher education, agricultural, and migrant workers.

It is worth mentioning that Indonesia and Taiwan both benefitted from the implementation of the Industry-Academia Collaboration Program. Education has become a vital aspect for developing human resources, economic growth, and a conducive business climate. Industry-Academia Collaboration Program implements the principle of the New Southbound Policy, namely "Nurturing Capable People to Support New Southbound Policy." The presence of Taiwan Technical Mission itself could be considered Taiwan's strategy in creating interconnectivity between Indonesia and Taiwan which upholds the principle of New Southbound Policy, namely "A Sense of Economic Community." Growing the sense of economic community becomes crucial within the New Southbound Policy due to the limitations on access to an international agreement that Taiwan has. Having a sense of economic community will help Taiwan reduce and remove trade barriers with the other states while conducting international trade. To grow the sense of community in Indonesia, Taiwan Technical Mission is one of many media that has shared its past experiences as an information exchange and expanded exchanges of personnel, capital, technology, culture, and education. In line with the principles of the New Southbound Policy, namely "Plan Comprehensive, Coordinate, and Effective Risk Management Utilize and the Private Organization." Indonesian migrant workers have enjoyed better treatment in exchange for their contributions in fulfilling Taiwanese social care needs, including the establishment of new worship places and increased wages from 15.850 NTD to 17.000 NTD.

The absence of hierarchy among issues between Indonesia and Taiwan occurs in trade and investment where the parameter between domestic and foreign policy blurs. The role of West Java and Central Java in promoting as well as inviting Taiwanese investors could be seen as the blurring parameter between domestic and foreign policy. According to Law Number 32 in the Year 2004 and Law Number 23 in the Year 2014 about the authority of Foreign Relations and Cooperation, the freedom to conduct foreign relations and cooperation is given to the Autonomous Region concerned under the mechanism of consultation and coordination with the Ministry of Foreign Affairs. The Integrated Petrochemical Industrial Complex development is the form of cooperation between the regional autonomy of West Java, Pertamina, and CPC Corporation Taiwan. In this case, Pertamina, as a state-owned enterprise, asks West Java for licensing issues and location appointments to establish the

Integrated Petrochemical Industrial Complex after investors would like to enter West Java. Although Pertamina handles the further coordination of cooperation, the role of regional autonomy of West Java to prepare and invite the Taiwanese company to invest in Indonesia should not be taken lightly. The Government of Central Java, Ganjar Pranowo, also invites foreign investors to invest in Central Java to empower regional people. In 2019, Ganjar Pranowo met President Taiwan External Trade Development Council Trade Development (TAITRA), James C.F Huang, to discuss the incentive and investment permission in Central Java (Gatra.com, 2019). Central Java province is claimed to be the target of investors in various fields from Taiwan. The signing of an investment cooperation agreement for the construction of a factory in the Kendal Industrial Estate worth US\$170 million by a Taiwanese company.

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