

CHAPTER I

INTRODUCTION

A. Background

Australia-Indonesia relations are ambiguously unstable since many problems occurred making a strain in their relations be more complicated. It started from Australia's support towards East-Timor independence in 1999, creating an inevitable gap with Indonesia. Some of Indonesian believed that Australian actions in East Timor were tantamount to a betrayal of trust from what had hitherto been a very close and supportive friend.¹ Australia involvement in that case emerged a lot of suspicious assumptions from Indonesia's perspective making it hard to maintain good bilateral relationship. Thus, it is assumed that every Australia's actions became a threat for Indonesia sovereignty at that time.

Starting in 1975 and after the resign of Suharto in May 1998, Australia continuously argued that East-Timor should remain an integral part of the Indonesian Republic.² Australia also actively conducted mediations to seek for better solutions in keeping East Timor with Indonesia. Additionally, Australia became the only nation that recognized East Timor as a part of Indonesia. However, the peak problems happened in the late 1998 when the role of Indonesian army

¹P.Chalk, 'Australia and Indonesia: Rebuilding Relations After East Timor', *Contemporary Southeast Asia*, vol. 23, no. 2, 2001, p. 238.

² Ibid., p.235.

(TNI) as the one maintaining order and security changing into massacre to some of Timorese people which Australia seen as a breach of human rights.³ It made Australia gradually change its position that started in the late 1998. It can be shown from the support of Australia to release Timorese leader Xanana Gusmao from jail and arguing more vocal suggestion on East Timor liberation.⁴ To that extent, it made the shifting position of Australia resulting mistrust and misunderstanding from Indonesia. It can be seen in the figure 1.1 which summarize the termination on Australia-Indonesia relations.

Table 1.1: The timeline of Australia – Indonesia relations that terminated during East-Timor crises.

1998	<ul style="list-style-type: none"> ➤ The peak of human rights abuse in East-Timor that become Australia’s concern.
1999	<ul style="list-style-type: none"> ➤ The “Greater Provincial Autonomy” policy in Indonesia. And the impact of Asia financial crises Become the opportunity for Australia to involve deeper into the East Timor problem.
2000	<ul style="list-style-type: none"> ➤ Australian Ambassador attacked in public during the visit to Southern Sulawesi. ➤ The assumption from Indonesia that Australia’s action might increase the chance of separatism.
2001	<ul style="list-style-type: none"> ➤ The termination towards the Agreement on Mutual Security (AMS). ➤ And the turbulence on government-to-government links with Indonesia
2002	<ul style="list-style-type: none"> ➤ The Bali Bombing makes Australia realize to repair the relations as soon as possible.

³ R. Leaver, ‘Introduction: Australia, East Timor, and Indonesia’, *The Pacific Review*, vol. 14, no. 1, 2001, p.2.

⁴ Ibid., p.3

Furthermore, from Australian perspective, as in 1997-1998 the condition of Indonesia was not in a good phase. The collapse of economy capability, corruptions, monetary crises and the lack of transparency during Suharto's regime made Indonesia in the vulnerable stage.⁵ Another thing is, a massive demonstration to topple down Suharto and followed by a massacre of Chinese ethnic, made Australia have more chance to interfere deeper in East Timor case. The interference can be shown from the understanding that Indonesia still needed an assistance towards the problems of East Timor. The crises that hit Indonesia would be obstacle making it hard to solve East Timor problem.

Another thing is, the policy that was implemented by Indonesia underlining the idea of special autonomy for East Timor leading Australia to suggest the act of self-determination.⁶ Australia believed the solutions adopted from the Matignon Accord-Style role of "greater provincial autonomy". At this point, it became an opportunity for John Howard to argue that keeping East Timor would only be burden for Indonesia itself. It made the decision to dispatch a letter to Indonesia urged a greater process suggested that releasing East Timor would be suitable in resolving the conflict.

⁵ J. Bird, 'Indonesia in 1998: The Pot Boils Over', *University of California Press*, Vol. 39, No.1, 1999, p. 29.

⁶ M. Kelton & R. Leaver, 'Issues in Australian Foreign Policy', *Australian Journals of Politics and History*, Vol. 45, No. 4, 1999, pp.528-529.

To put it differently, Australia's intervention can be examined deeper by its decision to involve the United Nations (UN). Which in the end, UN suggested the use of voting in concluding East Timor destiny. Those initiations brought an evidence that 78.5 percent of Timorese people decided to be independent and put Indonesia in shocked. From the Indonesian side, it became an unexpected result as many of Indonesians still believed that East Timor preferred to stay with Indonesia rather than being independent. Then, based on that decision Indonesian president B.J. Habibie should declare the 1999 referendum saying that East Timor would be no longer a part of Indonesia. It is argued that the accumulation of event that made Indonesia conclude to declare referendum for East Timor was undeniably based on the Australia's implicitly advice.

The involvement of Australia which lead to the referendum decision shaped Indonesian people opinion that Australia might became a threat for Indonesia's integrations. It was in 2000 when Australian Ambassador John McCarthy was attacked and placed in personal danger by a rioting crowd of several dozen pro-Jakarta protesters during the opening of an Australian insurance office in Mahassa, Southern Sulawesi.⁷ Another thing that becomes a common understanding is that Australia would presumably encourage and help another region such as Irian Jaya and Aceh to gain independence which possibly would increase the chance of separatism spread throughout Indonesia.

⁷ Chalk, op.cit., p.237.

Apart from that, the links in military basis were also in danger. As Australia, did not have strong army making the support from its neighbouring country is very important. Since Indonesia become one of the country known with the quality of its military, Australia is looking for that opportunity in increasing the capability of their own army. However, since 2001 there were postponing of joint military exercises between Australian Defence Force (ADF) and Indonesian Special Forces (KOPASUS). It can be seen from the termination of Agreement on Mutual Security (AMS) signed in 1995 that might not have been continued.⁸ Thus, it might create insecurity for Australia in terms of defence. Another thing is, during this time the ministerial relations had also been reduced to the most basic level of common interest in which there were not any agreements or treaties that have been concluded.

In addition, the events of Bali bombing in 2002 brought the relations into another level. The intention in combating terrorism became a paramount agenda both for Australia and Indonesia. Those events become the starting point for Australia to realize that repairing the relations is very important. The issues of terrorism in Indonesia might possibly spread through Australia. Those reasons made security became massive issues for Australia, and it needed the cooperation with Indonesia. However, since the issues of misunderstanding placed in its relations repairing it should be done as soon as possible.

⁸ J.Mackie, *Australia and Indonesia Current Problems Future Prospects*, Lowy Institute for International Policy, New South Wales, 2006, pp. 108-109

Apart from that, the biggest opportunity for Australia to repair the relations can be felt in the cooperation after natural disaster in Indonesia. The Tsunami in Aceh 2004 and Bantul Earthquake in 2006 shown the role of society can be a trigger for regaining trust.⁹ Underlining the role of trust in Australia-Indonesia relations after East-Timor independent is very important. It is because of trust can be a tremendous aspect in ease tension, build more cooperative and peaceful relations.¹⁰ It makes the failure in regaining trust from Indonesia would be threaten to Australia's national interest. To that extent, Australia should look for alternative solutions to rebuild their bilateral relations which not merely through track one diplomacy. It needs the urgency to seek another method for improving state relations.

The track two diplomacy can be a starting point in repairing relations applied when governmental links was out of the reach. Track two diplomacy considered as unofficial diplomacy which mostly civilian-led that the objective is solely "getting to know the other side".¹¹ The track two diplomacy relates to the policy and involves consciously organized problem solving exercises. For Australia's perspective, building trust becomes a key for the continuity of their relations. Track two diplomacy is very important as in its implementation, it plays to break-down the diplomatic ice by the seeking of common interest between those

⁹ P. Sulistiyanto, 'Indonesia-Australia Relations in the Era of Democracy: The View from the Indonesian Side', *Australian Journal of Political Science*, vol. 45, no. 1, 2010, p. 118.

¹⁰ S.R. Buitrago, 'What Role can Trust Play? Conflicts and Trust-Building in East Asia', *Asian Politics & Policy*, vol. 1, no. 4, 2009, p. 739.

¹¹ D.D. Kaye, *Talking to The Enemy: Track Two Diplomacy in Middle East and South Asia*, RAND Corporation, Santa Monica, California, 2007, p.6.

countries through non-political actions.¹² It is related to Chalk's argument that people-to-people links from cultural exchange, and fostering an active program of track two diplomacy can help to reduce tension between state and alleviate trust.¹³

As stated by Gareth Evans "building and strengthening the bridges that connect us by way of people-to-people contacts, institutional linkages and commercial interchange" which will possibly create better understanding and greater goodwill.¹⁴ It realized through several actions in maximizing the role of society that become the part of Australia public diplomacy.¹⁵ The initiations of *Dewan Jembatan* (Bridging Council) became the starting point in rebuilding state relations. The realization can be shown through the establishment of Australia-Indonesia Institute (AII).¹⁶ AII was involving some of influential media people and prominent public intellectuals such as Gunawan Mohamad and David Malouf who have the refreshingly thought of national identity as a central concern for both sides.¹⁷ Thus, those initiations were started by the efforts of Gareth Evans and Ali Alatas which would be a gate for Australia to repair their bilateral relations.¹⁸

¹² Chalk, op.cit., p.243.

¹³ Ibid., pp. 243-244.

¹⁴ Mackie, op.cit., p.112.

¹⁵ Australia, Parliament, *People-to-people links & relationship building as part of Australia's public diplomacy*, Canberra, 2000, Accessed on 8 February 2017. <http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_Affairs_Defence_and_Trade/Completed_inquiries/200407/public_diplomacy/report/index>

¹⁶ Mackie, op.cit., pp. 100-102.

¹⁷ Ibid., p.119-120.

¹⁸ Ibid., p. 57.

As Indonesia also lost its confidence with Australia, there has to be another alternative to repair that condition. Track two diplomacy might become a starting point in seeking common interest, but there has to be another further initiation form Australia that can guarantee the effectiveness of its track two diplomacy in repairing relations with Indonesia. Thus, it forced Australia to seek solutions that have to involve society, less governmental intervention which can re-establish trust, alleviate mutual understanding and confidence to Indonesia.

B. Research Question

How did Australia rebuild its relations with Indonesia after East-Timor independence?

C. Theoretical Framework

1. National Interest Concept in Realism Theory

In this research, the writer will firstly will use the concept of national interest based on realism theory. Realism believe to see the world as it is, in the six principles of political realism argued by Morgenthau who defined the concept of interest in terms of power.¹⁹ Every state has an intention to fulfil their national interest to gain power since it will be a tool in spreading the state hegemony and makes influencing others easier. However, the inability to do so resulted the vulnerability of relations that will be threatening the power of a state.

¹⁹ H.J. Morgenthau & K.J. Thompson, *Politics Among Nations The Struggle for Power and Peace*, Sixth Edition, Alferd A. Knopf Inc., New York, 1985, pp. 3-4

In the case of Australia-Indonesia relations, Australia interest in Indonesia is in danger. As Australia decided to change its tune in the late 1998, the problems made Australia almost lost its interest in Indonesia. Playing as middle power country, Australia believes that engaging super power and neighbouring country is inevitably crucial.²⁰ Being the closets neighbouring country in Southeast Asia, Indonesia is a middle point for Australia to maintain security and stability in the region. It is because of the region is very vulnerable to conflicts, showing from the diversity of people and the place for most of developing countries makes Australia should pay attention to its situation.

Furthermore, Indonesia's key role in ASEAN becomes a strategic point for Australia's to extend the links with its members. That will make Australia have broader scope for cooperation in the region. As a result, engaging Indonesia can be a great way to improve and strengthen regional relations with developing countries. The lack of trust, confidence and understanding that occurred might worsen if Australia did not have a tendency to repair the problems. Thus, it will delay Australia's influence in broader scope as Indonesia plays a paramount role for Australia's power.

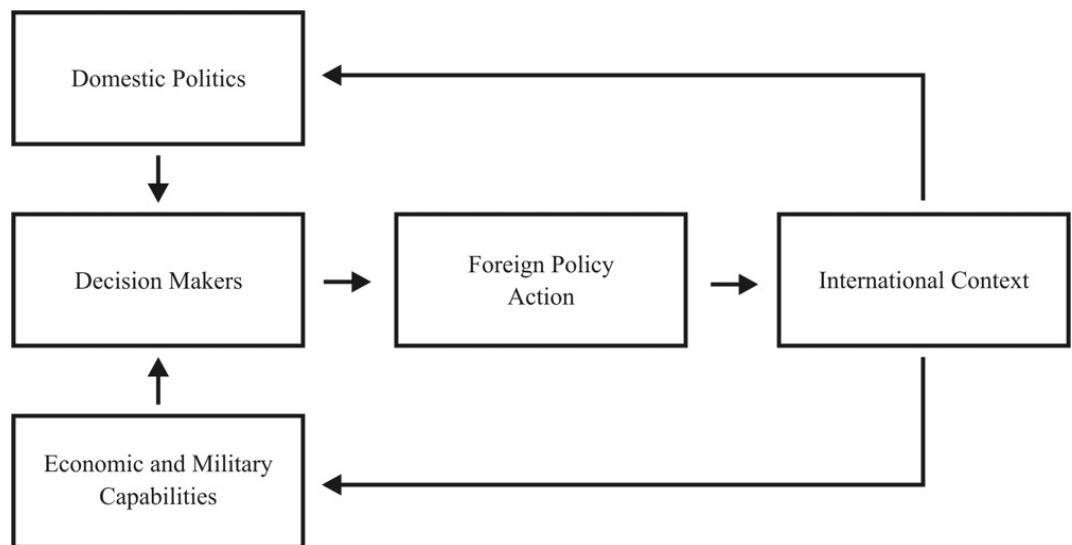
2. The Decision-Making Process by William D. Coplin

Towards the threat of Australia's national interest in Indonesia. The government was trying to formulate the foreign policy which aims to be the most

²⁰ D. McDougall, *Australian Foreign Relations Entering 21st Century*, Pearson Education Australia, 2009, p. 163.

appropriate strategy in reengaging with Indonesia. Through the decision-making process according to Coplin, Australia's shaped its decision based on the four determinants showing in the figure 1.2.²¹

Figure 1.1: How four determinants influence foreign policy action



Source: W.D. Coplin & C.W. Kegley, p. 30.

2.1 The International Context

The involvement of Australia in East Timor brought its national interest in danger. The inability of Australia to re-establish governmental links to Indonesia became the biggest problem that should be solved. Since the distrust and misunderstanding in its relations have impacted to the turbulence in several cooperation which mostly occurred in the governmental level. It was getting worse as Indonesia refuse to conduct a direct negotiation in response to the termination on

²¹ W.D. Coplin, *Multi Method Introduction to International Politics*, Markham Publishing Company, Chicago, 1971, p.30.

the Australia-Indonesia agreement.²² Apart from that, several governmental figures also had a bad perception towards Australia after East Timor case. Such as the perception from the successive Ministers of Defence Juwono Sudarsono and Mohamad Mahfud saying that Australia was a trigger for the rise of separatism in Indonesia.²³ It made the cooperation in governmental level was very limited making it more difficult to conduct government-to-government diplomacy with Indonesia.

In consequences, the failure in repairing the relations would make Australia have limited power and minimal capacity to fulfil their interest. The difficulties in re-engaging through governmental level made Australia should seek the confidence, understanding and trust from Indonesia through the most grassroots level. The importance in repairing the relations through the most basic level would be very crucial as the power of people-to-people links might help in seeking common interest with Indonesia. Which making it possible to gradually improve Australia-Indonesia relations.

2.2 Military and Economic Capabilities

As the governmental links were hard to establish, the factors that also should be considered for decision makers are in military and economy sectors. In terms of military, Australia believed that their military interest was in danger. The termination of AMS and the postponing of ADF and KOPASUS military cooperation had put Australia's security in the edge of destruction. It is due to

²² Parliament of Australia, *The Future of East Timor: Major Current Issues*, Accessed on 7 March 2017, <http://aph.gov.au/About_Parliament/pubs/ro/rp9899/>

²³ Chalk, loc.cit.

Australia seen the ability of Indonesia who had the capabilities on the military aspect might help Australia's to increase the quality of its ADF. It made the failure in training the ADF would possibly rises the vulnerability of Australia's domestic security. Moreover, the AMS that terminated might resulting the difficulties from Australia to guarantee the security conditions of its own and also the region without the help from Indonesia.

Another thing is economic factor also important for the consideration on decision making. The insecurity that happened in Australia's military condition would danger its economic condition as well. It is due to the military aspect might be one of the most important factors in securing the economy activities especially for Australia. The failure in achieving so, might creating uncondusive situations in the Australia. As a result, the discontinuation in several security cooperation might presumably made Australia think that Indonesia would take a further action to stop or burden the Australia's trading activities which cross in Indonesian territory. Showing from Indonesia's geo-strategic position makes much of Australia's trade with the rest of the world transits in Indonesian water.²⁴ Indonesia that considered as the 10th largest export market for Australia and its population can enlarge the Australia trade links.²⁵ In consequences, if the relations with Indonesia were in bad phase, it would be obstacles for Australia to achieve and secure their interest. These factors have made Australia realize although repairing relations through

²⁴ JSCFADT, *Near Neighbours – Good Neighbours: An Inquiry into Australia's Relationship with Indonesia*, Canberra, May 2002, p.27, Accessed on 12 March 2017<www.apf.gov.au/~media/wopapub/house/committee/jfadt/.../fullreport_pdf.ash>

²⁵ Ibid.

governmental links was almost impossible to conduct, securing the relations still became paramount importance. In which rise the possibility to be conducted in the bottom-up level.

2.3 The Domestic Politics

Lastly, the decision-making process is also influencing by its domestic politics. Australia have opinion towards Indonesia as the one that started the abuse of Human Rights in East Timor. The tragedy such as Balibo tragedy and Dili massacre made the Australia want to involve deeper in the case of East Timor.²⁶ It made Australia has a strong perspective saying that Asian people become threat especially after the end of Vietnam war. However, before those sceptical perspectives occurred, during the time of Malcom Fraser, Bob Hawke, and Paul Keating, focusing on the engagement of Asia become paramount important. They were trying to reduce bad opinion towards Asian people by seeking many initiatives through people-to-people links. The efforts almost disappeared when John Howard elected as a Prime Minister of Australia in 1996. It can be shown form the vision and mission of Howard that did not involve the idea of “Asia Engagement”.²⁷ Which forgetting the Asian engagement might worsening the turbulence in Australia relations with Indonesia.

Furthermore, the anxiety of Australia in loosing Indonesia links had shaped the government to bring the importance of neighbouring country as the closet allies

²⁶ Kelton & Leaver, *op.cit.*, pp. 529-530.

²⁷ *Ibid.*,p. 532.

in helping Australia fulfil their national interest. In response to the disturbance relations with Indonesia after the case of East Timor, it made Australia decided to repair the relations based on the framework of “Good Neighbour” policy.²⁸ In which can be said that the good neighbour policy would be stressing more on the re-implementation of Asian engagement. In the case of East Timor the repair of Australia-Indonesia relations should be conducted without coercive actions and should be less with government intervention. Another thing is, since Australia also uphold the idea of public diplomacy, involving the role of society would be very important to reengage with Indonesia. As it will easier to gain a state attention throughout their society as adopted in the Asian engagement strategy.

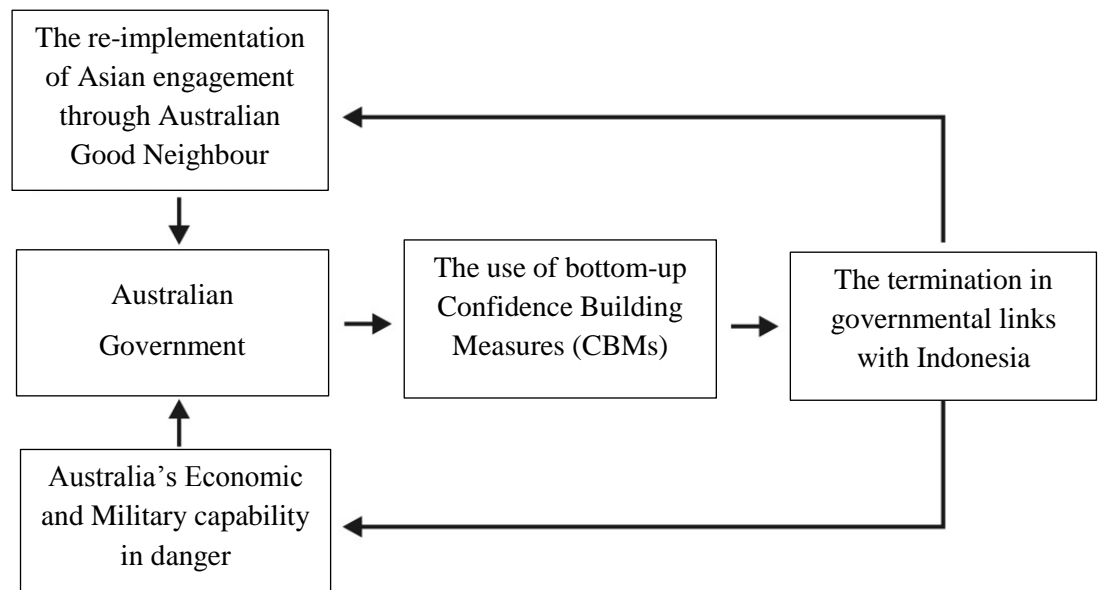
Those considerations have been stated on the Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFDT) that the strain in Australia-Indonesia relations should be repaired quickly in order to establish a good and peaceful conditions for both countries.²⁹ It made re-established the relations with Indonesia would be more effective to be conducted in people-to-people basis with minimal government intervention. Towards those factors, Australia believed that the efforts in re-engaging Indonesia would be suitable through the bottom-up Confidence

²⁸ JSCFADT, op.cit., pp. 2-3.

²⁹ M. Hanlon, ‘The ‘Neighbour’ to Our North: An Examination of Australia’s Foreign Policy Towards Indonesia, 1991-2007’, PhD Thesis, University of Wollongong, New South Wales, Australia, 2010, pp. 1-3.

Building Measures (CBMs) approach in which the strategy contain the prospect to secure Australia relations with Indonesia after East Timor crises.³⁰

Figure 1.2: The theory implementation of Australia’s decision making to rebuild relations with Indonesia



Source: W.D. Coplin & C.W. Kegley, p. 30.

3. Bottom-up Confidence Building Measures (CBMs) Concept

Since the problems of trust and confidence have raised, the combination of CBMs strategy and track two diplomacy became a new initiation to repair countries relationship. CBMs is originally used to maintain a conducive situation during the time of peace. Asada has argued that CBMs is mostly used in military context as being designed to provide reassurance about military intentions by demonstrating a

³⁰Australia, Parliament, *People-to-people links & relationship building as part of Australia's public diplomacy*, Canberra, 2000, Accessed on 8 February 2017 <http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Foreign_irs_Defence_and_Trade/Completed_inquiries/200407/public_diplomacy/report/ind>

non-aggressive and friendly posture.³¹ Despite the use of CBMs in military use, Noor claims that CBMs, whether military or not, find a role to play in the process of easing the tensions, and building trust, by helping to change the mindset of general public and leadership.³² Both of the understanding emphasize the purpose of CBMs to reduce tension and aim to build trust and confidence between parties. However, CBMs is usually done fully by government. In the case of Australia-Indonesia relations after East Timor independence the diplomacy through government to government level is hard to be conducted.

Furthermore, track two diplomacy is considered as diplomacy through people-to-people basis with less government intervention. Track two diplomacy has been famously used around the 1970s refers to unofficial activities involving academics, think tank researchers, journalist, groups of individuals which sometimes called citizen diplomats or non-state actors.³³ But, purely implementing track two diplomacy will also be hard to apply in Australia's condition. As Indonesia already loose the trust and confidence from Australia, track two diplomacy cannot provide a rigid guarantee that those aspects would be fixed. The less governmental intervention making the process of negotiations is uncontrollable creating uncertainty and vulnerable results.

³¹ M.Asada, 'Confidence-Building Measures in East Asia: A Japanese Perspective', *Asian Survey*, Vol. 28, No. 5, 1988, p.489.

³² S.Noor, 'Nuclear confidence-building measures and peace making in South Asia', *Strategic Studies*, Vol. 32, No. 2/3, 2012, p. 136.

³³ D. Ball, A. Milner & B. Taylor, 'Track 2 Security Dialogue in the Asia-Pacific: Reflections and Future directions', *Asian Security*, Vol. 2, No. 3, 2006, p. 175.

To that extent, the use bottom-up CBMs can be the most appropriate alternatives to repair Australia-Indonesia relations. In this case government effort, can be running concurrently with the role of society in achieving better relations between countries. Bottom-up CBMs assure that engaging the state relations can be done not only through governmental level but also society making the effort of Australia will be more effective. As a result, it will increase the confidence and result the trust that almost difficult to establish can be fulfilled. Since formal diplomacy cannot be implemented, the use of bottom-up CBMs became a unique way that might achieve a better condition in rebuilding Australia-Indonesia relations.

4. Soft Power Concept

The implementation of bottom-up CBMs is still very broad. In the case of Australia's effort in repairing relations with Indonesia, the bottom-up CBMs strategy would be conducted through the practice of soft power. According to Nye, soft power is the ability to establish preferences and tends to associate with intangible assets such as an attractive personality, culture, political values and institutions and policies seen as legitimate or having moral authority.³⁴ Soft power also more concern on civilian-led, non-political and non-coercive actions which become one of the characteristics of bottom-up CBMs.

³⁴ J.S. Nye, Jr., *Soft Power The Means to Success in World Politics*, Public Affairs, New York, 2004, p.6.

The intention of Australia in using soft power rather than hard power to Indonesia becomes one of the best way, to re-engage the relations. It is because of Soft power is regarded as more co-optive behaviour because of the less commanded behaviour.³⁵ As Indonesia's domestic conditions at that time is very vulnerable, the implementation of hard power such as military, coercion or threat might only create bigger problem and worsen the conditions.

In the case of Australia's support towards East-Timor independence such mistrust and misunderstanding occurred in Indonesia. Thus, it made Australia realize that using soft power through the form of bottom-up CBMs will be more effective. Since it will be easier to influence the behaviour of other countries during the time of conflicts. Another thing is by implementing soft power concept, it will have less political intervention and likely to be done in more flexible ways.³⁶ To this stance, the use of soft power from Australia would be in the form of foreign aid distribution which considered as one of the efforts to re-approaching Indonesia.

D. Hypothesis

Towards the understanding of Background, theoretical framework as well as research questions, the writer gives assumption that Australia rebuild its relations with Indonesia after East-Timor Independence by the use of bottom-up CBMs through humanitarian aid in health, disaster relief, education and cultural exchange that can be a gate to re-engage mutual trust with Indonesia through people-to-people basis after Australia involvement in East-Timor case.

³⁵ Ibid., pp.4-6.

³⁶ Ibid., pp.6-7.

E. Range of Research

This undergraduate thesis focuses on the role bottom-up CBMs as a new strategy to repair Australia-Indonesia relations. The turbulences started on the tragedy of Santa Cruz Cemetery Massacre which made Australia shifted their position from supporting the integration of East Timor with Indonesia to reinforcing the independence of East Timor in 1998. This event became crucial due to at that time the countries bilateral relations in the edge of destruction. Through the role of bottom-up CBMs, Australia could have convinced Indonesia to sign the security cooperation known as Lombok Treaty in 2006. Thus, it was indicating the re-improvement of Australia-Indonesia relations after overshadowed by Timorese problem.

F. Purpose of Research

This paper aims at:

1. Examining the role of bottom-up confidence building measures in Australia-Indonesia relations especially the crucial time after Australia's shifting attitude towards East-Timor.
2. Examining the implementations of bottom-up CBMs that presumably can improve state's confidence and understanding.
3. Examining the mutual trust between Australia Indonesia through foreign aid in health, humanitarian assistance, educations and cultural exchange.

G. Data Collecting Methods

In terms of data collecting method, the writer uses qualitative methods through secondary research. It means that that the resources such as books, journals, internet and discussion with the expert will be a tool in fulfilling this undergraduate thesis. Books will become a main understanding and definition specifically the changing history and basic understanding about bottom-up CBMs. Secondly, Journals gave supporting ideas about the implementation of bottom-up CBMs through several phenomena. Finally, discussing with expert would bring the understanding and analysis further towards this problem.

H. System of Writing

Chapter one is the introduction of this undergraduate thesis which consists of, background, theoretical framework, purpose of writing, hypothesis, scope of research, research methods, and the system of writing.

Chapter two will explained the Australia's position and their shifting decision towards East-Timor. In which resulting the termination on the relations with Indonesia showing form the deferment of several agreement and joint cooperation.

Chapter three will elaborate the history of CBMs and Track two diplomacy. The mixture of those approaches would be resulting the new strategy known as bottom-up CBMs.

Chapter four will discussed about the implementation of bottom-up CBMs through humanitarian aid, education and cultural exchange which would heavily conducted in people to people basis.

Chapter five will contained the conclusion of the undergraduate thesis. Which summarize the problems, process and outcome during the Australia's effort in repairing relations with Indonesia.