

## Digital Diplomacy to Optimize Indonesian Trade on the International Stage

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**Abstract:** This study aims to discuss the readiness of Indonesia's digital diplomacy to support international trade. Including activities in digital diplomacy that can support Indonesia's trade in the international arena. Indonesia has a very large population in the number of internet users so that it can take advantage of these conditions for commodity trading on a global scale. The method used by the author is descriptive, with data study techniques and case studies as the basis for writing. Digital diplomacy is a variant of diplomacy that uses the internet and the latest information communication technology to help achieve diplomatic goals. The limitation in this paper is the diplomacy activity to optimize Indonesia's trade prospects. This paper also gets the result that Indonesia needs to maintain this digital diplomacy carefully to improve its position as a middle power country at the international level so that hopes for better trade can be realized.

**Keywords:** digital; diplomacy; ict; indonesia; trade.

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### 1. Introduction

The existence of internet and all of its advantages has become a part of human life. This era has spawned a variety of very popular internet, such as Facebook, Twitter, Instagram, Youtube, Telegram, and others. Internet is a place where social reality takes place in an unlimited time frame, where users can communicate with each other. Experts use different language structures to define internet concepts, but the meanings and values remain the same. The values that exist in society and the community can also appear on the Internet in the same or different forms. At one point, some of the people describing the concept of internet were unable to answer what was happening in the world today. There is only one unique content in the media that has a big impact on the audience or society. Likewise with the pattern of International Relations, which is currently undergoing major changes that are taking place, especially in Information and Communication Technology, especially in the era of the industrial revolution 4.0. Globalization, accelerated markets, freedom of spread, no boundaries, no boundaries between countries.

Everyone can be relied on freely from different countries through territories and time limits. The role of the state is no longer the main player in the regulation of international politics because non-state actors such as individuals, NGOs, media, and regional organizations have influenced world public opinion and can build a bigger, structured, and systematic image of the World. Broad access to information creates a new climate that can change the work system or provisions imposed in a country. The role of the state seems to have been replaced by digital actors so that sometimes there is bias from the function of the state itself. Diplomacy activities, which are one of the important elements in building cooperation between countries, can now even be carried out electronically. This reflects that digital technology has succeeded in proving its function as a tool for international interaction and relations between countries, international institutions, organizations, and individuals. The ability to send, receive and share messages fast and easily is one of the big breakthroughs of digital technology. The internet-based platform is capable of supporting event text, audio, and visual messages.

In the current international trade system, rapidly developing telecommunications and transportation are creating new ways to access markets through digital diplomacy. This can be described as a series of economic and trade activities that use internet networks and platforms as part of the existing infrastructure in society. digital diplomacy includes diplomacy activities that use the internet or online connected devices. The development of the internet, which has contributed to the development of digital diplomacy, has made companies and countries in the world competing to make policies in developing electronic-based commerce by using information and communication technology as the main media. The various benefits of digital diplomacy can be felt by many parties including business people and countries because it can support market expansion and sales of products across countries so that it has the potential to increase the country's national economic income.

Digital diplomacy (e-diplomacy), as stated by Fergus Hanson, 2012, is the use of the internet and information and communication technology to achieve diplomatic goals (the use of the Internet and new information

communication technologies to help achieve diplomatic objectives). Furthermore, The UK Foreign and Commonwealth Office defines digital diplomacy as, "solving foreign policy problems using the internet". In other words, digital diplomacy is an action taken to overcome foreign policy problems by utilizing the internet. The importance of digital diplomacy in the global order is also recognized by the United States Department of State which states that digital diplomacy is "the term 21st Century Statecraft". Likewise, The Canadian Department of Foreign Affairs, Trade and Development, which interprets it as "calls it Open Policy".

Another focus that also attracts attention is the perspective in digital diplomacy put forward (Hocking and Melissen, 2015; Aydin, 2019). As a relatively new study, this research seeks to identify the factors, nature, and implications of digital diplomacy as part of contemporary diplomacy practice. There are 4 (four) perspectives used:

1. Changes in foreign policy

Seeing the importance of digital media as an enhancer of the foreign policy environment, which can enrich the speed and complexity of communication. Then the presence of the roles and capacities of non-state actors who are driven by communication technology. Provides changes in power configuration. Besides, it strengthens the significance of social forces and the ability to sharpen the agenda through non-hierarchical means of policymaking.

2. Knowledge and resource management

Implications of organizing and analyzing information growth paths. Knowledge management in an era filled with data. Utilizing the internet and other digital technologies to carry out diplomacy in a more efficient manner, especially in terms of resources.

3. Cyber policy agenda

The digital revolution is a united policy agenda that focuses on issues such as internet freedom, cyber security, and cyber warfare. In a global scope, challenges arise due to the type of cyber governance negotiations.

4. E-governance

Digital technology offers new ways to achieve diplomatic goals and in better service. With the development of responsive digital diplomacy, will create new avenues for communication in public diplomacy and the possibility of reputation regulation. The presence of consular services and crisis management through digital technology, provides its own operational challenges in mediating the demands for open access and network operations are manifold. Including challenges to norms, rules of the game and roles in diplomacy.

Based on the introduction to this paper, the authors formulate the following problem formulations:

1. How the readiness of Indonesia's digital diplomacy to support international trade.
2. What are the digital diplomacy activities in Indonesian trade on the international stage.

## 2. Methodologi

This research uses descriptive qualitative research methods with data study techniques and case studies as the basis for writing. This method was chosen because qualitative research can be carried out by researchers to describe the object of research as a phenomenon of international trade. Following the problems in this study which will highlight Indonesia diplomacy activity to optimize Indonesia's trade prospects.

## 3. Result and Discussion

Diplomacy is a state instrument to achieve national interests. In this case, diplomacy is part of a country's foreign policy. Along with changing political and social conditions in the global scope, one of which is caused by the digital revolution, the interaction of actors in international relations is increasingly practical. The existence of Information and Communication Technology (ICT) and internet has driven change, including in the field of diplomacy. This paper discusses how diplomacy has developed, from traditional diplomacy to the context of modern diplomacy, namely digital diplomacy. This digital diplomacy can provide optimal support for Indonesian trade in the international arena.

With the increasing number of instruments, the instruments used by actors in diplomatic activities are increasingly varied. In the old diplomacy era (old diplomacy), countries can use their economic, military, and other resources to increase their strength in diplomacy. Today, new diplomacy is not limited to these instruments. One of the instruments that the development of countries can take advantage of is technology and information, particularly the internet and internet. Diplomacy activities through internet are getting easier to do because nowadays almost everyone uses communication devices equipped with internet networks so that information about diplomatic activities in any country can be accessed by anyone, anywhere. This diplomatic activity is known as digital diplomacy / cyber diplomacy / e-diplomacy.

Indonesia can be seen in Table 1 currently being ranked as the 5<sup>th</sup> country with the most number of internet users:

**Table 1:**  
**The Most Number of Internet Users**

Rank #	Country	Population	Internet User
1	China	1,388,232,693	738,539,792
2	India	1,342,512,706	462,124,989
3	USA	326,474,013	286,942,362
4	Brazil	211,243,220	139,111,185
5	Indonesia	263,510,146	132,700,000
6	Japan	126,045,211	118,453,595
7	Russia	143,375,006	109,552,842
8	Nigeria	191,835,936	91,598,757
9	Mexico	130,222,815	85,000,000
10	Bangladesh	164,827,718	73,347,000

**Source: Internet World Stats, 2017**

Indonesia is ahead of Japan at 6<sup>th</sup> and Russia at 7<sup>th</sup>. It is interesting because the two countries have better technological development than Indonesia. One of the main factors is the large population of Indonesia which affects the number of internet users. However, Indonesia still lags behind India which ranks 2nd. Therefore, Indonesia must learn to optimize its digital platform to achieve its foreign policy goals.

Globalization and all its consequences require a transformation of the way of thinking (mindset) into a competition zone, encouraging the development of dynamic governance to be able to adapt to increasingly rapid changes and increasingly sharp global competition. The flow of globalization of information has turned the world into a global village, a change in strategy taken by a country in winning the global competition will also encourage strategic alliances between countries. Indonesia, as a nation-state, has ratified various free trade agreements, including APEC and the enactment of the AEC. The involvement in this global village has demanded a paradigm shift in winning the global competition, by prioritizing competitive advantage as the main paradigm to be able to win the global competition. Competitiveness and productivity can only be achieved if there are consistency and a focus on simplifying bureaucratic systems and management, engineering and technological innovation, increasing the competence of human resources, and enhancing a productive culture, all of which are prerequisites to address challenges in overcoming problems of poverty, unemployment, inequality, and inequality.

Digital diplomacy is a new type of diplomacy that is part of public diplomacy, namely a government process of communicating with foreign publics in an attempt to bring about understanding for its nation's ideas and ideals, its institutions and culture, as well as its national goals and policies (Melissen, 2005). In this diplomacy, there is an interaction between citizens in a country and citizens in other countries, forming a virtual world community, building mutual networks, which leads to mutual visits between countries, which of course makes the pattern of interaction in international relations more complex. This phenomenon is then in the perspective of international relations with various terms, such as Network Diplomacy, Online Diplomacy, Wireless Diplomacy, Electronic Diplomacy, Cyber Diplomacy, Online Diplomacy, and Real-Time Diplomacy. In essence, digital diplomacy was born as modern diplomacy, which displaces traditional diplomacy, manual diplomacy, and old diplomacy. This means that the world of diplomacy has utilized information and communication technology equipment, especially social media, in carrying out various activities and a series of diplomatic practices (Dwikardana, 2017).

In terms of tools, social media is used as a tool, means, and vehicle for practicing diplomacy. Social media is used as a diplomatic tool for each country. Official websites, Facebook, Twitter, Instagram, Youtube, and blog accounts have begun to be created and used by the Ministry of Foreign Affairs, embassies, consulates, and representatives abroad. The use of private blogs, Facebook, Instagram, Twitter, and Youtube for diplomats and all employees of the foreign ministry, embassies, consulates, and other official representatives continue to be intensified. This means that social media is optimally empowered to support diplomatic goals to achieve the national interests of each country. In terms of methods, social media is used as a method of mobilizing support, a means of building public opinion, and capturing people's aspirations, through hashtags as data, as well as "trending topics" on Twitter. The Youtube application is also often used so that there are videos that go viral, including efforts to track data through social media for the benefit of diplomacy and opinion polls to find out the world's public opinion on a certain issue (Sandre, 2013).

As for the synergy of the use of social media and digital diplomacy with the Indonesian government (especially the president), an example can be used that. Joko Widodo joined Twitter in September 2011 (@jokowi 2017a) but has been actively using the account as a President since June 2015 which is eight months after his inauguration.

The account currently has 8.7 million followers, which is considered a massive number compared to Australian Prime Minister, Malcolm Turnbull, with 937.000 followers or popular Canadian Prime Minister, Justin Trudeau, with 3.71 million followers. By mid-October 2017, the account has had 774 posts and approximately 81 tweets contained Joko Widodo's overseas visits or another state's leader visits to Indonesia, state-level summits, personal meetings with several state leaders as well as with non-governmental actors and multinational corporations. Joko Widodo often tweeted about his presidential visits to several countries, including the meetings with South Korea's Park Geun-Hye, German's Angela Merkel, Russia's Vladimir Putin, United Kingdom's David Cameron, Netherland's Mark Rutte, and many more. One of the most interesting moments on his Twitter is when Australia's Prime Minister Malcolm Turnbull tweeted Joko Widodo to thank him and Jakartans for 'such warm welcome and good discussions about trade investment and jobs', and Joko Widodo replied the tweet with 'our pleasure, warm regards from Indonesia'. Additionally, Twitter recorded that Joko Widodo's tweets are often retweeted thousand times (for each tweet) which makes Joko Widodo joins an influential list of world leaders who communicate on Twitter for digital diplomacy (Jakarta Globe, 2014). According to Burson-Marsteller's Twiplomacy Study (2017), Joko Widodo ranked 10<sup>th</sup> for the Top Ten Most Followed World Leaders 2017 along with the state leaders of the United States, Turkey, India, UAE, and the Vatican.

The response of the Indonesian government, which has begun to focus on the phenomenon of electronic commerce, is to take several actions to improve the digital diplomacy ecosystem so that it can compete with other countries. Indonesia under the administration of President Joko Widodo began implementing policies that support the development of Indonesia's digital diplomacy. Currently, the government does not only play a role as a regulator in digital diplomacy but also as a facilitator and even an accelerator in the development of the trade ecosystem. Apart from being a major player in the digital economy competition in Southeast Asia, Indonesia also has the potential to become a potential market supported by stable economic growth, a young population, and a growing middle class as well as producers of consumer goods. According to Bede Moore, four supporting factors drive the growth of the digital economy in Indonesia, especially in the e-commerce industry sector, namely:

- a. Increased penetration of smartphone users which allows for devices at low prices.
- b. The emergence of a growing middle class, most of whom have income for consumption or disposable income, is the target of e-commerce trading companies.
- c. At least Indonesia obtained USD 2.5 billion from foreign investment in e-commerce platforms by well-known companies from China and European countries through joint ventures.
- d. Accelerating the evolution of infrastructure in the payment sector that allows customers who do not have a bank account to make online payments (Moore, 2018: 4).

McKinsey describes online-based commerce with ICT support as having socio-economic impacts in four areas, namely:

1. Financial Benefits

For Indonesia as the largest online trading market in Southeast Asia will generate revenue from e-commerce sales which in 2017 has a value of approximately USD 2.5 billion and will increase to USD 20 billion in 2020

2. Job Creation

The online buying and selling sector is expected to create 26 million new jobs by 2022, especially in the Micro, Small, and Medium Enterprises (MSMEs) sector which has changed its sales service from offline to online sales.

3. Buyer Benefits

Where buyers get prices that tend to be cheaper on the e-commerce marketplace compared to shopping directly at traditional stores.

4. Social Equality

Social equality was created as a result of the digital economy, such as the inclusion of financial services, gender equality, and economic growth outside Java.

#### **4. Conclusion**

From the result and discussion above, the authors conclude that digital diplomacy serves as a government tool to achieve national interests. Especially in building a positive image of Indonesia as a potential country in trade development with the support of adequate digital or internet technology as part of the promotion of commodities from this nation to attract investment and a better economy. International trade has developed through advances in information, communication, the internet, and computer technology, which have led to the formation of social media networks. This is a guideline that will be carried out by non-state actors in interacting on various issues, events, or negotiations carried out by state actors in the international arena.

The hope of becoming better in the international arena can then be taken into consideration for the government and become a reference for the government regarding things that need to be improved, especially in terms of policies in the digital diplomacy sector which still need to be revamped to support Indonesian trade. In the

implementation of digital diplomacy, Indonesia is still facing various challenges from several sectors that cause the achievement of the country's diplomacy objectives to be less than optimal, including low coordination across ministries and state institutions, limited infrastructure, and funds. Challenges also come from cybercrime and leaking trade information that inadvertently can reveal Indonesia's true goals or intentions in international trade.

International trade with the support of adequate digital or internet technology is used as a tool to build global networks and create global public opinion in a cross-border context between countries. In this paper, one example is the ability of the government and its society to use social media, which has recently become popular, has given birth to digital diplomacy carried out by various countries, including Indonesia. This digital diplomacy practice is carried out online, on the internet, and wirelessly. Indonesia needs to maintain this digital diplomacy meticulously to enhance its position as a middle power state in international relations so that hopes for better trade can be realized.

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