

INDONESIA-RUSSIA RELATIONSHIP (Strategy, Opportunities, and Challenges on Liberalization and Globalization)

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Abstract: *The relationship between Indonesia and Russia began in 1945-1950 which was a political diplomacy struggle for the Indonesian people seeking international recognition of independence and after independence on August 17, 1945. In the New Order of 1965-1998 the relations between Indonesia and the Soviet Union were not like before. Entering the 1990s the relations between the two countries began to show improvement both in the fields of education, social, culture, economy and trade. In 2000, Indonesia-Russia cooperation relations entered a new phase and experienced in a significant increase. President Abdurrahman Wahid, President Megawati Soekarnoputri, President Susilo Bambang Yudhoyono and President Joko Widodo discussed cooperation between the two countries. In political field, the first meeting since the reform era in Indonesia and the Russian Federation era was carried out by President Abdurrahman Wahid and President Vladimir Putin, there was not much discussion produced. Meanwhile, Megawati Soekarnoputri in 2001 began to stretch Indonesia-Russia relations. Susilo Bambang Yudhoyono discussed the follow-up in the purchase of Russian warplanes. President Joko Widodo and Russian President Vladimir Putin held limited meetings. In the economic field In 2012 the value of Indonesian imports from Russia amounted to 2.5 billion US \$, and Indonesia's export value to Russia amounted to 867.3 million US \$, until 2016 the value of Indonesian imports from Russia was 850.6 million US \$, and Indonesia's export value to Russia was 1.3 billion US \$. There was a tendency to decrease the value of Russian imports to Indonesia, and the export value of Indonesia to Russia has increased. So it is necessary for a strategic partnership to improve cooperative relations and opportunities for Indonesia-Russia relations through increased bilateral cooperation, and the challenges of Indonesia-Russia relations as a target that has not been achieved.*

Keywords: *Indonesia, Russia, Strategy, Opportunities, Challenges*

INTRODUCTION

The period of 1945-1950 was a political struggle for diplomacy for the Indonesian nation seeking international recognition of national independence and sovereignty after the proclamation of independence on August 17, 1945. The role of the Soviet Union in the struggle of the Indonesian people was enormous. At the UN forum the Soviet Union repeatedly raised the Indonesian problem and demanded the United Nations to stop Dutch aggression and called on the international community to recognize Indonesia as an independent country. The support of the Soviet Union through ECOSOC between 1947-1949 was very large in terms of stopping military aggression and international recognition for Indonesia's independence. On January 25, 1950 he recognized Indonesia's independence and sovereignty and his desire to establish diplomatic relations with Indonesia. On September 14, 1954 each country had ambassadors represented by their respective countries. In 1956-1962 was the peak of intimacy between Indonesia-Soviet Union

relations in the fields of politics, economics, socio-culture, humanity, the military, such as funding for the construction of various Soviet aid development projects, and other facilities.

In New Order Era of 1965-1998 the relations between Indonesia and the Soviet Union were unlike Soekarno's Preside period, especially after the failure of the September 30 Movement, the relationship suffered a setback because Indonesia was oriented towards the

West for economic development that requires investment, trade towards advanced industries. However, efforts to establish closer relations will continue. On 7-12 September 1989 President Soeharto visited the Soviet Union and signed a statement on the basics of relations of friendship and cooperation in various fields. In 1990s, changes in international geopolitics underwent changes which resulted in the collapse of the Berlin wall as a divider between West and East relations. On December 25, 1991 the Soviet Union was declared dissolved. Entering the 1990s the relations between the two countries began to show improvement both in the fields of education, social, culture, economy and trade.

Entering the 2000s Indonesia-Russia cooperation relations entered a new phase and experienced a significant increase. This was marked by the mutual visits of heads of state and government officials of the two countries, as well as mutual support in international forums. This collaboration relationship is not only at the government level, but also at the level of business people, the community, mass media, religious leaders, community organizations and others. President Abdurrahman Wahid, President Megawati Soekarnoputri, President Susilo Bambang Yudhoyono and President Joko Widodo met President Putin in discussing relations between the two countries. This article discusses Indonesia-Russia relations since the 2000s 2017, especially after it was signed by President Megawati Soekarnoputri and President Vladimir Putin in Russia on April 21, 2003 in the Declaration of the Republic of Indonesia and the Russian Federation on the Framework of Freindly and Partneship Relations in the 21st Century. Therefore, the political and economic aspects which are the main focus in discussion of this article, are mainly related to the strategies, opportunities and challenges in today's liberalization and globalization.

Liberalization and Globalization

Liberalism and globalization bring major changes to political and world development.

The escalation is not only in a democratic country, but is able to undermine the East European countries which previously embraced the ideology of socialism-communism turned into a country with liberal ideology-capitalism, such as the Soviet Union became a federation that adheres to a free market, which also followed China with the economic system which emphasizes free markets.

Actually liberalism emphasizes the absolute value of the individual and the supremacy of reason, that is, individuals have absolute values and put common sense. Therefore 2 (two) fundamental approaches in modern liberal theory emphasize the individual freedom and to ensure the nonintervention of the state, namely individual freedom and guarantee that the state will not carry out an intervention in society.

For years that the capitalist economic system ruled the world, this system was the beginning of the emergence of liberalization and globalization. This system relies on free economy, with several principles: private ownership and consumer sovereignty, free enterprise and perfect competition, *l'ississ faire l'aisssez aller / passer*, let me do, let me pass, profit maximization, the principle of production for the market, not for self-consumption. Therefore Adam Smith said that: "The role of supply and demand in the regulating market is the key concept in classical economics". Thus, decisions on what must be produced are carried out by individual economic units, which base their decisions on open alternatives in market mechanisms reflected in the market price, this market price is determined by the forces of demand and supply for commodities or services. Based on the above understanding, that liberal political theory emphasizes the relationship between political freedom and political freedom and the free market economy.

Globalization can be analyzed culturally, economically, politically and institutionally. In each case there is an increase in homogeneity or heterogeneity. First, globalization of culture can be seen as a transnational expansion of a form of homogeneity into heterogeneity. The tendency towards homogeneity is associated as cultural imperialism. Cultural imperialism as stated by Kuisel (1993), Ritzer (1995), Giddens (1990), Hannerz (1990), Robertson (1992), which emphasizes glocalization, where the global world is seen interacting with the local world to produce something different namely glocal. Whereas Canclini (1995), Pieterse (1995), Friedman (1994), which defines the world as a cultural mix (pastiche cultural).

Second, economic globalization which emphasizes homogenizing. They see globalization as the spread of the market economy to different world regions, such as the role of the World Bank, IMF, WTO in the process of globalization which tends to be controversial. In terms of heterogeneity, they say that the

interaction of global markets with local markets will create a unique glocal market, which integrates the demands of the global market with the reality of local markets.

Third, political or institutional globalization that emphasizes homogeneity and heterogeneity. The spread of the model of the nation state, and the emergence of isomorphic forms of governance. The global influence of institutional multiplicity, the growth of many transnational institutions and organizations removing state power and other local social structures. Hardt and Negri (2000), discuss the emergence of a new global form of imperial sovereignty that is independent of each nation, and controls all nations and populations. They emphasize the special placement of developments in the supranational constitutional system. The institutional development period is a colonial form. The role of the colonial government is to determine the acceleration of builders with the ideology they apply. The period of developmentalism, where the role of the state is very strong (state regulated markets). The emergence of the World Bank, IMF, GATT, and the United Nations launched the First Development Decade and Second Development Decade programs, which emphasized economic growth. Now as a form of globalization (globalism), which emphasizes the role of the market to regulate itself (self regulating markets), where the role of the state as a facilitator of the development process. In these years the New International Economic Order Initiative, Uruguay Round, Structural Adjudication Loans, NAFTA, and the World Trade Organization.

RELATIONS IN POLITICS

The first meeting since the reform era in Indonesia and the era of the Russian Federation was carried out by President Abdurrahman Wahid with President Vladimir Putin on the sidelines of the "Millennium Summit" in New York, not much produced in September 2000.

Meanwhile, Megawati Soekarnoputri in 2001 began to stretch Indonesia-Russia relations again. Megawati and Vladimir Putin had a meeting at the time of the APEC (Asia Pacific Economic Cooperation) Summit in Shanghai, China, on October 19, 2001. Vladimir Putin also sent state wire to Megawati on October 13, 2002 relating to Indonesia's efforts to fight terrorism. In addition, the official visit of the Indonesian Foreign Minister, Hasan Wirajuda, to Russia and holding talks with the Russian Foreign Minister, Igor Ivanov, on September 27, 2002 was a momentum that gave birth to new commitments between the two countries to enter into a higher level of relations and cooperation. This event was important because the first visit of the Minister of Foreign Affairs of the Republic of Indonesia was carried out after 13 years after the collapse of the Soviet Union. In the bilateral meeting, the signing of the Bilateral Consultation Memorandum between the Ministry of Foreign Affairs which agreed to increase will be a bilateral intergovernment consultation.

Megawati made a state visit to Russia on April 20-23 2003 and produced a declaration of the framework of friendly relations and partnerships between the Republic of Indonesia and the Russian Federation in the 21st century. The declaration discussed a number of agreements such as military engineering, banking and space technology cooperation. At the same time, both parties are preparing various bilateral agreements in the field of nuclear use for peaceful purposes, fisheries, tourism, small and medium enterprises (SMEs), health, sports, and education. Meanwhile, the development of Indonesia's foreign policy has undergone a change in orientation since entering the reform era. At this time, Indonesian foreign policy was directed to be more involved in efforts to resolve international problems, which at the same time were translated as efforts to support national development, especially post-reform. Domestically, the need arises to modernize military equipment to strengthen the national defense system. At that time Indonesia was still undergoing an arms embargo from the United States, so that when the need arose to modernize military equipment, it could not expect cooperation with the United States. This spurred Megawati to take tactical steps by visiting Russia and a number of Eastern European countries to get out of the entanglement of this arms embargo. This state visit received a positive response from Russia. Despite the controversy, Megawati purchased two Sukhoi Su-27SK aircraft, two Sukhoi Su-30MK fighters, and two MI-35 combat helicopters with a trade system. Commodities for trade returns include crude palm oil and rubber products, with a total trade balance of approximately US \$ 175 million.

Megawati produced a renewed partnership relationship between Indonesia and Russia that agreed on several things. First, the political sector, Indonesia and Russia agreed to ensure security stability and prosperity in the Asia Pacific region, and would increase political interaction between institutions and officials of both countries. Secondly, in the field of economy and trade, the two countries also agreed to improve economic, trade, investment and technology relations through a joint commission mechanism. Third, the military industry sector, Indonesia and Russia agreed to increase military technical cooperation.

Susilo Bambang Yudhoyono took the seat of Indonesian President in October 2004, Vladimir Putin has twice started telephone talks with him. The first discussion was on October 20, 2004 when Putin congratulated him on the election of Susilo Bambang Yudhoyono as President of Indonesia. During his tenure as President of Indonesia, Susilo

Bambang Yudhoyono made a state visit to Russia three times, and the meeting in Jakarta on 6 September 2007 was the fourth meeting, which was followed by the fifth meeting on the sidelines of the APEC Summit in Australia. As a follow-up in purchasing fighter planes, Russia sent twelve military technicians to assemble Sukhoi aircraft at Sultan Hasanuddin airport, Makassar, in September 2010, as a commitment to the seller's head of buyers. President Joko Widodo and Russian President Vladimir Putin held limited meetings. Both of them also began talks by remembering the figure of Indonesia's first President, Sukarno. "Sukarno is the first President of the Republic of Indonesia to visit Russia, precisely to the City of Moscow," the City of Sochi, Russia. Joko Widodo said that, relations between Indonesia and Russia had been established since the visit of the Republic of Indonesia Proclamator. There is a long history between the two nations, therefore, it is also necessary to increase relations for the future. A long historical relationship since President Sukarno, needs to improve now and wants economic relations, political relations, cultural relations to be developed again. Meanwhile, Putin was accompanied by Russian Federation Foreign Minister Sergey Lavrov, Russian Minister of Trade and Industry Denis Manturov, and Special Adviser to President of Foreign Affairs Yuri Ushakov. President Jokowi arrived in

Sochi, Russia, local time. The presence of Joko Widodo to attend the ASEAN-Russia Summit. Joko Widodo is the first head of state to arrive in Sochi. He was welcomed by the

Indonesian Ambassador to Russia Wahid Supriyadi, Defense Attache Colonel Untung Suropati, Director of the Russian Protocol Department Yuri Filatov, Mayor Sochi Pakhomov Anatoly, and Deputy Governor Krasnodarskiy Krai Galas.

President Joko Widodo held a limited meeting with President Vladimir Putin in Sochi City, Russia. In this bilateral meeting, Joko Widodo conveyed that Indonesia and Russia were friends. Joko Widodo was accompanied by Coordinating Minister for Economic Affairs Darmin Nasution, Foreign Minister Retno LP Marsudi, and Indonesian Ambassador to Russia Wahid Supriyadi. Meanwhile, Putin was accompanied by Russian Federation Foreign Minister Sergey Lavrov, Russian Minister of Trade and Industry Denis Manturov, and Special Advisor to the President of Foreign Affairs Yuri Ushakov. On that occasion, Joko Widodo lobbied Putin to facilitate the trade in palm oil.

RELATIONS IN THE ECONOMY

Relations in the economy began with the first meeting between President Abdurahman

Wahid and President Vladimir Putin on the sidelines of the "Millennium Summit" in New York, September 2000. October 2001 President Megawati Soekarnoputri held a meeting with

President Vladimir Putin on the sidelines of the APEC forum in Sanghai. At the time of President Megawati Soekarnoputri's visit to Russia on April 20-22, 2003, a declaration was made, namely Declaration of the Republic of Indonesia and the Russian Federation on the Framework of Freindly and Partneship Relations in the 21st Century. Megawati's visit was fruitful in military cooperation, with the purchase of two Sukhoi Su-27SK jet fighters, two versions of the Su-30MK, and two MI-35 helicopters. Commodities for trade returns include crude palm oil and rubber products, with a total return of approximately 175 million US dollars (approximately Rp. 1.54 trillion).

The meeting between President Susilo Bambang Yudhoyono and President Vladimir

Putin on the sidelines of the APEC forum on 19 November 2005 in Busan, and the visit of President Susilo Bambang Yudhoyono to Russia on 29 November - 1 December 2006, and the visit of President Vladimir Putin to Indonesia on 6 September 2007 the development of cooperation between the two countries in various fields, both economic, trade, investment, tourism, education and social culture for the people of the two nations. In the economic field, the president encouraged Russian investment to enter Indonesia, because at present, the volume of trade between the two parties in 2005 with a preliminary estimate of US \$ 680 million, exceeded 42% in 2004 (US \$ 480 million)

Based on data that the value of Indonesian exports to Russia in the 2008 period reached 1.4 billion US dollars or Rp14 trillion. One of the main reasons for implementing the international strategy is that international markets produce potential new opportunities. Cooperation in agriculture and export market opportunities in market expansion is one of the market strategies that need to be applied in various

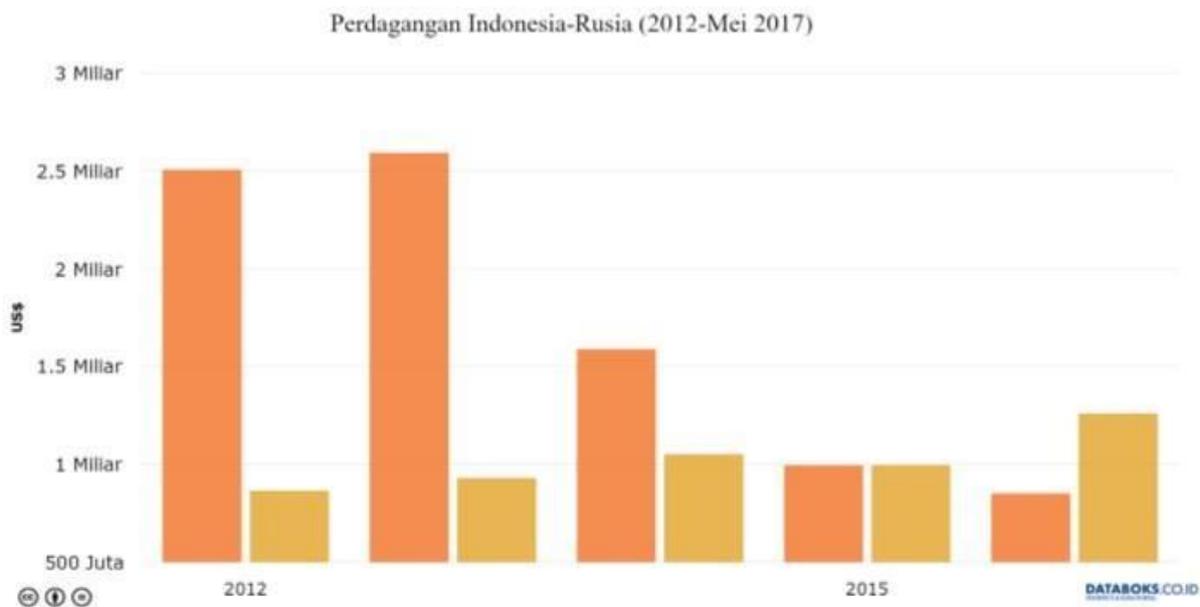
strategies. With the increasing cooperation between Indonesia and Russia, this has been seen based on the declaration on the basis of friendly and partnership relations between Russia and Indonesia in the 21st century. The Indonesia-Russia trade balance is still small, in 2006 only US \$ 680 million and a deficit for Indonesia. Indonesia's main exports are agricultural products which in 2006 totaled US \$ 272.5 million and tended to increase. On the contrary, Indonesian imports from Russia in 2002 were valued at US \$ 151.3 Million. In 2003 Indonesia's imports declined to US \$ 99.8 million, then increased in 2004, Russian imports from Indonesia in May 2004 worth US \$ 16.6 million and in April the value was US \$ 15.9 million. Compared to the value of imports in May 2004 with the value of imports in April 2004, the value of Russian imports from Indonesia rose by US \$ 0.7 million million or 4.4%. and 2005, namely US \$ 223.4 million and US \$ 431, 5 million, in 2006 to US \$ 416 million. Several Indonesian commodities were imported by Russia in 2004 with a value above US \$ 0.5 million (Indonesian Embassy in Russia, 2010).

At his meeting with President Joko Widodo, President Vladimir Putin explained that he emphasized the impact of global economic processes on reciprocal relations. Last year, our trade declined. However, the trend has changed this year. President Joko Widodo held a limited meeting with President Vladimir Putin in Sochi City, Russia. In this bilateral meeting, Joko Widodo said Indonesia and Russia were friends. Joko Widodo was accompanied by

Coordinating Minister for Economic Affairs Darmin Nasution, Foreign Minister Retno LP Marsudi, and Indonesian Ambassador to Russia Wahid Supriyadi. Meanwhile, Putin was accompanied by Russian Federation Foreign Minister Sergey Lavrov, Russian Minister of Trade and Industry Denis Manturov, and Special Advisor to the President of Foreign Affairs Yuri Ushakov. On that occasion, Joko Widodo lobbied Putin to facilitate the trade in palm oil, because oil palm is a potential commodity for Indonesia.

In 2016, the Indonesia-Russia Surplus Trade Balance was US \$ 410 million. PT Indonesian Trading Company (Persero) has signed a memorandum of understanding (MoU) with a Russian company, Rostec. The two parties committed to immediately realize the exchange between the Sukhoi SU-35 aircraft and a number of Indonesian superior commodities. For information, Indonesia-Russia trade in 2016 reached US \$ 2.11 billion or equivalent to Rp. 28 trillion. Indonesia recorded a surplus of US \$ 410 million from exports of US \$ 1.26 billion while imports were only US \$ 850 million. Since 2015, Indonesia recorded a trade surplus with Russia. Plans for barter aircraft with Indonesian commodities can certainly increase Indonesian-Russian trade. The Sukhoi aircraft that will be imported from Russia will replace the fleet of F5 aircraft belonging to the obsolete Indonesian Air Force.

Indonesia-Russia Trade (2012-2017 May)



In 2012 the value of Indonesian imports from Russia was US \$ 2.5 billion, and Indonesia's export value to Russia was US \$ 867.3 million. In 2013 the value of Indonesia's imports from Russia was US \$ 2.6 billion, and Indonesia's export value to Russia was US \$ 930.3 million. In 2014 the value of Indonesian imports from Russia amounted to 1.6 billion

US \$, and Indonesia's export value to Russia was 1.1 billion US \$. In 2015 the value of Indonesian imports from Russia amounted to 993.7 million US dollars, and the export value of Indonesia to Russia was 992.6 million US \$. In 2016 the value of Indonesian imports from Russia amounted to 850.6 million US dollars, and the export value of Indonesia to Russia was 1.3 billion US \$. There is a tendency to decrease the value of Russian imports to Indonesia, and the export value of Indonesia to Russia has increased.

The value of the total trade between Indonesia and Russia in 2016 was recorded at US \$ 2.11 billion, and Indonesia received a surplus of US \$ 410.9 million, all of which came from the surplus of the non-oil and gas sector. Indonesia's non-oil and gas exports were US \$ 1.26 Miyard, while Indonesia's non-oil and gas imports from Russia were recorded at US \$ 850.6 billion. The development of Indonesia's non-oil and gas exports to Russia in 2012-2016 was 8.5 percent positive.

STRATEGY, OPPORTUNITIES AND CHALLENGES

Strategy for Indonesia-Russia Relations Through Strategic Partnerships.

A strategic partnership is any relationship with another business or individual that can help your business (Lobel, 2017). Carl Reader discusses the key factors for making good strategic partnership between two businesses. (a) It is beneficial to options at day one, and always remind partners of their available options. (b) Making a plan of relationship management, including checking in calls and meetings. (c) Discuss expectations of service, reporting to the partners, and other requirements * before * any referrals are made. (d) Create a formal agreement that sets out what you both expect from the partnership. (e) Make sure you smash your side of the deal (Reader, in Lobel, 2017).

Meanwhile, Russian Foreign Minister Sergey Lavrov stated that bilateral relations between Indonesia and Russia had reached the level of a strategic partnership. Because, cooperation between the two countries has taken place in various fields such as economy and trade, military and humanity. IndonesiaRussia has dynamic relationships in various areas. This is a good opportunity to hold negotiations on bilateral issues and issues on the bilateral agenda which can be the theme of joint activities at the United Nations and the Pacific Circle regarding Russia's active participation in events organized by ASEAN (Wikanto Arungbudoyo, 2018).

The Indonesia-Russia strategic partnership is a way of expanding a business that cannot be done alone. In this scheme there are two or several parties involved in seeing the opportunity to partner to form a mutually beneficial synergy. This saw a very long history of journey, which began in pre-independence in the era of President Soekarno to President Joko Widodo. This partnership is based on beliefs and beliefs that are built through experience and observation in relations to the two countries so far. In a strategic partnership, parties are related to positive thinking and optimism with a high passion. The two sides took the initiative to make a more wise and tolerant strategic partnership, because the party who took the initiative to take part in the partnership, Russian Foreign Minister Sergey Lavrov, in the current era of openness, Russia has turned into a democracy like Indonesia.

Indonesia-Russia Relations Opportunity Through Increasing Bilateral Cooperation.

President Joko Widodo to Russia can be seen in a long-term perspective for Indonesia's national interests. One of the national interests, increasing cooperation in the economic field between Indonesia and Russia. Trade relations are an indicator of the size of the economic relations between Indonesia and Russia. Indonesia-Russia trade targeted at a volume of US \$ 5 billion in 2015 has not met expectations. In 2014 the value of trade reached US \$ 2.64 billion, in 2015 it fell 25% to US \$ 1.98 billion. First quarter 2016 trading volume increased 13% compared to the same period last year. In terms of investment, it has declined in the past two years. In 2014 Russian investment in Indonesia amounted to US \$ 3 million and in 2015 fell to US \$ 1 million, not including Russian railroad infrastructure investment in Kalimantan worth US \$ 5.519 billion, but this was not realized, because it was rejected by President Joko Widodo. Palm oil (CPO) is the mainstay of Indonesia's exports to Russia. In 2015 Indonesian CPO exports to Russia amounted to US \$ 480 million (Pramudito, 2016).

Opportunities for cooperation between the two countries are wide open, the two countries agreed to work together to reduce tariff and non-tariff barriers for palm oil for the welfare of farmers. President Joko Widodo hopes that in the future it can be improved. Russian investment is also expected to be directed to other fields such as the construction of aluminum smelters in West Kalimantan, energy and infrastructure. This activity will absorb 2,000 workers. Meanwhile President Vladimir Putin said at the time that there was a strong push to increase cooperation, among others by increasing the exchange of trade missions from employers, on terms of mutual benefit. In this connection, the two countries' free trade zone has also begun

to be discussed. In the visit of President Joko Widodo, the two countries signed five memorandums of understanding, including cooperation in the field of marine management, fishing, culture, national archives and cooperation in the defense sector. Actually the opportunity to improve Indonesia-Russia relations for Indonesia's national interests already exists and can be traced from the history of Indonesia-Russia diplomatic relations starting in 1950. The Cold War ended in the late 1980s, the map of world politics changed dramatically. So this is where Indonesia's free and active politics is challenged amidst the emergence of the dominant powers of several major countries, where Russia is one of them. Of course national interests remain the main goal, in the era of free trade and globalization.

Challenges of Indonesia-Russia Relations, A Target That Has Not Been Reached.

The challenge of economic cooperation between the two countries, the trade volume target of five billion US dollars has not been achieved. The trade volume between Indonesia and Russia is targeted to reach five billion US dollars in the next five years. However, this target has long been a common goal expected by both countries. Unfortunately, this year the target has yet to be reached. The value of trade volume is indeed one indicator of the success of bilateral relations. This is certainly not something that is impossible to achieve. It's just that, the current world economic conditions are indeed less profitable. The pace of the economy has slowed almost all over the world and this has also affected the economies of the two countries. In this situation what must be done is, of course, we must not give up and continue to try to find opportunities for new forms of cooperation that can be applied amid the current economic conditions in the world. In this case, it is more inclined to opportunities for investment cooperation in mutually beneficial projects. Both countries must further increase the attention or awareness of business people regarding business opportunities in Russia and Indonesia. There needs to be further dialogue between the business people of the two countries which are the main channels to look for other profitable and promising project cooperation opportunities.

There are plans to use national currencies in trade transactions between Russia and Indonesia. Will this plan be implemented in 2016? It certainly depends on the joint effort to realize it. It cannot be predicted how quickly the plan can be implemented. Transactions using the national currency as an opportunity to enhance business cooperation between the two countries. At the last G-20 summit, President Joko Widodo underlined the need to reduce dependence on one global currency, the United States dollar. A few months ago it began a dialogue for the possibility of implementing bilateral trade transactions in rubles and rupiah, this is a very promising idea.

The publication of this year's "Doing Business" ranking which was only released a few years ago by the World Bank, Russia is now ranked 51st, up eleven from last year's position, and 20 levels higher than in 2011, when Russia began to join this assessment. From the results of this year, Russia's position is even higher than China. In May 2012, President Vladimir Putin has set a target to increase Russia's position to 50th in 2015 and ranked 20th in 2018. So, the business climate and investment in Russia is quite conducive for investors and business people. Even in the midst of economic sanctions from the West, we actually see the growth of Russian Direct Fund Investment growing in large numbers. This is certainly thanks to its condition the business climate in Russia is conducive (Fauzan Al-Rasyid, 2015).

CONCLUSION

The year 1945-1950 was a political diplomacy struggle for the Indonesian nation seeking international recognition of national independence and sovereignty after the proclamation of independence on August 17, 1945. In the New Order Era of 1965-1998 the relations between Indonesia and the Soviet Union were not like Soekarno's Preside. Entering the 1990s the relations between the two countries began to show improvement both in the fields of education, social, culture, economy and trade. Entering the 2000s Indonesia-Russia cooperation relations entered a new phase and experienced a significant increase. President Abdurrahman Wahid, President Megawati Soekarnoputri, President Susilo Bambang Yudhoyono and President Joko Widodo met President Putin in discussing relations between the two countries.

In the political field, the first meeting since the reform era in Indonesia and the Russian Federation era was carried out by President Abdurrahman Wahid with President Vladimir Putin on the sidelines of the "Millennium Summit" in New York, not much was produced in

September 2000. Meanwhile, Megawati Soekarnoputri in 2001 began to stretch IndonesiaRussia relations again. Susilo Bambang Yudhoyono took the seat of Indonesia's President in October 2004, Susilo Bambang Yudhoyono made a state visit to Russia three times, and the meeting in Jakarta on September 6, 2007 was the fourth meeting, followed by the fifth meeting on the sidelines of the APEC Summit in Australia.

As a follow-up in purchasing warplanes, Russia. President Joko Widodo and Russian President Vladimir Putin held limited meetings. therefore, relationships are needed for the future.

In economic field In 2012 the value of Indonesian imports from Russia amounted to 2.5 billion US \$, and the export value of Indonesia to Russia was 867.3 million US \$. In 2013 the value of Indonesia's imports from Russia was US \$ 2.6 billion, and Indonesia's export value to Russia was US \$ 930.3 million. In 2014 the value of Indonesian imports from Russia amounted to 1.6 billion US \$, and Indonesia's export value to Russia was 1.1 billion US \$. In 2015 the value of Indonesian imports from Russia amounted to 993.7 million US dollars, and the export value of Indonesia to Russia was 992.6 million US \$. In 2016 the value of Indonesian imports from Russia amounted to 850.6 million US dollars, and the export value of Indonesia to Russia was 1.3 billion US \$. There is a tendency to decrease the value of Russian imports to Indonesia, and the export value of Indonesia to Russia has increased.

A strategic partnership is any relationship with another business or individual that can help your business (Lobel, 2017). Carl Reader discusses the key factors for making good strategic partnership between two businesses. (a) It is beneficial to options at day one, and always remind partners of their available options. (b) Making a plan of relationship management, including checking in calls and meetings. (c) Discuss expectations of service, reporting to the partners, and other requirements * before * any referrals are made. (d) Create a formal agreement that sets out what you both expect from the partnership. (e) Make sure you smash your side of the deal (Reader, in Lobel, 2017). The Indonesia-Russia strategic partnership is a way of expanding business that cannot be done alone. In this scheme there are two or several parties involved in seeing the opportunity to partner to form a mutually beneficial synergy.

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