
Rethinking Middle Power Diplomacy: Indonesia's Dynamic Equilibrium Strategy in The Multipolar Order

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Abstract

The multipolar world order has changed the dynamics of global conflict mediation. This research aims to construct an alternative mediation model for Indonesia to address conflicts in the Middle East. This study uses a qualitative approach through a comparative analysis between China's economic pragmatism and Indonesia's normative diplomacy. The framework combines constructivist theory and middle power theory to evaluate diplomatic strategies. The analysis suggests that overreliance on material capacity may limit the effectiveness of diplomacy under certain conditions. As a response, this research proposes a hybrid mediation model that integrates the doctrine of dynamic equilibrium with the legitimacy of Islamic identity. The concept of dynamic equilibrium, previously applied in Southeast Asia, is examined for its potential adaptation to building trust without economic coercion. Indonesia holds a comparative advantage in its perceived neutrality, which may allow it to engage various conflicting parties. This suggests a possible transformation from passive facilitator to a more active bridge-building role. In conclusion, the hybrid model offers a conceptual basis for niche diplomacy. The implication is that middle-power countries may be able to contribute proactively to global governance stability, even under material resource constraints.

Keywords: *Dynamic Equilibrium; Conflict Mediation; Indonesian Diplomacy; Multipolar Order; Islamic Legitimacy; Middle Power*

Abstrak

Tatanan dunia multipolar telah mengubah dinamika mediasi konflik global. Penelitian ini bertujuan mengonstruksi model mediasi alternatif bagi Indonesia untuk menangani konflik di Timur Tengah. Studi ini menggunakan pendekatan kualitatif melalui analisis komparatif antara pragmatisme ekonomi Tiongkok dan diplomasi normatif Indonesia. Kerangka kerja memadukan teori konstruktivisme dan teori kekuatan menengah untuk mengevaluasi strategi diplomasi. Hasil analisis mengindikasikan bahwa ketergantungan berlebih pada kapasitas material berpotensi membatasi efektivitas diplomasi dalam kondisi tertentu. Sebagai respons, penelitian ini mengusulkan model mediasi hibrida yang mengintegrasikan doktrin keseimbangan dinamis dengan legitimasi identitas Islam. Konsep keseimbangan dinamis yang sebelumnya diterapkan di Asia Tenggara dikaji potensinya untuk diadaptasi guna membangun kepercayaan tanpa pemaksaan ekonomi. Indonesia memiliki keunggulan komparatif berupa netralitas yang dipersepsikan, yang berpotensi memungkinkannya melibatkan berbagai pihak berseteru. Hal ini menunjukkan kemungkinan transformasi dari fasilitator pasif menuju peran pembangun jembatan yang lebih aktif. Kesimpulannya, model hibrida ini menawarkan basis konseptual bagi diplomasi relung. Implikasinya, negara dengan kekuatan menengah berpotensi berkontribusi secara proaktif terhadap stabilitas tata kelola global, sekalipun dengan keterbatasan sumber daya material.

Kata Kunci: Keseimbangan Dinamis; Mediasi Konflik; Diplomasi Indonesia; Tatanan Multipolar; Legitimasi Islam; Kekuatan Menengah

1. Introduction

The global order is shifting away from the unipolarity the United States once dominated and toward a more fragmented, multiplex order. The Middle East offers a clear window onto this shift. Western powers historically resolved regional conflicts through coercive intervention and diplomatic frameworks imposed from outside. Non-Western actors

are now supplementing that approach, and in some cases replacing it, with more transactional and pragmatic diplomacy. This fits a broader pattern: emerging powers are reshaping regional security arrangements to suit their own strategic interests. Recent scholarship documents this trend and argues that global diplomacy is moving toward a non-Western multipolar model (Qader, 2025). States are now challenging

established Western mediation approaches using different diplomatic currencies.

China's mediation of the Saudi-Iran rapprochement is the case scholars cite most often. It shows how international mediation itself is changing, and how heavily it now relies on transactional diplomacy. Recent empirical studies show that China's approach rests on three pillars: strict neutrality, non-interference in domestic affairs, and large economic incentives that secure compliance and build mutual dependence (Abbaszada & Liu, 2026).

This capital-heavy, transactional model of mediation raises a real problem for middle powers that want to play a constructive role in resolving conflicts. Neorealist scholarship has traditionally assumed that middle powers are far more likely to fail as mediators when they lack coercive economic or military leverage. Recent work on global governance pushes back against this assumption. Scholars studying multiplex geopolitics argue that in a fragmented multipolar order, middle powers can shape conflict outcomes without material dominance. They do it through agility, niche diplomacy, and normative "convening power" (Chaziza & Lutmar, 2025; Mehdizade, 2023). States practicing niche diplomacy build influence through credibility and their ability to act as

facilitators with no strings attached, not through financial leverage.

Indonesia's diplomatic posture in the Middle East supports this argument empirically. Comparing financial penetration data from the China Global Investment Tracker (AEI) against the capacity of Indonesia's international development agency, LDKPI, reveals a stark geoeconomic gap. China's footprint and investment in the Middle East and North Africa (MENA) region exceeds \$150 billion (American Enterprise Institute, 2026). Indonesia's LDKPI, by contrast, deploys under \$100 million (Lembaga Dana Kerja Sama Pembangunan Internasional, n.d.). This gap is not just a matter of scale. It points to a deeper difference in the diplomatic tools each state has available. Indonesia's comparative advantage in mediation, then, is unlikely to come from the transactional-material domain.

This raises the research problem at the center of this study. Major powers like China now dominate diplomatic mediation in the Middle East through economic pragmatism. Indonesia lacks that material leverage, but holds a comparative advantage in normative Islamic legitimacy. How, then, should Indonesia redesign its diplomatic doctrine to move beyond passive diplomacy? This study builds its answer by combining recent middle-power scholarship with Indonesian

foreign policy doctrine. Scholars challenging deterministic assumptions argue that middle powers can offset material limitations by focusing on specific issue areas and using niche diplomacy to institutionalize behavioral norms (Chaziza & Lutmar, 2025). For Indonesia, the most relevant normative framework is the doctrine of Dynamic Equilibrium. This doctrine rejects rigid polarities and embraces hedging under multipolarity. It offers a non-coercive alternative to material-driven diplomacy, one with a proven track record in Southeast Asia and clear potential relevance to the Middle East (Burton, 2021).

This study proposes that Indonesia transform its foreign policy from a largely reactive, passive normative diplomacy into a proactive model of strategic hybrid mediation. Acting as an honest broker with no extractive economic agenda, Indonesia could build organic, grassroots-level trust. Indonesia should stop competing on financial leverage, where it holds a structural disadvantage, and instead build a framework that turns its material constraints into a strategic asset. Its lack of a large capital footprint may actually help: it can make Indonesia's diplomatic overtures look altruistic, and that perception can build trust

in ways that capital-heavy mediators struggle to achieve. Figure 1 sets out this positioning.

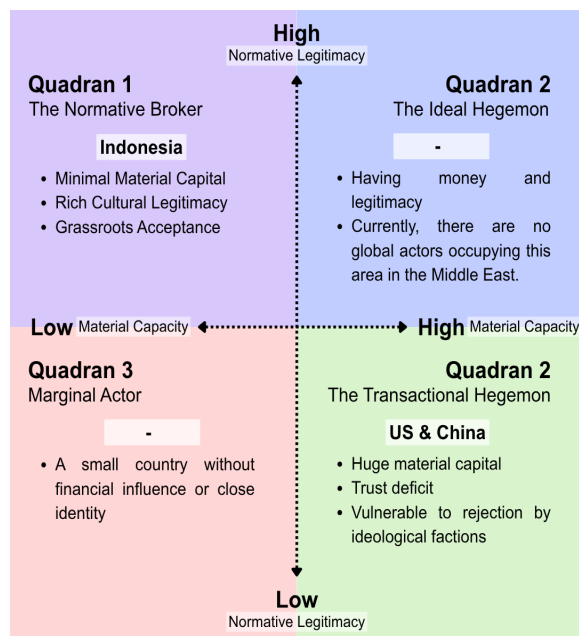


Figure 1: Global Mediation Actor Asymmetry Quadrant
(Made by the author to illustrate the main object)

This quadrant shows a structural weakness in China's material-heavy mediation model. Ideological or religious factions may reject it out of concern over extractive agendas. Indonesia, by contrast, occupies a distinct diplomatic niche in the figure: a prospective honest broker. Its lack of hegemonic intent may make it more acceptable to grassroots movements and state actors across the Middle East.

Prior literature on middle-power behavior and Indonesian foreign policy doctrine also supports this hybrid diplomatic approach. Scholars have challenged the assumption

that material constraints determine diplomatic outcomes. Middle powers, they argue, are not fully bound by their economic limits. They can use targeted normative strategies to shape regional orders, set behavioral norms, and influence international architectures (Emmers, 2018). For Indonesia, the most relevant normative framework is the doctrine of Dynamic Equilibrium. Indonesia originally developed this doctrine to navigate geopolitical rivalries in the Indo-Pacific, and it aims to build an inclusive environment where no single power gains absolute dominance. Dynamic Equilibrium has played a significant role in managing geopolitical friction and supporting ASEAN Centrality (Anwar, 2020). It prioritizes continuous dialogue, diplomatic enmeshment, and rejection of rigid polarities, and offers a non-coercive alternative to material-driven diplomacy. This makes it potentially applicable beyond Southeast Asia, including in the Middle East.

Dynamic Equilibrium provides a structural mechanism for multilateral engagement, but applying it in a different regional context requires cultural and contextual legitimacy to support acceptance as a mediator. For Indonesia, that legitimacy is closely tied to its distinctive identity, expressed through Islamic Soft Power. Yet despite a strong sense of Islamic solidarity

and shared identity, Indonesia's diplomatic footprint in Middle Eastern conflict resolution has remained largely passive. This reflects a historically narrow interpretation of its constitutional mandate under the "Bebas Aktif" foreign policy (Setiawati, 2024). To build a more effective approach, Indonesia needs a mechanism that combines the structural balance of Dynamic Equilibrium with the cultural resonance of Islamic legitimacy.

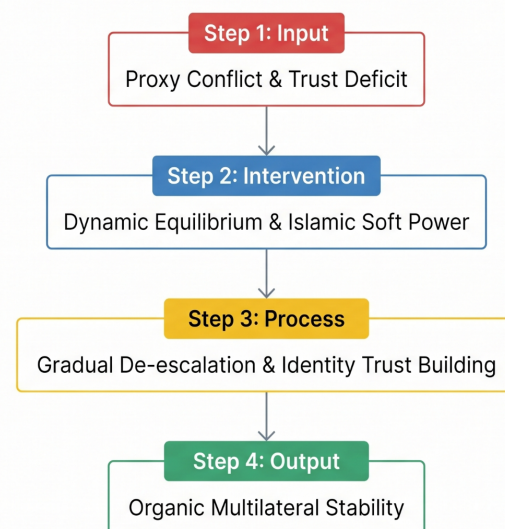


Figure 2: Trust Deficit Transformation Flowchart
(Made by the author to illustrate the process)

This conceptual framework illustrates "Trust Deficit Transformation": how Indonesia could respond to the trust deficit that major powers' material hegemony has created in the Middle East. Through Dynamic Equilibrium and Islamic Soft Power, Indonesia can reframe its lack of financial incentives as a

comparative advantage for non-coercive engagement. This strategy could enable gradual de-escalation built on shared cultural identity, and potentially contribute to a more organic, non-coercive peace architecture.

A review of the literature closest to this proposed synthesis reveals a fragmented scholarly discourse, and that fragmentation points to the gap this study addresses. Existing geopolitical scholarship analyzes the multipolar transition and the logic behind transactional mediation. For example, recent research shows that Middle East reconciliation often stems from domestic strategic needs. Saudi Arabia's "Vision 2030," for instance, functions as a regional hedge between the United States and China (Hwang, 2024). Other scholars describe China's conflict resolution efforts not as a disinterested pursuit of lasting peace, but as a strategic tool for expanding its influence (Yuliantoro, 2025). These studies explain hegemon-led mediation in detail, but studies of Indonesia's diplomatic capabilities largely ignore this literature. Scholars analyze the Dynamic Equilibrium doctrine mainly within the Indo-Pacific context (Anwar, 2020), while studies of Indonesia's Islamic diplomacy tend to treat religious solidarity as an abstract socio-cultural phenomenon (Mubarok & Candra, 2020), separate from the geostrategic and hard-security calculations

that drive Middle East regional politics. This split reveals a gap in International Relations scholarship: no study has yet examined how these two dimensions might work together.

This research aims to build an alternative theoretical framework for middle-power mediation in multipolar environments. Using Indonesia as the primary case, this paper examines how a state with limited geoeconomic leverage might use the Dynamic Equilibrium doctrine and its normative Islamic identity to build diplomatic trust in the Middle East. Rather than offering a definitive resolution to regional conflicts, this study asks whether normative legitimacy can serve as a viable substitute for transactional capital in international dispute resolution. Three hypotheses guide this aim: Indonesia might deliberately extend its interpretation of the "Bebas Aktif" principle into a niche diplomacy grounded in Dynamic Equilibrium [X]; Indonesia could draw on its moderate Islamic identity to build organic trust in ways major hegemonic powers cannot [Y]; and if so, Indonesia may be able to offset material power asymmetries and function as an effective Middle East mediator without relying primarily on economic leverage [Z]. This research contributes to the field by extending the Dynamic Equilibrium doctrine beyond its typical ASEAN-centric application and combining it with religious

legitimacy to propose a cohesive, hybrid mediation strategy — to the authors' knowledge, among the first studies to do so. This analysis covers Indonesia's foreign policy conduct in the Middle East from the post-reform era to the present multipolar order, with China's recent mediation between Iran and Saudi Arabia serving as a conceptual comparative reference.

2. Literature Review

2.1 The Material-Determinist Reading of Multipolar Mediation

Scholarship on conflict mediation increasingly frames its analysis around the shift from unipolarity to a fragmented, multiplex international order, where non-Western approaches now compete with established Western diplomatic frameworks (Qader, 2025). Much of this literature treats China's mediation behavior as the paradigmatic case for understanding this shift. Empirical studies of China's approach identify a consistent pattern: strict adherence to stated neutrality and non-interference, combined with substantial economic incentives, drives its diplomatic success (Abbaszada & Liu, 2026). A closer reading, however, reveals that this literature rests heavily on material determinism: the assumption that mediating leverage comes primarily, if not exclusively, from economic

capacity. Yuliantoro (2025) qualifies this reading. China's engagement in conflict resolution, the author argues, functions less as an end in itself than as a tool for expanding geopolitical influence. Hwang (2024) corroborates this at the level of the mediated parties themselves: Saudi Arabia's participation in the 2023 rapprochement with Iran was driven substantially by domestic economic imperatives tied to "Vision 2030." It functioned as a hedging strategy between the United States and China, not as an endorsement of Chinese mediation itself.

Together, these studies offer a detailed account of how transactional diplomacy works, but they share a specific limitation. They judge diplomatic success mainly by how quickly financial leverage secures compliance, without adequately asking whether that compliance builds durable trust. Other scholars have raised concerns about debt-trap diplomacy and the risk of latent coercion, suggesting that agreements secured mainly through material incentive may carry a structural vulnerability to reversal (Abbaszada & Liu, 2026). This limitation is exactly where the middle power literature, discussed next, offers an alternative account of how mediating influence gets built.

2.2 Middle Power Capabilities and the Response of Material Determinism

Where the literature reviewed above treats material capacity as close to a precondition for effective mediation, a distinct strand of middle power scholarship directly challenges this assumption. This literature does not simply claim that middle powers can act despite material constraints. Several recent studies trace the specific mechanism behind how they do it. Chaziza and Lutmar (2025) studied Oman's mediation efforts and found that Oman's role as an intermediary in the Gulf rests on a discreet, consensus-oriented style of engagement and a consistent refusal to get entangled in great-power rivalries. This restraint allows other parties to trust Oman with sensitive facilitation, including one documented instance of hosting dialogue between Iranian and Ukrainian representatives, precisely because no one sees Oman as an interested party. Mehdizade (2023) finds a similar pattern: governments that pursue mediation as a secondary foreign policy objective can expand their diplomatic standing without relying on coercive security instruments. Both studies demonstrate, rather than simply assert, that a middle power's diplomatic value can come from restraint and perceived impartiality rather than from resource commitment. Their empirical focus, however, stays concentrated on Arab or Eurasian middle powers. Neither addresses how an external, non-regional middle power like

Indonesia might apply the same logic in the Middle East.

A parallel constructivist strand extends this argument by explaining why restraint and impartiality translate into diplomatic capital. Karim (2018) reframes middle power status as a matter of role conception rather than material endowment. The author shows empirically that states like Indonesia construct and enact specific diplomatic roles, such as bridge-builder, honest broker, or norm entrepreneur, rooted in identity and historical practice rather than in capability metrics. This finding complements Chaziza and Lutmar's (2025) behavioral account of Oman directly: the Oman study shows what restrained, low-leverage diplomacy looks like in practice, while Karim's role-conception framework explains why that behavior earns diplomatic credibility in the first place. Anwar (2020) and Emmers (2018) provide the Indonesia-specific evidence for this claim. Both find that Indonesia's normative commitment to non-alignment and its claim to regional impartiality function as constructed, historically embedded identities. These identities have repeatedly shaped Indonesia's regional diplomatic initiatives independently of the country's material weight.

Read against the previous cluster, this literature suggests something important: the very feature that material-determinist scholarship treats as a constraint, Indonesia's comparatively limited economic leverage, may instead function as a source of the perceived impartiality that Chaziza and Lutmar identify as central to middle power mediation. This is the logical bridge this study takes as its starting hypothesis, one that the empirical record reviewed in Section 4 is designed to test rather than assume.

2.3 Indonesia's Normative Doctrine and Islamic Diplomacy

A third relevant cluster examines Indonesia's specific diplomatic doctrines. Here the literature splits into two strands that have developed largely independently of each other. The first strand analyzes Indonesia's foreign policy behavior under multipolarity as a hedging strategy: maintaining contact with multiple powers while minimizing binding entanglements, carried out through the doctrine of Dynamic Equilibrium (Burton, 2021). Anwar (2020) provides the clearest empirical grounding for this doctrine's institutional effectiveness, documenting Indonesia's sustained, multi-year diplomatic effort to build regional consensus around the ASEAN Outlook on the Indo-Pacific. The second strand examines Indonesia's religious identity as a diplomatic resource. It

finds that despite a strong foundation of Islamic solidarity, Indonesia's diplomatic posture has remained comparatively passive, constrained by a historically narrow reading of its constitutional "Bebas Aktif" mandate (Setiawati, 2024).

These two strands rarely engage each other directly. Scholars analyze Dynamic Equilibrium almost exclusively within the Indo-Pacific and ASEAN context (Anwar, 2020; Burton, 2021), while the literature on Indonesia's Islamic diplomacy tends to treat religious solidarity as a socio-cultural attribute in its own right, separate from any specific institutional doctrine or application beyond Southeast Asia (Mubarok & Candra, 2020). Considered alongside the middle power literature reviewed in Section 2.2, this separation matters analytically. Karim (2018) and Emmers (2018) argue that role conception and normative identity drive Indonesia's diplomatic credibility. If that's true, then no scholar has made a sustained attempt to connect this identity-based literature with the institutional mechanics of Dynamic Equilibrium, and that gap leaves an unresolved link in the existing account of Indonesian foreign policy.

2.4 Synthesis and Identification of the Research Gap

Read together, these three clusters point to a specific, addressable gap rather than a general absence of literature. The material-determinist cluster (2.1) offers a well-developed account of transactional mediation, but leaves the durability of financially secured agreements empirically underexamined. The middle power cluster (2.2) offers a credible behavioral and constructivist account of how restraint and identity substitute for material leverage, but no one has yet applied it to Indonesia's specific position in the Middle East. The Indonesia-specific cluster (2.3) documents both the institutional doctrine (Dynamic Equilibrium) and the normative resource (Islamic identity) that such an application would require, but treats them as separate literatures rather than components of a single diplomatic model.

This study addresses that gap directly. Its theoretical framework in Section 3 corresponds to each of the three clusters reviewed here. Constructivism draws on the identity-based literature in 2.2 and 2.3 to establish the source of Indonesia's diplomatic asset. Middle Power Theory draws on the behavioral literature in 2.2, particularly Chaziza and Lutmar's (2025) account of restraint-based credibility, to establish the mechanism that converts that asset into diplomatic action. Liberal

Institutionalism draws on the Dynamic Equilibrium literature in 2.3 to establish the structural conditions under which such action produces durable outcomes. The research design in Section 3.2 puts this synthesis directly into practice: it compares China's material-leverage model (2.1) against Indonesia's normative-convening record through a structured, focused comparison. This design lets the study test empirically, rather than assume, whether the normative mechanism identified across these three literatures can function as a viable substitute for material leverage in Middle Eastern conflict mediation.

3. Methodology

3.1 Theoretical Framework

Here's the paraphrase, citations preserved exactly:

This study uses a theory-guided qualitative design that combines three theoretical traditions: Constructivism, Middle Power Theory, and Liberal Institutionalism. These are not a loose accumulation of perspectives. They form an integrated, multi-level analytical framework in which each theory handles a distinct explanatory task. This layered structure is designed specifically to test the study's three-part

hypothesis: normative identity [X] converts into diplomatic behavior [Y], which in turn produces institutionalized outcomes [Z].

First, at the ideational level, Constructivism explains the source of Indonesia's diplomatic asset. Constructivist scholarship holds that a state's influence does not reduce to material capability alone; identity, shared norms, and historically embedded practice also shape it (Wendt, 1999, as reflected in Karim, 2018; Emmers, 2018). Applied here, this idea points to Indonesia's normative repertoire, its non-alignment, its moderate Islamic identity, and its established diplomatic vocabulary of *tahkim* and *sulh*, as a form of legitimacy. Scholars theorize independently that this legitimacy can reduce the trust deficit that materially driven mediators face among ideologically or religiously motivated factions (Yhome, 2025; Williams, 2023; Brown & Keshavjee, 2025; Merdjanova, 2022).

Second, at the level of state agency, Middle Power Theory explains how Indonesia converts this ideational resource into diplomatic action. Constructivism alone cannot explain how legitimacy becomes strategy; middle power scholarship supplies this behavioral link. Following the behavioral strand of the literature, rather than the purely positional strand, middle powers compensate for material constraints through niche diplomacy and convening capacity.

They identify specific issue areas where they can act as credible, non-threatening interlocutors below the threshold of hegemonic engagement (Chaziza & Lutmar, 2025; Mehdizade, 2023). This study treats Indonesia's historical convening of the Jakarta Informal Meetings (1988–1989) as an empirical anchor for this proposition. That episode shows that Indonesia's convening power has operated independently of material inducement before (Alexandra, 2017).

Third, at the structural level, Liberal Institutionalism explains the conditions under which these individual diplomatic acts durably reduce polarity, rather than remaining isolated episodes. Liberal Institutionalism argues that states can mitigate the destabilizing effects of anarchy and the risk of hegemonic dominance by deliberately building inclusive multilateral frameworks (Burton, 2021). This study treats Indonesia's Dynamic Equilibrium doctrine, and its empirical track record in negotiating the ASEAN Outlook on the Indo-Pacific, as an institutional mechanism that embeds convening acts into more durable, rule-based structures (Anwar, 2020).

Read together, these three theories follow a deliberate sequence rather than sitting side by side. Constructivism identifies why Indonesia's normative position constitutes a

diplomatic resource. Middle Power Theory specifies how Indonesia converts that resource into mediating behavior. Liberal Institutionalism specifies under what structural conditions that behavior turns into durable outcomes. The analysis in Section 4 is designed to trace and test this sequence, not to treat the three theories as parallel, unconnected lenses.

3.2 Research Design and Case Selection

This study adopts a qualitative, theory-guided comparative case study design, following the logic of structured, focused comparison (George & Bennett, 2005). This approach applies the same set of analytical questions, derived from the theoretical framework above, systematically to each case. That structure enables controlled cross-case comparison despite the small number of cases examined.

The study examines two cases: (1) China's mediation of the 2023 Saudi Arabia–Iran rapprochement, selected as the paradigmatic instance of the transactional, material-leverage model of contemporary mediation; and (2) Indonesia's mediation record, comprising the Jakarta Informal Meetings (1988–1989) during the Cambodian conflict and the 1996 Philippines–MNLF peace process, selected

as instances of normatively grounded, convening-based mediation.

This case selection follows a diverse case logic (Seawright & Gerring, 2008). The study selects the two mediators to maximize variation on its key explanatory variable, the type of leverage deployed (material versus normative), while holding the outcome type broadly constant: all three cases resulted in a signed agreement or negotiated framework. This design lets the analysis probe how comparable diplomatic outcomes emerged through divergent causal pathways, rather than assuming in advance that one pathway works better. The Indonesian cases are historical rather than contemporary because no equivalent Indonesian-led mediation currently exists in the Middle East. Consistent with the study's conceptual rather than predictive aim, these cases serve as evidence that the proposed mechanism has operated as theorized before, not as evidence that it has already succeeded in the Middle Eastern context.

This design has clear limitations, and this study acknowledges them rather than obscuring them. With only three cases, the study cannot support statistical generalization. Its ambition is analytic generalization, refining and illustrating a theoretical mechanism (Yin, 2018), rather

than establishing a generalizable causal law. The historical cases also rely on secondary academic literature rather than original archival research, which may carry some retrospective interpretive bias. The concluding section treats these limitations as a boundary condition on the study's claims and discusses them further.

3.3 Operationalization: Comparative Parameters and Data

To move from theoretical framework to empirical analysis, this study assesses each case against four comparative parameters, derived directly from the theoretical framework in Section 3.1:

1. **Type and source of leverage.** Does the mediator's primary point of influence, as stated in official communications and reflected in independent reporting, rest on material factors (financial commitments, investment, aid) or normative factors (shared identity, doctrinal framing, procedural neutrality)? For the Chinese case, this study assesses leverage using investment and aid figures from the American Enterprise Institute's China Global Investment Tracker. For Indonesian cases, it uses the comparatively limited disbursement

record of Indonesia's international development cooperation agency (LDKPI, n.d.), alongside the documented absence of financial inducement in the JIM and MNLF processes (Alexandra, 2017).

2. **Trust-building trajectory.** This parameter tracks the pace, sequencing, and openness of the negotiation process, reconstructed from official communiqués, joint statements, and secondary historical accounts. It pays particular attention to whether talks proceeded through formal state-to-state channels or through informal, lower-pressure venues.
3. **Perceived neutrality and vulnerability to rejection.** Do primary and secondary sources record the parties themselves characterizing the mediator as an impartial facilitator, or as an interested party whose involvement risked being read as extractive or coercive by one or more factions?
4. **Durability of the resulting agreement.** This parameter examines the extent to which the agreement or framework held, was renegotiated, or collapsed in the

years following signature, based on documented post-agreement developments.

This study draws its data from primary sources, including official statements, negotiation records, and investment records, and triangulates them against peer-reviewed secondary literature on each case. It codes each case thematically against the four parameters above, then compares the resulting within-case narratives across cases following the structured-focused comparison protocol. This process lets the study assess where the theoretical mechanism outlined in Section 3.1 does, and does not, hold up against the empirical record.

4. Results and Discussion

Before turning to case-level analysis, it helps to establish the broader empirical context in which these mediation models operate. Uppsala Conflict Data Program (UCDP) records for the Middle East over 2000–2021 show a comparatively low incidence of comprehensive peace agreements relative to the region's conflict intensity. Most settlements, such as those involving Fatah in 2007 and Ansarallah in 2014, remained partial or localized rather than comprehensive (Pettersson, Högladh & Öberg, 2019) (see figure 3). This pattern alone does not establish which mediation

model works better. It does, however, indicate that agreements secured primarily through material incentive have not produced a broader pattern of durable, comprehensive settlement in the region. This observation motivates a closer, case-level comparison of how mediators build and sustain leverage, structured according to the four parameters established in Section 3.3: the type and source of leverage; the trust-building trajectory; the mediator's perceived neutrality and vulnerability to rejection; and the durability of the resulting agreement. Two cases run through this comparison: China's mediation of the 2023 Saudi Arabia–Iran rapprochement, and Indonesia's mediation record, comprising the Jakarta Informal Meetings (JIM I–II, 1988–1989) and the 1996 Philippines–MNLF Final Peace Agreement.

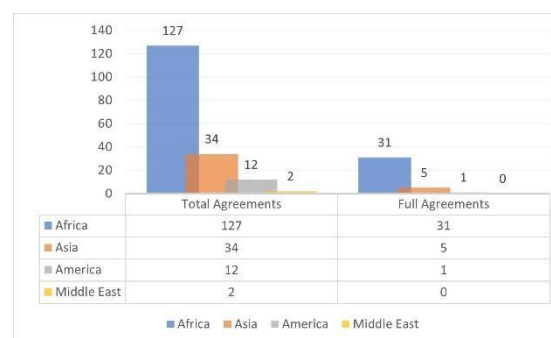


Figure 3: Conflict Resolution UCDP Dashboard (2000–2021) (Pettersson, Högladh and Öberg, 2019)

4.1 Type and Source of Leverage

Substantial material leverage underpinned China's mediation of the Saudi-Iran

rapprochement. China's position as a primary trade and investment partner to both parties, combined with Saudi Arabia's domestic interest in regional stability to support its "Vision 2030" diversification agenda, provided the material basis for the negotiation (Hwang, 2024). Chinese mediation, in this sense, functioned less as an independent diplomatic achievement than as a convergence of interest between Beijing's economic diplomacy and Riyadh's own strategic hedging between the United States and China (Hwang, 2024; Abbaszada & Liu, 2026).

Indonesia's mediation record shows no comparable material inducement. During JIM I and II, Indonesia held no meaningful economic or military leverage over any of the Cambodian factions it convened. Its diplomatic asset was its standing as ASEAN's designated interlocutor, which let it provide an informal venue for dialogue (Alexandra, 2017). In the MNLF process, Indonesia's leverage similarly came from its position within the Organization of Islamic Cooperation's Ministerial Committee of Six, which it chaired from 1993, rather than from any financial commitment (Alexandra, 2017). Consistent with the LDKPI disbursement figures cited in Section 1, Indonesia's material capacity remained marginal relative to the parties it convened in both cases. This

confirms the first parameter's expected divergence: material leverage resourced China's mediation, while convening capacity and institutional standing resourced Indonesia's.

4.2 Trust Building Trajectory

The two models also differ in pace and mechanism. The Saudi-Iran rapprochement concluded relatively quickly once China's involvement began, consistent with the compressed timelines typical of transactional mediation backed by economic incentive (Abbaszada & Liu, 2026). Indonesia's cases followed a markedly slower trajectory. The JIM process spanned informal meetings across 1988 and 1989 without immediately resolving the underlying conflict. It instead established a framework of dialogue that fed into the 1991 Paris Peace Agreement several years later (Alexandra, 2017). The MNLF process moved slower still: exploratory talks began in 1993, followed by three years of formal negotiation and technical consultation, before the parties signed the Final Peace Agreement in September 1996 (Alexandra, 2017). This points to a trade-off between the two models: material leverage appears to speed up initial compliance, while convening-based mediation appears to require a longer trust-building process. The data available in this study cannot determine which trajectory

produces more durable outcomes in general; Section 4.4 addresses this question directly.

4.3 Perceived Neutrality and Vulnerability to Rejection

China's material capacity has not produced an unambiguous perception of neutrality among regional actors. Analysts note that despite China's economic weight, parties concerned about the durability of externally brokered arrangements view its involvement with some caution. Non-state and ideologically motivated actors remain similarly skeptical of any external mediator's underlying intentions (Abbaszada & Liu, 2026). The United States, though it possesses substantial military capacity in the region, faces a comparable credibility constraint. A history of coercive intervention and perceived alignment with specific regional actors has limited its standing as an impartial facilitator in most contemporary Middle Eastern disputes.

Indonesia's cases suggest a different profile, though not an unconditional one. In both JIM and the MNLF process, Indonesia's perceived neutrality rested on identifiable institutional and normative grounds. In the Cambodian case, that meant Indonesia's non-aligned status and ASEAN role; in the Philippine case, its OIC standing and shared Muslim-majority identity (Alexandra, 2017).

Neither case rested on the mere invocation of shared identity, and this distinction matters. Setiawati (2024) cautions that appeals to "Islamic solidarity" in Indonesian foreign policy have at times functioned more as domestic political rhetoric than as an operational diplomatic instrument, producing a passive facilitator role rather than active mediation. The MNLF case shows that normative legitimacy translated into perceived neutrality only once it was embedded in a concrete institutional role, Indonesia's OIC committee chairmanship, rather than asserted as an abstract claim. This qualifies, rather than simply confirms, the study's underlying hypothesis: normative identity appears to reduce vulnerability to rejection primarily when institutionalized, not merely claimed.

4.4 Durability of Resulting Agreement

Assessed for durability, the two models present a mixed picture that does not straightforwardly favor either approach. At the time of writing, the Saudi-Iran rapprochement has held without formal collapse, though its long-term durability remains difficult to assess given the relatively short period elapsed since 2023 and its dependence on the continuation of underlying economic interests.

Indonesia's cases show a similarly qualified record. The JIM process did not by itself resolve the Cambodian conflict. Its contribution was to establish the dialogue framework that informed the more comprehensive 1991 Paris Peace Agreement, reached through a broader multilateral process (Alexandra, 2017). The MNLF agreement's durability is more clearly qualified. The 1996 Final Peace Agreement formally established the Autonomous Region in Muslim Mindanao and ended large-scale MNLF hostilities, but its implementation proved uneven. Disputes over the agreement's second phase, together with Nur Misuari's disputed tenure as ARMM governor, culminated in a 2001 uprising by MNLF elements after his removal from office. Disagreements over implementation persisted into subsequent Tripartite Review meetings involving the Philippine government, the MNLF, and the OIC (Buendia, 2004). The 1996 agreement therefore did not eliminate armed Moro resistance in Mindanao. A separate, harder-line faction, the Moro Islamic Liberation Front, had already rejected the 1996 framework and continued its own insurgency and negotiation track (Buendia, 2004).

This finding qualifies the study's initial hypothesis in an important respect. Normatively grounded mediation depends

less on material leverage for initial trust-building, but that alone does not guarantee durable implementation. The MNLF case shows that shared identity and institutional embedding can secure an initial settlement, but sustained durability appears to depend on more than normative legitimacy alone. It also requires the mediator's or guarantor institution's continued engagement after signature, as the OIC's ongoing role in the Tripartite Review process illustrates.

4.5 Hybrid Mediation Model

Read across the four parameters, the evidence supports a qualified rather than unconditional version of the study's central proposition. Indonesia's comparative advantage lies less in guaranteeing durable outcomes than in offering a lower-risk, non-extractive entry point for mediation in contexts where material-leverage models face credibility constraints among ideologically or religiously motivated factions (Section 4.3). Realizing this advantage in the Middle East, however, requires two complementary components rather than normative appeal alone.

The first component is a disciplined application of niche diplomacy. Rather than attempting broad, comprehensive mediation across the region's multiple conflicts, Indonesia can more plausibly exercise its

comparative advantage in narrowly scoped roles: localized humanitarian dialogue, safe-corridor facilitation, and Track Two engagement that involves religious and cultural figures rather than only state officials (Chaziza & Lutmar, 2025). The second component is institutional embedding within a durable multilateral framework, most plausibly the OIC. The MNLF case shows that normative legitimacy translates into durable outcomes only when paired with sustained institutional engagement, not a single mediating act (Buendia, 2004; Alexandra, 2017). Figure 4 represents this proposed architecture. It integrates Dynamic Equilibrium's structural inclusivity with Islamic legitimacy as an operational catalyst,

and treats trust-building, rather than transactional compliance, as its primary success metric.

This synthesis should be read as a theoretical model informed by historical precedent, not as an established practice awaiting application. Its central claim is that the absence of material leverage need not function as a diplomatic constraint. The evidence reviewed here suggests it can instead support a distinct, non-coercive mode of mediation, but only when normative legitimacy is institutionally embedded and diplomatic engagement extends beyond the point of initial agreement.

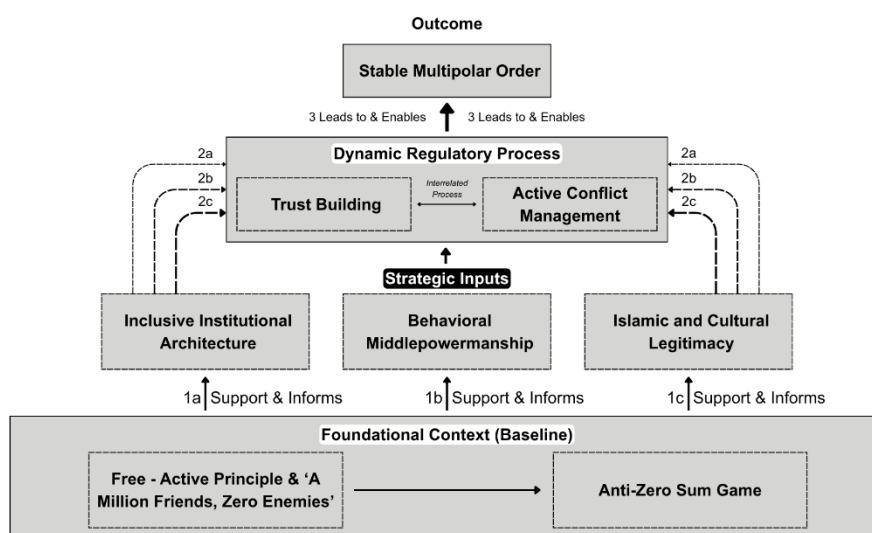


Figure 4: Indonesia dynamic equilibrium framework (Author's construction to explain the process)

Conclusion

This study set out to examine whether normative legitimacy can function as a viable substitute for material leverage in Middle Eastern conflict mediation. It used Indonesia as the primary case and China's 2023 Saudi-Iran mediation as a comparative reference point. The findings, structured around the study's tripartite hypothesis, can be summarized as follows.

On the first proposition [X], that Indonesia might extend its "Bebas Aktif" doctrine into a niche diplomacy grounded in Dynamic Equilibrium, the JIM process shows that Indonesia's convening capacity has operated independently of material inducement before. This supports the doctrine's applicability beyond its original ASEAN context, provided Indonesia adapts it to work through trans-regional institutions like the OIC rather than the region's comparatively weak indigenous multilateral bodies.

On the second proposition [Y], that Indonesia's moderate Islamic identity can function as a form of organic trust-building unavailable to major hegemonic powers, the MNLF case offers qualified support. Shared religious identity contributed to perceived neutrality and grassroots trust, but only once it was translated into a concrete institutional role rather than asserted as rhetorical solidarity. This is consistent with Setiawati's

(2024) caution that abstract appeals to Islamic solidarity have not historically translated into effective diplomatic action.

On the third proposition [Z], that Indonesia may thereby function as an effective mediator without relying primarily on economic leverage, the findings turn out more qualified than the study's initial framing anticipated. Normative, convening-based mediation appears to lower the barrier to initial engagement and reduce vulnerability to rejection by ideologically motivated factions, relative to material-leverage models. It does not, on the evidence of the MNLF case, guarantee durable implementation. Durability instead appears to depend on continued institutional engagement after the point of agreement.

These findings should be read in light of the limitations established in Section 3.2. With three cases examined, the study supports analytic rather than statistical generalization: it clarifies a plausible causal mechanism rather than establishing a generalizable law governing middle power mediation. The historical Indonesian cases rely on secondary literature rather than original archival research, and their transferability to a contemporary Middle Eastern setting remains a theoretical extrapolation rather than a demonstrated outcome, since Indonesia has not yet undertaken a

comparable mediating role in the region. Readers should therefore understand this study's findings as identifying the conditions under which a hybrid, normatively grounded mediation model may work, not as evidence that such a model has already succeeded in this specific regional context.

Future research would benefit from closer, empirically grounded examination of Track Two initiatives involving Indonesian

religious and cultural actors in the Middle East as they develop, and from comparative work assessing how other middle powers combine normative legitimacy with institutional embedding across a larger number of cases. Such work would help establish whether the mechanism identified here, normative legitimacy operationalized through sustained institutional engagement, generalizes beyond the specific historical cases examined in this study.

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