## ABSTRAK

This undergraduate thesis aims to describe how international context influence domestic politic and economic – military condition. Then, the factor will influence decision maker. In this paper using case the Australian Government changed foreign aid policy for Indonesia since 2012 until 2013.Indonesia is strategic partner for Australia , but their relation have fluktuasion. Fluklutuasion relation happened because both of the country have different ideology , culture and norms. In other side , Australia has interaction with some country that have problems. Middle East conflict , alutista competition in South East Asian , and economic decelerating of Tiongkok have big influence on Australia foreign policy include Australia's Aid policy for Indonesia.