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Indonesia's Natuna Islands: Next Flashpoint in the South China Sea?

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Synopsis

Due to their proximity to the disputed features in the South China Sea, Indonesia's Natuna Islands could become yet another flashpoint in the area.

Commentary

INDONESIA'S NATUNA Archipelago, with only 27 of its 154 islands inhabited, is the republic's northernmost region in the South China and potentially its most vulnerable. Due to their proximity to the disputed areas and features in the South China Sea, the Natuna Islands could become yet another flashpoint in the area.

However, any effective security and military presence in the area will critically depend on local economic and infrastructure development. How will Indonesia under President Joko Widodo manage this potential point of contention with China which is aggressively pressing its claim over a large swathe of the South China Sea?

Tyranny of distance

More than a thousand kilometres from Jakarta and located about midway between the two halves of Malaysia, the Natuna islands are spread across 262,000 square kilometres of water, more than ten times their total land size. This presents a major geographical challenge, as does the tyranny of maritime distance within the Natuna archipelago itself. There is also a great distance between the Natunas and the rest of Indonesia, though it is part of the Riau Islands Province with Bintan, Batam and Karimun.

This tyranny of distance consequently compounds Indonesia's vulnerability in monitoring and controlling this northern frontier. There is no direct commercial flight between Jakarta and Ranai, the largest town in Natuna Besar Island, while daily commodities must be shipped a great distance from Pontianak in West Kalimantan, or from Batam and Bintan Islands near Singapore. Lack of a deep-water port prevents larger ships from calling at Ranai, while smaller ships cannot risk sailing the rough seas during monsoon season.

Ironically, just a stone's throw away to its north, west, and east are countries that the Natunas can tap into for trading networks and investments. This seems difficult, however, since Jakarta can be concerned about the far-flung regions of its frontier having too close a relationship with neighbouring countries.

The Natuna Islanders of around 76,000 people claim to share closer historical and cultural affinities with their Malay brethren in Malaysia than to Java. It does not help Jakarta when memories from the *Permesta* rebellion and Aceh insurgency still linger and secessionist tensions in Papua still simmer. Notwithstanding this, the Natuna Islands were slated to become a separate province from the Riau Islands, thus getting greater attention and a bigger share of its revenues from Jakarta.

A sea of troubles

Lacking effective control from Jakarta, a plethora of security problems consequently beset the Natuna Islands. While illegal fishing is rampant in the area, this is only part of a bigger picture. Indonesia claims to lose around US\$25 billion annually to illegal fishing, although the figure seems highly inflated. But even 10% of it, which is more realistic, can still present a huge loss for a country where 11% of its 240-million population live on less than US\$2.00 a day. This is in addition to losses from other maritime illegal activities due to corruption within Indonesia's own legal system.

The problem of illegal fishing is becoming more complicated due to the Natunas' proximity to the disputed South China Sea. Despite Indonesia officially insisting it is a non-claimant in the South China Sea disputes, the waters northeast of the Natuna Islands is where Indonesia's 200 nautical miles Exclusive Economic Zone (EEZ) overlaps with China's 9-dash line or U-shape line claim.

While it does not want to overtly antagonise Beijing, Jakarta feels it must do something to challenge China's claim. Several Chinese fishing vessels had been arrested, which in 2013, triggered a brief skirmish involving one Indonesian patrol boat. Nevertheless, the number of Chinese vessels arrested in the area thus far pales in comparison to that of the Vietnamese and Thais.

While the Indonesian government claims that the Natunas' fishery could yield around 500,000 tonnes annually, fishing is mostly subsistence and done artisanally. A lack of infrastructure, such as cold storage, adequate fishing ports, and seafood processing facilities, as well as adequate transport for the catch, means that any substantial improvement depends on a massive capital injection, which the local government can ill-afford.

Indeed, much depends on energy supply to power the Natunas' economy. In areas beyond Ranai, power shortages result in frequent periods of blackouts. Ironically, numerous offshore oil and gas installations dot the Natunas' seascape while some parts of its surrounding seabed are reported to contain one of the world's largest natural gas deposits.

Avoiding wrong signals to Beijing

Contrary to reports of a build-up, Indonesia still seems to maintain a low military profile in the area. Naval presence is limited to small vessels unable to safely navigate the rough seas of Indonesia's EEZ, while no combat aircraft are permanently stationed at Ranai airport. Although military exercises have been conducted here since 1996, substantial military upgrades in the Natunas itself appear challenging due to limited basing infrastructure and difficult access to operational necessities, such as fuel and spares for maintenance and repair.

Attracting foreign investment, especially Chinese, can play into Indonesia's broader strategy in gaining recognition and respect of its territorial sovereignty, while compensating for its lack of military strength. Despite the Natunas lack of infrastructure, foreign investment has somehow trickled in, with three Chinese companies reported to show interest in the local seafood industry. Such arrangements could become more apparent when supported by Jakarta's embrace of Beijing's "21st Century Maritime Silk Road" to help build President Joko Widodo's maritime vision.

However, this could potentially send a wrong signal to Beijing. Indonesia might give the impression that it has nothing to worry about China's ambitions in the South China Sea. With reclamation works

underway in nearby Chinese-occupied features, the Natuna Islands could easily fall under Beijing's air and naval radar coverage. Airstrips in the Fiery Cross or Johnson South Reef could place Chinese frontline strike fighters much closer to Indonesia and make it more possible for China's air defence identification zone to be enforced over some parts of the Natunas.

The reclaimed features could also become a staging base for Chinese long-distance fishermen, and their armed escorts, to operate within Indonesia's EEZ. This would lead to more possible encounters with Indonesian fishermen and patrol vessels.

With the above challenges in mind, Indonesia has to act immediately on its intent to develop the Natuna Islands. It can begin simply by building a power plant sufficient to meet growing local demand, thus allowing everything else to follow.

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