

# INDONESIA'S GLOBAL MARITIME FULCRUM CHALLENGES AND TRAJECTORIES



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**Event Report**

# **RSIS WORKSHOP ON INDONESIA'S GLOBAL MARITIME FULCRUM CHALLENGES AND TRAJECTORIES**

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## KEYNOTE ADDRESS

### INDONESIA'S MARITIME IDENTITY AND ITS ASPIRATIONS OF BECOMING A GLOBAL MARITIME FULCRUM

**Professor Tan See Seng**, Deputy Director and Head of Research at the Institute of Defence and Strategic Studies, opened the Workshop by warmly welcoming the participants and expressing his gratitude to for their participation. He remarked that the Workshop would be very useful in understanding President Joko Widodo's idea of Global Maritime Fulcrum (GMF) which portrays Indonesia as a fulcrum power between two oceans. Professor Tan See Seng further added that the GMF concept would be meaningful not only in domestic but also regional contexts. Professor Tan See Seng ended his remarks by inviting **Ambassador Arif Havas Oegroseno**, Deputy Minister for Maritime Sovereignty in the Coordinating Ministry for Maritime Affairs, Republic of Indonesia, to deliver the Keynote Address.



Ambassador Oegroseno began his speech by providing a background on the origins of the GMF concept. GMF was declared officially to an international audience during the Ninth East Asia Summit in Naypidaw, Myanmar, by the President of Indonesia, Joko Widodo (or Jokowi) on 13 November 2014. At the summit, President Widodo listed five pillars forming the foundations of the concept, consisting of: i) rebuilding Indonesia's maritime culture; ii) better management of Indonesia's maritime resources; iii) development of Indonesia's maritime infrastructure and connectivity; iv) intensifying Indonesia's maritime diplomacy and; v) strengthening Indonesia's maritime defense force.

In his keynote address, Ambassador Oegroseno further elaborated on the three important issues related to the Concept, namely: (i) the importance of building up Indonesia's maritime identity; (ii) the importance of Indonesia's regional engagement and; (iii) the building blocks of the GMF as a long-term national maritime policy.

The first observation of Ambassador Oegroseno on aspects of the concept can be situated under the larger framework of Indonesia's attempt at recreating its maritime legacy. Ambassador Oegroseno cited multiple examples of historical evidence and archeological data revealing Indonesia's past maritime culture. For example, Greek navigators had made contact with vessels from the archipelago since the 1st century. In the region of Syria in the Middle East, archeologists found ceramics that contained cloves that grew only in the region of what is now Indonesia. These historical records were indicators of the archipelago's strong maritime culture in the past. The archipelago is not only situated strategically between the Indian and Pacific Oceans, its prime

location is also historically noted for being that of a 'middle ground'. It is situated between the nodes of western liberal values of countries to its south and social-communist countries in its north, as well as being in between energy producers of the southern hemisphere and users in the northern hemisphere. It is thus imperative for Indonesia to place significant attention on its maritime culture and environment. Historically, for Indonesia the sea has always been an important aspect of its existence.



During the early formation of the idea of Indonesia as a nation in 1928, young Indonesian leaders had imagined the future nation of Indonesia as that of tanah air or 'land and water' as the conception of its motherland. This was perhaps the first visible showcase of contemporary Indonesia's fondness for its seas and waterways. At the first and second United

Nations Convention on the Law of the Sea, Indonesia thus proposed demarcating an imaginary boundary known as the 'Djuanda Declaration' that changed the course of the Law of the Sea. President Widodo's government continues to be committed towards reviving Indonesia's maritime identity in spite of the existing challenges that include illegal fishing, human trafficking and climate change in the maritime regions.

In the second part of his presentation, Ambassador Oegroseno reiterated why Indonesia will not back down from its regional engagement with the Association of Southeast Asian Nations (ASEAN) even with the advent of the GMF concept. He also elaborated on the five levels of defence dimensions that affect Indonesia and Southeast Asian countries at large in the maritime sphere. The five dimensions are: cyber-defence, nuclear power, missile defence systems, conventional defence, and undersea capabilities. These five dimensions are seen as important because they affect all sovereign states in Southeast Asia in one way or another. Nonetheless, Indonesia still lacks the capability of addressing all these challenges. In order for Indonesia to keep up with the other countries in the region, it will have to build up the technological aspects of defence.

Ambassador Oegroseno further explained that limited finance compels Indonesia to consider its defence budget very prudently. Economic constraints will inevitably force Indonesia to focus on issues other than defence, especially on alleviating poverty across Indonesia particularly in its eastern provinces. These problems foster social unrest, which will also affect the role of the military in support of civilian projects and the overall security of the country.

A few questions were raised during the discussion session with Ambassador Oegroseno. A member of the audience queried about the challenges facing the GMF concept including the issue of underdevelopment in the eastern part of Indonesia. Responding to this query, Ambassador Oegroseno mentioned that the GMF concept targets particularly the undeveloped parts of Eastern Indonesia as well as the resource rich provinces that consist of the Riau region, Aceh, East Kalimantan and Papua. While Freeport in Papua is the largest tax contributor at 2 per cent of Indonesia's GDP, the Papuan people are still poor and lack education. Hence the biggest challenge is to spread the wealth generated from infrastructure projects related to the GMF among the indigenous peoples. Ambassador Oegroseno ended his address on a positive note; optimistic that the prospect of re-orientating Indonesia back to its maritime sphere will indeed boost both its economy and foreign relations.

**Associate Professor Leonard C. Sebastian**, Coordinator of the Indonesia Programme at RSIS, thanked Ambassador Arif Havas for giving the audience a good sense of what Indonesia's maritime identity constitutes and the various dimensions of that identity. He further added that the audience had been encouraged by the way in which the Coordinating Maritime Affairs Ministry was looking at maritime

issues, where the Ministry comprehensively addressed strategic, political, economic, and cultural dimensions holistically. Before inviting the first panel, Associate Professor Sebastian reminded the participants that the discussion on GMF should take into account both internal and external elements.



## SESSION ONE

The first session of the Workshop consisted of presentations related to the normative and historical trajectories of the 'Global Maritime Fulcrum'. **Mr Jonathan Chen**, Associate Research Fellow (RSIS) presented on the topic "Tracing Indonesia's Aspirations of an Archipelagic State", while **Mr Collin Koh Swee Lean**, Associate Research Fellow (RSIS) presented on "Challenges of Building Sea Power in Indonesia". The two presentations focused on laying the foundations regarding the normative and technical aspects of Indonesia's maritime identity and power.

Mr Chen's presentation focused on the roots of Indonesia's aspirations as an archipelagic state, beginning during the 1950s right up to the contemporary period. He gave a succinct explanation on President Widodo's policy in prioritising Indonesia's waters. The argument for Indonesia's reorientation towards its seas was that it is a product of an elite conception in serving Indonesia's geopolitics and aspirations in accordance to its domestic needs.



Mr Chen explained that the 'Archipelagic Doctrine' which was espoused under the Djuanda Declaration in 1957 was closely tied with the domestic struggle for state recognition of a newly independent Indonesia. The concerns over the geopolitics of the Cold War were also a pressing concern for Indonesia in an attempt to reify its sovereignty. Mr Chen demonstrated through his presentation that the Global Maritime Fulcrum is evolutionary and is closely tied with the current political constellation, as seen in previous attempts at reorienting Indonesia's outlook towards its territorial waters that depended largely on political circumstances. He also argued that given the political will of the administration, the current geopolitical environment and the opportunities that the GMF promises, the conceptualisation and realisation of this project is in capable hands. The sustenance of this massive project will undoubtedly also depend upon external support in the form of funding and investments.

Following Mr Chen's presentation, Mr Koh expounded on the imperatives of Indonesia in building its sea power to ensure the sustainability of its seaborne economy. Mr Koh argued that sea power is not only about the navy but it also included seaborne trade, maritime resources and naval instruments or military capabilities at sea. He raised the question on whether Indonesia was indeed a middle power. The conception of a middle power is that of a country that is neither small nor great, but nonetheless able to exercise autonomy and independence and is less prone to external influence and control. According to Mr Koh, the GMF seems to provide such a vision and strategy that befits a middle power but it requires the Indonesian Navy (TNI-AL) to transform itself into a Green-Water Navy that is not just effective within the Exclusive Economic Zones (EEZ) but also having limited extra regional capability.



Mr Koh also proposed a recalibration of Indonesia's Minimum Essential Forces (MEF) target. He mentioned that Indonesia's current batch of aircraft procured is mostly second hand and rather obsolete. He warned of the considerable hidden costs of maintaining and operating such aged equipment. As high intensity operations are less likely to happen, Indonesia will probably engage more in defending its maritime territories under peaceful conditions. With the right vessels, Indonesia's defence will be able to build deterrence adequate against aggression by other nation states and against non-state actors. He proposed to adjust Indonesia's acquisition practices by focusing on high quality weaponry over quantity in order to achieve an adequate constabulary force for peacetime deterrence. As Indonesia is trying to build critical mass within its navy, he stressed the need for Indonesia to better improve its domestic capacities, such as building up the requisite platform, manpower and logistical system.

The discussion segment commenced with Mr Koh's discussant, **Associate Professor Bernard Loo Fook Weng**, Coordinator of the MSc (Strategic Studies) Programme at RSIS, stressing the importance of clarifying the vision of what Indonesia aspires to be. He warned of the costs involved in the 'Revolution on Military Affairs' likening it to a never-ending revolution

whereby the military is being constantly transformed without a verifiable end in sight. He noted that there is the need to clarify what capability that Indonesia seeks to possess. With an increased constabulary force, what kind of goals will it fulfil? In achieving war-fighting capability, who is Indonesia likely to go to war with? These are questions of utmost importance, as Indonesia will inevitably meet with difficulties realigning its force structure without a clear conception of its ends.



Mr Chen's discussant was **Dr Kusnanto Anggoro**, a lecturer from the University of Indonesia. He commented that some aspects of Mr Chen's paper did not touch on other important historical references before the early formation of Indonesia. He cited the maritime kingdoms of Srivijaya and Majapahit as examples that probably could have been included in his presentation. He noted that there is also the need to pay special attention towards colonial history, particularly on how it had destroyed Indonesia's maritime culture and shaped the current modern Indonesian maritime orientation. Nonetheless, he agreed that the GMF is in an evolutionary phase. Thus the convergence of perspectives and policies across institutions such as defence, military and foreign policy circles are important.



A question was raised by **Ms Jane Chan**, Research Fellow and Coordinator of the Maritime Security Programme, RSIS. She echoed the comments of Dr Anggoro regarding the nebulousness of the GMF and posed a question to Ambassador Oegroseno regarding the priorities of the current GMF project. A second question was raised by **Mr Ristian Atriandi Supriyanto**, a PhD candidate at the Australian National University (ANU). He noted the paradox between Indonesia's maritime vision and its actual implementation especially concerning the issue of building up the military.

Ambassador Oegroseno started by explaining that the Coordinating Ministry of Maritime Affairs has three primary roles, that includes synchronising policy, coordination and supervising various capacities/initiatives. Although the Ministry of Maritime Affairs oversees the general supervision of the Maritime sector, large coordination involves a joint Ministry effort. This includes engaging with the Ministries of Tourism, Energy and Transportation, particularly in dealing with issues such as combating illegal fishing, preventing human trafficking and performing surveillance at sea. He elaborated on Indonesia's efforts in establishing a consistent vision and long-term policy under the overall National Ocean Policy. Indonesia's National Planning Agency (Bappenas) has in fact drafted a policy on their development strategy as it relates to the GMF, while there is a simplified version of the document that can be easily accessed by observers.

Lastly in reply to the earlier questions raised, Mr Chen commented on the importance of situating the GMF both from a historical perspective and how it is developing in the contemporary context. He argued that sometimes a strategic political outlook does not always coincide with the existing political realities. Mr Koh added that potential improvements to the TNI-AL should be focused on altering the 'hi-lo mix' (high in quality, low in quantity) that he proposed in his presentation in order to achieve goals such as having multifunctional ships.

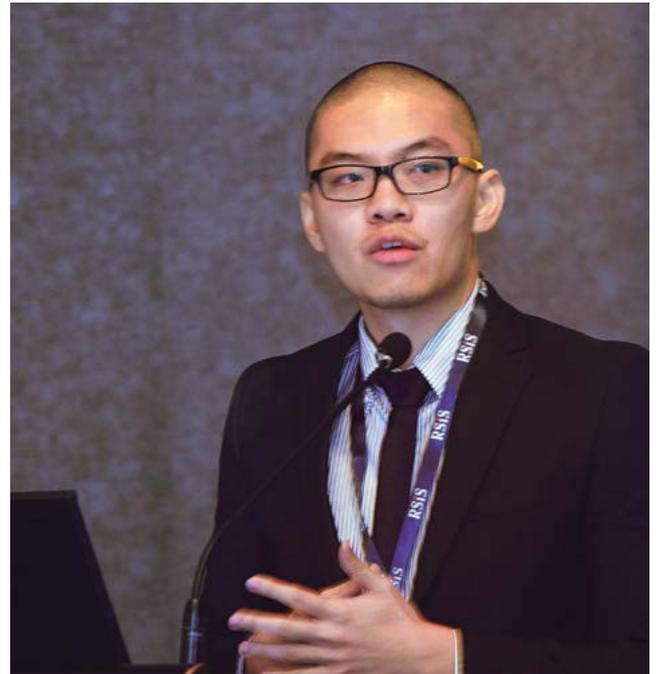
## SESSION TWO

The second session revolved around elucidating the connection of the Global Maritime Fulcrum Project with the current Regional Security Architecture. It commenced with a presentation from **Ms Lina Alexandra** and **Mr Rocky Intan**, both who are researchers from the Centre for Strategic and International Studies Indonesia (CSIS) titled “The Global Maritime Fulcrum and Indonesia-ASEAN Relations.” In the second half of the session, Mr Supriyanto, a PhD candidate at ANU, presented on the topic “Expanding Diplomatic Presences and Engaging Indian Ocean Powers.” The two presentations in this session focused on building from the normative and technical aspects related to Indonesia’s maritime identity and power.

The first presenter, Ms Alexandra began her presentation by mentioning that the GMF is a work in progress. It is both a doctrinal vision whilst being a developmentalist project. The current administration is in the midst of strengthening local capacities in Indonesia to meet with the requirements of the GMF. She added the GMF is also inward in its orientation such as espousing the values of sovereignty, national connectivity and maritime identity. However it must be noted that the GMF is not an assertive policy nor does it contradict the ASEAN project. Although domestic audiences are supportive of the GMF, many challenges still lie ahead. One of the challenges is in the preparation of a sound National Ocean Policy that can also be implemented at local levels of governance as grassroots support is paramount for the success of this project.



At the regional level co-presenter Mr Intan went on to explain that despite having a positive attitude towards the GMF, ASEAN neighbors are in fact implementing a wait-and-see approach. They are anxious – considering the assertive stance Indonesia had recently taken especially towards illegal fishing.



However beyond ASEAN, China and Japan had demonstrated a supportive attitude towards the GMF. China has been trying to link its Maritime Silk Road policy alongside that with the GMF while Japan has been attempting to connect with Indonesia through strategic partnerships in the form of the Japan Strategic Partnership framework and the Japan — Indonesia Maritime Forum. The pillars of connectivity and regional diplomacy under the GMF have been deemed as most tangible and complementary especially with the interest shown by China and Japan.

Nonetheless, ASEAN can serve as a platform that provides the framework for Indonesia to realise its vision of the GMF. For instance ASEAN has in place the ASEAN Connectivity Coordinating Committee as a forum that seeks to boost connectivity in the region. ASEAN has also various initiatives in connecting the ASEAN region into an integrated area. The forum currently does not have binding obligations and the initiatives rely mainly on external funders such as the Asian Development Bank (ADB). He added that these various forums and initiatives could be tapped for further endorsement.

Following the presentation, one of the discussants during the session, Dr Anggoro, commented that he did not think that ASEAN would be solely capable of supporting the GMF. Despite the number of documents and communiqués exchanged, the most important thing is to follow up GMF aspirations and to implement them as a national policy. Ms Alexandra supported Dr Anggoro's perspective and agreed that forums beyond ASEAN such as the Indian Ocean Rim Association (IORA) should be considered as well.

Mr Koh raised the question to Ms Alexandra and Mr Intan on whether their research found any existing industrial defense collaboration between Indonesia and ASEAN, and inquired over the prospects for having such collaborations in the near future, particularly in the area of maritime security. Ms Alexandra and Mr Intan mentioned that their paper did not focus on defense cooperation or defense relations in ASEAN with Indonesia but commended that the idea seemed very interesting and they will consider exploring this aspect for future research.

Following Ms Alexandra and Mr Intan's presentation, Mr Supriyanto gave a presentation on the expansion of Indonesia's diplomatic presence and engagement in the Indian Ocean region. He mentioned that in terms of what is known as the 'mental map' of Indonesia, the country is seen as a crossroads and gateway between the Pacific and Indian Ocean. Indonesia however also desires to be the gatekeeper of the two oceans in consideration of the other important sea-lanes within the archipelago such as the Straits of Malacca, the Sunda Strait, the Lombok Strait, and the Ombai-Wetar Strait. He noted that the Pacific Ocean tended to dominate the 'mental map' due to its populace. Although the Indian Ocean region is economically important for the fisheries industry, the Pacific region is still considerably more important in terms of trade. The current threat perception in terms of defence also focuses on the Pacific as the top defence spenders are based there.

Mr Supriyanto noted that Indonesia is also intending to strengthen its relations with India and Australia. Indonesia will also place greater significance towards the Middle East as a source for energy imports and a destination for Indonesian migrant workers. Indonesia's ties with Africa however are relatively underdeveloped and have yet to be transformed for tangible economic benefits. Nonetheless, Indonesia is expanding its relations primarily with South Africa. Bilaterally, Indonesia is boosting ties with extra-regional powers such as the United States (US), by

enhancing security cooperation whilst turning to China and Russia for economic cooperation. On the other hand Indonesia has turned to the European Union (EU) in an attempt to counter the threat of piracy. Mr Supriyanto added that one of the vehicles that Indonesia will utilise in this aspect is the Indian Ocean Rim Association (IORA).



Following Mr Supriyanto's presentation, Dr Anggoro commented that up to a certain extent, Mr Supriyanto's paper was incomplete because he did not sufficiently elaborate on the aspects of 'mental mapping'. Doing further research on mental mapping would be helpful in providing a more complete picture of GMF's impacts on Indonesia and its perspectives about Indian and Pacific Oceans. Dr Anggoro further added that Mr Supriyanto's research needed to further explore the response from the Indian Ocean states on Indonesia's diplomatic maneuvers towards the region. In referring to rivalries between the Chola Mandala and Sriwijaya Kingdom in the past, Dr Anggoro believed that if such skirmishes existed today, India would not welcome Indonesia's growing strategic interests in the Indian Ocean. Dr Anggoro further questioned whether the subjugation of the Indian Ocean and Pacific Ocean is something by default or something by design. In this regard, he encouraged Mr Supriyanto to continue studying Indonesia's policy towards the Indian Ocean as its strategic interests will become clearer in the coming decade.

Later, based on the current condition of Indonesia, now caught between India's hegemonic aspirations in the Indian Ocean and the growing might of China's economy, Dr Anggoro pondered how Indonesia would attempt to respond to the new strategic situation, especially its plan to implement GMF in such a complicated strategic realm. Dr Anggoro added that given the above conditions, not many Indonesians are aware about the possibility of Chinese dominance, not even President Widodo. President Widodo used to term "Cakrawati Samudra" with its emphasis on economic investment. However, Dr Anggoro prefers the term "Cakrawala Mandala Dipantara", a concept that is more strategic and outward looking. Yet, the GMF proposal itself is actually divided into three stages, which are: Cakrawati Samudra (2014-2024); Cakrawala Mandala Dipantara (2024-2034); and eventually between 2034 and 2045, Indonesia would have gained a strategic control and consolidated its maritime capabilities.

Responding to Dr Anggoro, Mr Supriyanto expressed his awareness of the historically problematic relationship between Indonesia and India, especially during the Cold

War and the ramifications of the Indo-Soviet Treaty of Friendship which led to India recognising the Vietnam-backed Heng Samrin regime in Cambodia. Aside from that, trade between Indonesia and India continues to grow, and the two nations are advancing towards economic cooperation.

On this point, Ms Chan mentioned that during her interactions in India with local observers regarding their perspectives on the GMF, it seemed that they had not given much consideration about Indonesia's GMF project. Ms Chan questioned Mr Supriyanto about the actual agenda of Indonesia in the Indian Ocean especially its role in IORA, knowing that GMF is not the priority for its counterparts and the ASEAN countries are not outwardly showing much concern about the GMF. Assoc Prof Sebastian suggested that Mr Supriyanto illustrate the type of normative frameworks Indonesia wants to build in the Indian Ocean. Mr Supriyanto responded by stating that in IORA, Indonesia will take maritime security issues as its main priority, along with issues regarding fisheries and disaster management.

## SESSION THREE

Session 3 of the Workshop highlighted the issue of the Global Maritime Fulcrum and its relations with the external powers such as the United States, China as well as with ASEAN nations. The first presenter **Mr Andrew Wiguna Mantong**, lecturer at the Department of International Relations in the University of Indonesia (UI) began his presentation by narrating the intriguing account of the recent Jakarta transport phenomenon called 'GOJEK' (a new start-up that employs the latest apps in smartphone as a means of contacting 'ojeks' or motorbike taxis) in Indonesia. He then went on to illustrate how the advent of 'GOJEK' increased competition and caused problems especially among the traditional ojek operators. The idea behind the elaboration of such a problem is to allegorise the current economic and political structure in contemporary Indonesia. Mr Mantong then sought to paint the background of President Widodo in an attempt to determine his policy orientations and the influence of his confidantes.



Mr Mantong also gave an insight to some interviews he had done with several individuals directly involved in the GMF project. Mr Mantong's interviews lead him to conclude that the GMF is an economics/development driven project rather than a security focused one. He argued that the GMF is in fact a project that seeks to "bring back the state" particularly into the maritime sphere with specific targets such as: i) to increase the efficiency of the ports which will lead to savings of nearly US\$52 billion per year; ii) to accelerate integration of marine transportation; iii) to widen the use of software in order to bolster efficiencies in port management, such as by reducing the amount of time taken for a ship to dock.

Extracting revenue from the maritime sector is also one of the goals of the GMF. Aside from government efforts at tackling the illegal fishing problem, Mr Mantong argued that President Widodo had reduced orders for ships manufactured overseas due to the fact that Indonesia already had the domestic capabilities to produce its own ships. This scheme is also known as Gerai Maritim or Maritime Outlet. The function of the Maritime Outlet is to push primary and retail food products across the archipelago. A further aim of this outlet is to mitigate price disparities in Eastern Indonesia.

Lastly, Mr Mantong elaborated on contemporary U.S.-Indonesia relations. He opined that the GMF remained something of an enigma to the U.S. due to the existing trade/investment relations with Indonesia that did not involve any requirement for infrastructure building. Mr Mantong concluded that in case of the GMF, the U.S. should move away from preferring a small but interdependent Indonesian economy to prioritising one that possesses strong infrastructure and connectivity.

The second presentation was delivered by **Mr Yeremia Lalisang**, Lecturer at the Department of International Relations University of Indonesia and a PhD Candidate at Xiamen University. He focused his discussion by exploring the links between President Widodo's Global

Maritime Fulcrum and Chinese President Xi Jinping's One Belt, One Road initiative as well as their potential implications to the region asking the question whether the two concepts could provide new ground for cooperation between Jakarta and Beijing. Mr Lalisang argued that economic needs have contributed to closer interactions between the two countries. Indonesia's requirement to improve its national infrastructure to advance the country's economic performance dovetail well with China's interests in making use of its abundant foreign reserves in a more productive way.



Under Xi Jinping's leadership, China established a goal for its country, known as the "Two Centenary Goals". The goals are predominantly to promote China to be "a moderate prosperous country" by 2021 and "a modern socialist country" by 2049. China also harbours ambitions to implement the "China Dream" whereby the Chinese nation will be rooted in personal and nationalistic ideals based on the values espoused by the communist party which will also be built upon new diplomatic and

economic initiatives. Through its maritime vision, China aspires to expand its economic projects, particularly the Silk Road Economic Belt and the 21st Century Maritime Silk Road. These two initiatives are aimed at promoting infrastructure connectivity, financial integration and convenient trade across Asia, Europe, and Africa; encouraging capital outflow to fund infrastructure development projects; and securing China's major trade and energy transport routes.

On Indonesia's part, the notion of GMF can be viewed in three ways. As a vision, the GMF is understood as an ideology to re-establish Indonesia as a maritime nation. As a doctrine, the GMF stipulates that Indonesia's future will be shaped largely on this doctrine which will in turn affect the dynamics of the Indian and Pacific Oceans. As an economic development project it will have a huge impact on the maritime sector in particular, in areas of maritime resources, maritime infrastructure and connectivity, maritime diplomacy, and maritime defense.

Mr Lalisang argued that China and Indonesia's visions/plans about the maritime world are potentially beneficial for both sides. For China, participating in infrastructure development projects in Asia would be economically and diplomatically beneficial as the country is the world's second largest economy with a massive financing capacity. For Indonesia cooperating with China is attractive, because the country needs a significant amount of investment to improve its poor maritime infrastructure and connectivity – one that is still inferior when compared to Singapore, Malaysia, and Thailand.

However, challenges exist for both Beijing and Jakarta. Indonesia's domestic political situation and a certain level of suspicion towards China held by both the political elites and the general Indonesian public would be key challenges that need to be addressed. Meanwhile both governments are committed on ensuring that the Indonesia–China maritime partnership culminates into one with the potential for developing Indonesia economically.

The session continued with a presentation by **Dr I Made Andi Arsana**, Lecturer at Department of Geodetic and Geomatic Engineering Universitas Gadjah Mada. He began by highlighting two important dimensions of Indonesia's aspiration to transform itself into a maritime nation. Firstly, as an archipelagic state, Indonesia should utilise its vast maritime areas and its abundant resources for the well being of its citizenry. Secondly, Indonesia, as a maritime nation, should aspire to become the centre or reference for other countries in the world when it comes to maritime issues.



Dr Arsana pointed out that the 'Global Maritime Fulcrum' is not an entirely new idea. Indonesia's leaders, from President Soekarno to President Widodo, had been aware of the importance of the sea for the nation. The emphasis on the maritime domain was behind the push for the Juanda Declaration in 1957 and the signing of UNCLOS in 1982 by Prof Dr Mochtar Kusumaatmadja after a long period of negotiation from 1973. UNCLOS

defines the maritime zone of jurisdiction into three parts, which are territorial sea (12 m); Exclusive Economic Zone (200 m); and Continental Shelf. Under the UNCLOS jurisdiction, Indonesia got more than what it originally asked for.

However, in materialising the vision to be a Global Maritime Fulcrum, Dr Arsana asserted that the issue of maritime boundaries stands as one of the most enduring issues. Due to its geographic location, Indonesia shares its maritime territory with at least ten States: India, Thailand, Singapore, Malaysia, Vietnam, the Philippines, Papua New Guinea, Palau, Australia and Timor-Leste. Indonesia has yet to finalise maritime boundaries in more than 10 different locations with more than 15 boundary segments yet to be accomplished.

The boundary problem is largely caused by the various claims relating to economic exclusive zones, for example like the claim between both Indonesia and Malaysia. As long as the official border is not agreed upon, there will exist areas of contention. These areas are claimed by both the disputing parties (overlapping claim) which eventually lead to border conflicts. An example of a unique case of the boundary issue is between Indonesia and Australia, where the sea and its resources belong to Indonesia while the seabed and its resources belong to Australia.

The challenge for Indonesia is in its ability to resolve issues in a timely and concrete manner because when trying to resolve boundary issues based on the principle that "Nothing agreed until everything is agreed" tends to slow down the negotiation process. To address these challenges, Indonesia needs to leverage on its experience as well as the people's support to overcome unsettled maritime boundaries.

The last presentation in this session was delivered by **Mr Muhamad Arif**, a Researcher from the Habibie Center. Mr Arif began his presentation by highlighting the two essential arguments of his presentation, which

are: 1) Increased threat from China in the South China Sea cannot sufficiently explain Indonesia's approach to grand strategy, namely, GMF — whereby instead of balancing against or bandwagoning with China, Indonesia chooses to hedge; 2) the substance and exact timing of the GMF is influenced by unit-level variables/ domestic constraints. China's land reclamation and construction activities raise issues for Indonesia. The three main issues are territorial sovereignty, the incidents near Natuna Islands, and greater prospect for intrusions or incidents in the future.



GMF if understood from a hedging perspective has two elements namely balancing and engagement. The balancing element includes an increase in the defense budget; procurement of maritime defense capabilities; deployment of maritime defense capabilities; and a shifting focus to the western maritime area. These intentions are now matched substantially by increases

in the defense budget. It is now 11% compared to 2014 levels and will reach 200 trillion Rupiah in 2017. Furthermore, the deployment of maritime defense capabilities is actualised by the construction of military or naval bases, one of which is to guard border areas near the South China Sea.

On the other hand, the engagement element includes the convergence between Indonesia's GMF and China's Maritime Silk Road and Silk Road Economic Belt. Greater investment flows though converging economic visions is measured to be U.S. \$24.9 billion for infrastructure projects and U.S. \$150 billion of bilateral trade by 2020.

In concluding, Mr Arif stressed that while the maritime community plays a major role in advancing the GMF, the sustainability of the GMF will depend on the ability of President Widodo to gain support and maximise resources.

Ms Chan, the paper discussant for the session, raised several issues related to the presentations. Firstly, she noted that the presenters on this panel seemed to suggest that the GMF is driven by domestic factors, and the presentation did not take into consideration the non-aligned movement. Mr Lalisang replied that Indonesia may adopt a pragmatic outlook rather than to follow a particular principle such as an approach that emphasises alignment or non-alignment. This is necessary for the country to attract investments for various infrastructure projects. In the case of Indonesia-China relations, Beijing must proactively engage Indonesia as domestic politics will hinder Jakarta's decision to engage with foreign powers. Mr Mantong's research revealed that several sources were of the opinion that Indonesia prioritises its engagement with China. Nevertheless, Jakarta is starting to engage further with the United States beginning with President Widodo's plan to visit Washington in October 2015. Mr Mantong believes that Indonesia will play an

increasingly important role in the region, particularly within the context of China's rise and the US' strategic rebalance towards Asia. Mr Mantong further added that President Widodo will focus more on technical issues rather than promote ideas or engage in controversial debates. On the other hand, the U.S.' concerns over Indonesia are limited to matters of environment and conservation and did not place much importance over Indonesia's maritime ideas or plans.



Ms Chan followed up by asking what are the chances of successful implementation and existing challenges that the GMF faces. Responding to the question, Mr Lalisang stated that the challenge lies in getting beyond prevailing red tape and working towards materialising plans, as promised during the Presidential campaign. There was also a question raised as to why Indonesia was so keen on courting Beijing instead of other countries particularly Singapore and Japan. Mr Lalisang admitted that this is

an issue that needed to be addressed. Nonetheless, it should not prevent Indonesia from fostering better relations with China. The two countries must open channels of communication and deal with maritime and non-maritime issues in a timely and open manner. The debate over China's reclamation activities in the South China Sea was also raised in this panel. Dr Arsana highlighted that reclamation is a second layer claim. It therefore cannot change the original sea boundaries as the original shape and demarcated territories before the reclamation are the real determinants.

The discussant also questioned how Indonesia's National Ocean Policy will influence the GMF and ask how this idea varied with the one proposed by the Oceanic Council. Mr Mantong noted that most of Indonesia's cabinet meetings focused on security and only a few of them discussed maritime matters. Mr Arif added that thus far policy makers have failed to look at the issue by adopting a macro-level approach and instead choose to focus on the random aspects of the issue. This has translated into a rather weak understanding of the entire issue at hand.

## SESSION FOUR

The last session focused on maritime defence, with **Mr Adhi Priamarizki** presenting on Global Maritime Fulcrum's impact on the TNI, and **Mr Iis Gindarsah** on regional maritime threats and its implications to Indonesia's maritime ambition. Mr Adhi Priamarizki, an Associate Research Fellow at the Indonesia Programme, RSIS, highlighted that the GMF, introduced by President Widodo, is a far-reaching concept. It provides guidance for Indonesia's strategic positioning since President Widodo declared that the sea is part of Indonesia's economic potential and strength.

In return, such a strategic policy could bring innovation to the Armed Forces especially the Indonesian Navy. Referring to existing scholarship, Mr Priamarizki noted that there are two components of sea power, namely, naval and maritime commerce. Therefore, the navy at the core of sea power needs technology and technical manpower. However, transformation and innovation in the military is not easy to implement as there are many obstacles, such as those arising from the rank and file who will resist these developments as well as from officers who play the role of gatekeepers concerning matters of development.



In his presentation, Mr Priamarizki opined that the GMF could stimulate the Indonesian military to embark on the path of innovation that would allow it to raise its overall level of effectiveness. He identified three key challenges facing the TNI. The first is limited defense spending. Although funding for defense has increased steadily since 2010, manpower constitutes 70 per cent of the budget, while only 30 per cent of TNI platforms are combat ready. There has been many suggestions on the ideal defense budget, ranging from the existing 0.9 per cent of the GDP to 2.5–3.5 per cent of the GDP. The government aims to revise defence spending in relation to overall GDP growth with President Widodo pledging to raise the defense budget to 1.5 per cent in 2019 if the GDP growth reaches 7 per cent. Mr Priamarizki also highlighted that there is no review mechanism relating to the Minimum Essential Force (MEF) doctrine and as a consequence the military is bogged down in trying to resolve the many problems that affect its second-hand platforms.

The second challenge he pointed out was technological gaps. Naval power requires a high-tech based platform, but majority of TNI platforms are over 25 years old. This situation is exacerbated by the lackluster performance of the defence industry due to the lack of government support and the inefficiencies of the government agencies responsible for matters of defence.

Lastly, Indonesia's security perspective is still largely inward looking. Mr Priamarizki stated that the 2008 Defence White Paper did not elucidate the potential threats facing Indonesia. Beyond budgetary constraints, the TNI is also restricted to a 'threat-based' approach. Without a clear definition, it is dangerous for the TNI to develop its defence posture largely on such an approach. Indeed such an approach is deeply rooted in the Army-dominated psyche of the Indonesian Armed Forces. It draws upon its historical experience during the war of independence whereby battles were largely land-based. This has also led the TNI to think that it does not require sophisticated technology to secure its maritime environment. Mr Priamarizki concluded that the GMF effect on TNI's role still depends on how the

government shapes and applies its defence strategy. While there continues to be resistance from the Army, the onus now lies on the government to pave the path of (re) innovating the Armed Forces.

The second presentation was delivered by Mr Gindarsah, a Researcher at the Department of Politics and International Relations, Centre for Strategic and International Studies (CSIS). Mr Gindarsah argued that the GMF doctrine stresses the need to maintain regional security and stability. Meanwhile, there still exists many issues in the traditional and non-traditional security realms in the Asia-Pacific region. In this context, Mr Gindarsah pondered the future outlook of the TNI's naval power projection.

Mr Gindarsah pointed out that the security landscape of the Asia-Pacific region is multi-faceted. First, there are several boundary disputes, especially related to the South China Sea. There is also an impact on maritime security arising from China's 'nine dashed line' territorial claims Indonesia's concern about these claims since the shift of China's borderlines will inadvertently affect Indonesia's territorial sovereignty. Another Indonesian concern is over the Natuna Islands and the maritime zones around it that is rich in natural resources making it a critical economic region for Indonesia. Secondly, Mr Gindarsah also highlighted the issue of illegal fishing. The general depletion of fish stocks around the Gulf of Thailand and the South and East China Seas have pushed Thai, Vietnamese and Chinese ships to fish in Indonesian waters. According to various sources recorded between 2001 and 2013, it is estimated that Indonesia had lost about US\$150 billion due to illegal fishing. Between 2008 and 2014, Indonesia's marine authorities have made a concerted effort to apprehend illegal fishing ships. Third, sea-lanes of commerce continue to be vulnerable, particularly to piracy. There are also similar violations in the Malacca Straits and Natuna Islands, requiring the Indonesian Navy to intensify its patrols in the region. Japan and China are also developing policies for their navies to protect their sea-lanes in order to safeguard their commercial activities. The increased rivalry amongst the nations with a stake in the region is evident in the exponential increase in the defence budgets of regional states. Defense expenditures in Asia rose from US\$270.6 billion in 2010 to US\$344.2 billion in 2014. An increased Chinese presence at sea will inevitably compel the United States to turn its attention to the Asia Pacific region.

Regarding Indonesia's concept of naval warfare, Mr Gindarsah argued that Indonesia has an active defense strategy that has the characteristics of being non-provocative yet able to conduct full force counterattacks from the outside. The Ministry of Defense has adopted a flashpoint-based defense system. This is a part of the Minimum Essential Force (MEF) doctrine to tackle threats in areas of potential conflict.

In his presentation, Mr Gindarsah also listed five scenarios and 12 flashpoints that will be set in motion in case a threatening situation arises. According to Mr Gindarsah, the Indonesian Navy has conceptualised three aspects of warfare: deterrence, layered defense, and sea command. For the current situation of the Indonesian Navy, most of the ships and weapon systems are still lacking in modernisation and are not fully integrated across the Navy.

Mr Gindarsah also went on to propose a force ratio concept as a component of Indonesia's power projection development. This plan also includes Low Intensity Conflict in its defence threat projection for 2009-2014. For the next stage, between 2014-2019, naval development will be largely focused on covering the country's immediate territories. While the next five years' focus will be on potential regional threats, for the long-term, emphasis will be placed on development and the utilisation of naval technology.



Dr Loo, the discussant in this panel, raised several questions for Mr Gindarsah and Mr Priamarizki. First, the discussant queried about the exact interpretation of GMF. Mr Priamarizki explained that the GMF as a concept is still evolving. Moreover, translating it into TNI's operations is still vague as the concept's immediate focus is on economics. Second, Dr Loo raised the question of who exactly is Indonesia's potential adversary. Both Mr Priamarizki and Mr Gindarsah noted that while there was an absence of a clear threat assessment in Indonesia's 2008 Defence White Paper, TNI's war games and exercises place emphasis on a potential adversary coming from the north and the aim will be to bolster defences on the country's northern approaches.

Thirdly, Dr Loo asked the presenters to provide further analysis on Indonesia's maritime security challenges and how to improve the Navy to address such challenges. Mr Gindarsah answered that the Indonesian Navy plans

to make a trade-off between the existing naval posture which emphasises Low-Intensity Conflict into a one structured on addressing High-Intensity Conflict. The discussant also raised a question over potential issues that may develop in the future, such as inter-service rivalry between the Army and the Navy, as well as inter-operability and cross-ministerial issues. Mr Gindarsah pointed out that the Indonesian government is planning to create a structure for joint military procurement in the future. The President's office will also publish a document on Indonesia's military organisation structures. There will be more joint operations and deployments across the services. The final question for the session was from a participant who enquired about TNI's procurement policy, which seems disorganised due to mixed acquisitions from various countries. Mr Priamarizki explained that the bitter experience of arms embargo and a limited defence budget are two contributing factors for such a policy.



# RSIS WORKSHOP INDONESIA'S GLOBAL MARITIME FULCRUM: CHALLENGES AND TRAJECTORIES

23 JULY 2015  
ORCHARD HOTEL SINGAPORE  
LAVENDER ROOM, LEVEL 3

**Wednesday, 22 July**

**1900–2100 Welcome Dinner**

Moderator

- Leonard C. Sebastian  
*Associate Professor, Coordinator,  
Indonesia Programme, RSIS*

**Thursday, 23 July**

**Snacks and Coffee/Tea served**

**0830–0900 Registration and Morning Refreshments**

**1030–1215**

**Second Session: Regional Security Architecture**

**0900–0910 Opening Remarks**

Professor Tan See Seng  
*Deputy Director and Head of  
Research, IDSS, RSIS*

• **The Global Maritime Fulcrum and Indonesia-ASEAN Relations**

Lina Alexandra  
*Senior Researcher, CSIS*  
and  
Rocky Intan  
*Researcher, CSIS*

**0900–0920 Keynote Speech**

Ambassador Arif Havas Oegroseno  
*Deputy Minister for Maritime  
Sovereignty, Coordinating Ministry  
of Maritime Affairs, the Republic of  
Indonesia*

• **Expanding Diplomatic Presences and Engaging Indian Ocean Powers**

Ristian Atriandi Supriyanto  
*PhD Student, ANU*

**0920–1030 First Session: Normative and Historical Guidelines**

• **Challenges of Building Sea Power**  
Collin Koh Swee Lean  
*Associate Research Fellow, RSIS*

Discussants

- Dr Kusnanto Anggoro  
*Lecturer, University of Indonesia*
- Dr Kusnanto Anggoro  
*Lecturer, University of Indonesia*

• **Tracing Indonesia's Aspirations of an Archipelagic State**  
Jonathan Chen  
*Associate Research Fellow, RSIS*

Moderator

- Dr Bernard Loo Fook Weng  
*Associate Professor, Coordinator  
of the Master of Science [Strategic  
Studies] Degree Programme, RSIS*

Discussants

- Bernard Loo Fook Weng  
*Associate Professor, Coordinator  
of the Master of Science [Strategic  
Studies] Degree Programme, RSIS*
- Dr Kusnanto Anggoro  
*Lecturer, University of Indonesia*

**1215–1315**

**Lunch**

**1315–1515 Third Session: Geopolitics and Maritime Disputes**

- **Indonesia and US' Rebalancing to Asia**

Andrew Wiguna Mantong  
*Lecturer, University of Indonesia*

- **China's Maritime Silk Road and Indonesia's Global Maritime Fulcrum: An Intertwined Relation?**

Yeremia Lalisang  
*Lecturer, University of Indonesia*

- **Indonesia's Maritime Boundaries and Its Maritime Ambitions**

Dr I Made Andi Arsana  
*Lecturer, Gadjah Mada University*

- **Indonesia's View on South China Sea Dispute**

Muhamad Arif  
*Researcher, The Habibie Center*

Discussants

- Jane Chan  
*Research Fellow and Coordinator, Maritime Security Programme, RSIS*

Moderator

- Iis Gindarsah  
*Researcher, CSIS*

**1515–1530 Coffee Break**

**1530–1630 Fourth Session: Maritime Defence**

- **Challenges in Re-Defining TNI's Role under Global Maritime Fulcrum**

Adhi Priamarizki  
*Associate Research Fellow, RSIS*

- **China's Maritime Silk Road and Indonesia's Global Maritime Fulcrum: An Intertwined Relation?**

Yeremia Lalisang  
*Lecturer, University of Indonesia*

- **Regional Maritime Threats and Its Implications to Indonesia's Maritime Ambition**

Iis Gindarsah  
*Researcher, CSIS*

Discussants

- Dr Bernard Loo Fook Weng  
*Associate Professor, Coordinator of the Master of Science [Strategic Studies] Degree Programme, RSIS*

Moderator

- Jane Chan  
*Research Fellow and Coordinator, Maritime Security Programme, RSIS*

**1630–1700**

**Closing remarks**

Assoc Prof Leonard C. Sebastian  
*Coordinator, Indonesia Programme, RSIS*

## LIST OF SPEAKERS AND INVITEES

### Hosts

#### **Tan See Seng, PhD**

Professor of International Relations  
Deputy Director and Head of Research of the  
Institute of Defence and Strategic Studies  
RSIS

#### **Leonard C. Sebastian, PhD**

Associate Professor and Coordinator of Indonesia  
Programme  
RSIS

### Keynote Speaker

#### **Ambassador Arif Havas Oegroseno**

Deputy Minister for Maritime Sovereignty  
Coordinating Ministry of Maritime Affairs, the  
Republic of Indonesia

### Speakers

#### **Lina Alexandra**

Senior Researcher  
Centre for Strategic and International Studies,  
Jakarta, Indonesia

#### **Kusnanto Anggoro, PhD**

Lecturer  
University of Indonesia

#### **Muhamad Arif**

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The Habibie Center, Jakarta, Indonesia

#### **I Made Andi Arsana, PhD**

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#### **Jane Chan**

Research Fellow and Coordinator of Maritime  
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#### **Andrew Wiguna Mantong**

Lecturer  
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#### **Adhi Priamarizki**

Associate Research Fellow, Indonesia Programme  
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#### **Ristian Atriandi Supriyanto**

PhD Student  
Australian National University

## ABOUT THE INSTITUTE OF DEFENCE AND STRATEGIC STUDIES

The **Institute of Defence and Strategic Studies (IDSS)** is a key research component of the S. Rajaratnam School of International Studies (RSIS). It focuses on defence and security research to serve national needs. IDSS faculty and research staff conducts both academic and policy-oriented research on security-related issues and developments affecting Southeast Asia and the Asia Pacific. IDSS is divided into three research clusters: (i) The Asia Pacific cluster – comprising the China, South Asia, United States, and Regional Security Architecture programmes; (ii) The Malay Archipelago cluster —

comprising the Indonesia and Malaysia programmes; and (iii) The Military and Security cluster — comprising the Military Transformations, Maritime Security, and Humanitarian Assistance and Disaster Relief (HADR) programmes. Finally, the Military Studies Programme, the wing that provides military education, is also a part of IDSS.

For more information about IDSS, please visit [www.rsis.edu.sg/research/idss](http://www.rsis.edu.sg/research/idss).

## ABOUT THE S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES

The **S. Rajaratnam School of International Studies (RSIS)** was established in January 2007 as an autonomous school within the Nanyang Technological University. Known earlier as the Institute of Defence and Strategic Studies when it was established in July 1996, RSIS' mission is to be a leading research and graduate teaching institution in strategic and international affairs in the Asia Pacific.

The School exists to develop a community of scholars and policy analysts at the forefront of Asia-Pacific security studies and international affairs.

Its three core functions are research, graduate teaching and networking activities in the Asia-Pacific region. It produces cutting-edge security related research in Asia-Pacific

Security, Conflict and Non-Tradition Security, International Political Economy, and Country and Area Studies.

The School's activities are aimed at assisting policymakers to develop comprehensive approaches to strategic thinking on issues related to security and stability in the Asia-Pacific and their implications for Singapore.

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