

CHAPTER I

INTRODUCTION

1.1 BACKGROUND

Indonesia is one of the most populous country in the world that comes with a great combination of land and sea. It is considered as an emerging power not only inside Southeast Asia region but also to the international world. The total of population reaches up to 272,484,441 lives in 7,81 million km² of total land and sea that indicates great potential which is also supported by its strategic location between the Indian and Pacific Ocean.¹ Thus, to strengthen its reputation as an emerging power, Indonesia needs strong capabilities of military power.

Indonesia as the largest economy in Southeast Asia has been an emerging power and become the center of attention by the international world.² Growing rapidly, Indonesia in climbing to be the 10th largest economy according to the purchasing power parity that increases overtime.³ Domestically, Indonesia succeed to decrease the poverty rate from 1999 to 2019

¹ Elviana Roza. *Kementrian Kelautan dan Perikanan Republik Indonesia*. September 1, 2018. <http://www2.kkp.go.id/artikel/2233-maritim-indonesia-kemewahan-yang-luar-biasa> (accessed Febuary 21, 2020).

² World Bank. *The World Bank*. April 7, 2020. <https://www.worldbank.org/en/country/indonesia/overview> (accessed September 14, 2020).

³ *Ibid*.

up to 10%, which indicates the growing of economy of the people. Indonesia also a member of one of the prestigious international forum, the G-20. Indonesia GDP per capita has risen around 70% in two decades after the Asian Financial Crisis in 1998.⁴ GDP growth remained steady since 2013, with 5% percentage each year.⁵ This supports the macroeconomic policies that being taken by the government in many sectors. Indonesia with stable number of growths, predicts to be stronger overtime. The uncertainty of nowadays international world situation has risen the focused of Indonesia government including the US-China trade war. The government has shown its performance in Indonesia's careful balancing act in the international community to strengthen its position in the international community.⁶

Under Jokowi's presidency, Indonesia government focuses on the defense and economic sectors in his first and second terms. As stated in the mission of Jokowi's 'Kabinet Kerja', first is to realizing national security that is able to maintain territorial sovereignty, sustain economic independence by securing maritime resources, and reflects Indonesia's personality as an archipelago nation, realizing a free-active foreign policy and strengthening its identity as a maritime country, and realizing Indonesia to become a maritime

⁴ Economic and Development Review Committee. "OECD Economic Surveys Indonesia." *OECD Economic Surveys*, 2018: 9.

⁵ *Ibid.*

⁶ Moch Faisal Karim. *The Diplomat: Making Sense of Indonesia's Economic Diplomacy*. June 20, 2020. <https://thediplomat.com/2020/06/making-sense-of-indonesias-economic-diplomacy/> (accessed September 16, 2020).

country that is independent, advanced, strong, and based on national interests.⁷ This missions lead by Ryamizard Ryacudu as Jokowi's Minister of Defense in the first cabinet and Prabowo Subiaton as the Minister of Defense in Jokowi's second presidency. Coming from military background, both Minister of Defense know what they are doing in strengthening Indonesia's defense capability with the combination of foreign policy in this globalize world.

According to the Global Fire Power (GFP) annual review, Indonesia positioned themselves in the 16th ranked out of 138 for their military strength.⁸ Total of military personnel reaches up to 800,000 or 0,3% of total population with half of them hold the status of active personnel. Almost half of Indonesia's population considered as an fit-for-service available man power with the number of 108,620,545 or 41.3%. Military strength not only comes from the personnel but also the accumulation of all factors, including the defense equipment that the country has.

Land forces in Indonesia's army consists of 313 tanks, 1,178 armored vehicles, 519 artilleries, 36 rocket projectors, Airpower consists of 177 helicopters, 16 attack helicopters, total of 462 vehicles and equipment, Naval forces consists of 5 submarines, 156 patrol, total of 282 assets.⁹ The strength of

⁷ Kementrian Pertahanan. *Bela Negara*. 2017. <https://www.kemhan.go.id/belanegara/visi-dan-misi-kabinet-kerja> (accessed October 14, 2020).

⁸ Global Fire Power. 2020. *Indonesia Military Strength (2020)*. Accessed Febuary 21, 2020. https://www.globalfirepower.com/country-military-strength-detail.asp?country_id=indonesia.

⁹ *Ibid*.

man power in Indonesia military considered as a powerful source, but on the other hand, some critics criticized the lack of defense equipment in supporting the personnel's tasks. The government gives around 131 trillion Indonesia rupiah for the Ministry of Defense as 2020's budget to fulfill the needs of defense equipment.¹⁰ The nominal of government budget spending for the Ministry of Defense sounds a lot, but truly the total amount of budgeting only covers 0,8% of Indonesia GDP, in which the amount still recognizes to be small if being compared to the neighborhood country likes Singapore who has around 3% of GDP for their military strength.¹¹

In this sense, military power does not use only in combating the domestic affairs, but also international threats, agenda, and more than that, the policy. As in the international world, a state with its own power, will not have the ability to have strong political influence, especially for small states who does not have the support of great powers. The emerging of complexity in the international world, pushes states to strengthen international cooperation. As the vision of Indonesia on Global Maritime Fulcrum, BAKAMLA or *Badan*

¹⁰ Kementerian Keuangan Republik Indonesia. 2020. *Menkeu Minta Kemhan Cermat dengan Kebutuhan Alutsista dari Pinjaman Luar Negeri*. January 27. Accessed February 21, 2020. <https://www.kemenkeu.go.id/publikasi/berita/menkeu-minta-kemhan-cermat-dengan-kebutuhan-alutsista-dari-pinjaman-luar-negeri/>.

¹¹ Irma Garnesia. 2019. *Apakah Anggaran Pertahanan Indonesia Kalah dari Singapura?* April 2. Accessed February 21, 2020. <https://tirto.id/apakah-anggaran-pertahanan-indonesia-kalah-dari-singapura-dkT5>.

Keamanan Laut was created in 2014, in which to support the security of maritime territory.¹²

The needs of defense equipment are increasing as the complexity of the international world emerges more over years and the overlapping of maritime operations coordination occurs. Indonesia's domestic military industry is still growing but on the other hand it stills lack of capabilities in fully supporting the military task as Indonesia's territory fill with thousands of islands across the sea. In this sense, Indonesia needs to strengthen its international military cooperation. Moreover, Indonesia is cautious with the history East Timor.

Back in the 1990s, United States was the biggest supplier of Indonesia defense equipment, in which creates a dependency of Indonesia Arms Forces to the US government. As the East Timor invasion raised, situation between Indonesia and US changed rapidly. Embargo being implemented for arms sales, in which influencing the national security of Indonesia.¹³ Even though bilateral relations between US and Indonesia has heal through times, Indonesia reflects on the past to make a concrete move in the strategy to not let such things happen again.

¹² Scott Edwards and Masyithoh Annisa Ramdhani. 2016. *Indonesia's Grand Defense Vision (Indonesia's Defense White Paper reiterates lofty ambitions, with little advice on how to turn vision into reality)*. May 17. Accessed Febuary 22, 2020. <https://thediplomat.com/2016/05/indonesias-grand-defense-vision/>.

¹³ Hamilton-Hart, Natasha, and Dave McRae. "Indonesia: Balancing the United States and China Aiming for Independence." *Emerging US Security Partnerships in Southeast Asia*, 2015: 9.

The United States has been a strategic partner in the bilateral relations with Indonesia in many fields of military. Weapon modernization, professionalism of human resources, operational capability, and the development of institutional capacity are the fields that being improve by both states in their Framework Arrangement on Cooperative Activities that signed in 2010 between Indonesia Ministry of Defense and Department of Defense of the United States of America.¹⁴ Indonesia and the United States maintain their bilateral dialogue in consulting the common concerning security issues, especially in the maritime security issues and the cooperation of military defense equipment, such as supplies and logistics.¹⁵ Concrete actions being make through the United States-Indonesia Bilateral Defense Dialogue (USIBDD), Foreign Military Sales (FMS), Foreign Military Financing Programme (FMFP), and being use to prove the commitment of both states in maintain their agreement.

People's Republic of China also one of Indonesia's strategic partners since they signed the agreement back in 2007. Cooperation includes the exchange of military information, education and institutional training, joint research, mutual visits, and especially the defense technology and industry. Defense industry in the defense equipment procurement has been a major

¹⁴ Ministry of Defense of the Republic of Indonesia, 2015. "Indonesia Defense White Paper."

¹⁵ Ministry of Defense of the Republic of Indonesia, 2015. "Indonesia Defense White Paper."

cooperation for Indonesia in improving the military equipment technology, production, and development.¹⁶ Indonesia government focusing the objective of the cooperation to increase the military strength to secure territory and national interest.

Russia cooperation with Indonesia has been assigned since 2003 as one of the main defense equipment procurement partners in technical assistance, weapon system, and logistics. Beside US, Russia has strong military power, in 2016, the government budget for national defense reach up to \$50 billion with addition of \$62 million for nuclear weapons.¹⁷ Both states are taking the agreement into the next level, after the MoU being ratified in 2012, the cooperation in technology and protection have been a very critical factor for Indonesia military defense equipment procurement.¹⁸ Arms purchases by the Ministry of Defense of the Republic of Indonesia has been increasing in nowadays situation, after the visit of Russia's defend minister to Indonesia.¹⁹

As the changing of global dynamic arises, problems such as territorial disputes and the modernization of arms forces occur even more. The needs of cooperation with other states has been a national strategic, especially with the

¹⁶ *Ibid.*

¹⁷ Russian News Agency. 2015. October 30. Accessed February 22, 2020. <https://tass.com/defense/832892>.

¹⁸ Ministry of Defense of the Republic of Indonesia. 2015. "Indonesia Defense White Paper." 92.

¹⁹ Prashanth Parameswaran. 2019. *Russia-Indonesia Military Ties in Focus with Defense Ministers Meeting*. February 9. Accessed February 22, 2020. <https://thediplomat.com/2019/02/russia-indonesia-military-ties-in-focus-with-defense-ministers-meeting/>.

fractions among great powers. Geopolitical developments who arises from the rivalry of great powers threatening the national security of Indonesia, as the outcome of its geostrategic position.²⁰ Maintaining peace and stability have been a hard process with the disputes that not only come from domestic but also international world. Indonesia realized in defending international disputes the use of soft power or diplomacy is the best strategic to have as the first line of defense.²¹

“Free and Active” foreign policy has been the main objective of Indonesia government in the responds to international world.²² In the process Indonesia has played an active role with other states regarding several issues, such as the South China Sea. Not only in the maritime field, Indonesia is expected to be more vocal in other aspects including partnership with other states in promoting peace and stability, as its objective to be a global maritime fulcrum.²³ Indonesia concepts of geopolitics known as ‘*Wawasan Nusantara*’, defined the perspective and attitude towards the international environment.²⁴

²⁰ Iis Girdansah. 2015. "Harnessing the Hedging Strategy Against Regional Uncertainties." *Indonesia's Defense Diplomacy* 1.

²¹ Ministry of Defense of the Republic of Indonesia. 2015. "Indonesia Defense White Paper." 35.

²² Beginda Pakpahan. "Indonesia: Asia's next geopolitical player? ." *School of Government & Public Policy Indonesia*. June 1, 2017. <http://sr.sgpp.ac.id/post/indonesia-asias-next-geopolitical-player> (accessed September 14, 2020).

²³ *Ibid.*

²⁴ E Malihah, and S W Tanszil. "Indonesia's Geopolitical Strategy." *IOP Conference Series: Earth and Environmental Scienc*. 2017. <https://iopscience.iop.org/article/10.1088/1755-1315/145/1/012008/pdf> (accessed September 14, 2020).

Political aspect has great influence regarding the political forces in the international world, including the importance of state security.²⁵ According to Sir Halford Mackinder, in controlling greater power of the world, people have to control the heart, in which it means to gather powerful ground force.²⁶ On the other hand, according to Sir Walter Raleigh, maritime forces as the basis of power to dominate the world in terms of economy to be a powerful weapon.²⁷ Indonesia is facing threats that endanger the sovereignty mainly in border areas with the risk of losses.²⁸

1.2 RESEARCH QUESTIONS

Based on the conditions explain above, I suggest the following research question:

1. What are Indonesia's national interests that it tries to achieve through its defense diplomacy?
2. How does Indonesian government implement its defense diplomacy with great powers under President Joko Widodo's administration?

²⁵ *Ibid.*

²⁶ E Malihah, and S W Tanszil. "Indonesia's Geopolitical Strategy." *IOP Conference Series: Earth and Environmental Scienc.* 2017. <https://iopscience.iop.org/article/10.1088/1755-1315/145/1/012008/pdf> (accessed September 14, 2020).

²⁷ *Ibid.*

²⁸ *Ibid.*

1.3 RESEARCH OBJECTIVES

The objective of the research is to describe the defense diplomacy actions taken by Indonesian government by the defense ministry roles in pursuing Indonesia's national interests. Including how Indonesia maintain its relations with the 21st Great Powers and its position in international arena.

1.4 SIGNIFICANCE OF RESEARCH

The result of the research is to give a deep explanation of the strategy that Indonesia uses through the Ministry of Defense in strengthen Indonesia's geopolitical position. In this case, defense equipment procurement as a part of defense strategy that being used to achieve the objective. More than that, the findings will also give understanding how the procurement becomes a way to maintain and strengthen bilateral relations of Indonesia and the great powers. I believe from all the descriptions this paper will give a broader understanding on not only to scholars but also general public in understanding the importance of the contribution from military not only in domestic field, but to the importance of Indonesia in the international world.

1.5 STRUCTURE OF WRITING

The first chapter, which is the introduction, provide the general overview of the thesis. This include the background of the thesis topic, the research question, the objectives of the research and providing the purposes of this thesis.

The second chapter focuses on the theoretical framework of the thesis in which explains the theory and concepts in international relations framework to analyze the defense strategy by Indonesia government through the procurement of defense equipment with great powers in order to strengthen their geopolitics position.

The third chapter which is the methodology, provides a detail explanation on the research approach, method, and data collection that used to gather and complete the data for the research. Moreover, this chapter will provide the data analysis method that used in analyzing the collected data in the mean of answering the research question.

The fourth chapter, in which the analysis, provides the analysis of the topic in which the Indonesia defense strategy as the highlight of the thesis. This chapter analyze and present the data collected regarding the topic from the concept and perspective of international relations study. The outcome of the analysis is used to answer the research question in the thesis.

The fifth chapter, in which the conclusion, will provide the synopsis from the chapter four analysis and conclude the research.