

## TABLE OF CONTENTS

|  |            |
|--|------------|
| <b>SKRIPSI .....</b>   | <b>i</b>   |
| <b>ABSTRACT .....</b>  | <b>ii</b>  |
| <b>ABSTRAK .....</b>   | <b>iii</b> |
| <b>PREFACE .....</b>   | <b>iv</b>  |
| <b>LIST OF FIGURES .....</b>   | <b>ix</b>  |
| <b>LIST OF ABBREVIATION .....</b>  | <b>x</b>   |
| <b>LIST OF APPENDICES .....</b>  | <b>xi</b>  |
| <b>CHAPTER I INTRODUCTION .....</b>  | <b>1</b>   |
| <b>1.1 Background.....</b>   | <b>1</b>   |
| <b>1.2 Research Question.....</b>  | <b>8</b>   |
| <b>1.3 Research Objective .....</b>  | <b>8</b>   |
| <b>1.4 Research Significance .....</b>   | <b>9</b>   |
| <b>1.5 Research Structure.....</b>   | <b>9</b>   |
| <b>CHAPTER II THEORETICAL FRAMEWORK .....</b>                                    | <b>11</b>  |
| <b>2.1 Literature Review .....</b>   | <b>11</b>  |
| <b>2.1.1 Understanding the Trend of the Free Trade Agreement (FTA) .....</b>     | <b>11</b>  |
| <b>2.1.2 Evaluation of Comprehensive Economic Partnership Agreement.....</b>     | <b>13</b>  |
| <b>2.1.3 Indonesia and South Korea as Strategic Partners Through IK-CEPA... </b> | <b>15</b>  |
| <b>2.2 Theory and Concepts.....</b>  | <b>18</b>  |
| <b>2.2.1 Neoliberalism.....</b>  | <b>18</b>  |
| 2.2.1.1 Feasibility of Cooperation under Non-hegemony .....                      | 19         |
| 2.2.1.2 Institutional Designs and Norms .....                                    | 20         |
| 2.2.1.3 Acknowledges Interdependencies and Cooperation.....                      | 22         |
| <b>2.2.2 Economic Diplomacy .....</b>  | <b>23</b>  |
| <b>2.2.3 Common Interests .....</b>  | <b>25</b>  |
| <b>2.2.4 Economic Integration .....</b>  | <b>26</b>  |
| <b>CHAPTER III METHODOLOGY .....</b>   | <b>29</b>  |
| <b>3.1 Research Approach .....</b>   | <b>29</b>  |
| <b>3.2 Research Method.....</b>  | <b>30</b>  |
| <b>3.3 Data Collection Technique.....</b>  | <b>31</b>  |
| <b>3.4 Data Analysis Technique.....</b>  | <b>31</b>  |
| <b>CHAPTER IV ANALYSIS.....</b>  | <b>33</b>  |

|  |           |
|--|-----------|
| <b>4.1 Economic Interdependency Between Indonesia and South Korea.....</b>   | <b>33</b> |
| <b>4.1.1 Historical Background of Economic Cooperation.....</b>  | <b>33</b> |
| <b>4.1.2 The Activation and Cession of the Indonesia-Korea Comprehensive Economic Partnership Agreement (IK-CEPA).....</b> | <b>38</b> |
| <b>4.1.3 A Catalyst of Re-engagement and the Significance of Institutionalization for Economic Interdependence .....</b>   | <b>42</b> |
| <b>4.2 Economic Partnership Between Indonesia and South Korea .....</b>  | <b>45</b> |
| <b>4.2.1 Understanding Indonesia-Korea Comprehensive Economic Partnership Agreement (IK-CEPA).....</b>                     | <b>45</b> |
| <b>4.2.2 The Pathway to Realization of Reactivated IK-CEPA .....</b>   | <b>48</b> |
| <b>4.2.3 Immediate Benefits of IK-CEPA Reactivation for both Indonesia and South Korea .....</b>                           | <b>51</b> |
| 4.2.3.1 Benefits on Trade in Goods and Market Opening.....   | 52        |
| 4.2.3.2 Benefits on Service and Investment Sector .....  | 53        |
| 4.2.3.3 Benefits on Technology and Innovation Sector.....  | 55        |
| <b>4.3 Analyzing Stimulant of Reactivation of IK-CEPA in Neoliberalism Perspective .....</b>                               | <b>57</b> |
| <b>4.3.1 Guarantees of Economic Interdependencies Under the Institutionalization and Common Interests .....</b>            | <b>57</b> |
| <b>4.3.2 Self-Interests of Indonesia that Stimulate Cooperation with South Korea .....</b>                                 | <b>59</b> |
| 4.3.2.1 Interest in Korean Foreign Investment.....   | 59        |
| 4.3.2.2 Interests in Korean Technology & Innovation Cooperation .....  | 61        |
| <b>4.3.3 Self-Interests of South Korea that Stimulate Cooperation with Indonesia.....</b>                                  | <b>63</b> |
| 4.3.3.1 The New Southern Policy as a Navigator to Reactivation.....  | 63        |
| 4.3.3.2 Interests in Indonesian Mega-Market and its Natural Resources .....  | 65        |
| 4.3.3.3 Interests in Participation of Mega-Infra Projects .....  | 66        |
| <b>CHAPTER V CONCLUSION.....</b>   | <b>68</b> |
| <b>5.1 Conclusion .....</b>  | <b>68</b> |
| <b>5.2 Recommendation .....</b>  | <b>70</b> |
| <b>BIBLIOGRAPHY.....</b>   | <b>71</b> |
| <b>APPENDIX</b>  |           |

## LIST OF FIGURES

|   |    |
|---|----|
| Figure 4.1.1.1 Timelines of Indo-South Korea Relations..... | 35 |
| Figure 4.1.1.2 Trade Between Indonesia and South Korea..... | 40 |



## LIST OF ABBREVIATION

|         |   |   |
|---------|---|---|
| ASEAN   | - | Association of Southeast Asian Nations                            |
| BKPM    | - | <i>Badan Koordinasi Penanaman Modal</i>                           |
| BKSAP   | - | <i>Badan Kerja Sama Antar-Parlemen Dewan Perwakilan Rakyat</i>    |
| CEPA    | - | Comprehensive Economic Partnership Agreement                      |
| EDCF    | - | Economic Development Cooperation Fund                             |
| FTA     | - | Foreign Trade Agreement   |
| GDP     | - | Gross Domestic Product  |
| IK-CEPA | - | Indonesia-Korea Comprehensive Economic Partnership Agreement      |
| JTF-EC  | - | Joint Task Force On Economic Cooperation                          |
| KOTRA   | - | Korea Trade-Investment Promotion Agency                           |
| MP3EI   | - | Masterplan for Acceleration and Expansion of Economic Development |
| NSP     | - | The New Southern Policy   |
| THAAD   | - | Terminal High Altitude Area Defence                               |
| WLTFM   | - | Working Level Task Force  |

## LIST OF APPENDICES

### APPENDIX A

Thesis Monitoring Sheets.....A-1

### APPENDIX B

Curriculum Vitae.....B-1

### APPENDIX C

Originality Report.....C-1

