

7

**Indonesia's Maritime Strategy:
Lofty Aspirations Without the Means to Achieve Them**

Joseph Girard

CAPT, USN

Date Submitted: 25 October 2018

A paper submitted to the Faculty of the United States Naval War College Newport, RI in partial satisfaction of the requirements of the Department of Joint Military Operations.

DISTRIBUTION A. Approved for public release: distribution unlimited. The contents of this paper reflect the author's own personal views and are not necessarily endorsed by the Naval War College or the Department of the Navy.

REPORT DOCUMENTATION PAGE

*Form Approved
OMB No. 0704-0188*

The public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.
PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ADDRESS.

1. REPORT DATE (DD-MM-YYYY) 10/25/2018		2. REPORT TYPE		3. DATES COVERED (From - To)	
4. TITLE AND SUBTITLE Indonesia's maritime strategy : lofty aspirations without the means to achieve them				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
				5d. PROJECT NUMBER	
6. AUTHOR(S) CAPT Joseph Girard				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
				8. PERFORMING ORGANIZATION REPORT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval War College - Joint Military Operations Department 686 Cushing Road Newport, RI 02841				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Distribution Statement A: Approved for public release; Distribution unlimited Reference DOD Directive 5230.24					
13. SUPPLEMENTARY NOTES A paper submitted to the NWC faculty in partial satisfaction of the requirements of the JMO Department. The contents of this paper reflect my own personal views and are not necessarily endorsed by the NWC or the Dept of Navy.					
14. ABSTRACT Indonesia's recent maritime strategy, articulated in the Global Maritime Fulcrum (GMF) in 2014 by newly-elected President Joko Widodo, describes an aspirational set of strategic maritime interests in support of a greater Indonesian leadership role in Southeast Asia. Given these strategic interests, the ongoing transformation and modernization of the Indonesian Navy (to field the Minimum Essential Force - MEF - by 2024) represents a significant strategy misalignment between ends and means. An analysis of the economic means available to acquire the MEF demonstrates the MEF force structure is unaffordable. Comparing capabilities to mission requirements highlights the MEF's shortfall in capabilities to achieve...					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON
a. REPORT	b. ABSTRACT	c. THIS PAGE			Chairman, JMO Dept
UNCLASS	UNCLASS	UNCLASS		22	19b. TELEPHONE NUMBER (Include area code) 401-841-3556

CONTENTS

INTRODUCTION	1
BACKGROUND: GMF AND THE MEF ROADMAP	2
CAN INDONESIA AFFORD THE MEF?	5
MEF CAPABILITIES VERSUS GMF MISSIONS	8
REGIONAL COOPERATION AS A STRATEGIC MEANS	12
CONCLUSIONS AND RECOMMENDATIONS	15
BIBLIOGRAPHY	18

ABSTRACT

Indonesia's Maritime Strategy: Lofty Aspirations Without the Means to Achieve Them.

Indonesia's recent maritime strategy, articulated in the Global Maritime Fulcrum (GMF) in 2014 by newly-elected President Joko Widodo, describes an aspirational set of strategic maritime interests in support of a greater Indonesian leadership role in Southeast Asia. Given these strategic interests, the ongoing transformation and modernization of the Indonesian Navy (to field the Minimum Essential Force – MEF – by 2024) represents a significant strategy misalignment between ends and means. An analysis of the economic means available to acquire the MEF demonstrates that the MEF force structure is unaffordable. Comparing capabilities to mission requirements highlights the MEF's shortfall in capabilities to achieve Indonesia's strategic maritime interests. Finally, the MEF undermines existing regional cooperation frameworks because it is a destabilizing influence, it is inadequate at deterring China's territorial assertiveness, and it reduces the potential effectiveness of the Association of Southeast Asian Nations (ASEAN) in addressing regional issues. The author concludes with several recommendations for how the United States might support Indonesia in addressing these challenges. However, Indonesia will need to make difficult decisions about what it can do and what it should do to resolve this strategic misalignment.

INTRODUCTION

Located between the Indian and Pacific Oceans, Indonesia is the largest archipelagic nation in the world, consisting of approximately 17,000 islands spread across a distance of almost 5,000 km.¹ Indonesia's population of more than 250 million people is surrounded by 5.8 million square km of water, including its inland waters, territorial seas, and Exclusive Economic Zone (EEZ).² Despite its geographical position and physical configuration, and its long tradition of marine and coastal resource utilization, Indonesia has historically lacked an effective capability to secure its maritime environment.³ Political challenges, economic crises, and confused maritime governance have prevented the Indonesian Navy (Tentara Nasional Indonesia – Angkatan Laut, TNI-AL) from achieving much progress in changing this.⁴

After the turn of the century, Indonesia, along with other nations in South-East Asia, embarked on a program of naval modernization to replace obsolete equipment with more capable platforms. This modernization program described a Minimum Essential Force (MEF) that would be in service by 2024. Five years after beginning this program, newly-elected Indonesian President Joko Widodo outlined a maritime strategy – the Global Maritime Fulcrum (GMF) – that called for a greater Indonesian leadership role in Southeast Asia and an increased maritime defense force. However, there are significant obstacles to achieving this maritime strategy. First, given Indonesia's current economy and defense spending, it is unrealistic to expect Indonesia to be able to afford the high cost of the MEF platforms. Second, capability requirements differ

¹ Hal Hill, *Regional Dynamics in a Decentralized Indonesia* (Singapore: Institute of Southeast Asian Studies, 2014), 1.

² Marsetio, "Indonesian Sea Power and Regional Maritime Security Challenges," *Journal of Maritime Studies and National Integration* 1 no. 1 (2017): 40-41.

³ Rokhmin Dahuri and Ian M. Dutton, "Integrated Coastal and Marine Management Enters a New Era in Indonesia," *Integrated Coastal Zone Management* 1 no. 1 (2000): 1.

⁴ James Goldrick and Jack McCaffrie, *Navies of South-East Asia: A Comparative Study* (New York: Routledge, 2013). 61-83.

between three required areas of operations: regional power projection, operations within Indonesia's Exclusive Economic Zone (EEZ), and operations in coastal and internal waters. The MEF would give Indonesia only marginal regional power projection capability and would be unable to successfully enforce Indonesia's EEZ or provide adequate internal maritime security. Finally, the MEF risks undermining the stabilizing capability of regional security cooperation frameworks and the economic and security value these frameworks can offer. Given the stated strategic maritime interests described by President Joko Widodo, the desired transformation and modernization of the Indonesian Navy represents a significant strategy misalignment between ends and means.

BACKGROUND: GMF AND THE MEF ROADMAP

In his inauguration speech in October 2014, Indonesian President Joko Widodo affirmed Indonesia's recognition of the importance of maritime security. Widodo called on Indonesians to "work as hard as possible to turn Indonesia into a maritime nation once again. Oceans, seas, straits, and bays are the future of our civilization."⁵ In November 2014, in an address at the East Asia Summit, he further clarified his vision for Indonesia's restoration as a maritime power by stating that Indonesia lies at the center of 21st-century strategic changes in economics and geopolitics.⁶ In this address, he outlined a maritime-focused development agenda and strategy (the GMF) supported by five pillars of strategic maritime interests: reestablishing a maritime culture; developing maritime resources (especially food); improving maritime infrastructure;

⁵ *Jakarta Globe*, "Jokowi's Inaugural Speech as Nation's Seventh President," 20 October 2014. <https://jakartaglobe.id/news/jokowis-inaugural-speech-nations-seventh-president/>.

⁶ Joko Widodo, "The Seas Should Unite, Not Separate Us," *Jakarta Post*, 14 November 2014. <http://www.thejakartapost.com/news/2014/11/14/the-seas-should-unite-not-separate-us.html>.

increasing cooperation with other nations in the maritime domain; and expanding maritime defense forces.⁷

In 2009, the TNI-AL Chief of Staff established a roadmap for force modernization and structural changes to take place over two decades.⁸ This roadmap evolved from a series of ambitious proposals to improve the combat capability of the TNI-AL and provide it with greater regional power projection capability.⁹ The Minimum Essential Force articulated in this roadmap described the forces needed to address (1) military threats originating north of Indonesia, (2) questions over conflicting maritime claims, and (3) a wide range of internal security concerns.¹⁰ The MEF would build the capabilities the TNI-AL assesses it needs to address both current and anticipated future threats by 2024.

Evan Laksmana, a researcher at the Center for Strategic and International Studies (CSIS) in Jakarta, Indonesia, provides a comprehensive overview of Order Number 39, issued by the Indonesian Chief of Naval Staff in 2009, that describes a broad range of anticipated missions the MEF should perform and a detailed plan for platform acquisition to accomplish those missions.¹¹ From such high-intensity missions as the destruction of enemy combatants, amphibious assault, and special warfare to a wide variety of low-intensity and law enforcement missions ranging from countering piracy, countering illicit trafficking, and enforcing maritime border security, the MEF roadmap begins with an expansive spectrum of possible maritime employment mission sets. These missions cover the range of military and security operations inside Indonesia's territorial waters and its EEZ as well as a power projection capability deeper into the Southeast

⁷ Ibid.

⁸ Evan A. Laksmana, "Rebalancing Indonesia's Naval Force: Trends, Nature, and Drivers," in *Naval Modernisation in South-East Asia*, ed. Geoffrey Till and Jane Chané (New York: Routledge, 2014), 189.

⁹ James Goldrick and Jack McCaffrie, *Navies of South-East Asia*, 86-87.

¹⁰ Laksmana, "Rebalancing Indonesia's Naval Force," 189.

¹¹ Ibid., 191.

Asian seas that would establish it as a “green water” navy.¹² A green water navy is one with some capability to operate effectively in its region outside its own waters as opposed to a blue water navy (capable of global power projection) or a brown water navy (limited to coastal and riverine operations).

To enable the TNI-AL to achieve green water navy status and accomplish such a diverse spectrum of possible naval operations, the MEF roadmap describes a robust force structure comprised of both high-end and low-end platforms, totaling 274 ships serving three broad purposes: strike (110 ships), patrol (66 ships), and support (98 ships).¹³ The MEF naval transformation plan is divided into three phases (2010-2014, 2015-2019, and 2019-2024) and three lines of effort: procurement of new platforms, upgrades and enhancements to existing platforms, and retirement of obsolete platforms.¹⁴ Additionally, Indonesia’s 2012 Law 16, Defense Industry Act, requires new acquisition programs to use Indonesian defense companies as much as possible.¹⁵ In 2014, President Widodo stressed the importance of this indigenous acquisition policy to help expand Indonesia’s defense capacity and reduce Indonesia’s dependence on foreign defense suppliers.¹⁶

¹² Riefqi Muna, “Indonesia Aims for ‘Green Water Navy’ Capability,” *Jane’s Defence Weekly*, 24 June 2005. <https://janes-ihs-com.usnwc.idm.oclc.org/Janes/Display/jdw11325-jdw-2005>.

¹³ Ristian Atriandi Supriyanto, “Indonesia’s Naval Modernisation: A Sea Change?” *Rajaratnam School of International Studies (RSIS) Commentaries* 20 (2012): 2.

¹⁴ Dangan Waluyo, Wirjodirdjo Budisantoso, and Supartono, *Policy Scenarios to Achieve Minimum Essential Force: Case Study of the Indonesian Navy*, (Surabaya, Indonesia: Postgraduate School of Naval Technology (STTAL), 2016), 1; Laksmana, “Rebalancing Indonesia’s Naval Force,” 192.

¹⁵ *Janes World Navies*, “Indonesia – Defense Industry,” 5 October 2018, Accessed 6 October 2018. <https://janes-ihs-com.usnwc.idm.oclc.org/Janes/Display/jwdia101-jwdi>.

¹⁶ Prashanth Parameswaran, “An Indonesian Defense Revolution Under Jokowi?” *The Diplomat*, 30 January 2015, <https://thediplomat.com/2015/01/an-indonesian-defense-revolution-under-jokowi/>.

CAN INDONESIA AFFORD THE MEF?

Given the range of missions required under GMF, from low-intensity law-enforcement activities to high-intensity combat, the MEF requires a significant number of high-end platforms as well as a greater number of low-end platforms. The cost of acquiring expensive, high-end platforms along with a significant number of lower capability platforms exceeds Indonesia's economic means. Current defense budget trends do not support the anticipated acquisition costs to field the MEF. Additionally, the requirement to continue operating inefficient, obsolete ships as well as the Indonesian Army's dominance in Indonesia's overall military culture have put additional pressure on the TNI-AL's budget.

Indonesia's defense spending has been insufficient to meet planned requirements for planned procurements to achieve the MEF. When the TNI-AL issued the MEF roadmap, it projected it would require roughly one-third of procurement budgets, based upon an assumption of total defense spending growing to two percent of Gross Domestic Product (GDP) by 2014 and three percent of GDP by 2024.¹⁷ Actual defense spending in 2010 was \$5.84 billion (USD equivalent), or 0.7% of GDP, increasing to \$7 billion, 0.8% of GDP, in 2014.¹⁸ 2017 overall defense spending was 0.81% of GDP, a far cry from the 1.5-2% of GDP needed to achieve the MEF, according to the 2010 Strategic Defense Plan and officials in the TNI-AL.¹⁹ Even though Indonesia's economy has been growing just over five percent annually, defense budgets have stagnated at around \$7.5 billion from 2015 to the present and procurements budgets are

¹⁷ Laksmana, "Rebalancing Indonesia's Naval Force," 184.

¹⁸ Koh Swee Lean Collin, "What Next for the Indonesian Navy?: Challenges and Prospects for Attaining the Minimum Essential Force by 2024," *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 37 no. 3 (2015): 451.

¹⁹ Greg Fealy and Hugh White, "Indonesia's 'Great Power' Aspirations: A Critical View," *Asia & the Pacific Policy Studies* 3 no. 1 (2016): 96; Benjamin Schreer, *Moving Beyond Ambitions?: Indonesia's Military Modernisation* (Barton, Australia: Australian Strategic Policy Institute, 2013). 18: *The World Bank*, "Indonesia Military Expenditures," Accessed 4 Oct 2018. <https://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS?locations=ID>.

decreasing below \$1 billion, which is well below the \$2.5 billion hoped for in the original MEF roadmap.²⁰ Indonesia has applied a significant share of its limited procurement funding to a small number of expensive platforms, minimizing its ability to procure larger numbers of lower capability platforms like patrol or fast attack craft. For example, in 2011, Indonesia agreed to a \$1.1 billion deal with South Korea to acquire three submarines, two of which are in service today.²¹ In contrast, the KCR-60M fast attack craft has a unit cost of approximately \$14 million.²² If the TNI-AL had acquired one less submarine, it could have afforded an additional 26 KCR-60Ms. Given the current trend in defense (and procurement) spending and the relatively high cost of complex, modern platforms, the TNI-AL will be unable to meet its planned acquisition to modernize its naval forces according to the MEF roadmap.

Considering the mismatch between anticipated procurement requirements and the funding levels Indonesia is applying to them, it is worthwhile to examine the actual progress the TNI-AL is making in fielding new platforms. Assessing the progress of the MEF modernization plan is difficult to quantify because lower numbers of new platform acquisitions can be offset numerically by delaying the retirement of older platforms. However, data on new acquisitions and retirements for the first MEF phase (2010-2014) is available and provides a reasonable forecast of likely progress in the second and third MEF phases through 2024. Based on analysis of planned versus actual procurements of new systems and retirements of obsolete equipment during the first phase (2010-2014) of the MEF plan, Indonesia procured only 20 of 39 planned

²⁰ Laksmana, "Rebalancing Indonesia's Naval Force," 184; *Economist Intelligence Unit*, "Indonesian Economy," Accessed 1 October 2018. <http://country.eiu.com.usnwc.idm.oclc.org/Indonesia>; *Janes World Navies*, "Indonesia – Defense Industry."

²¹ I. Gusti Bagus Dharma Agastia, "Small Navy. Big Responsibilities: The Struggles of Building Indonesia's Naval Power," *AEGIS Journal of International Relations* 1 no. 2 (2017): 172

²² Collin, "What Next for the Indonesian Navy?" 452.

new platforms and retired fewer than half (five of eleven) of planned retirements.²³ While the second phase (2015-2019) is still in progress, as of September 2018, Indonesia has added one submarine (three were planned), both planned SIGMA PKR frigates, 16 PC-40 patrol craft (30 were planned), two survey vessels, and one tank landing ship (four were planned).²⁴ Based on the acquisition progress in phases one and two of the MEF roadmap, the only way the TNI-AL can achieve its numerical goal of 274 ships will be to continue operating older, obsolete equipment much longer than planned. As expected from the gap between budgets and requirements discussed previously, it is not surprising that the TNI-AL is not fielding new systems in the numbers envisioned in the MEF roadmap.

In addition to insufficient overall defense spending, TNI-AL's procurement budgets for new platforms are being squeezed by competing economic forces. As described above, shortfalls in new platform acquisitions force the TNI-AL to continue operating and maintaining older, obsolete equipment. These older platforms are becoming increasingly expensive to operate and drive up the operating and maintenance funding requirements. For example, from 2004 to 2005, the TNI-AL fuel and lubricant expenses were nearly \$7 million greater than necessary because of inefficient power plants in older ships.²⁵ Additionally, Gregory Raymond describes how TNI-AL budgets are adversely impacted by the cultural dominance of the Army in Indonesia's armed forces, concerning both control over budgets and levels of political influence.²⁶

Indonesia has been unable to acquire modern and more capable platforms in the numbers envisioned by the MEF construct because of insufficient defense spending by the Indonesian

²³ Waluyo, Budisantoso, and Supartono, *Policy Scenarios to Achieve Minimum Essential Force*, 2.

²⁴ *Janes World Navies*, "Indonesia – Navy," 28 September 2018, Accessed 1 October 2018. <https://janes-ihsc.com.usnwc.idm.oelc.org/Janes/Display/jwna0071-sca>.

²⁵ Collin, "What Next for the Indonesian Navy?" 439.

²⁶ Gregory Vincent Raymond, "Naval Modernization in Southeast Asia: Under the Shadow of Army Dominance?" *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 39 no. 1 (2017): 167.

government, particularly in procurement budgets. The strategic maritime interests described by President Widodo's GMF strategy cannot be achieved by Indonesia's naval forces because the economic means are not aligned with strategic ends.

MEF CAPABILITIES VERSUS GMF MISSIONS

Even if Indonesia could overcome economic obstacles to procuring and fielding its MEF, it is unlikely that the MEF would have the necessary capability to support the strategic maritime interests of the Global Maritime Fulcrum (GMF) concept. The five pillars of President Widodo's GMF highlight the diversity of maritime challenges faced by Indonesia. Two pillars of the GMF (increasing cooperation with other nations in the maritime domain and expanding maritime defense forces) are outwardly focused and suggest a need for high-capability platforms that can operate at the high-intensity end of the spectrum of conflict. The other three pillars are more inwardly focused on improving infrastructure, managing resources, and developing a maritime culture, calling for lower capability platforms conducting less intense patrolling and law enforcement missions.

To meet Indonesia's ambition to become a medium regional maritime power with a green water navy, the TNI-AL will require enough modern platforms with the capabilities to meet a wide range of possible maritime challenges. According to Koh Collin, the TNI-AL's green water navy aspirations would posture it to be "primarily oriented towards operating within the EEZ while possessing a limited, secondary ability to conduct 'out-of-area' operations."²⁷ Geoffrey Till describes several criteria useful for categorizing whether a navy can be considered small or medium, including function versus capability and geographic reach.²⁸ Along these lines, it is

²⁷ Collin, "What Next for the Indonesian Navy?" 435.

²⁸ Geoffrey Till, *Seapower: A Guide for the Twenty-First Century* (New York: Routledge, 2013). 117.

useful to evaluate the MEF's capabilities and requirements in three operational environments: projection of power in the larger Southeast Asia region outside Indonesia's EEZ, maritime operations inside its EEZ, and operations in its near coastal water.

Outside Indonesia's EEZ, the MEF mission sets with respect to out-of-area power projection are mostly limited to sea control operations such as destroying enemy naval forces and interdicting sea lines of communication.²⁹ The responsibility to accomplish these missions would fall on the TNI-AL's submarine force and future major surface combatants, namely its new PKR SIGMA frigates.³⁰ Despite the TNI-AL's ambitions to project power regionally, submarine and frigate sensor and weapon capabilities suggest that Indonesia's ability to operate beyond its own waters will be limited to anti-submarine and anti-surface warfare. In a more pessimistic assessment, Benjamin Schreer argues that Indonesia's high-end platforms are actually more defensively focused on the concept of anti-access that holds would-be attackers at risk of losing high-value offensive platforms.³¹ In Schreer's assessment, the TNI-AL's submarines, frigates and corvettes, and anti-ship cruise missile-equipped fast attack craft represent a coastal defense capability, not a power projection capability. While the PKR SIGMA frigates have the flexibility to perform functions outside of conflict, the TNI-AL's submarine force has much less utility. As noted by Harold Kearsley, submarines have "tremendous potential for wartime employment, but little else."³² Given its limited capabilities and operational reach, the MEF will have marginal effectiveness beyond its EEZ and does not provide the TNI-AL the ability to project power regionally.

²⁹ Laksmana, "Rebalancing Indonesia's Naval Force," 191.

³⁰ *Janes Navy International*, "Taking the Stage: Indonesia Envisions a 'World-Class Navy,'" 20 October 2014, https://www.janes.com/images/assets/021/45021/Indonesia_envisions_a_world-class_navy_.pdf; Schreer, *Moving Beyond Ambitions?*, 19-20.

³¹ Schreer, *Moving Beyond Ambitions?*, 19-20.

³² Harold J. Kearsley, *Maritime Power and the Twenty-first Century*. (Aldershot, England: Dartmouth, 1992), 47.

Within Indonesia's EEZ, the MEF roadmap describes an extensive list of possible mission sets. Evaluating the capabilities of the MEF to meet these requirements requires an understanding of the perspectives of key maritime stakeholders in Indonesia. There are eleven different agencies, including the TNI-AL, with key roles in supporting maritime security.³³ In 2015, the Consortium for Maritime Security in Indonesia conducted a Training Needs Analysis, soliciting assessments from these key maritime players to establish the highest priority maritime security threats from their perspectives.³⁴ In order, the top five highest priority threats emerging from the analysis were illegal, unreported, and unregulated (IUU) fishing; piracy; smuggling and trafficking in persons; narcotics trafficking; and terrorism.³⁵ Interestingly, these eleven stakeholders did not describe the threats and challenges posed by external state actors. The security challenges faced by Indonesia inside its EEZ are significant. For example, IUU fishing is estimated to cost the Indonesian economy \$3 billion per year.³⁶ In perspective, this amount represents 40% of Indonesia's total defense budget. Additionally, piracy is an enormous challenge for Indonesia. Between 2000 and 2014, there were an average of 100 piracy incidents per year in Indonesian waters, the highest by far of any other nation in the region.³⁷ In 2017, 20% of the global piracy incidents occurred in Indonesian waters.³⁸

Before looking at MEF capabilities against these threats, it is important to understand the TNI-AL's legal authority to address these maritime law enforcement challenges. Although the Indonesian Army does not have the authority to conduct internal security and law enforcement

³³ Lyle J. Morris and Giacomo Persi Paoli, *A Preliminary Assessment of Indonesia's Maritime Security Threats and Capabilities* (Cambridge, U.K.: RAND Corporation, 2018), 21-23.

³⁴ Ioannis Chapsos and James A. Malcolm, "Maritime Security in Indonesia: Towards a Comprehensive Agenda?" *Marine Policy* 76 (2017): 179-180.

³⁵ *Ibid.*, 182.

³⁶ Morris and Paoli, *A Preliminary Assessment of Indonesia's Maritime Security Threats and Capabilities*, 25.

³⁷ *Ibid.*, 25.

³⁸ *World Fact Book*, "Indonesia," Accessed 30 September 2018. <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>

operations, by law, the TNI-AL retains this authority.³⁹ Despite U.S. biases toward distinguishing between the responsibilities and authorities of an externally focused navy and an internally focused coast guard, Indonesia's unique geography and strategic culture drive the TNI-AL to enforce internal maritime security as well as providing defense from external threats.⁴⁰ However, while the TNI-AL has the authority to address these challenges, it has no direct authority or control over the various non-military organizations that also perform these maritime law enforcement functions against this wide array of security challenges and threats.⁴¹

All these threats can be found both on the open ocean waters within the 200-mile EEZ boundary as well as the relatively calmer internal waters of the archipelago. This distinction is important because of the required sea-handling characteristics of vessels which need to operate in open ocean waters. As Harold Kearsley point out, "EEZ patrol ships need to be able to respond proportionately to the threat or situation and simple, visible weaponry, high speed, good sea-keeping and loiter characteristics, maneuverability and hull strength are desirable attributes."⁴² Given these needed characteristics, the MEF's fast attack craft and patrol craft will be ill-suited to operate in the open ocean waters of the EEZ. Therefore, the responsibility to address these law enforcement challenges will fall to Indonesia's larger frigates and corvettes. Under the MEF construct, Indonesia will have only 22 vessels suitable for EEZ enforcement operations. Effectively covering nearly three million square km of the EEZ and continental shelf waters with 22 ships is unlikely.⁴³ Additionally, employing an expensive and highly capable

³⁹ Muhamad Arif and Yandry Kurniawan, "Strategic Culture and Indonesian Maritime Security," *Asia & the Pacific Policy Studies* 5 no. 1 (2017), 85.

⁴⁰ *Ibid.*, 85.

⁴¹ Marsetio, "Indonesian Sea Power and Regional Maritime Security Challenges," 43.

⁴² Kearsley, *Maritime Power and the Twenty-first Century*, 46.

⁴³ Vivian Louis Forbes, *Indonesia's Delimited Maritime Boundaries*, (Berlin: Springer. 2014), 2.

combatant in patrolling operations represent a misapplication of high-end and expensive combat potential on low-end security challenges.⁴⁴

Finally, the MEF's capability to patrol internal waters will be more closely matched with the maritime security threats it will face by relying on 66 patrol craft. However, these patrol craft are well-armed with heavy machine guns and anti-ship cruise missile on certain variants.⁴⁵ While very effective for coastal defense against a capable adversary, these highly-armed patrol vessels represent additional wasted capability in conducting law enforcement activities to address the maritime security challenges in Indonesia's coastal waters. Additionally, the MEF will have some capability to conduct humanitarian assistance and disaster relief operations using its amphibious assault ships, as demonstrated by Indonesia's participation in RIMPAC 2014.⁴⁶

The MEF is designed to cover a wide range of maritime security challenges. While attempting to achieve a balanced force, the MEF describes a significant number of expensive, high capability platforms. These platforms financially crowd out the low capability platforms Indonesia needs to meet its internal maritime security requirements. Considering the diversity of threats and challenges the MEF will face beyond Indonesian waters, inside its EEZ, and inside its coastal water, the MEF would not have enough platforms with enough capabilities to fully support the expansive requirements of the GMF strategy.

REGIONAL COOPERATION AS A STRATEGIC MEANS

In addition to the strategic misalignment of economic means and capabilities in achieving GMF strategic maritime defense objectives, the MEF is also misaligned with the GMF ends of

⁴⁴ Kearsley, *Maritime Power and the Twenty-first Century*, 46.

⁴⁵ *Janes World Navies*, "Indonesia – Navy."

⁴⁶ *Janes Navy International*, "Taking the Stage: Indonesia Envisions a 'World-Class Navy.'"

expanding naval diplomacy through increased cooperation with other nations. This strategic misalignment stems from three interconnected and reinforcing factors. First, the procurement of high-end, offensive weapons systems risks military competition with destabilizing consequences. Second, despite President Widodo's emphasis on maritime border security and sovereignty, the MEF will be limited in its ability to deter Chinese assertiveness in its territorial claims. Third, Indonesia's desire for greater autonomy and regional leadership will put pressure on the effectiveness of the Association of Southeast Asian Nations (ASEAN) in dealing with regional tensions.

Although most researchers do not characterize the naval modernization occurring across Southeast Asia as a dangerous arms race, there are causes for concern.⁴⁷ To be sure, the TNI-AL is in desperate need to modernize its obsolete vessels, some of which are over 50 years old.⁴⁸ However, the acquisition of additional submarines and other offensive weapons systems like anti-ship cruise missiles could send a message to other nations in the region that they need to grow these capabilities as well. Coupled with existing regional tensions (e.g., the ongoing dispute between Indonesia and Malaysia over the Ambalat Islands), increasing these capabilities across the region could be destabilizing.⁴⁹ As Geoffrey Till and Jane Chan acknowledge, although the risk is not high, the South-East Asia maritime environment is very dynamic, and there remains “the possibility that naval modernization together with existing disputes could have dangerous consequence.”⁵⁰

⁴⁷ Bernard F. W. Loo, “Modernisation in South-east Asia: Modernisation Versus Arms Race,” in *Naval Modernisation in South-East Asia: Nature, Causes, and Consequences*, ed. Geoffrey Till and Jane Chan (New York: Routledge, 2014), 283.

⁴⁸ *Janes World Navies*, “Indonesia – Navy.”

⁴⁹ Sheldon W. Simon, “Conflict and Diplomacy in the South China Sea.” *Asian Survey* 52 no. 6 (2012): 999.

⁵⁰ Geoffrey Till and Jane Chan, *Naval Modernisation in South-East Asia: Nature, Causes and Consequences* (New York: Routledge, 2013), 318.

To support the maritime border security and sovereignty elements of the GMF strategy, the MEF would need a sufficiently strong military capability to deter Chinese assertiveness. However, Sheldon Simon assesses that the “new ships and aircraft acquired by Southeast Asian armed forces are relatively few in numbers and hardly a match for China's People's Liberation Army's growing air and naval assets.”⁵¹ Additionally, the TNI-AL has been relatively ineffective in dealing with Chinese fishing in Indonesia's EEZ.⁵² For example, in March 2016, a Chinese Coast Guard vessel intentionally hit and freed a Chinese fishing vessel being towed by Indonesian authorities after they had arrested eight Chinese fishermen for illegally fishing in its EEZ.⁵³ Following brief public outrage, Indonesia's foreign minister attempted to dial back the tension with China, stating that “Indonesia is not a claimant state in the South China Sea.”⁵⁴ It is unlikely that the MEF capabilities are going to be effective in deterring Chinese territorial assertiveness given Jakarta's seeming reluctance to push back against Chinese claims, despite President Widodo's maritime borders and sovereignty.

The GMF strategy represents an Indonesian desire for increased autonomy and regional leadership that could undermine the potential for ASEAN to help manage and resolve regional tensions. Donald Weatherbee describes an ASEAN already challenged by a consensus-driven approach to addressing regional concerns and an “unwillingness of the states to raise the issues to the regional level where theoretically, ASEAN mechanisms for peaceful resolutions are in place.”⁵⁵ Several of Jokowi's advisors have made public statements downplaying the importance

⁵¹ Simon, “Conflict and Diplomacy,” 999.

⁵² René L. Pattiradjawane and Natalia Soebagjo, “Global Maritime Axis: Indonesia, China, and a New Approach to Southeast Asian Regional Resilience,” *International Journal of China Studies* 6 no. 2 (2015): 182.

⁵³ Robert Sutter and Chin-hao Huang, “China-Southeast Asia Relations: South China Sea, More Tension and Challenges,” *Comparative Connections* 18 no. 1 (2016): 59.

⁵⁴ *Ibid.*, 59.

⁵⁵ Donald E. Weatherbee, *International Relations in Southeast Asia: The Struggle for Autonomy* (Lanham, MD: Rowman & Littlefield, 2009), 299.

of ASEAN and Indonesia's leadership role in that organization.⁵⁶ Other Indonesians have said that "ASEAN needs Indonesia more than Indonesia needs ASEAN."⁵⁷ The MEF requirement to increase domestic production of weapons and platforms is a manifestation of the desire for greater autonomy and less dependence on the other nations. The desired MEF capabilities and the political drive to assume a greater regional leadership role risks undermining the ability of an already challenged ASEAN to help resolve regional issues.

CONCLUSIONS AND RECOMMENDATIONS

Indonesia's national leadership has articulated aspirations for an increased leadership role in Southeast Asia, hoping to become a medium regional power. These aspirations are captured in the externally focused components of the GMF concept, supported by five strategic maritime pillars: reestablishing a maritime culture; developing maritime resources (especially food); improving maritime infrastructure; increasing cooperation with other nations in the maritime domain; and expanding maritime defense forces. Although Indonesia's current political climate and recent economic growth provide an environment in which defense modernization is more economically feasible than in the past, the MEF modernization and development plans for the TNI-AL are too expensive to be successfully achieved. Indonesia's focus on acquiring expensive, high capability platforms prevents it from acquiring sufficient numbers of low capability platforms to meet the internal maritime security requirements of the GMF. While the capabilities that would be provided by the MEF (if it could be achieved) might support some elements of the GMF concept strategic maritime interests, the MEF would be unable to effectively project power

⁵⁶ Aaron L. Connelly, "Sovereignty and the Sea: President Joko Widodo's Foreign Policy Challenges," *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 37 no. 1 (2015): 11, 13, 18.

⁵⁷ Weatherbee, *International Relations in Southeast Asia*, 301.

beyond its EEZ and would have only limited effectiveness in securing Indonesia's strategic maritime interests inside its EEZ and its territorial and internal waters. Finally, the MEF concept and its associated expansion of naval power coupled with Indonesia's regional leadership ambitions undermine rather than exploit cooperative and collaborative multilateral approaches to establishing maritime security. These three issues represent a strategy misalignment between ends (Indonesia's strategic maritime interests) and means (financial resources, platform capabilities, and regional cooperation).

To resolve this strategic disconnect, the author recommends three independent courses of action. First, the U.S. Government should continue supporting regional cooperation frameworks (such as ASEAN) to help address and reduce tensions in the region. The United States should enhance its legitimacy as a contributor to these efforts by ratifying the United Nations Convention on the Law of the Sea. Additionally, U.S. diplomatic efforts should try to influence Indonesia away from actions that could be perceived as being too assertive in its regional leadership aspirations and, instead, reaffirm the importance of multilateral cooperation and collaboration through information sharing and exercises. Finally, the United States should help strengthen economic ties within and beyond Southeast Asia by exploring trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Second, United States Indo-Pacific Command should leverage its interagency partnerships to work with Indonesian military and law enforcement agencies to expand on current capacity-building activities already in progress. These partnerships should focus on helping Indonesia implement modern and cost-effective solutions to improve maritime domain awareness. For example, Global Fishing Watch (a collaboration between corporate and charitable organizations) has been analyzing satellite imagery to detect illegal, unreported, and

unregulated fishing.⁵⁸ The cost of obtaining and processing this data has been steadily decreasing while the delay between detecting and reporting violations is becoming small enough that authorities can respond quickly and catch the offenders.

Finally, Indonesia should perform a detailed review of both its force structure plans and its maritime strategy to identify where its current force modernization concept is causing it to accept risk in some mission areas. This review would likely lead to changes in the MEF roadmap to make it more affordable and more capable in addressing the most pressing threats to Indonesia, mostly calling for more numerous low-capability platforms to address what are mainly law enforcement challenges. This review should also examine the feasibility and validity of the current GMF strategy. Interestingly, some researchers have opined that, contrary to what is stated in the GMF strategy, Indonesia might not have regional ambitions beyond economic and infrastructure development inside its EEZ. If this is true, Indonesia should update its GMF strategy to reflect a more accurate set of objectives to help guide force planning. If it does not, Indonesia risks squandering the opportunity to implement a naval modernization program that is both achievable and relevant to its strategic goals.

⁵⁸ *The Economist*, "The Fight Against Illicit Fishing of the Oceans is Moving into Space," 6 September 2018. <https://www.economist.com/science-and-technology/2018/09/06/the-fight-against-illicit-fishing-of-the-oceans-is-moving-into-space>.

BIBLIOGRAPHY

- Agastia, I. Gusti Bagus Dharma. "Small Navy, Big Responsibilities: The Struggles of Building Indonesia's Naval Power." *AEGIS Journal of International Relations* 1 no. 2 (2107): 164-180.
- Arif, Muhamad and Yandry Kurniawan. "Strategic Culture and Indonesian Maritime Security." *Asia & the Pacific Policy Studies* 5 no. 1 (2017): 77-89.
- Ate, Jan Pieter. "The Reform of the Indonesian Armed Forces in the Context of Indonesia's Democratisation." *Shedden Papers, Centre for Defence and Strategic Studies, Australian Defence College* (2010): 1-17.
- Benny, Guido and Kamarulnizam Abdullah. "Indonesian Perceptions and Attitudes Toward the ASEAN Community." *Journal of Current Southeast Asian Affairs* 30 no. 1 (2011): 39-67.
- Bueger, Christian. "What is Maritime Security?" *Marine Policy* 53 (2014): 159-164.
- Capie, David. "Indonesia as an Emerging Peacekeeping Power: Norm Revisionist or Pragmatic Provider?" *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 38 no. 1 (2016): 1-27.
- Chapsos, Ioannis and James A. Malcolm. "Maritime Security in Indonesia: Towards a Comprehensive Agenda?" *Marine Policy* 76 (2017): 178-184.
- Collin, Koh Swee Lean. "What Next for the Indonesian Navy?: Challenges and Prospects for Attaining the Minimum Essential Force by 2024." *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 37 no. 3 (2015): 432-462.
- Connelly, Aaron L. "Sovereignty and the Sea: President Joko Widodo's Foreign Policy Challenges." *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 37 no. 1 (2015): 1-28.
- Croissant, Aurel, Paul W. Chambers, and Philip Voelkel. "Democracy, the Military and Security Sector Governance in Indonesia, the Philippines and Thailand" in *The Crisis of Democratic Governance in Southeast Asia*, edited by Aurel Croissant and Marco Bunte, 190-208. Basingstoke, Hampshire: Palgrave Macmillan, 2011.
- Dahuri, Rokhmin and Ian M. Dutton. 2000. "Integrated Coastal and Marine Management Enters a New Era in Indonesia." *Integrated Coastal Zone Management* 1 no. 1 (2000): 1-11.
- Donaldson, Peter. "Indonesian Modernisation Plans and Capabilities." *Moench Publishing Group News*, 31 October 2016. <https://www.moench.com/mpg/news/maritime/145-indonesian-modernisation-plans-and-capabilities.html>

The Economist. "The Fight Against Illicit Fishing of the Oceans is Moving into Space." 6 September 2018. <https://www.economist.com/science-and-technology/2018/09/06/the-fight-against-illicit-fishing-of-the-oceans-is-moving-into-space>.

Economist Intelligence Unit. "Indonesian Economy." Accessed 1 October 2018. <http://country.eiu.com.usnwc.idm.oclc.org/Indonesia>.

Fealy, Greg and Hugh White. "Indonesia's 'Great Power' Aspirations: A Critical View." *Asia & the Pacific Policy Studies* 3 no. 1 (2016): 89-97.

Febriana, Senia. *Maritime Security and Indonesia: Cooperation, Interests and Strategies*. New York: Routledge, 2017.

Forbes, Vivian Louis. *Indonesia's Delimited Maritime Boundaries*. Berlin: Springer, 2014.

Goldrick, James and Jack McCaffrie. *Navies of South-East Asia: A Comparative Study*. New York: Routledge, 2013.

Grevatt, Jon. "Indonesia's White Paper Calls for an 'Independent Defence Industry.'" *Jane's Defence Industry*, 2 June 2016. <https://janes-ihs-com.usnwc.idm.oclc.org/Janes/Display/jdin90419-jdin-2016>.

Hill, Hal. *Regional Dynamics in a Decentralized Indonesia*. Singapore: Institute of Southeast Asian Studies, 2014.

Hill, J. R. *Maritime Strategy for Medium Powers*. Annapolis: Naval Institute Press, 1986.

Jane's Navy International. "Taking the Stage: Indonesia Envisions a 'World-Class Navy.'" 20 October 2014, https://www.janes.com/images/assets/021/45021/Indonesia_envisions_a_world-class_navy.pdf.

Janes World Navies. "Indonesia – Defense Industry." 5 October 2018, Accessed 6 October 2018, <https://janes-ihs-com.usnwc.idm.oclc.org/Janes/Display/jwdia101-jwdi>.

———. "Indonesia – Navy." 28 September 2018, Accessed 1 October 2018, <https://janes-ihs-com.usnwc.idm.oclc.org/Janes/Display/jwna0071-sea>.

Jakarta Globe. "Jokowi's Inaugural Speech as Nation's Seventh President." 20 October 2014. <https://jakartaglobe.id/news/jokowis-inaugural-speech-nations-seventh-president/>.

Kearsley, Harold J. *Maritime Power and the Twenty-first Century*. Aldershot, England: Dartmouth, 1992.

- Laksmana, Evan A. "Rebalancing Indonesia's Naval Forces: Trends, Nature, and Drivers" in *Naval Modernisation in South-East Asia: Nature, Causes and Consequences*, edited by Geoffrey Till and Jane Chan, 175-203. New York: Routledge, 2014.
- Loo, Bernard F.W. "Naval Modernisation in South-East Asia: Modernisation versus Arms Race" in *Naval Modernisation in South-East Asia: Nature, Causes and Consequences*, edited by Geoffrey Till and Jane Chan, 283-97. New York: Routledge, 2014.
- Marsetio. "Indonesian Sea Power and Regional Maritime Security Challenges." *Journal of Maritime Studies and National Integration* 1 no. 1 (2017): 34-46.
- Ministry of Defence of the Republic of Indonesia. *Indonesian Defence White Paper 2015*. Jakarta, Indonesia.
- Morris, Lyle J. and Giacomo Persi Paoli. *A Preliminary Assessment of Indonesia's Maritime Security Threats and Capabilities*: Cambridge, UK: RAND Corporation, 2018.
- Muna, Riefqi. "Indonesia Aims for 'Green Water Navy' Capability." *Jane's Defence Weekly*, 24 June 2005. <https://janes-ihs-com.usnwc.idm.oclc.org/Janes/Display/jdw11325-jdw-2005>.
- Parameswaran, Prashanth. "Indonesia Spotlights Defense Industry Challenge Under Jokowi." *The Diplomat*, 10 March 2018. <https://thediplomat.com/2018/03/indonesia-spotlights-defense-industry-challenge-under-jokowi/>.
- . "An Indonesian Defense Revolution Under Jokowi?" *The Diplomat*, 30 January 2015. <https://thediplomat.com/2015/01/an-indonesian-defense-revolution-under-jokowi/>.
- Pattiradjawane, René L. and Natalia Soebagjo. "Global Maritime Axis: Indonesia, China, and a New Approach to Southeast Asian Regional Resilience." *International Journal of China Studies* 6 no. 2 (2015): 175-185.
- Piccone, Theodore J. *Five Rising Democracies and the Fate of the International Liberal Order*. Washington, D.C: Brookings Institution Press, 2016.
- Ramassini, David. "Too Small to Answer the Call." *Proceedings Magazine*, 9 May 2017. <https://www.usni.org/magazines/proceedings/2017-05/too-small-answer-call>.
- Raymond, Gregory Vincent. "Naval Modernization in Southeast Asia: Under the Shadow of Army Dominance?" *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 39 no. 1 (2017): 149-177.
- Schreer, Benjamin. *Moving Beyond Ambitions?: Indonesia's Military Modernisation*. Baton, Australia: Australian Strategic Policy Institute, 2013.

- Sciascia, Alban. "Monitoring the Border: Indonesian Port Security and the Role of Private Actors." *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 35 no. 2 (2013): 163-187.
- Sebastian, Leonard C. and Iis Gindarsah. "Assessing Military Reform in Indonesia." *Defense & Security Analysis* 29 no. 4 (2013): 293-307.
- Shekhar, Vibhanshu. *Indonesia's Foreign Policy and Grand Strategy in the 21st Century: Rise of an Indo-Pacific Power*. New York: Routledge, 2018.
- . "China, India and Indonesia-Building Trust Amidst Hostility." *Asia Pacific Bulletin* 249 (2014): 1-2.
- Simon, Sheldon W. "Conflict and Diplomacy in the South China Sea." *Asian Survey* 52 no. 6 (2012): 995-1018.
- Sutter, Robert and Chin-hao Huang. "China-Southeast Asia Relations: South China Sea, More Tension and Challenges." *Comparative Connections* 18 no. 1 (2016): 55-66.
- Supriyanto, Ristian Atriandi. "Indonesia's Naval Modernisation: A Sea Change for Indonesia?" *Rajaratnam School of International Studies (RSIS) Commentaries* 20 (2012).
- Till, Geoffrey and Jane Chan. "Some Tentative Conclusions" in *Naval Modernisation in South-East Asia: Nature, Causes and Consequences*, edited by Geoffrey Till and Jane Chan, 298-319. New York: Routledge, 2014.
- Till, Geoffrey. *Seapower: A Guide for the Twenty-First Century*. New York: Routledge, 2013.
- Vickers, Adrian. *A History of Modern Indonesia*. Cambridge: Cambridge University Press, 2013.
- Waluyo, Dangan, Wirjidirdjo Budisantoso, and Supartono. *Policy Scenarios to Achieve Minimum Essential Force: Case Study of the Indonesian Navy*. Surabaya, Indonesia: Postgraduate School of Naval Technology (STTAL), 2016.
- Weatherbee, Donald E. *International Relations in Southeast Asia: The Struggle for Autonomy*. Lanham, MD: Rowman & Littlefield Publishers, 2009.
- Widodo, Joko. 2014. "The Seas Should Unite, Not Separate Us." *The Jakarta Post*, 14 November 2014. <http://www.thejakartapost.com/news/2014/11/14/the-seas-should-unite-not-separate-us.html>.
- The World Bank*. "Indonesia Military Expenditures." Accessed 4 October 2018. <https://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS?locations=ID>.
- World Fact Book*. "Indonesia." Accessed 30 Sep 2018. <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>.