

# Germany and Indonesia in Indo-Pacific: What to Expect in Maritime Security and Economic Growth?

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## Germany and Indonesia in Indo-Pacific:

# What to Expect in Maritime Security and Economic Growth?

Dinna Prapto Raharja, Ph.D<sup>1</sup>

European countries have successively announced their official national policy guidelines on the Indo-Pacific. In September 2020, the German Federal Government announced their “Policy guidelines for the Indo-Pacific”, stating that more than anywhere else the shape of the 21<sup>st</sup> century international order will be decided in the Indo-Pacific. The guidelines were announced not long after France issued theirs, calling the Indo-Pacific region “A Priority for France”. The govern-

ment of the Netherlands followed suit, issuing a new policy document by its Foreign Ministry on November 13, 2020 which called for the European Union to speak out more strongly on the tensions in the South China Sea and seek cooperation with countries in the region for free passage and maritime safety. Germany, France and the Netherlands testified approaching the European Union (EU) for developing a European policy strategy on the Indo-Pacific. The United Kingdom, recently out of the EU, is reported to developing its own strategy in the Indo-Pacific, convening its distinguished leaders to bring discussions and drafting of the said strategy.

Of course, looking back, none of these

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*The article reflects the author's opinions, and not necessarily the views of the University, the institute or the foundation*

positioning occurred overnight. The areas by the Indian Ocean and the Pacific Ocean became frequently discussed following among other the rise of China since the early year of 2000s. Part of it was the growing expectations and anxiety of some countries to China's rise. The anticipation was on the faster economic growth of China, the potential sharing of benefits from such rise, and the assumption that certain economic rise would also grow military ambition (and thus threats to peace and the existing order). India called China as "a revisionist power" that threatens the status-quo of the region.<sup>2</sup> Others see the United States as having a significant interest in containing China's influence in the region to the point of developing the US Indo-Pacific Command<sup>3</sup> and enlarging its quasi-alliances in the region as well as strengthening US alliances with its traditional allies.<sup>4</sup>

It is a question whether Indo-Pacific perceptions have predominantly grown steadily into a security-focused regional concept to curb China's disruption to the region's maritime order, or whether the contestation of ideas and power about Indo-Pacific could promote economic integration and cooperation amongst nation-states. What to expect

from the exchanges of views about the Indo-Pacific? These questions are just as important as the wonder on whether China could refrain from repressing multilateralism in the region.

The anchor of this piece is the Germany guidelines in Indo-Pacific and how the Indonesian and the German (or European) stakeholders perceive the guidelines. There are several sources of perceptions that inspired this piece. One, a webinar on 8 December 2020 titled "The Geopolitics and Geo-economics in the Indo-Pacific" with three speakers: Dr. Peter Schoof, the Extraordinary and Plenipotentiary Ambassador of the Federal Republic of Germany to Indonesia, ASEAN (the Association of South East Asian Nations) and Timor Leste; Dr. Makmur Keliat lecturer in the International Relations Department of Social and Political Science Faculty of Universitas Indonesia, and Dr. Siswo Pramono Head of Policy Analysis and Development Agency, Ministry of Foreign Affairs.<sup>5</sup> I moderated the session, traced the transcript of the session to note the perspectives of not only the speakers but the attending scholars and policymakers.<sup>6</sup> Second, the scholarly publications and op-eds issued by Indonesians and Germany on Indo-Pacific and on Germany's guidelines on Indo-Pacific. Because of space limitation, my focus here is only on two dimensions: maritime security and the economic growth.

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2 J.P. Panda (2021), "China as a Revisionist Power in Indo-Pacific and India's Perception: A Power-Partner Contention", *Journal of Contemporary China* 30 (127), 1-17.

3 US Pacific Command is now US Indo-Pacific Command. (2018). *Vayu Aerospace and Defence Review*, (4), 15. Retrieved from <https://search.proquest.com/scholarly-journals/us-pacific-command-is-now-indo/docview/2157827770/se-2?accountid=17242>

4 S.C. Jung, J. Lee, J.-Y. Lee (2021), "The Indo-Pacific Strategy and US Alliance Network Expandability: Asian Middle Powers' Positions on Sino-US Geostategic Competition in Indo-Pacific Region", *Journal of Contemporary China* 30 (127): 53-68.

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5 The event was co-organized by Friedrich Ebert Stiftung office in Jakarta and the Embassy of the Federal Republic of Germany in Jakarta.

6 There were 131 participants attending the webinar.

As an additional context, my piece is written when the US had just announced the electoral winner of its 2020 election. Since Donald Trump will be replaced by president elect Joe Biden, the paper will briefly assess whether the change of leadership in the United States could affect the existing exchanges of perspectives in the Indo-Pacific region.

## **Why Germany-Indonesia exchange on Indo-Pacific matters**

There are reasons why the exchange of perspectives on the Indo-Pacific between Germany and Indonesia, and all the potentials, should not be overlooked.

To start, any international relations order begins with exchanges of perspectives. Even the orders of competition and rivalry require exchanges of perspectives. To note, exchanges of perspectives between countries with long-standing, stable and trustworthy relations are precious to this process of diplomacy. Countries with extensive positive experiences promise a journey of exciting exploration of an international order with optimal equilibria.

Key in these exchanges of perspectives is inclusivity and the dynamic sociopolitical and socioeconomic contexts. The term “inclusivity” appeared more and more in the Indo-Pacific. Both the Indonesians and the Germans are keen to use this term, in tandem with “multilateralism”, to express their visions for broad and diverse participation of countries in the Indo-Pacific.

On the other hand, the contexts of power structures, trends, inequalities, vulnerabilities, including the most recent multi-dimensional crises caused by COVID-19, may separate countries’ strategies from one another. Sergio Grassi, the Resident Director of Friedrich Ebert Stiftung in Jakarta, accentuated the reality of rising economic protectionism, nationalism and geopolitical rivalry, also the will of Indonesia and ASEAN to maintain ASEAN centrality and resilience amid such pressure. He underlined the importance of Germany’s Policy Guidelines on Indo-Pacific as a critical contribution for future enhanced cooperation of Asian and European countries.

In light of the above-mentioned framework, we can expect these potentials to contribute to the order in the Indo-Pacific.

*First*, that Germany and Indonesia relations would bring practical yet philosophically enticing models of cooperation that could both promote maritime security and enhance the economic sharing of development in the Indo-Pacific. The two countries share the interest to develop convincing narratives to keep the region open for any powers and any programs so long as the benefits are shared on the basis of negotiation and diplomacy.

Why? Because Indonesia and Germany continue to share mutual economic interests, from enhancing their bilateral investment and trade partnerships to securing peace and stability in areas where their businesses are situated and grown. The “size” of this mutual economic interests cannot be over-

looked, both quantitatively and qualitatively.

The Indonesian Ministry of Foreign Affairs highlighted the length and depth of the two countries' bilateral relations. Though the diplomatic relations started in 1952, the investment and trade relations can be traced back to the mid 19<sup>th</sup> century. Siemens, for instance, only seven years after its establishment in 1854 it activated its House of Siemens in Surabaya, Indonesia. Germany is also known by the Ministry as "the resident company" because a number of the oldest companies in Asia are German. To date, there are over 250 of German Multi-national Companies located in Indonesia: from metal and machinery, chemical and pharmaceutical, transportation, storage, communication and energy. Indonesia also values well the models of social protection in Germany to adapt to the liberal market pressures and needs. For years programs to enhance dialogs and capacity building on social protection between the two countries had been organized by government as well as non-government. Indonesia also understood the importance of Indo-Pacific as a new bloc of geopolitics that could attract many countries given its strategic geographic location, its exceptionally rich biodiversity, coral reefs, forests, minerals, and its being the home to over 4.3 billion population, 750 millions of whom are youth between the age of 15 to 24 years old. As a region that house most of mega cities of the world, it is only sensible that the fruits of economic growth in the region be shared and that security to maintain economic growth be nurtured.

On the other hand, Germany highlighted its intensified engagement in the Indo-Pacific as desirable. As Ambassador Schoof implied, Germany may only be a country of approximately eighty-two million people, but it is one of the largest world's exporter and is the machine behind EU's exports around the world. With such a big market opening up in the Indo-Pacific, and approximately sixty percent of German cargo is passing through the Strait of Malacca, Germany needs to adapt and safeguard new business models and open sea lanes of communication that could maintain its exporting capacity. Ambassador Schoof highlighted, that the German government guidelines on the Indo-Pacific have been significantly influenced by the ASEAN Outlook on the Indo-Pacific.

At time when economic ties may be easily stopped by short-sighted politicians, Germany-Indonesia relations saw a relatively stable relationship for many decades. The strong emotional ties between the two must have nurtured this endurance of ties. In maritime affairs, German explorer Balthasar Sprenger wrote about Indonesia in 1509 while Adolf Bastian, an ethnology expert, put forward the term "Indonesia" for the first time. In art, Raden Saleh, famous Indonesian painting artist who pioneered modern paintings in the country, lived for years in several cities of Germany. "The Blue Mosque" with Javanese alphabet written on it, which is located in Maxen near Dresden, was built to respect Raden Saleh. On the other hand, Walter Spies, German famous painting artist, lived for several years in Yogyakarta and

Bali and pioneered modern art in the area. In education, Germany is among the long-time destination for advanced schooling. In fact, Indonesia's third President B.J. Habibie contributed to German aeronautic company Messerschmitt Bolkow-Blohm as its top engineer before he moved back to Indonesia and pursued a career as technocrat and politician. According to the former Indonesian president, his political reform ideas were significantly influenced by his experiences and observations during his stay in Germany.

*Second*, unique in the post-Cold War era, Indonesia and Germany are both active in promoting multilateralism and solidarity. The two are active actors in advancing not just their agendas but the needs of the broader world communities. Indonesia has been championing activities in the Asia-Africa anti-colonialist movement and in ASEAN. On democracy, civil society and media activism, Indonesia championed the largest dialog of democracies that invite also the non-democratic countries: the Bali Democracy Forum. In 2017 and 2018 the Forum was expanded to cover the Chapter of Berlin and the Chapter of Tunisia to outreach to more countries in the world. On the Indo-Pacific, Indonesia has been a relentless actor who pushes for the ASEAN centrality in the midst of competing narratives from the various countries participating in the region.<sup>7</sup> Siswo Pramono, chairperson of the policy analysis department of the Ministry of Foreign Affairs

during the webinar called the ASEAN Outlook on Indo-Pacific as representative of the perspectives of developing nations:

*"...we (developing nations) very much rely on the national resilience, not on someone else, and that we need partners for development, and the perspective is pretty much inclusive because we need everyone. We need China, we need the United States, we need Germany...."*

Both Indonesia and Germany are members of the G-20 and were once non-permanent members of the United Nations Security Council. These are two platforms of communication and cooperation that cannot operate within self-centered and bipolar perspectives. Ambassador Schoof mentioned during the webinar that one must learn from the lessons of bipolar world:

*"...some of you know the German history before unification, in the early days of the Federal Republic of West Germany. Our policy, our foreign policy was very simple. We were giving money and establishing diplomatic relations to government of countries who did not recognize the GDR. That was it....We have found at some point that with this kind of bipolar foreign policy, you ended up virtually nowhere..."*

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<sup>7</sup> Dewi Fortuna Anwar. (2020). "Indonesia and the ASEAN Outlook on the Indo-Pacific". *International Affairs* 96 (1), 111-129.

*Third*, any global order is shaped by imagination, not only of the governments but also by those of the people, including the businesses, civil society groups, and academics. Having the government issued and announced a federal government position on anything would help shape these people-level imaginations. The image of presence, the direction desired by the state, and the attendance of the state in the issue is announced and the guideline would also affect the people-to-people and business-to-business affairs.

Germany is among the countries with a large investment in government-to-government cooperation as well as non-governmental presence in the Asia region and in Indonesia. Friedrich Ebert Stiftung is just one of such initiatives. Different political streams in Germany develop civil societal engagements in different sectors and focus. In ASEAN, Germany is among the largest contributors as development partner.<sup>8</sup> This partnership targets practical cooperation from technical and skills training to promotion of small and medium industries and disaster relief. The projects have touched millions of lives at the people-to-people level that when Germany adopted the Indo-Pacific guidelines, and inspired the EU to do the same, then the perspectives of people-to-people engagements could be affected.

In short, if we assume that the current exchanges of perspectives on the Indo-Pacific is heading towards a strengthening of

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8 Refer to ASEAN documents to trace on this aspect.

bipolarization between the US versus China or China versus the rest, then the perspectives from Indonesia and Germany and the exchanges between them has the potential to dilute such tendency. If one wonders if the Indo-Pacific regime could somehow promote economic integration and cooperation, one could be more confident in saying that cooperation would be so diverse that a convergence towards something of an economic integration may become a myth.

Makmur Keliat during the webinar said that the Indo-Pacific needs to be seen in the context of the already existing frameworks of cooperation that already yield practical results to participating countries, e.g. the RCEP (the Regional Comprehensive Economic Partnership) of ASEAN<sup>9</sup>, the CPTPP (the Comprehensive and Progressive Agreement for Trans-Pacific Partnership)<sup>10</sup>, the East Asian Summit, the ASEAN Plus Three, the ASEAN Plus Six, the APEC (Asia-Pacific Economic Cooperation), the IORA (Indian Ocean Ream Association)<sup>11</sup> and more. To him, a

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9 RCEP is ASEAN's biggest free trade pact covering a market of 2.2 billion people with a combined size of US\$ 26.2 trillion or 30% of the world's GDP. The agreement was signed in November 2020, consisting of 20 chapters, 17 annexes and 54 schedules of commitments covering market access, rules and disciplines, economic and technical cooperation that bind ASEAN member states, Australia, China, Japan, Republic of Korea and New Zealand.

10 CPTPP is a free trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. It evolved from the Trans-Pacific Partnership which never entered into force due to the withdrawal of the United States. The CPTPP incorporates most of the TPP provisions but suspended 22 provisions the US favored that other countries opposed including TPP's most controversial aspect namely intellectual property and investor-state dispute settlement, and lowered the threshold for enactment so that the participation of the US is not required.

11 IORA is an intergovernmental organization consisting

set of processes to question the institutional capacity and outcomes of each platforms would affect how the Indo-Pacific is shaped. This view is confirmed by Evan Laksmana, writing for the South China Morning Post in 2018, saying that model of governance for managing strategic concerns in the Indo-Pacific will take time.<sup>12</sup>

## The Maritime Security Dimension

Not all countries' perspectives on the Indo-Pacific are shaped by the maritime security dimension. Yet those of Indonesia and Germany are.

Indonesia have mentioned on many occasions in the past, way before there is any framework on the Indo-Pacific, that Indonesia is well aware its strategic location between two oceans: the Indian Ocean and the Pacific Ocean. As the world's largest archipelagic country who fought for the recognition of territorial waters, the peaceful and rule-based passage through its Sea Lanes of Communication, and the cooperation in special economic zones and in international waters, speaking about the Indo-Pacific is *touché* on its identity as a maritime nation-state. Given that over 3.25 million kilo-

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of 23 states and 9 Dialog Partners bordering the Indian Ocean aimed at strengthening regional cooperation and sustainable development within the Indian Ocean Region. The area of cooperation includes maritime safety and security, trade and investment facilitation, fisheries management, disaster risk management, tourism and cultural exchanges, academic, science and technology, blue economy, and women's economic empowerment.

12 Evan A. Laksmana. (2018). "Indonesia's Indo-Pacific vision is a call for ASEAN to stick together instead of picking sides", *South China Morning Post*. 20 November.

meters of Indonesian area comprised of seas and oceans, Indonesia values the importance of respecting water borders. Indonesia may have inconclusive border agreement with other countries, but aggression or signs of aggression about the border is never on its dictionary of foreign affairs.

This is why Germany's offer of peaceful presence with demonstration of commitment to international law that assure support to maritime security in the Indo-Pacific is appealing to Indonesia. Indonesia lives with an identity as among the few countries in the cross-roads of world's traffics. Such country cannot be exclusive nor hard-headed. A country in the cross-roads would negotiate on every increasing opportunity for benefits and react to every potential of insecurity. Sealing deals that would curb chances to negotiate with others would be the least to expect.

So, when Germany rejected claims that its Guidelines on the Indo-Pacific is not a China strategy, and not an exclusive security focused, Indonesia clicked to the idea. To Indonesia, its bilateral relations with Germany is a relationship without historical baggage.<sup>13</sup> Indonesia does not mind the Germany sending its frigate to the Indian Ocean because naval exercises and patrols is not understood as a desire for conflict. Indonesia calculated the maritime passages that are busiest in the region and it is within its interest to keep those areas secure and free from the strict

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13 Dino Djalal. (2021). "Germany-FPI incident: What happened to trust?", *The Jakarta Post*, 8 January.

control or dominance of any powers. Indonesia, as expressed by Foreign Minister Retno Marsudi, is committed to become “Part of Solution” in world peace. As a maritime country, it understands when and how to keep tensions low in the ocean.

German’s eagerness to participate in ASEAN’s various political-security-related forums is also understood positively by Indonesia. The philosophy is again inclusiveness, confidence-building measures, and the appreciation to having ASEAN guided the dialogs among countries wanting to define the political security narratives of the region.

## **The Economic Development Dimension**

On the economic dimension, one cannot deny the concern of some countries that the continuous rise of China, combined with the size of its economy, could undermine the existing world order along China’s interest. But both Indonesia and Germany argue of no need to worry about such potential. They focus on expanding the opportunities to work together with China and with other countries interested to harvest from the Indo-Pacific region.

Germany, through Ambassador Schoof, repeated the word “diversification” in Germany’s perspective of economic engagement in the Indo-Pacific. The Guideline announces to the Germans and Europeans that Germany sees the Indo-Pacific as the new center of gravity; replacing the Euro-Atlantic framework.

To Germany, China is not only important at the bilateral level but also at the multilateral level when Germany is working through the EU. There are multi-dimensions to understand China for Germany as admitted by Ambassador Schoof. China is a partner to cope with many global challenges such as to deal with climate change, Industry 4.0 biodiversity, pandemics, Iran, and more. China is an economic competitor because it benefits from the open rule-based system in the EU while the Europeans still need achieve better penetration of the Chinese market. But Germany admitted that selling also to China yield better outputs than selling only within EU or Germany. However, China is a systemic rival in terms of governance. Germany specifies the authoritarianism in China, its disregard to human rights, and its tendency to undermine international order as a challenge. But Germany believes that approaching the China with rivalry may backfire to Germany and others operating in Indo-Pacific region.

Indonesia, through Siswo Pramono, saw the importance of seeing China as part of the “Rise of Asia”, thus noticing the rest of other Asian countries including Indonesia becomes highly sensible. Looking only at China skewed the reality of the potentials and directions of countries in the region. Siswo mentioned that the size of trade between European Union and Asia is significantly bigger than the trade between European Union and North America, US\$ 1.9 trillion and US\$ 1 trillion respectively. Responding to concern about the COVID-19 pandemic, Siswo agreed to the author’s iteration that

the future of the world is to deal with more pandemics, and he emphasized how Asians is destined to be the producer for new vaccines given that the current capacity of Indonesian pharmaceutical companies such as Biofarma, Kalbefarma, Kimia Farma and others in the region have reached 260 million ampoule production per year, not to mention the production capacity of medicines which also have reached Africa. Using data collected by Oxford Economics, Siswo's also noted that Indonesia is a very consistent climber of the world's rank on economic real growth. Compared to China, Indonesia's climb of the world's rank of growth is relatively higher than China. Indonesia's rank of economic growth before 2010 was 30, by 2010 it ranked 12, and then by 2020 ranked 8 and is expected to be number 6 by 2030.

Options; options; options. This is the implied message in the exchange of perspectives in the economic dimension. The large size of economy is not seen by Indonesia nor Germany as a threat, but rather an opportunity. Any consumers need options. From vaccines to digital technology, transportation, to renewable energy, all requires options to thrive. China may offer Belt-and-Road Initiative for connectivity and the Asian Infrastructure Investment Bank, but the initiatives did not "kill" the existing initiatives by the Post Bretton Woods regime and does not necessarily suppress the rise of other competing initiatives. Both Indonesia and Germany approved the importance of people-to-people contacts and networking to broaden the horizon of opportunities. The key is joining

hands with as many countries as possible and not locking frameworks into a few only.

The participants in the discussion saw China as relevant in modeling the ability to adapt under pressing circumstances. But there is also a note from the webinar talk that one should not take it too far by claiming that authoritarian structure is better equipped to deal with pressures such as the pandemic because there are examples of how good non-authoritarian structure responds to immense pressures including the pandemic. Disruptive events such as the pandemic is a wakeup call to change our lives and environment, to reflect on social solutions.

## **What's next?**

Contemplating on what were raised above, we can say that while there are predictable outcomes of perspectives, of interaction between perspectives, the world is also colored by surprises. The pandemic of COVID-19 is one of them, and so are electoral outcomes.

The pandemic taught us that social security and healthcare preparedness and dialogs on epidemics are not mainstream yet in policy priorities of any countries. Both developed and developing countries have suffered badly due to the unpreparedness. The potential of vaccines has grown new problems instead of speeding eradication of the virus. There are doubts on the effectiveness of the vaccines, the fairness of vaccine distribution, and the emergence of mutating viruses. By mid-Jan-

uary 2021 countries which had claimed responding fast to COVID-19 virus outbreak were again facing new outbreaks and death that brought back city lockdowns.<sup>14</sup>

Given the potential for future healthcare problems, there is still a relatively empty space on pandemic preparedness program in the Indo-Pacific. While Germany have started to take part in Indonesia's future pandemic preparedness program, that is in partnership with Indonesia's Ministry of National Development Planning (*Kementerian PPN/ Bappenas*), the scale and type of investment is still relatively small. As raised by Siswo Pramono, Indonesia have invested in making its pharmaceutical industry competitive, but the industry still need capital to enlarge outreach and production. In addition, Indonesia is keen to advancing its biotechnology sector, also its social-political sciences to prepare and handle the pandemics, but would Germany be responsive to such demand? The health sector is big in the Indo-Pacific and certainly also in Indonesia. Indonesia also has the world-largest single-payer national health insurance system. Clearly, investing in health sector engagement could yield benefits rather than liabilities. Would Germany commit to a mutually beneficial partnership in this field?

Germany have mentioned the interest to diversify its investment and trade, possibly

also moving out its business from China to other areas in the Indo-Pacific. But would Germany translate such commitment to strengthening industrialization with its so-called "notable partner" in the region, Indonesia? If the industries diversified out of China are capital-intensive, then Indonesia may not have the capacity yet to tap the opportunity. Indonesian workforce and businesses are more capable in labor intensive industries unless, of course, Germany assists in leveling the playing field for Indonesia. Will transfer of technology or research-and-development activities be part of German's investment, grants and cooperation to Indonesia?

The election victory of Joe Biden in the US revealed another aspect to the Indonesian-German relationship. The two may welcome the more multilateral tendency of Joe Biden, but will the US offer an exclusive deal to Germany given its prominence in the EU or to EU? If that happened, how would that affect the shared visions of Indonesia and in the Indo-Pacific? Will the commitment of multilateralism from Germany be translated into better accommodation of differences with Indonesia?

These are all important questions to answer given that by principles the two countries may share common goals, but the contexts of events surrounding the relationship may require very strong socioeconomic and sociopolitical desire to commit to such common goals. It may take just one to issue Policy Guidelines, but it takes "two" to tango the implementation.

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14 Bloomberg.com, (2021), "COVID Lockdowns are Spreading a Year After China Shocked the World", 18 January. Retrieved from <https://www.bloomberg.com/news/articles/2021-01-17/from-the-bubonic-plague-to-2021-why-lockdowns-look-set-to-stay>

# List of Abbreviations

<b>APEC</b>	Asia-Pacific Economic Cooperation
<b>ASEAN</b>	the Association of South East Asian Nations
<b>COVID-19</b>	Corona Virus Disease 2019
<b>CPTPP</b>	the Comprehensive and Progressive Agreement for Trans-Pacific Partnership
<b>EU</b>	the European Union
<b>IORA</b>	the Indian Ocean Ream Association
<b>Kementerian PPN/Bappenas</b>	Ministry of National Development Planning
<b>RCEP</b>	the Regional Comprehensive Economic Partnership.



## Profile of Writer



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**Supplement:**

**Graphic Recorder of the  
Web-seminar on Geopolitics  
& Geo-economics in the  
Indo-Pacific,  
8th December 2020**



SESSION

# GEOPOLITICS AND GEOECONOMICS IN THE INDO-PACIFIC



## 5 SIGNIFICANT POINTS OF TODAY'S WEBINAR



1. GERMANY IS THE THIRD **BILATERAL DONOR** IN THE DEVELOPMENT COOPERATION IN INDONESIA



2. THE NEWEST LABEL ATTACHED TO OUR REGION

3. INDO-PACIFIC AS A GEOGRAPHICAL AREA EXCEPTIONALY RICH IN BIO-DIVERSITY, CORAL REEFS, FOREST, MINERALS



ALSO HOME FOR **4.3 BILLION** OF POPULATION

**2 BILLION**  
PRODUCTIVE AGE

**750 MILLION**  
YOUTH (AGE 15-24 Y.O)

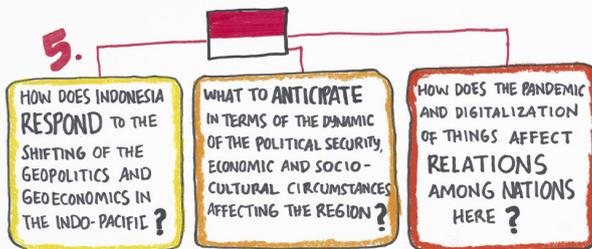
**200**  
MEGA CITIES OF THE WORLD

ECONOMICALLY : THE SOURCE OF GLOBAL GROWTH AND SUSTAINABILITY



COME UP WITH THEIR **VISIONS**

4. INDO-PACIFIC REGION



**MAKMUR KELIAT**

## INDO-PACIFIC 'IDEA' TIMELINE:

**1. WHY INDO-PACIFIC ?**  
**2. HOW GEOPOLITICS AND GEOECONOMICS FRAMEWORK CAN HELP US TO UNDERSTAND INDO-PACIFIC ?**

**JUL 2007** THE FIRST PERSON WHOM RAISED THE TERM OF INDO-PACIFIC WAS JAPAN PRIME MINISTER ABE ABOUT THE NEED OF QUADRILATERAL INITIATIVE OF JAPAN, U.S, AUSTRALIA, INDIA.

**JAN 2013** AUSTRALIA DEFENSE WHITE PAPER INDO-PACIFIC

**MAY 2013** INDO-PACIFIC TREATY OF FRIENDSHIP AND COOPERATION

**NOV 2017** U.S MENTIONED ABOUT INDO-PACIFIC UNDER TRUMP ADMINISTRATION.

INDONESIA FOREIGN MINISTER NATALEGAWA

**GEOPOLITICS ANALYSIS**

CLASSICAL GEOPOLITICS TENDS TO PRESUME THAT GEOGRAPHY IS PERMANENT

PRESUME THAT GEOGRAPHY IS POLITICALLY & SOCIALLY CONSTRUCTED

**GIVES BIRTH TO** **CRITICAL GEOPOLITICS**

LONG PERIOD OF PEACE

TO CHANGE NEGATIVE SENTIMENT AGAINST GEOPOLITICS

**REPLACING** **AS ALTERNATIVE FRAMEWORKS** **REPLACING** **THE MILITARY GEOPOLITICS**

RELEVANT TOOL OF ANALYSIS AMIDST INCREASING INTERNATIONAL COMPETITION DUE TO LIBERALISATION

CONTROL OVER ECONOMIC RESOURCES

MAIN FACTORS: > TRADE > INVESTMENT > CAPITAL FLOW

STATE > MNC'S > NATIONAL LEADERSHIP

FRAMEWORK: > BILATERAL > REGIONAL > MULTILATERAL COOPERATION

PREOCCUPIED MORE WITH CONTROL OVER ECONOMIC RESOURCES RATHER THAN CONTROL OVER TERRITORY.

WE HAVE A LOT OF REGIONAL FRAMEWORKS IN ASIA-PACIFIC AND INDO-PACIFIC

ASEAN	RCEP
ASEAN + 3	CPTPP
ASEAN + 6	IORA
EAS	IDRA-DP
APEC	QUADRILATERAL

" INDO-PACIFIC COOPERATION IS NOT THE ONLY BID IN TOWN! THE COMPETITION IS INCREASING BETWEEN REGIONAL FRAMEWORK "

## FUTURE CHALLENGES ON INDO-PACIFIC:

- QUESTION OF REDUNDANCY**  
 DIFFERENTIATE EACH OF REGIONAL FRAMEWORKS & SCOPE OF COOPERATION
- QUESTION OF MEMBERSHIP**  
 THE AREA IS TOO LARGE! SOME AREAS ARE VOLATILE...
- QUESTION OF INSTITUTIONAL CAPACITY**  
 THE MAIN PLAYER CAPACITY NEED TO BE STRENGTHENED
- HOW COULD WE SEE THE CRUCIAL ROLE**  
 THE U.S WITH THE ? NEW DEMOCRATIC ADMINISTRATION

PETER SCHOOF

ALLOW ME TO SHARE SOME THOUGHTS ON... **THE INDO-PACIFIC POLICY GUIDELINES** ADOPTED AT THE BEGINNING OF SEPTEMBER 2020

IN GERMANY SYSTEM, FREQUENTLY... STRATEGIES INITIATIVES IDEAS ... ARE COMING FROM INDIVIDUAL ACTORS IN THE GOVERNMENT

GERMANY HAS COALITION GOVERNMENTS CHRISTIAN DEMOCRATS SOCIAL DEMOCRATS

WHY DID GERMAN DO THAT? THERE ARE 3 MOTIVATIONAL CLUSTERS:

- 1. INDO-PACIFIC CENTER OF GRAVITY**  
2040 2/3 OF WORLD ECONOMIC GROWTH WILL TAKE PLACE IN INDO-PACIFIC REGION  
IT'S IMPORTANT FOR GERMANY  
EXPERT NATION  
ESTABLISH AS A PLAYER  
SAFEGUARD OF ALL ITS BUSINESS MODEL
- 2. THE RISE OF CHINA**  
GEOGRAPHY SPEAKS AGAINST GERMANY  
BUT THE SYSTEMIC POSITIONING OF EUROPE VIS A VIS INDO-PACIFIC IS CRITICAL!
- 3. NORMATIVE DIMENSION: LOOMING DANGER OF BIPOLARITY**  
WE HAVE NO INTEREST IN CHOOSING SIDES!

TRY TO GIVE ANSWER FOR THESE CHALLENGES

**DIVERSIFICATION**

- 1. GEOGRAPHIC DIVERSIFICATION**  
WE HAVE TO LOOK AT WAYS TO INVEST MORE PARTICULARLY IN EMERGING ECONOMICS OF SOUTHEAST ASIA
- 2. TOPICAL DIVERSIFICATION**  
SOME ISSUES ON BROADENING...  
CONNECTIVITY EDUCATION  
DIGITAL TRANSFORMATION CRITICAL COOPERATION  
RENEWABLE ENERGY SECURITY POLICY

THIS IS NOT 'CHINA' STRATEGY. THIS IS A SELF-STANDING PLATFORM THAT'S BOTH NORMATIVE AND OPERATIONAL FRAMEWORK FOR FUTURE ACTIONS OF GERMANY AND E.U. AT A LATER STAGE IN THE REGION

**GERMANY & CHINA RELATIONSHIP HAS THREE LEVELS:**

- 1. SYSTEMIC PARTNER** IN COPING SYSTEMIC CHALLENGES
- 2. COMPETITOR** WHERE THE PROBLEM BEGINS - COMPLEX TRADE & INVESTMENT RELATIONSHIP
- 3. SYSTEMIC RIVAL** IN TERMS OF GOVERNANCE

**MOST IMPORTANT THINGS REGARDING THE INDO-PACIFIC POLICY GUIDELINES:**

- 1. ASEAN WAS THE ONLY CONCEPT**  
THAT SOMEBODY IS TRYING TO CREATE A CONSTRUCTIVE SPACE ON THE BASIS OF A WELL-DEFINED NORMATIVE FRAMEWORK  
WE FEEL THAT... INDO-PACIFIC POLICY GUIDELINE EXTREMELY CLOSE TO THE ASIAN OUTLOOK
- 2. INDO-PACIFIC POLICY GUIDELINES**  
PERSUASIVE PARTNERSHIPS IT'S GENUINE EFFORT..
- 3. WE ARE LEARNING TO MANAGE DIFFERENCES IN A CONSTRUCTIVE WAYS**  
CREATING A SPACE FOR DIALOG

**SISWO PRAMONO**

**THE MAIN LANDSCAPE FOR THE BIG AGENDA**

**INDO-PACIFIC AND THE RISE OF ASIA** → IS NOT REPLACEMENT OF **ASIA PACIFIC**

TO BALANCE → **SEASCAPE** → **LANDSCAPE**

ASIAN INSULAR → **ASIAN CONNECTIVITY** → **INDO-CHINA REGION** → **MUCH DEVELOPED**

IT'S JUST SOMETHING BIOLOGICAL..

**ASEAN INDO-PACIFIC OUTLOOK**

INDO-PACIFIC PERSPECTIVE FROM POOR REGION: FROM **ASEAN** AS DEVELOPING COUNTRIES

WE MUCH RELY ON:
 

- ✓ NATIONAL RESILIENCE
- ✓ ECONOMIC DEVELOPMENT
- ✓ ETC

WE NEED PARTNERS FOR DEVELOPMENT. WE NEED EVERYONE: CHINA, U.S, GERMANY, ETC.

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TO NEUTRALIZED ALL THE COMPETING BIG POWERS FROM THE PERSPECTIVE OF DEVELOPING COUNTRIES AND WITH THE GUARDS FROM DEVELOPING COUNTRIES

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**WE CAN SEE FROM G-20**

- ONLY 23% OF ASIA GDP PART OF G-20 (2000)
- 45% OF G-20 ECONOMY COMING FROM ASIA (2020)
- 51% WILL BE FROM ASIA (2030)

**THE CONSISTENT RANK CLIMBER COUNTRY IS INDONESIA**

Year	Rank
2000	#30
2010	#12
2020	#8
2030	#6

**THE CALCULATION ON FAST GROWER COUNTRY:**

1. INDIA
2. INDONESIA
3. CHINA

**WE ARE JEALOUS**

WHEN YOU THINK THE RISE OF ASIA IS ONLY CHINA

**CONSIDERATE ALSO OTHER COUNTRIES THAT ARE CONSISTENT CLIMBER IN G-20 AND ALSO FAST-GROWERS**

WHAT HAPPENS IF THE RISE OF ASIA MEANS ALSO THE RISE OF THE NEW NORM IN INTERNATIONAL NATIONS?

I THINK THE GERMAN APPROACH IS PRETTY MUCH CORRECT..

GERMANY IS THE 3RD BIGGEST DONOR IN INDONESIA

INDO PACIFIC POLICY GUIDELINES

THIS IS THE WAY TO APPROACH OF DEVELOPING COUNTRIES

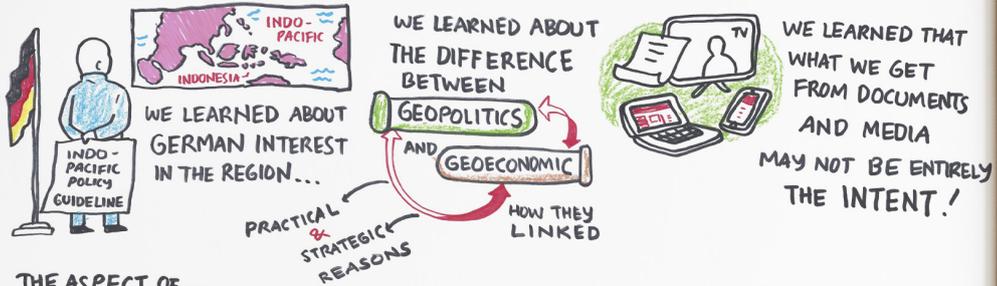
BASED ON WORLD ECONOMIC FORUM REPORT: "70% - 80% OF RIVALRY FROM 2020 TO YEARS AHEAD WILL BE ECONOMICAL, NOT IDEOLOGICAL."

**NORTH AMERICA**

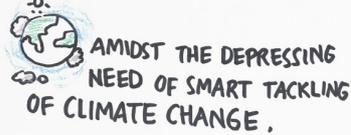
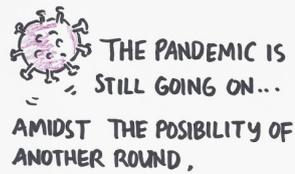
**EUROPE**

### CLOSING REMARKS

#### THE EMPHASIS OF TODAY'S DISCUSSION :



THE ASPECT OF...



#### SOME TOUGH MEASURES IN GERMANY..

