CHAPTER 2

Indonesia’s Security and Defense Outlook: Evolving Low-Intensity Threats and Recalibrated Countermeasures

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Introduction

In the light of growing regional tensions, the Joko “Jokowi” Widodo Administration is concerned over renewed threats such as separatism, piracy, illegal fishing and intrusions of the country’s maritime border. With multifaceted problems as such, it has made efforts to recalibrate its defense and security policy. Indonesia’s new Defence White Paper, for instance, has outlined a requirement for military modernization to better protect national sovereignty.

In that backdrop, this essay provides an analysis of Indonesia’s security outlook. It specifically reviews recent trends relating to dissident movements in Aceh and Papua, religiously-motivated terrorism, and dangers to security and stability in Indonesia’s maritime domain. The essay also assesses new developments of the country’s military modernization and evaluates essentials of the new defense white paper.

Low-level Local Insurgencies

The surrender of a former Aceh rebel commander on 28 December 2015 was the latest development of peace reconciliation in Aceh. Nurdin Ismail, or also known as “Din Minimi”, surrendered to the then Head of National Intelligence Agency (BIN), Sutiyoso, on an understanding that his group would be granted amnesty. However, the then National Police Chief, General Badrodin Haiti, said that Din would have to stand trial for his alleged crimes. Between 2013 and 2015, Din and his followers were allegedly involved in fourteen criminal cases including kidnap-for-ransom incidents, an armed robbery, and the killing of two soldiers.

1 See “Govt to Grant Amnesty to Din Minimi-led Aceh Armed Group,” The Jakarta Post (29 December 2015).
Against the threat of prosecution, Din Minimi warned that his group would resume fighting if the clemency was not granted. On many occasions, Din justified his struggle against local authorities on the grounds that the government and his former superiors in the now defunct Free Aceh Movement (GAM) have reneged on the full implementation of the Helsinki peace accord that was signed in 2005. Under the agreement, Aceh has become an autonomous region and is governed by the Aceh Party (PA), a party set up by former GAM leaders. In return for his surrender, Din stipulated a number of requirements, including the release of members of his group from prison and a serious effort by the central government to eradicate corruption in local administrations in Aceh.

On 5 January 2016, President Jokowi confirmed that he would grant amnesty to Din Minimi despite the legal process of his crimes. The decision is likely to reduce the risk of attacks against security personnel, individuals, commercial interests of PA leaders, and oil palm plantations in East and North Aceh. It also reflects the central government’s policy to treat the surrendered insurgent group’s actions as politically motivated rather than purely criminal. However, there are still numerous former GAM members who carry out crimes, such as robberies and kidnappings. The risk of political killings could increase again in the run up to the Aceh-wide elections in 2017. However, it is important to note that the peace accord has largely held and a return of a large-scale separatist rebellion is highly unlikely.

In Papua, the Jokowi administration has emphasized a mix of more development and cultural rapprochement to pacify local separatist sentiments. While the previous administrations have been accused of ignoring Papua’s problems and of being solely interested in the region’s wealth of natural resources, President Jokowi has visited the easternmost region four times since he took office to ensure that development projects are being properly implemented. He has also ordered the military and the police to put an end to the cycle of violence by adopting a softer approach.

In an effort to improve welfare in Papua, the Jokowi Administration is accelerating infrastructure projects, including a 4,325-kilometer Trans-Papua highway.

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3 See “Govt, KPK Urged to Heed Din Minimi’s Call to Stamp out Corruption in Aceh,” The Jakarta Post (30 December 2015).
4 See “Din Minimi to Face Legal Process”, The Jakarta Post (6 January 2016).
Currently, Papuan people have to rely on air cargoes for staple goods such as cement and gasoline. The highway is set to connect strategic areas in Paniai, Puncak Jaya, Tolikara, Yahukimo and Bintang Mountains. Upon its completion, the roads and bridges would significantly reduce logistics costs, thereby spurring economic growth in the easternmost provinces. The highway is scheduled for completion in 2018—two years earlier than originally planned.5

Nevertheless, developing infrastructures in Papua is challenging due to factors such as mountainous terrain and customary land rights. There is also an increased risk of small-arms attacks against personnel and damage to company assets involving in the Trans-Papua highway project.6 On 15 March 2016, around 20 gunmen from an armed group of the separatist Free Papua Movement (OPM) shot dead four workers in Sinak district, Puncak regency. The gunmen also kidnapped two other workers and set fire to an excavator and a bulldozer.7

The Papuan insurgents are particularly active in the mountainous areas of Puncak and Puncak Jaya. The attack on road construction site indicates an expansion of targets by Papuan insurgents to include government infrastructure projects. In the past, the OPM mainly targeted security apparatuses as well as personnel and assets associated with the U.S.-based mining company, Freeport-McMoRan. An OPM spokesman, Sebby Sambom, has recently called for further attacks against the highway project as it represented Indonesian colonialism of Papua.8 Although Papua is apparently special for President Jokowi, there is no indication that the insurgent groups will accept the government’s overtures in the near term, and as such the low-level insurgency is likely to continue.

**Renewed Threats of Home-grown Terrorism**

Among recent developments relating to Indonesia’s counter-terrorism campaign is the shooting death of the most-wanted terrorist, Santoso, in an exchange of fire with security forces on 18 July 2016.9 The leader of the East Indonesian Mujahidin (MIT)

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6 See “Proyek Jalan Trans-Papua, 3.720 Kilometer Telah Dibangun,” *Kompas* (2 December 2016).
7 See “Four Killed While Building Road in Papua,” *The Jakarta Post* (17 March 2016).
had been the subject of a joint army-police operation—code-named Tinombala Operation—in the past two years. Under Santoso, the group carried out numerous small-arms and machete attacks targeting the local police and civilians.\textsuperscript{10} The MIT also provided training and combat experience for Uighur militants who had made their way to its base in Poso, Central Sulawesi.

The demise of Santoso, or also known as Abu Wardah, would reduce terrorism risks in Sulawesi. He was directly involved in MIT's operations, and often appeared in propaganda videos threatening to attack the government. Santoso was also one of the first militant leaders in Indonesia to pledge allegiance to the Islamic State (IS) in 2014.\textsuperscript{11} While joint counter-terrorist operations have weakened the MIT's strength, the notorious terrorist’ death would further demoralize his followers. On 23 July 2016, a Tinombala task-force also captured Santoso’s wife without any attempt to resist in the jungles of Poso.\textsuperscript{12}

Beyond Central Sulawesi, the threat of terrorist attacks against civilians and security personnel remains serious. On 5 July 2016, a cell aligned with the IS group carried out a suicide improvised explosive device (IED) attack against police in Solo, Central Java.\textsuperscript{13} Similarly, three police officers were stabbed in Tangerang on 20 October 2016. According to the police, the attacker—identified as Sultan Aziansyah—visited Aman Abdurrahman several times in 2015 at Nusakambangan prison. Sultan was also known to have regularly participated in online conversations in a group led by Bahrun Naim, a leader of an Indonesian IS unit in Syria.\textsuperscript{14}

Although security forces remain the principal target, recent attacks indicate that civilians and public spaces are being targeted as well. On 14 January 2016, for instance, five gunmen were killed after carrying out an attack in Jakarta.\textsuperscript{15} Among the perpetrators was Sunakim, or known as Afif, who had been jailed in 2010 for his involvement in a terrorist training camp in Aceh. He was known as a follower of Indonesia’s prominent pro-IS cleric, Aman Abdurrahman, who is currently serving a nine-year sentence for terrorism.\textsuperscript{16} Other attacks against security personnel also

\textsuperscript{10} See “All-out Hunt for Santoso after Jakarta Attacks,” \textit{The Jakarta Post} (18 January 2016).
\textsuperscript{11} See “Terrorist Santoso only Obedient to IS, Video Reveals,” \textit{The Jakarta Post} (13 April 2016).
\textsuperscript{12} See “Santoso’s Wife Surrenders,” \textit{The Jakarta Post} (24 July 2016).
\textsuperscript{13} See “Suicide Bomber Strikes Surakarta Police HQ,” \textit{The Jakarta Post} (5 July 2016).
\textsuperscript{14} See “Tangerang Knife Attack Linked to Aman Abdurrahman: Police,” \textit{The Jakarta Post} (21 October 2016).
\textsuperscript{15} See “Indonesia’s Capital City Struck by Bomb and Gun Attacks,” \textit{The Jakarta Post} (15 January 2016).
\textsuperscript{16} See “Leniency Leads to Terror Attack,” \textit{The Jakarta Post} (18 January 2016).
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took place elsewhere in the country. On 28 August 2016, a suspected IS supporter attempted to detonate an IED at a church in Medan, North Sumatra, before attacking the priest with a knife. According to the local police chief, the perpetrator was allegedly inspired by an attack on a church in Normandy, France on July 2016.17

Overall, recent developments indicate the current threat of “lone wolves” or self-radicalized individuals and small groups of IS-associated sympathizers. They are most likely to be operating without direct operational support, training and financing from the IS group, but who are potentially receiving inspiration or indoctrination from individuals within the group, or from radical clerics connected to larger networks.18 Although recent attacks suggest such groups or individuals lack of substantial capabilities to carry out large-scale bombing or coordinated small-arms attacks, this should not be taken as an indication of declining terrorist threat in the country. According to the newly appointend National Police Chief, General Tito Karnavian, approximately 40 Indonesian militants have recently returned from Iraq and Syria.19 The return of larger foreign fighters with combat experience could increase the attack capabilities of local militants in the future.

Low-Intensity Threats to Maritime Security

Throughout 2016, there were a total of 16 hijacking and kidnapping incidents in the Sulu-Celebes Sea and waters off eastern Sabah.20 On 9 July, for instance, three Indonesian seamen were abducted by unidentified gunmen suspected to be from Abu Sayyaf. This is the fourth kidnapping incident involving Indonesian and Malaysian tugboat crews last year.21 Abu Sayyaf typically only releases hostages after receiving ransom payments. On 1 May 2016, fourteen Indonesian sailors were released in two stages after being held for around six weeks.22 The administration in Jakarta denied paying for their release, but made no comment on whether the crew’s employers had.

Amid an increase of kidnap-for-ransom incidents, the governments of Indonesia,

17 See “Medan Church Attacker Inspired by France Attack: Police,” The Jakarta Post (29 August 2016).
18 See “Suspected Islamic State-linked Stabbing Attack in Jakarta Highlights Threat of Lone Actor Attacks in Indonesia,” Jane’s Terrorism and Insurgency Monitor (1 November 2016).
Malaysia and Philippine have signed a joint declaration to ensure navigational security in Sulu and Sulawesi seas. The agreement is the result of a meeting involving foreign affairs ministers and chiefs of defense forces on 5 May 2016. Aside from coordinated sea-patrol, the trilateral cooperation includes the establishment of a dedicated center for regular information exchanges, and a communications hotline that will be useful in the event of a maritime emergency.\(^{23}\) Later, on 2 August 2016, the defense ministers of the littoral countries signed a document on standard operating procedures for the implementation of coordinated sea-patrols, intelligence sharing and joint naval exercises.\(^{24}\)

Nevertheless, the trilateral maritime cooperation took place against the backdrop of existing boundary disputes between Indonesia and Malaysia over East Ambalat blocks, as well as between Malaysia and the Philippines over a number of areas in the South China Sea. Several operational factors will also undermine future coordinated patrols, such as the lack of maritime policing capacity and the large number of safe havens in the Sulu islands. The three littoral countries have spoken about establishing safe corridors for commercial passages but their effectiveness would likely be sapped by the lack of policing capacity.\(^{25}\)

Another significant event for Indonesia was the encounter between Indonesian and Chinese law enforcement vessels over illegal fishing. On 19 March 2016, an Indonesian coastguard vessel captured eight fishermen and seized the fishing boat - the Kway Fey 10078 - for poaching in the country’s claimed-waters near the Natuna Islands. However, a Chinese coastguard vessel approached and rammed the fishing boat as it was being towed, forcing the Indonesian crews to abandon it. The Kway Fey 10078 was subsequently boarded by Chinese coastguards and sailed towards China.\(^{26}\) This incident is the most serious encounter between Indonesia and China maritime authorities in recent times.

In response to the maritime incident, on 20 March 2016, Indonesia’s Minister of Foreign Affairs, Retno Marsudi, summoned the Chinese chargé d’affaires in

\(^{23}\) See “Indonesia, Malaysia, Philippines Sign Maritime Security Declaration,” The Jakarta Post (5 May 2016).

\(^{24}\) See “Indonesia to Start Joint Sea Patrols with Malaysia, Philippines,” The Jakarta Post (2 August 2016).

\(^{25}\) See “Patrols by Philippine, Malaysian, and Indonesian Navies Unlikely to Reduce Kidnap-for-Ransom Incidents in Sulu Sea,” Jane’s Defence Weekly (29 June 2016).

\(^{26}\) See “Indonesia’s Discloses Further Details of Ramming Incident with China Coast Guard Vessel,” Jane’s Defence Weekly (23 March 2016).
Jakarta to convey a diplomatic note of protest against measures taken by its coast guards near the Natuna Islands. While threatening to take the latest incident to an international court, the Minister of Marine Affairs and Fisheries, Susi Pudjiastuti also announced that the Indonesian government would prosecute eight Chinese fishermen for illegal fishing. This is the first time that Indonesia’s top-rank officials has made public statements over incidents involving alleged violations of the country’s exclusive economic zone (EEZ) adjacent to the Natuna Islands by Chinese vessels. Responding to Indonesia’s diplomatic protest, Beijing has called on Jakarta to release the fishermen whom it said were operating in “traditional fishing grounds” when they were detained by the Indonesian coastguard.

Since President Jokowi came to power in 2014, the Ministry of Marine Affairs and Fisheries has sunk more than 150 vessels in a crackdown on illegal fishing, but only one was Chinese. In the past, the Indonesian government tried to downplay alleged Chinese encroachment of its territorial waters, as it did not want to be dragged into the territorial dispute over the South China Sea—of which it is not a claimant state. Although China recognizes Indonesia’s sovereignty over the Natuna Islands, Beijing has never clarified whether the extent of its nine-dash-line claim in the South China Sea overlaps with the EEZ of the Natuna Islands. Despite a wider context of deepening bilateral defense ties, Indonesia’s recent official comments and its intent to prosecute the fishermen indicate a more assertive stance of the Jokowi administration to fight any territorial incursions.

**Progresses of Military Modernization**

Over the past decade, the Indonesian government has steadily increased the country’s defense spending. On 23 February 2016, President Jokowi clarified if the country achieves economic expansion of six percent per year, he would support defense budget growth towards a target of appropriating 1.5% of GDP to defense by 2020.
This would provide a military expenditure of approximately IDR 250 billion or approximately USD 18.6 billion, which is more than double the defense budget for 2016, which reached IDR 100.8 trillion or roughly USD 8.28 billion. In a cabinet meeting discussing Indonesia’s military modernization, the President asserted that expanding defense budget must be supported by a proper and detailed planning in order to ensure cost-effective defense procurements.

In recent defense procurements is the acquisition of military satellite communication. On 27 June 2016, the Indonesian parliament approved a request for funding to acquire a satellite from Airbus Defense and Space. The satellite will be used for military communications on the L-Band frequency with a schedule for launch in 2019. The satellite is expected to occupy the orbital slot of 123-degree east longitude. The acquisition is expected to increase the adoption of more satellite communication systems across the Indonesian armed forces. The Navy currently employs satellite communications systems on a limited number of platforms, including Bung Tomo-class and Diponegoro (Sigma)-class corvettes. More ships are expected to be equipped with satellite communication systems in the coming years.

On naval shipbuilding, the first ship of SIGMA 10514-class frigate completed sea trials in September 2016. The new warship has a standard displacement of approximately 2,400 tons, a mission endurance of 20 days, and can accommodate a crew of 120. With a modified version of Thales’ TACTICOS combat management system, it has been configured for anti-surface, anti-submarine and anti-air mission with a suite of weapons that include launchers for MBDA MM-40 Exocet Block-II anti-ship missiles, two-triple Eurotorp B515 torpedo launchers, and a 12-cell vertical launch system for the MBDA VL-MICA surface-to-air missiles.

The SIGMA-10514 frigate program has been of particular interest in Indonesia. Looking at its specifications, the new class of guided-missile frigate, is the most complex warship ever to be assembled in the country. The completion of sea trials can be seen as an indication of indigenous naval shipbuilding capabilities to build

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34 See “Indonesian President Reiterates Defense Spending Plan,” op.cit.
36 See “Indonesia’s First SIGMA 10514 Frigate Completes Sea Trials,” Jane’s Defence Weekly (1 October 2019).
37 See “Indonesia Begins Sea Trials of First SIGMA 10514 Frigate,” Jane’s Defence Weekly (20 July 2016).
more sophisticated warships beyond platforms such as the KCR-40 and KCR-60M fast attack boats. Under a technology transfer arrangement with DSNS, local engineers will learn to integrate a variant of the warship’s TACTICOS combat management system with its weapons and sensors, including the Thales SMART-S Mk 2 surveillance radar.38 The Indonesian Navy is scheduled to receive the first and second frigates respectively in January and October 2017.

In the light of rising tensions in the disputed South China Sea, the Indonesia armed forces have increased the complexity of regular military exercises. Between 9 and 20 June 2016, the Navy dispatched five surface combatants, an auxiliary support vessel and a maritime patrol aircraft for a 12-day naval exercise such as surface warfare drills, escort movements, and search-and-rescue operations.39 Although the naval drill was a yearly event, the last it was done in the Natuna Island was in 2012.

The latest exercise also marks the debut of CN-235-220 aircraft. The aircraft has several improvements over the earlier versions, such as winglets that increases its range, payload and stability, larger bubble windows for better visibility in search-and-rescue missions, and a two-station operator console for improved maritime patrol and undersea warfare systems. Having premiered at the Singapore Airshow in February 2016, the new CN-235 aircraft also showcases Indonesia’s enhanced local industrial capabilities to supply the Navy with maritime surveillance system.40

In addition to recent naval drills, the Indonesian Air Force conducted an annual war-game on 6 October 2016. The exercise was originally planned to take place on Belitung Island, in the eastern part of Sumatera, but moved to the Natuna region for undisclosed reasons. Deploying jetfighters, air cargoes, utility helicopters and special forces, it simulated an air raid and the seizure of a captured runway on Natuna Besar Island. Later in October 2016, the Indonesian Army also undertook land-based exercises on the same island.41 Taken as a whole, the 2016 military exercises demonstrated a growing concern of the Indonesia government over increased

41 See “Indonesia to Conduct Largest-ever Military Exercises in South China Sea, Jane’s Defence Weekly (5 October 2016).
Chinese assertiveness on the country’s northern-most maritime border.

**New Defense White Paper**

On 31 May 2016, the Indonesian government published a new Defense White Paper. As a general practice, it is an instrument of defense diplomacy for confidence building and conflict prevention among countries. The strategic document is an important reference in order for the regional defense policy community to understand the future direction of a country’s defense policy and military development.

In that sense, the new white paper highlights four key issues of Indonesia’s defense policymaking. First, given the growing importance of peace and stability at sea, it incorporates the notion of “global maritime fulcrum” (GMF) in defense planning. One interpretation of the strategic concept suggests that the GMF represents a national aspiration to redefine the country’s geopolitical role as both a “gateway” and “gate-keeper” of the increasingly interconnected Indian and Pacific oceans.

Whilst rebuilding its maritime culture and archipelagic connectivity, repositioning Indonesia’s strategic role ultimately entails the development of maritime defense with a focus on “green-water navy” capabilities. Specifically, the new white paper put an emphasis on improving the military’s maritime surveillance system through the acquisitions of sophisticated defense technologies such as over-the-horizon radars, unmanned naval platforms and satellite communication. The idea is to uphold national sovereignty and ensure navigational security in Indonesian seas and beyond.

Second, the 2016 white paper reflects Indonesia’s changing threat environment. Recent regional developments have shown the complex nexus of traditional and non-traditional security issues. While maritime boundaries are highly contested, issues such as illegal fishing, maritime piracy and shipping route vulnerabilities have overlapped with the growing demand for marine resources and energy. The latest collision between Indonesian and Chinese coast guards within the Natuna waters further demonstrates that a non-traditional security issue could put bilateral relationship and regional stability at greater risk.

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In that reflection, Indonesian military officers have mulled over the danger of “hybrid” threats or “proxy” war to national security. However, the latest white paper offers little insight concerning the country’s defense strategy to anticipate future scenario of hybrid warfare, involving combined operations of regular military forces and irregular forces such as militia and paramilitary units against external intrusions. Instead, defense policymakers incorporate a voluntary “defending the state” (*bela negara*) program aimed at nurturing nationalism and patriotism within the Indonesian population.

Third, despite a long list of threats, the newly published defense white paper assures international community about Indonesia’s commitment to peace and stability. On the use of force, the current administration in Jakarta maintains an “active defense” strategy to deal with conventional military threats. Under the existing doctrine, it avoids initiating war or using military forces against other countries but resolutely undertakes offensive self-defense operations to defeat any external aggressions.

Nevertheless, changes in military doctrines, enduring regional suspicions and the growing supply side of global arms trade have spurred a rapid pace of regional defense modernization. According to the latest Military Balance, defense spending in Asia rose from US$ 322 billion in 2014 to US$ 340 billion in 2015. Despite the worrying trends, the Indonesian government remains reluctant to undertake a robust military build-up. Instead, it relies on diplomacy as the country’s first line of defense.

Fourth, the 2016 defense white paper promotes “maritime diplomacy” to prevent future conflict at sea. The acquisitions of new military technologies, such as “anti-access/area denial” capabilities and anti-ballistic missile defense systems, have the potential to alter the balance of military power in East Asia. Moreover, recent tensions and unresolved disputes over the South China Sea have increasingly posed a significant challenge to maritime security and regional stability. If these destabilizing factors go unchecked, they could raise the risk of miscalculation and deterrence failure making regional conflict unnecessarily likely.

**Concluding Remarks**

Despite regional complexities, the Indonesian government still views a non-confrontational approach as the most acceptable strategy to preserve international
security. With a belief that none of the regional countries could address evolving security problems alone, it forges cooperative relations among defense establishments in the region. Hence, over the past decades, defense policymakers have built an extensive network of defense and military ties with many strategic partners including China and the United States.

In that context, Indonesia’s defense diplomacy serves two strategic agendas. At one level, it engages in ASEAN-centered multilateral mechanisms to help institutionalized the regional norms of behavior such as confidence building, cooperative security, and peaceful conflict resolution. The idea is to build an amicable defense relationship with regional powers, while enmeshing their interactions into a norms-based security order. At another level, Indonesia relies on bilateral defense cooperation to support its military modernization with a focus on bolstering indigenous strategic industries. This way, Indonesia’s defense diplomacy is instrumental to mitigate the risks of regional tensions and simultaneously maintain its defensive ability against evolving challenges in East Asia.