The end of strategic ambiguity: Indonesia formally announces its dispute with China in the South China Sea
by Ann Marie Murphy

Ann Marie Murphy (Annmarie.murphy@shu.edu) is Associate Professor, School of Diplomacy and International Relations, Seton Hall University; Senior Research Fellow, Weatherhead East Asian Institute, Columbia University; and Associate Fellow, the Asia Society.

In a significant policy shift, Indonesian officials on March 12, 2014 announced that China’s nine-dash line map outlining its claims in the South China Sea overlaps with Indonesia’s Riau province, which includes the Natuna Island chain. For over two decades, Indonesia has positioned itself as an independent mediator in the South China Sea disputes between its ASEAN partners and China. Indonesia and China have no overlapping claims to islands. In Jakarta’s view, therefore, Indonesia and China should have no disputes over waters since, under the United Nations Convention on the Law of the Seas (UNCLOS), rights to waters are derived from rights to land. Indonesia has long pressed Beijing for reassurance on this point, but it has not been forthcoming. Indonesia’s declaration that it is indeed a party to the South China conflict with China ends the strategic ambiguity that has reigned for years, and is likely to heighten tensions on an issue that is already fraught with them.

The South China Sea dispute became a key strategic issue between China and ASEAN in the mid-1990s. Particularly significant was China’s 1994 Chinese occupation of Mischief Reef, approximately 130 miles off the coast of Palawan island and hence well within the Philippines’ 200 mile Exclusive Economic Zone (EEZ). Despite Philippine protests, China built concrete structures on the reef and today it is multi-story structure replete with docks, a heli pad, and radar.

Indonesia viewed the territorial disputes as a threat to key Indonesian interests in Southeast Asian stability, regional autonomy from outside hegemony, and ASEAN norms of the peaceful settlement of disputes and autonomy from outside powers. As a result, in the 1990s Indonesia began holding workshops to reduce tensions and build confidence between rival claimants. Ultimately, ASEAN members and China signed the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC), which committed the signatories to the peaceful settlement of disputes, the non-use of force, and the exercise of restraint. Importantly, it called for all claimants to refrain from occupying uninhabited islands, reefs and shoals in the South China Sea. The 2002 Declaration, however, lacked an enforcement mechanism to ensure compliance with its principles. To remedy this problem, Indonesia has taken the lead in negotiating a legally binding Code of Conduct (COC) that would build on the DOC and also include measures to prevent and avoid military escalations at sea.

Indonesia’s mediation efforts have always been conducted against a backdrop of strategic concern over China’s intentions. Indonesia viewed China as its key external threat for much of the Cold War and “froze” diplomatic relations with Beijing between 1967 and 1990. Officials in Jakarta have long feared China’s irredentist aims in the South China Sea, particularly toward its Natuna Island chain, home to one of the world’s largest recoverable gas fields. Indonesian concerns have risen in tandem with China’s military buildup, and its increasingly assertive use of force to assert its interests in the South China Sea.

At stake for Indonesia is not only the Natuna Islands and surrounding waters – critical through these are – but also the sanctity of UNCLOS. Indonesia is the world’s largest archipelagic state and it lacks the naval capacity to defend its far-lung archipelago, which spans 3000 miles from east to west. It has therefore always been a strong advocate of UNCLOS. Indonesia’s conception of its national territory encompasses not only its 17,000 islands, but also the waters that connect them: the Indonesian word for country is tanah air, literally land and water. When UNCLOS came into force in 1994, it included the archipelagic principle that granted island nations sovereignty over their internal waters. Ensuring that larger powers adhere to UNCLOS, therefore, is a key Indonesian security interest.

In recent years, China has taken a series of actions that Indonesia perceives as undermining UNCLOS and threatening regional stability. First, there was China’s 2009 publication of its nine-dash line map, which includes parts of the Natuna Island EEZ in its southernmost area. Indonesia protested China’s claims to UNCLOS in 2010, and also requested that China clarify its claims – drawn frehand in 1947 – by providing precise coordinates. China’s justification of its claims is ambiguous and, in Indonesia’s view, inconsistent with UNCLOS. China’s unwillingness to respond positively to Indonesia’s request sent a strong signal to Jakarta that China did not appreciate what Indonesian officials viewed as restrained responses to Chinese provocations and Jakarta’s efforts persuade its ASEAN partners to follow its lead.

Second, China has recently become much more assertive in pursuing its claims and has increasingly used force to do so. Most critically from the Indonesian perspective, China has expanded its naval exercises and armed presence from its northern claims closer to mainland China down to its southern ones, where they have used force in confrontations with Indonesian maritime boats.

In 2010, for example, after an Indonesian patrol boat captured a Chinese vessel illegally fishing within its EEZ, the Chinese dispatched the Yuzheng 311, a maritime enforcement
vessel equipped with machine guns, light cannons, and electronic sensors. The Yuzheng 311 allegedly pointed a machine gun at the Indonesian patrol boat, compelling it to release the Chinese vessel. Similarly, in March 2013, Indonesian officials boarded a Chinese vessel illegally fishing in the Natuna Islands and transferred the Chinese crew to its boat to be taken ashore for legal proceedings. Before reaching land, Chinese armed vessels confronted the Indonesian boat, and demanded the release of the Chinese fisherman. Outgunned and concerned with the safety of its crew, the Indonesian officials complied.

Indonesia has kept such incidents quiet in part due to its preference for quiet diplomacy and in part to retain its position as mediator. Indonesia had also hoped that China valued Jakarta’s regional leadership role and would accommodate Indonesia’s interest in the Natuna Island issue in order not to jeopardize the relationship.

In recent months, however, China has taken a series of assertive actions that drove Indonesia toward its public announcement. China imposed an Air Defense Identification Zone over the East China Sea and stated it will impose one in the South China Sea after appropriate preparations have been made. Beijing declared a unilateral fishing ban around Hainan Island that encompasses almost 57 percent of the South China Sea. It sent China’s aircraft carrier, the Liaoning, on a mission in the South China Sea where it stormed Mischief Reef and declared indisputable sovereignty over James shoal, only 80 kilometers off the coast of Malaysia. Currently, China is interfering with Philippine efforts to resupply its marines in Second Thomas Shoal.

Indonesia’s public declaration of its conflict with China has been accompanied by statements of Indonesia’s intention to bolster its military capacity in the Natuna Islands. Gen. Moeldoko, the head of Indonesia’s military, stated that Indonesia would beef up its military presence in the area, adding one army battalion and additional fighter jets while also enhancing its naval presence. Indonesia’s efforts to strengthen its presence in the Natunas come as Jakarta has increased its defense budget by double digits in recent years, targeting much of the increased spending for maritime security.

Indonesia’s public declaration that it has a maritime conflict with China is a potential game changer in the game being played out in the South China Sea. With Indonesia officially contesting China’s claim, the strategic ambiguity that had allowed Indonesia to position itself as a mediator between China and its ASEAN partners has been lost. Precisely how events will unfold cannot be predicted. Tensions in the South China Sea are likely to rise further.

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