

# TRANSFORMING THE INDONESIAN ARMED FORCES

PROSPECTS AND CHALLENGES

CONFERENCE REPORT

24–25 November 2011  
SINGAPORE



**S. RAJARATNAM SCHOOL  
OF INTERNATIONAL STUDIES**

A Graduate School of Nanyang Technological University



# TRANSFORMING THE INDONESIAN ARMED FORCES PROSPECTS AND CHALLENGES

CONFERENCE REPORT

ORGANISED BY THE INDONESIA PROGRAMME  
AT THE S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES  
NANYANG TECHNOLOGICAL UNIVERSITY, SINGAPORE

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24–25 NOVEMBER 2011  
TRADERS HOTEL  
SINGAPORE

S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES,  
NANYANG TECHNOLOGICAL UNIVERSITY

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*This report summarises the proceedings of the workshop as interpreted by the assigned rapporteurs and editors appointed by the S. Rajaratnam School of International Studies, Nanyang Technological University. Participants neither reviewed nor approved this report.*

*The workshop adheres to Chatham House rules. Accordingly, beyond the paper presenters cited, no other attributions have been included in this conference report.*

## OPENING REMARKS

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*Dr. Leonard C. Sebastian (right) opening the workshop*

The two-day workshop was opened by **Dr. Leonard C. Sebastian**, Associate Professor and Coordinator of Indonesia Programme at the S. Rajaratnam School of International Studies (RSIS) and **Dr. Tan See Seng**, Deputy Director and Head of Research, Institute for Defence and Strategic Studies, RSIS.

Dr. Sebastian informed the forum that the main purpose of the workshop is to assess the prospects and challenges of military transformation in Indonesia. As such, he hoped that the results from the workshop would be relevant for both the academic and policy communities, particularly the Ministry of Defence in Indonesia. Dr. Sebastian also informed the forum that the proceedings of the Workshop will be compiled for submission as an edited volume of Routledge's Security in Asia series.

On the subject of military transformation, Dr. Sebastian believed that within the context of Indonesia, successful technological revolutions within the Indonesian Armed Forces would require changes not only in a purely technical sense, but also involve organisational changes. Therefore four important areas should be taken into consideration in order to generate a successful application of RMA according to Indonesia's strategic environment, namely: the adoption of new technologies; the creation of a professional force able to use them; the evolution of new doctrines; and the implementation of realistic training.

As such, the way forward for Indonesia's military transformation, according to Dr. Sebastian, lies in incremental decision making based on the close study of real military challenges, careful technological innovations, and open minded experimentations.

## OPENING REMARKS

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Dr. Tan See Seng also welcomed the workshop participants. He highlighted the importance of this workshop to be held on the theme of Indonesia's emerging democracy. In his welcome remarks, Dr. Tan commented that over the past decade the Indonesian Armed Forces has been undergoing fundamental reforms and changes to adapt itself to the country's new social and political setting. However, he acknowledged that Indonesia's agenda for military reform is quite ambitious, and that challenges still abound.



*Dr. Tan See Seng welcoming the workshop participants*



## KEYNOTE ADDRESS

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### Minimum Essential Forces and Military Transformation in Indonesia



*Professor Juwono Sudarsono delivering the keynote address*

The Keynote Address was delivered by **Professor Juwono Sudarsono**, former Minister of Defence of the Republic of Indonesia and Professor of Strategic Studies at the Department of International Relations, University of Indonesia. The concept of “Minimum Essential Forces” was conceptualised by Dr. Sudarsono and first presented in January 2005 by President Susilo Bambang Yudhoyono. In his keynote speech, Dr. Juwono Sudarsono highlighted two important issues related to the concept: (i) the work of the military at ground levels to support civil society and secure the nation on the basis of democracy, transparency and capability; and (ii) the five levels of defence, that affect Indonesia and Southeast Asian countries at large.

Before elaborating on the five levels of defence, Dr. Sudarsono emphasised that the concept of Minimal Essential Forces should be placed under the larger framework of Indonesia’s military transformation from the New Order to the Reform Era. Indonesia in the New Order era was dominated by the military, particularly the army. This pattern supported and went hand in hand with President Soeharto’s priority to maintain political stability in the country. Following his resignation in May 1998, Defence no longer became a key priority. Jumpstarting the economy, social development and political reconciliation emerged as the country’s main priorities in the early years of reform.

The *Reformasi* re-calibrated the role of the military in politics and in supporting civilian institutions. As part of the commitment to *Reformasi*, the military today has kept out of day-to-day politics. However, Dr. Sudarsono stressed that the military must not be completely disengaged from certain aspects of state affairs, including domestic security. Within this framework, military reforms in Indonesia aim at increasing the role and capacity of civil society, while creating a professional and capable armed forces.

## KEYNOTE ADDRESS

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In the second part of his presentation, Dr. Sudarsono elaborated the five levels of defence dimensions which affect Indonesia and Southeast Asian countries at large. The five dimensions are: cyber defence, strategic nuclear aspects, holistic missile defence, conventional defence, and undersea capability.

These dimensions are important because all sovereign states in Southeast Asia are affected by them. However, Indonesia still lacks the capability to address them. On the one hand, Indonesia realises that it needs to build up its technological capabilities, but on the other hand remains constrained by its limited state budget. This ultimately compromises attempts at transforming the role of the military, particularly in supporting civilian institutions and in maintaining the security of the country.

### Discussion

Several issues were raised by the participants during the discussion session. The first issue was greater the United States' presence in the region, the deployment of 2,500 U.S. Marines in Darwin and its implications for Papua. Dr. Juwono Sudarsono, it would be very unlikely for the U.S. to intervene in Papua and recent moves to deploy the U.S. marines in Darwin should not be seen as an attempt in this regard. Instead, the deployment was a response from both Australia and the U.S. to the rise of China, with the particular aim of bolstering the U.S. presence in Southeast Asia. Additionally, the deployment is part of the U.S. Marine Corps rotation in the Asia Pacific and overall levels of deployment would add little to the overall strategic equation in the region.

The second issue raised was related to the ongoing formulation and deliberation of the National Security Law. The draft law has been criticised for trying to incorporate too many institutions under its umbrella. Dr. Juwono Sudarsono responded that that law is important because the level of the military's engagement in national policy must be measured. In Indonesia, there are continuing discussions regarding civilian supremacy, accountability and transparency. However, there are no institutions like a National Security Council to accommodate these efforts and function as a clearing house. The prolonged formulation and deliberation process of the law is partly the result of battle of interests between the police and the military, and partly due to inherent weaknesses in the current government leadership.

The third issue raised was related to the issue of Indonesia's economic development, which has been cited as an obstacle in transforming the Indonesian Armed Forces. Investment in the eastern part of Indonesia has increased by 15 percent. The real issue is not growth rates, but the level of equality regarding economic access and welfare opportunities between the eastern and western part of Indonesia. Dr. Juwono Sudarsono concurred with the views of the participants that there is still a gap in levels of development across Indonesia. Ironically, some resource-rich regions in Indonesia continue to lag behind in terms of development progress. Their people remain poor with low levels of education. In the end, the indigenous people feel robbed of their local natural resources and perceive that they do not benefit from the presence of businesses in the area. The biggest challenge for Indonesia today is to manage this condition and make business operations more beneficial for the local population .

Lastly, the participants raised a note of caution in narrowly defining notions of development and defence. Development should not be focused solely on the economic priorities. And similarly, defence should not only be construed as defending the country's sovereignty. Dr. Juwono Sudarsono agreed with participants that there should be a holistic approach when it comes to understanding development and defence. He argued that Singapore is a good example of the implementation of total defence. In this regard, local culture is an important element that needs to be taken into account in national defence and development. For example, underpinning investments with a cultural dimension will give more meaning for local people. Consequently, globalisation and its impact at the local level should be considered as well.



## SESSION ONE

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The first session began with a presentation from **Dr. Bernard Loo Fook Weng**, who presented on the topic “Transforming Indonesian Armed Forces: Concepts, Concerns and Challenges”. His presentation focussed on the issue of military transformation and its relevance for small armed forces in the Asia Pacific, particularly in Southeast Asia. The main question raised in his paper was, “What is the future shape of the Indonesian Armed Forces?”

In order to answer this question, Dr. Loo identified three major questions that the Indonesian Armed Forces (TNI) will have to take into consideration in pondering its future shape and structure. The first question he posed was whether technological change was avoidable. In answering his question, he stressed that change was unavoidable because technologies evolve over time and weapons will become obsolete. Today, technological change tends to gravitate around the United States. It is undisputable that the United States is the centre of gravity for military technologies, as well as the dominant force in the global arms market, particularly in Southeast Asia. Within this context, the challenge for the TNI is to adapt to this trend taking into account existing local circumstances.

The second question is whether the TNI can actually afford to accommodate these changes. As the cost for new technologies and weapons become increasingly expensive, most military organisations in Southeast Asia would be engaged in structural disarmament. This is because the cost of military technologies will be significantly greater than a country’s economic growth. The consequence would be a shrinking in absolute terms of the number of platforms and capabilities these military organisations will be able to put out into the field. In addition, Southeast Asian armed forces are likely to participate in more manpower-intensive security missions.

The final question for the TNI to consider is whether it can implement changes. As mentioned earlier, technology changes very rapidly. However, military organisations cannot change easily, since they need to take into account factors such as the doctrine, strategic concepts, and tactics.

In conclusion, Dr. Loo argued that military transformation primarily aims to create a more effective military organisation. Thereby, the success of military



*Dr. Bernard Loo Fook Weng*

transformation depends very much on the security agendas of Southeast Asian countries in the future. If the region is still preoccupied with interstate war, then military transformation could presumably make Southeast Asian armed forces more effective and efficient. However, if the concerns of Southeast Asian countries were beyond inter-state conflict, a different set of skills and military organisations would be needed instead.

### Discussion

Several questions were raised by the forum in response to Dr. Loo’s presentation. The first question dealt with the issue of whether—after taking into consideration all the issues mentioned in the presentation—military transformation was unavoidable. Dr. Loo responded that transformation itself could not be avoided otherwise a military organisation will become irrelevant otherwise. Whether or not revolution in military affairs (RMA) will remain relevant in the future, states have to cope with the reality of technological change. However, not every country needs to try to keep up with the United States. Other options are available, for example, conducting fundamental improvements in military training.

The second question related to how a transformation could be classified as a successful. Dr. Loo argued that there was no ideal success story. Much depends on the definition used to identify the parameters of success. For example, the United States’ military operation in Iraq could be considered as a success if the parameter of success

## SESSION ONE

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solely rests on the fact that the U.S. troops managed to invade Iraq and bring freedom to the country without taking major casualties. Correspondingly, any analysis of the aftermath of invasion would have to conclude that the United States was unsuccessful in bringing stability to the strategic equation in post-war Iraq.

The third question raised was the impact of military transformation on bureaucracies. Dr. Loo responded that as transformation was about communications and technologies, and therefore organisational structures needed to become much flatter today. As a consequence, decision making in a defence bureaucracy should be decentralised.

The fourth question raised was how far Indonesia could transform its Armed Forces. Taking into account all the factors mentioned in the presentation, Indonesia be left

behind due to its economic constraints? And related to this point, how will Indonesia face these challenges? Dr. Loo argued that Indonesia should have multiple platforms that would allow the country to cover the entire archipelago and accommodate its budgetary constraints.

The final question raised focused on the need to develop indigenous defence industries in Indonesia. Will Indonesia be able to produce its own local RMA? Dr. Loo responded that indigenous defence industries are more a matter of national prestige, and majority of them focus primarily on projects of particular interest to political elites. In order to meet the challenge of Western dominated technologies, the key would be how to generate technologies that take into account the challenges posed by small-scale production. Countries like Indonesia need to recognise that while buying technology from the West is costly; producing it locally is even more expensive.

## SESSION TWO

The second session began with a brief introduction of the speakers by Ms. Alexandra Retno Wulan, who chaired the session. The two speakers were Mr. Broto Wardoyo and Mr. Iis Gindarsah.

In his presentation, **Mr. Broto Wardoyo** discussed how the current strategic environment could influence Indonesia's national defence planning. He argued that there was a weak correlation between Indonesia's strategic environment and its national defence. The presentation addressed two fundamental questions, namely: why does such weak correlation exist and what was the intervening variable explaining such a condition.

The strategic environment has a strong correlation with national defence, in the sense that the former presents challenges and opportunities as well as threats for the state trying to secure its national interests. The intersection between the spheres of the strategic environment (external vs. internal) and the types of threat (military and non-military) determines the type of defence strategy and operations that will be adopted by the state.

Most of Indonesia's attention has thus far been focused on its internal environment rather than its external environment. In Indonesia's assessment of its strategic environment, the main threat to security comes from within its borders. Mr. Wardoyo stated that this approach remained problematic for three reasons: (i) during the pre-*Reformasi* era, an inward-looking defence orientation was the reason for the omnipresent role of the military; (ii) Indonesia's emphasis on non-military threats instead of military threats, could potentially be used as entry point for the military to regain a dominant role; and (iii) inward-looking defence orientation with a focus on non-traditional security threats would endanger nascent military professionalism in Indonesia.

In the second part of his presentation, Mr. Wardoyo analysed existing regional security architectures and Indonesia's preferred strategic responses. He argued that two major patterns that are taking place in the region. The first was growing regional security cooperation and the second was a proliferation of regional powers with the rise of China, India and the re-emergence of Japan. The two patterns signalled a strong trend towards regional rivalry. However, to deal with the possibility of conflicts in



*Mr. Broto Wardoyo*

the region, Indonesia preferred to use diplomacy rather than adopting a war preparation strategy. Mr. Wardoyo explained that there are three possible explanations for Indonesia's choices: (i) Indonesia views changes in its external environment as non-threatening; (ii) Indonesia was confident that diplomacy would halt the possibility of war; and (iii) Indonesia lacks defence capacity to handle problems in the region.

Mr. Wardoyo concluded his presentation by stating that military reform in Indonesia remained a work in progress and consequently the optimum conditions to institutionalise a strong professional ethos within it remained weak. This shortcoming was apparent not only within the military establishment but also evident in weak civilian institutions responsible for oversight. Thus, against the logic of civilian supremacy, civilian policymakers tended to pander to military interests. Under these circumstances, the future of Indonesia's national defence was not subject to its strategic environment, but accorded with patterns of civil-military relations evident in post-authoritarian states.

The second presenter, **Mr. Iis Gindarsah** discussed how the Indonesian Armed Forces' force structure should be reorganised. He argued that Indonesia's force planning aims at equipping the Armed Forces with the essential capabilities for rapid deployment against conventional threats, while preparing for non-conventional missions.

## SESSION TWO

Before going into details of the proposed future force structure, Mr. Gindarsah highlighted several weaknesses inherent in the current force structure. These weaknesses are: (i) the current force structure was still very much centred on the Army and compromised through a lack of operational effectiveness and rapid deployment capability; (ii) an insignificant development of its weapon systems (*alutsista*); and (iii) a lack of strategic readiness in terms of military platforms.

Mr. Gindarsah also elaborated on a variety of approaches that could be utilised in force structure planning. Two approaches in particular have been accommodated by the Ministry of Defence (KEMHAN) in addressing Indonesia's future force structure requirements, namely, threat-based planning and capability-based force planning. Another alternative approach is the spectrum of conflict model, whereby analysis can be made of the correlation between the probability of conflict occurrence, levels of violence and the designation of armed forces missions to determine the future force structure. This model provides Indonesia with two strategic options in developing their force structure, namely: strategic readiness and strategic positioning.

In order to overcome weaknesses in the current force structure, the Ministry of Defence focuses its current efforts to develop Minimum Essential Forces (MEF). This concept aims at equipping the Indonesian Armed Forces with essential capabilities for strategic readiness requirements to deal with conventional threats, while

geo-strategically positioning its current forces against actual threats. For this purpose, KEMHAN will carry out a gradual transformation of the current force structure into integrated tri-service operations under a structure encompassing a series of Regional Defence Commands. Given the limitations posed by the state budget, Mr. Gindarsah argued that the enlargement and expansion of manpower was not an option. Therefore, the available option for KEMHAN needed to focus its efforts on stabilising the current army's force structure, while modernising the capabilities of the navy and air force.

To conclude his presentation, Mr. Gindarsah suggested that while attempts to restructure the Indonesia armed forces will result in enhanced military capabilities, such improvements will only be adequate to project power within Indonesia's border. In addition, commitments from policy makers will be needed to ensure that there would be no gaps between force development requirements and a sustainable commitment of resources.

### Discussion

Several issues were raised by participants during the discussion session. **Dr. Edy Prasetyono** was the paper discussant for the two speakers. Regarding Mr. Wardoyo's paper, Dr. Prasetyono concurred that the correlation between analysis and implementation of defence planning remained weak due to the following reasons: (i) defence was not considered a high profile issue; (ii) the government had failed to explain the correlation between the defence sector and other sectors; and (iii) weak inter-agency coordination.

On Mr. Gindarsah's paper, Dr. Prasetyono suggested a third approach towards future force structure planning, namely by analyzing the geopolitical and geostrategic spectrums of Indonesia's territory. In addition, he disagreed with the idea of using internal conflict as the basis for developing force structure. Furthermore, he highlighted that the use of the word 'minimum' in the concept of Minimum Essential Force remained contentious and should be carefully defined. In Dr. Prasetyono's opinion, any future force structure should be focused the need to increase the mobility and strike force capabilities of the Army, Navy and Air Force, while improving the overall defence system. Finally, Dr. Prasetyono argued that questions about financial constraints should be put aside until



Mr. Iis Gindarsah



## SESSION TWO

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Indonesia had made up its mind about the future defence system it planned to adopt.

Mr. Richard A. Bitzinger commented that the paper needs to address that the paper needed to address questions like the nature of threats faced by the Indonesian Armed Forces and their military objectives. Weapons procurement he added should match the needs of the military, and different types of missions required specific armaments for each of the services. Therefore the papers needed to address these issues as well. Dr. Buszynski also suggested that Mr. Gindarsah's paper should incorporate information regarding the procurement process itself and taking into account dynamics down the line. The paper should also illustrate the needs of the three services, as well as KEMHAN's own requirements.

The second issue raised related to the models and approaches that were used to forecast the structure of the Indonesian Armed Forces. Mr. Andi Widjanto commented that KEMHAN used different models and approaches in developing its strategic documents, and this complicated efforts to forecast future force structure. In response, Dr. Bernard Loo stressed that different models and approaches do not necessarily have to be regarded as competing models but instead can be seen as complementing each other.

Mr. Gindarsah acknowledged the inputs and stressed the importance of incorporating the element of risk analysis to future force structure planning. The analysis is particularly important for developing countries with limited defence resources to rationalise the prioritisation of budget items. He also agreed to a suggestion by Mr. Evan Laksmana to incorporate more detail on the actual force composition in the revised paper.

Related to the second issue, Dr. Leonard Sebastian raised the question of how Indonesia's discussions on a future force structure could be made more relevant to the territorial command structure. Mr. Gindarsah responded that the territorial command structure was still relevant for Indonesia due to a preponderance of low intensity conflicts which frequently occur across Indonesia. Dr. Prasetyono concurred with the assessment but argued that some territorial commands in Java were problematic and in the future the government would more likely adopt



*Dr. Edy Prasetyono*

a "Joint Defence Area Command (*Komando Gabungan Wilayah Pertahanan, Kogabwilhan*) structure.

A third issue raised was the incongruence between defence planning and the implementation process. Mr. Silmy Karim concurred with Dr. Prasetyono's observation by underlining the complexities surrounding defence procurement. Due to the lack of transparency, suppliers or brokers had always attempted to influence the arms acquisitions decision-making process. Consequently, the Indonesian Armed Forces often ended up acquiring sub-standard weapon systems.

The fourth issue raised was the seriousness of the Indonesian Armed Forces in carrying out its transformation. This concern was raised by Dr. Jun Honna, and the participants agreed that there was a need for Indonesia to improve its capacities, especially in surveillance and maritime reconnaissance. However, the consensus among participants was that military transformation had to be carried out in parallel with civilian transformation, namely, the changing of civilian mindsets with it, a willingness to understand the military from the military's own standpoint. As a final remark, Dr. Prasetyono drew two conclusions, namely: that there should be congruence between the strategic environment and the policy planning; and that there was also a need to make defence part of a national agenda placing emphasis on a national commitment on the part of Indonesian society to strengthen the country's defence.

## SESSION THREE

The third and final session of the Workshop's first day was chaired by Dr. Jun Honna. Mr. Andy Widjajanto and Mr. Evan Abelard Laksmana were the two speakers presenting papers during the session.

The key question that **Mr. Andi Widjajanto** discussed was how to innovate Indonesia's military doctrine. To answer this question, he used a quantitative approach to calculate the number of military operations conducted by Indonesia from 1945 to 2004 and to interpret the meaning behind the distribution of battles fought during that period.

There were several findings from his research. Firstly, Indonesia's military was more effective when they were under non-democratic regimes. Second, Soeharto tried to broaden the concept of military victory to encompass overall political and ideological dominance; and from the tactical to the grand strategic level. Third, Indonesian military innovation depended on charismatic leaders, such as Nasution, Ahmad Yani, Soeharto and LB Moerdani, not civilian leaders. And finally, there is a strong association between defensive strategy and military victory (Indonesia's Armed Forces enjoyed victory when employing a defensive instead of an offensive strategy).

Mr. Widjajanto also argued that based on his analysis of the military doctrines employed, the pervasive strategic culture in Indonesia was to perceive itself as a weak state. This culture is reinforced on several levels

(structural, technological and force employment levels) and Indonesia's approach to war was of a defensive nature, with an emphasis on non-linear territorial warfare, guerrilla warfare, total defence and multi-layered defence. Moving forward Indonesia could employ one of three possible strategies. The first viable strategy is military reform, with the goal of establishing a professional military by removing past legacies of political and military business characteristics deeply embedded in the military mindset by 2014. This strategy correlates with the ongoing democratic consolidation process in Indonesia. The second strategy is military transformation with a focus on creating a defence force by 2024. The success of this strategy however might be constrained by budgetary issues. The third strategy is military innovation, which would launch a revolution in military affairs (in Indonesia translated into *Revolusi Krida Yudha*) with the goal of adopting the latest advances in defence technology, building an integrated defence policy, and innovating the military by 2050.

The second speaker, **Mr. Evan Abelard Laksmana** presented a paper titled, "Changing the Men Holding the Gun: Issues and Challenges in Transforming Indonesia's Military Manpower System". The paper focused on the basic issues and challenges in military manpower and institutional reform policies. The issue was important particularly within the framework of military transformation because without dedicated, motivated, able, and well-trained troops, investments in revitalising defence industries or the provision of state-of-the-art weaponry would be wasted.

In line with the military transformation process, Indonesia's military is also undergoing manpower reform. The aim of this reform was to achieve "The Trinity of Democratic Civil-military Relations", namely: an apolitical professional force, military effectiveness, and defence efficiency. Here the future the officer corps should have two main traits, namely: adaptability, which translated into flexibility; and versatility which required an ability to multi-task. In order to achieve these aims, Mr. Laksmana suggested an assessment based on four levels of analysis, namely: (i) the numbers and types of people needed to accomplish multiple missions; (ii) personnel or people management systems; (iii) education, training and development that affects knowledge, skills, and behaviours; and (iv) an



Mr. Andi Widjajanto



## SESSION THREE

incentive structure meant to attract people to join the force and influence those whose skills are no longer relevant and were required to relinquish their positions. .

Mr. Laksmana also identified several constraints needed to be addressed. Firstly, new missions change task specialisation and force structure, yet there was less long-term “strategic coherency” or link-up between the different sectors and pathways of reform. Secondly, welfare and pension benefits remained meagre and further encumbered by bureaucratic red tape. Thirdly, the curriculum structure and content in the military academy remained antiquated along with declining thresholds in educational requirements, standards of admissions and transparency in recruitment policies. This problem was further aggravated by the increasing number of cadets recruited undermining the “zero growth policy” that underpinned the military’s current manpower strategy. The final issue highlighted by the speaker is the apparent lack of “technocratisation” evident in the defence bureaucracy.

### Discussion

Dr. Terence Lee, the paper discussant, commented on the notion of transformation itself. He argued that there are two forms of military transformation, namely, functional and normative. Mr. Widjajanto’s paper lacked the former element, while Mr. Laksmana’s paper lacked the latter. He also contributed more specific comments on Mr. Widjajanto’s paper. Among others, the paper should address the reason why Indonesia’s defence doctrine remained unchanged. In relation to strategic culture, Mr. Widjajanto was also advised to elaborate more on the origin of the culture itself and how it explains the existing paradox of how a big state like Indonesia perceived itself as a weak state.

Mr. Widjajanto responded that he would address the issue of doctrinal transformation, by adding the foreign policy strategic dimension to his existing analysis. He argued that by combining it with basic military concepts, Indonesia would have significant military doctrinal transformation, from a defensive, balancing and platform centric strategy to an offensive, bandwagoning and network centric strategy. Referring to the weak-state mentality puzzle, Mr. Widjajanto agreed to factor in analysis of this issue in his paper.



*Mr. Evan Abelard Laksmana*

Regarding Mr. Laksmana’s paper, Dr. Lee began by asking whether the military as an institution was unique and separated from society. If that was the case, then contemporary HR practices could not be applied to the military. Or, if the military could be seen as a business organisation, HR practices could be applied but with different KPIs. Next, he argued that manpower policy needed to be fed back with a broader understanding about the mission itself (e.g. external defence, non-traditional threats, and internal security). Responding to the comments, Mr. Laksmana agreed to specify the definitions of some concepts he used in the paper and how to measure them. He would also explore the issue of the globalisation of manpower, which he had yet to develop in the paper.

Several other issues were raised during the discussion. One issue was how to resolve the problem of having qualified manpower to handle increasingly sophisticated high technology weapons. Mr. Laksmana suggested that the issue could be resolved by creating an exceptional incentive structure, not just in terms of salary, but in other forms (e.g. housing, scholarship opportunities) to attract higher quality personnel.

Another issue raised related to the military’s zero growth policy. Mr. Laksmana commented that initially the policy was applied to improve manpower quality. However, the most important thing he stressed was to have a clear idea of the type of missions or contingencies that shaped

## SESSION THREE

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*Dr. Terence Lee*

officer training. Without a systematic plan, there was a risk of overlapping missions, assets and resources. The same reasoning could also be applied in planning for NCOs and the reserve component.

The final issue raised was the place of military ideology amid the increasing drive to focus on boosting technological capacity. Mr. Laksmana responded that every armed forces required strong ideological training to develop its sense of nationalism. However, he added that ideology for ideology sake could be potentially dangerous and should complement the rationalisation of training procedures and manpower planning.

## SESSION FOUR

The fourth session was chaired by Mr. Evan Abelard Laksmana. The paper presenter was **Ms. Alexandra Retno Wulan**, a Researcher at the Department of Politics and International Relations, Centre for Strategic and International Studies, Jakarta.

Ms. Wulan argued in her paper that Indonesia as a rising and reformed nation should adopt a more assertive diplomatic posture. The rationale behind this argument was twofold, namely: (i) Indonesia's security and foreign policies thus far had been incoherent; and (ii) the lack of resolute leadership resulted in ineffective defence diplomacy and a failure to achieve its defence diplomacy objectives. In conducting her research, Ms. Wulan examined the patterns of 144 defence diplomacy activities in the period of 2009 – September 2012.

She stated that there were two indicators that can be used to measure the strength of a country's diplomacy, namely: the state's assets/modalities and the state's ability in defining its interest(s). Ms. Wulan went on to stress that the greater the state's ability in managing its assets/modalities and articulating its interests, the more robust its diplomacy. Indonesia's foreign and security policy fell short of meeting these requirements. Ms. Wulan argued that in the foreign policy realm, Indonesia had yet to develop an official document clearly stating its foreign policy directions. In the security sector, the Ministry of Defence defined the state's interests as absolute, vital and important national interests.

She noted that Indonesia's success in achieving its national interests varied over time. For example, regarding the state's absolute interest to maintain national unity, Indonesia had been successful. However, cases reflecting the state's failure to provide protection for its migrant workers, and to address comprehensively the recent conflict between Thailand and Cambodia, as well as finding long lasting solutions to avert potential conflict over territorial claims in the South China Sea highlighted the failure of Indonesia's diplomacy. Ms. Wulan's research also highlighted that Indonesia had yet to achieve significant development in military capability and revitalise its defence industry. Indonesia has been in the bottom three of ASEAN countries in terms of its defence budget and GDP ratio from 2007–2010. Aside from that, Indonesia's defence diplomacy activities were still focussed primarily on Confidence Building Measures.



*Ms. Alexandra Retno Wulan*

### Discussion

Several issues relating to the paper were highlighted by the workshop participants and Dr. Leszek Buszynski, who acted as the paper discussant for the session. The first input was directed towards some of the definitions used in the paper. Dr. Buszynski suggested that these definitions should be clarified. He questioned the definitions used for normative and strategic diplomacy. Another term that could be better explained was the definition of defence diplomacy itself, as well as its goals and objectives. With regard to the objective of defence diplomacy, the workshop participants commented that for Indonesia, the objective goes beyond increasing Indonesia's defence capability, but also incorporated efforts to secure foreign loans for defence purposes. The latter objective was particularly important considering that a significant share of Indonesia's defence budget went into arms acquisition. Ms. Wulan agreed to incorporate the inputs in her revisions.

The second issue related to Ms. Wulan's recommendation that Indonesia needed a Foreign Policy White Paper to bring more coherence to its foreign policy objectives. Dr. Buszynski argued that a white paper may not serve this purpose and suggested that inter-agency coordination might be a better solution to the problem of incoherent foreign policy directions. Responding to this suggestion, Ms. Wulan maintained that there should be a correlation between a country's foreign policy and its defence diplomacy. Aside from that, she argued that the lack of

## SESSION FOUR

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*Dr. Leszek Buszynski*

direction in Indonesia's defence diplomacy was the result of an obscure foreign policy.

The third issue pertained to the data set provided in the paper. The workshop participants commented that some activities held after the start of reform era were not included in the data set (e.g. Lombok Treaty, strategic partnership agreements with the United States, Russia

and China, and the failure to conclude the Defence Cooperation Agreement with Singapore). The forum also commented that while the data regarding defence diplomacy activities was useful, they wanted to see data complemented with an analysis on the activities themselves. For example, how relevant were the defence diplomacy initiatives and what was the impact of these activities in transforming the Indonesian Armed Forces. Ms. Wulan agreed to incorporate the analysis in her revised paper.

The fourth issue raised was the subject of defence industries. The forum debated the significance and relevance of developing a defence industry in Indonesia. The main question deliberated was whether developing a defence industry was beneficial for Indonesia, considering that such industries were not able to achieve economies of scale and that the majority of armaments needed by the Indonesian Armed Forces could be procured overseas at lower cost. The forum concluded that defence industries existed for two reasons, namely: (i) as a practical contribution to national defence; and (ii) to drive defence economics. In essence, defence industries were developed not only for profit but also for the welfare of people.

## SESSION FIVE

The fifth session was chaired by Dr. Edy Prasetyono. The paper presenter for this session was Currie Maharani, a Ph.D. candidate from Cranfield University who spoke on the topic: "Defence Economics Reform: Overhauling Defence Management and Arms Acquisition Policy". The presenter assessed the process of defence acquisition focusing specifically on the evolution of acquisition strategy, how it was perceived, debated, and financed. In order to answer these questions, she provided a snapshot of various acquisition policies implemented in Indonesia during Suharto's New Order period, the early reform era, and finally the approach adopted during President Yudhoyono's administration.

Defence acquisition is a complex subject for several reasons. The first refers to a spectrum of processes, which capture the 'cradle to grave' notion. The second highlights that defence acquisition remains an aspect of public spending and procurement that takes place against the context of defence policy making, applying higher levels of secrecy, yet also subjected to oversight. The third focuses on the element of civil-military relations involving a range of different actors at various stages of the process. The fourth relates to defence procurement as a function of a demand to sustain defence requirements or functions as an industrial policy tool, which in some cases can also be used to support economic development as a whole. At the other end of the spectrum, defence procurement from foreign suppliers can also be beneficial to the economy through a number of compensations (offsets), including technological transfer, access to the global market, human resource training, and so forth. All of these elements determine the direction of arms acquisition policy.

In explaining the evolution of Indonesia's defence acquisition policy, Ms. Maharani stated that self-reliance in weapon provision had been attempted since 1970s. Habibie laid the foundation for a local technological absorptive capability to transfer foreign technology, dubbed 'strategic industries' with dual-use technology portfolios in aerospace and shipbuilding. Arms acquisition was used to acquire production/offsets licenses to develop local industrial capability. This policy, however, was not supported by the acquisition system at the time. Therefore, although the Suharto era had been important in laying the foundation for a defence industrial base,



*Currie Maharani*

defence procurement strategies at that time remained highly ambitious.

In the early reform era, the general emphasis of defence policy was to identify a capability gap and devise a 'transitional procurement strategy' to meet the needs of achieving minimum essential forces. For that purpose, arms supplies were diversified with Russia becoming a key procurement source, and a countertrade mechanism and Export Credit strategy were reintroduced to compensate for state budget shortfalls. The procurement process, however, was rather chaotic and compromised by corruption.

In the Yudhoyono era, fundamental changes in arms acquisition started to slowly unfold. Export Credit continues to be used, but the state budget has improved due to better economic growth. The division of labour within defence management was also clearer. The mechanism for procurement and tender has now been regulated through a Presidential Decree and a Defence Minister's Decree. Another highlight of this era is the emphasis on industry revitalisation to fulfil the Armed Forces' modernisation requirements.

Moving on to challenges in the implementation of arms acquisition, Ms. Maharani identified three challenges that still need to be tackled. The first challenge is lack of trust on the ability of defence industries to deliver. For example, the nine time postponement of the delivery



## SESSION FIVE

of landing platform dock by PT PAL. The second was that the industry had to deal with the government's poor approach to procurement planning. Majority of procurement decisions were made providing very short notice and were prone to delays. The third issue is the presence of behind-the-scene actors and arms brokers often resulting in extreme mark-ups of weapon costs.

Ms. Maharani concluded that the progress of revitalisation will depend on the country's economic performance and how the stakeholders in the defence sector interpret force development in line with state's ability afford particular weapons systems and the synergies between TNI requirements and local defence production. This in turn requires coordination and commitment.

### Discussion

Several suggestions and issues were raised by the workshop participants during the discussion session. The first suggestion from Mr. Novan Iman Santosa, the paper discussant for the session, was to incorporate more analysis on the defence acquisition process of each period under review. The other interesting issue to assess he suggested was whether defence procurements raised military effectiveness. Such an analysis would require the need to study how arms acquisitions were integrated with the military's training, equipment, personnel, infrastructure, doctrine, organisation, information and logistics (TEPID-OIL). Responding to Mr. Santosa's latter suggestion, Ms. Maharani commented that she did not

include TEPID-OIL in her analysis when considering military effectiveness primarily because the subject was very complex and she did not have the necessary technical capability required undertake this task.

Regarding the implementation of offset programmes, Mr. Santosa argued that Indonesia had been quite successful in this area, and therefore such efforts need to be retained and expanded as they enable local industries to acquire new capabilities. Ms. Maharani commented that regarding the success stories of past offset programmes it was not clear whether technology transfer had actually taken place in a cost effective manner. It was also very difficult to clarify such issues as this required analysis of an era under Habibie's influence where most of the supporting documents of that period had been destroyed.

Mr. Santosa also recommended that Indonesia also needed to promote the idea of having a common defence industry among ASEAN countries, as it will reduce "techno-nationalism" in each country. Ms. Maharani responded that the idea was feasible, however a better method for collaboration would be on a counter-purchase basis, rather than a complementary approach. In other words, Ms. Maharani argued that the offset principle could not be used between ASEAN member countries.

Another suggestion made by Dr. Sebastian was that the paper should avoid overlaps with the other papers. He emphasised that the paper would be more beneficial if it focused more on the overall management process of the offset and concentrated on the key issues relating to defence management. Ideally, the paper should address the following issues: how does the defence management system contribute to the development or creation of the Armed Forces' transformative capability? What is the best management system to ensure a structure that will enable the Armed Forces' transformation in the future? How far short is Indonesia today in terms of having an effective defence management system that will facilitate the Armed Forces' transformation in the future? And finally, what are the implications of macroeconomic conditions in terms of the overall defence economic aspects?

Mr. Andi Widjajanto suggested that the paper address a number of other important issues. First, he suggested an assessment of the political dynamics shaping the



*Mr. Novan Iman Santosa*



## SESSION FIVE

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defence acquisition and management process. Second, he stressed the need to discuss the recent reorganisation within the Ministry of Defence and its implications for future defence procurement patterns. Third, he encouraged Ms. Maharani to assess all documents that serve as policy guidelines for the transformation of the Indonesian Armed Forces.

A question was raised on how improvements could be made to policies that shape the process of arms acquisition. Ms. Maharani responded that clear policy guidelines were already evident and that Indonesia would seek to buy locally what could be produced in Indonesia to reduce its dependency on foreign countries. However, local producers were still incapable of producing equipment that meet the specific needs of the Armed Forces. Regarding the acquisition process, the current system was designed to reduce the degree of corruption, collusion and nepotism that was rampant in the past. However, despite the process becoming more transparent, it was still not 100 per cent “broker-proof”.

Related to this issue, Mr. Silmy Karim commented that arms acquisition process adopted a more business-like approach and that all parties involved in the process (i.e. the Indonesian Armed Forces, the Ministry of

Defence, the Parliament, the brokers) had their own interests and this potentially made the acquisition process more complicated. Mr. Karim suggested to Ms. Maharani include analysis of the procurement management system in her paper. With reference to the defence industry, Mr. Karim argued that the government needed to give greater autonomy to local strategic industries to find their own partners. Such an approach could potentially improve the flexibility and capability of local industries, which in turn will minimise the dependency on brokers.

Ms. Maharani argued that the role of brokers could not be eliminated because there were situations where they can play a useful role. Furthermore, they are legitimate entities acknowledged in international trade. Rather, she placed emphasis on finding constructive ways to deal with them. Currently, this task was the responsibility of the Committee for Defence Industrial Policy (*Komite Kebijakan Industri Pertahanan*, KKIP). While her paper did not elaborate on KKIP’s role, Ms. Maharani believed the KKIP would be the next battleground in the battle to eliminate corruption in defence procurement process. One particular challenge in this regard was to clearly determine the roles and authority of the KKIP in order to avoid overlaps and its accompanying complications.

## SESSION SIX

The sixth session was chaired by Mr. Andi Widjajanto with a panel of three speakers. The first presenter, Dr. Makmur Keliat, Head of Graduate Studies, at the Department of International Relations, University of Indonesia, began the session by presenting his paper “Arms and Autonomy: The Limits of Indonesia’s Defence Industrial Base”. In his presentation, he speaker tried to answer two key issues, namely: (i) What factors have motivated Indonesia to revitalise its strategic defence industries?; and (ii) What are the future prospects for Indonesia’s strategic defence industries?.

On the first issue, Dr. Keliat argued that there was a paradigm shift following the fall of the New Order. The most authoritative policy statement supporting this paradigm shift was the Ministry of Defence’s State Defence Posture released in 2009 which emphasised that national industries have a vital role in supporting the defence industry. Dr. Keliat added that under the new paradigm, the defence industry was not only limited to acquisition, but also incorporated research and development, investment, production and marketing. Next, there was greater urgency to gain more autonomy in the acquisition of arms and military equipment. This urgency was partly driven by a desire to address the challenges posed by the United States military embargo in the 1990s, and a need to deal with the changing regional strategic environment due to the rise of China. Indonesia’s high dependency on external procurement sources had resulted in underinvestment in military technology and

an overinvestment in manpower. Finally, with the fall of the Soeharto regime ushered in a new era where the Indonesian Armed Forces began its transformation as a modern defence force.

Dr. Keliat argued that until 2014, the Indonesian government is likely to focus on establishing regulations to revitalise the defence industrial base. There are two policy options for Indonesia’s master plan on that subject. The first option is to introduce an autarchic defence policy and develop state-owned strategic industries. According to Dr. Keliat’s assessment, such an idea was not feasible due to a number of challenges, most notably financial constraints, redundant bureaucratic structures, and the “spoiler” problem. The “spoiler” problem relates to a defence procurement process involving what he termed as “non-market incentives”, including mark-ups and corrupt practices utilising state funds. He proposed the need to integrate and intensify interaction between local strategic industries and the global arms supply chain. This policy option requires a combination of strategies that include merger, offset strategy and the application of strategic management and liberal market principles. Dr. Keliat, however, highlighted the political repercussions of a policy where foreign companies may have a degree of influence over Indonesia’s defence industrial base.

The second presentation was a joint presentation by Dr. Ron Matthews, Professor and Head of Graduate & Doctoral Studies at RSIS, and Fitriani, an Associate Research Fellow at RSIS. They presented their joint paper on the “Evolution towards an ‘Appropriate’ Indonesian Offset Policy”.

In the first part of the presentation by Dr. Ron Matthews focused on the evolution of Indonesia’s offset policy, particularly the controversies they presented, their impact, failure and success rates. Offset policy is one strategy that a country can pursue in developing a viable and sustainable defence industry. However, Dr. Matthews argued that a key element bringing about a successful offset programme remains the capability of the purchasing country to absorb technology transfers. Countries like Singapore, Japan and the United Kingdom were successful in carrying out their offset programmes due to the fact that their indigenous defence industries were mature and diversified. These countries were able to develop and absorb technology, evolve innovative



*Dr. Makmur Keliat*

## SESSION SIX

and sustainable local production, and gain access to the global market. As such, they have become attractive partners for foreign companies seeking to build long-term mutual relationships. The problem with Indonesia's offset programme thus far, according to Dr. Matthews, was the scale of the offset itself. If Indonesia continues to pursue low volume procurements, the offset policy would not work.

Dr. Matthews also argued that corruption was more evident in the procurement process rather than in an offset programme. The controversy is hinged on the nature of society and the scale of defence economy where an offset programme is located. To promote clarity of purpose and avoid confusion on offset policy, he suggested that the Indonesian government introduce a clear and transparent defence policy to link offset programmes to arms acquisition strategies and defence industrial objectives.

Indonesia's defence industrial and offset strategies were based on the Pancasila philosophy, which stressed the importance of prosperity for all and national unity. In the past, the situation was further complicated by the *Dwifungsi* and *Sishankamrata* concepts that linked civilians to the military setting hurdles for effective policy implementation. It was Habibie that came up with the idea of promoting strategic industries to multiply the "prosperity effect" of the defence sector. In this regard, he had hoped that an offset strategy and technology transfer policy would strengthen Indonesia's fledgling strategic industries. To make matters worse, the rationale for developing Indonesia's defence industries at the time was further undermined by corruption and nepotism.

While several industries, such as PT DI, PT PAL and PT Pindad had some success during the New Order era the 1997–1998 economic crises made it evident that their success was primarily due to government financial support. These industries were neither able to absorb technology nor generate enhanced levels of indigenous skill. Accordingly, when the financial crises struck in 1997 and the IMF prohibited the government to support local defence industries, they could not survive.

The presenters also noted that a successful offset strategy was also partnership between the military and the people.



*Dr. Ron Matthews*

In order to do this, Indonesia not only needed to increase its defence expenditure, but also had to assure a high level of economic growth to enhance its defence capability as well as the scale of its defence industry. In addition, Dr. Matthews argued that defining the boundaries of defence industrial policy was also important. The most important issue would be prioritising a flexible offset policy based on partnership in an era of globalisation.

### Discussion

As the discussant of the final session, Mr. Bitzinger highlighted examples of past defence industry development in Indonesia. He concurred with the presenters that the success that Indonesia enjoyed in the mid-1990s was illusory. The 1997–1998 financial crises proved to be crucial as it forced Indonesia to dramatically scale back its ambitious plans in the aerospace industry and downsize its arms industry. Mr. Bitzinger argued that Indonesia's defence industry today has come to a standstill. Majority of programmes were behind schedule due to governmental and financial constraints. Actual defence production was nearly non-existent, except for small arms and ammunition and PT DI had to lay off a proportion of its 3,700 employees.

Consequently, Indonesia's offset strategy had failed to provide inputs for the creation of an economically viable, technology sustainable, or militarily useful arms industry. Dr. Bitzinger also questioned the presenters' recommendation to implement a more effective defence

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industrial strategy, expressing his concerns that it made little sense for a developing nation like Indonesia to try to produce any arms. In Mr. Bitzinger's opinion, if the Indonesian government truly wished to reform and transform its armed forces, it was counter-productive for the military to insist on indigenous procurement and, consequently, indigenous arms production.

Several questions were raised by the floor in response to the presentation. Dr. Buszynski questioned the use of the term "offset" which in his opinion had particularly limited meanings in the beginning but had expanded to cover a broader range of aspects related to defence industries. In response to this concern, Dr. Matthews explained that offset incorporates items, such as technology transfer, license production, and so forth. However, in the United Kingdom, counter-trade is put at the top of the list for on definitions for offsets. Therefore, determining which definition to use remained problematic. However, the most important element of offsets is to answer the question whether it creates jobs, high tech skill employment, greater capacities, new industries, and export markets. In reality, offsets rarely cover all these objectives. He added that in countries like India, for example, the technology transfer component was separated from the country's offset strategy.

The second question was raised by Mr. Laksmana, who questioned the need for a local supply chain and sustainable integration between the defence economy

and national economy in developing the national defence industry. He pointed out that while the idea was popular in Indonesia, there was no elaboration of the idea in the KKIP master plan. The vision of offsets in Indonesia had not been realised and remains a primarily a concept. Dr. Keliat responded that in the master plan, there are four categories of defence industries targeted to enhance defence capability in the following areas: mobility, deterrence, information communication, and logistics. He stressed that Indonesia should focus on mobility before moving on to the other stages. With regard to the integration of the defence economy with national economy, in Dr. Keliat's opinion, Indonesia should focus first on the development of low level technologies which correspond to its primary defence needs. Ms. Fitriani added that there were indeed local suppliers, their numbers were not very significant. Data collection was made difficult by the fact that military business lacks transparency. According to the data collected, PT DI had less than 100 suppliers, PT PAL had around 200, and PT Pindad listed 6 small industries in its 2010 Annual Report. Dr. Matthews supported Mr. Laksmana's point on the necessity for a supply chain but highlighted the challenges inherent in developing local industry capacity, particularly the provision of local skills and the creation of sufficient demand for indigenous suppliers to develop their capacity. Therefore, the Indonesian government should introduce an insightful and proactive policy to encourage local companies to participate in local industry clusters, for example, aerospace and shipbuilding, while attracting foreign investment into dedicated industrial areas.

Mr. Widjanto on the other hand asked whether defence industry reform could be more successfully undertaken if initiatives taken in the defence sector accorded with the principles of military reform. Dr. Keliat responded that the matter of whether or not Indonesia develops its defence industry was not the crucial issue. A more important question to address would be whether Indonesia could be expected to resolve its defence problems without building its defence industry. In order to address this matter, it remained a necessity to identify the country's key defence problems. If there is a presumption that there was an assurance that Indonesia would not be hindered in acquiring military equipment, then there would be no necessity to build a



*Fitriani*

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defence industry. As a basic principle, Dr. Keliat believed that defence industries should be purely a response to defence problems, and not national economic problems. Mr. Laksmana added that in his opinion Indonesia could not accomplish its military reform without a defence industry. Defence industries were still needed for training and for enhancing Indonesia's human resources base. Therefore, he argued that defence industries remained critical, did not exist solely for the purpose of developing armaments. Dr. Prasetyono again raised the issue of linkages between commercial industries and defence industries. He argued that the two seemed to be moving in the same direction when it came to high technology. Therefore he asked whether there

are any fundamental differences between the two sectors regarding this matter. Dr. Matthews responded that the two industries were obviously different. A common dilemma evident was how to rationalise the necessity for a defence industry considering the fact that 70 percent of weapons procured came from the commercial sector. The problems often encountered by most countries were the scale and cost of the defence industry. In Indonesia's case, there was not much scale and the costs were too prohibitive. However, countries like the United Kingdom continued to sustain its defence industry because maintaining sovereignty had primary importance and they pursued a strategy of defence self-reliance to reduce dependency on other countries.



# CONFERENCE PROGRAMME

## Workshop Day 1, 24 November 2011

08.30–09.00	Registration		
09.00–09.15	Opening Remarks and Introduction <i>Leonard C. Sebastian, Ph.D.</i> <i>Associate Professor and Coordinator,</i> <i>Indonesia Programme</i> <i>S. Rajaratnam School of International</i> <i>Studies (RSIS)</i>		<b>Reviewing Indonesia's Strategic Environment: Future Conflicts and Implications for National Defence</b> <i>Paper Presenter: Broto Wardoyo, M.A.</i> <i>Program Manager, Graduate Studies for Terrorism and International Security</i> <i>Department of International Relations,</i> <i>University of Indonesia</i>
09.15–09.30	Welcome Address <i>Tan See Seng, Ph.D.</i> <i>Deputy Director &amp; Head of Research,</i> <i>Institute for Defence and Strategic</i> <i>Studies, RSIS</i>		<b>Re-organizing the Force Structure of Indonesian Armed Forces</b> <i>Paper Presenter: Iisgindarsah, M.Sc.</i> <i>Research Analyst, Indonesia Programme RSIS</i>
09.30–10.15	Keynote Address <b>Minimum Essential Forces and Military Transformation in Indonesia</b> <i>Juwono Sudarsono, Ph.D.</i> <i>Former Minister of Defence, Republic of</i> <i>Indonesia</i> <i>Professor, Department of International</i> <i>Relations, University of Indonesia</i>		<i>Paper Discussant: Edy Prasetyono, Ph.D.</i> <i>Vice Dean and Head of Research and</i> <i>Development Unit</i> <i>Faculty of Social and Political Sciences,</i> <i>University of Indonesia</i>
10.15–11.45	Session 1 <i>Chair: Leonard C. Sebastian, Ph.D.</i> <i>Associate Professor and Coordinator,</i> <i>Indonesia Programme</i> <i>S. Rajaratnam School of International Studies</i>	15.00–15.15	Coffee Break
	<b>Transforming the Indonesian Armed Forces: Concepts, Concerns, and Challenges</b> <i>Paper Presenter: Bernard Loo Fook Weng,</i> <i>Ph.D.</i> <i>Associate Professor and Coordinator,</i> <i>Military Transformation and Military</i> <i>Studies Programme, RSIS</i>	15.15–17.15	Session 3 <i>Chair: Jun Honna, Ph.D.</i> <i>Professor, College of International</i> <i>Relations, Ritsumeikan University</i>
11.45–12.00	Group Photo		<b>Doctrinal Innovation in Indonesian Armed Forces</b> <i>Paper Presenter: Andi Widjajanto, M.Sc.</i> <i>Ph.D. candidate, S. Rajaratnam School of</i> <i>International Studies</i> <i>Head of Undergraduate Studies,</i> <i>Department of International Relations,</i> <i>University of Indonesia</i>
12.00–13.00	Lunch		<b>Overhauling Indonesian Armed Forces' Manpower Planning</b> <i>Paper Presenter: Evan Abelard Laksmiana,</i> <i>M.Sc.</i> <i>Ph.D. student, Syracuse University</i> <i>Researcher, Department of Politics and</i> <i>International Relations</i> <i>Centre for Strategic and International</i> <i>Studies, Jakarta</i>
13.00–15.00	Session 2 <i>Chair: Alexandra Retno Wulan, M.A.</i> <i>Researcher, Department of Politics and</i> <i>International Relations</i> <i>Centre for Strategic and International</i> <i>Studies, Jakarta</i>		<i>Paper Discussant: Terence Lee, Ph.D.</i> <i>Assistant Professor, Department of</i> <i>Political Science</i> <i>National University of Singapore</i>
		19.00–21.00	Workshop Dinner



# CONFERENCE PROGRAMME

## Workshop Day 2, 25 November 2011

- 08.30–09.00 Morning Tea and Opening
- 09.00–10.30 Session 4  
*Chair: Evan A. Laksmana, M.Sc.  
Ph.D. Student, Syracuse University  
Researcher, Department of Politics and  
International Relations  
Centre for Strategic and International  
Studies, Jakarta*
- Reinventing Indonesia's Defence  
Cooperation and Diplomacy**  
*Presenter: Alexandra Retno Wulan, M.A.  
Researcher, Department of Politics and  
International Relations  
Centre for Strategic and International  
Studies, Jakarta*
- Paper Discussant: Leszek Buszynski, Ph.D.  
Visiting Fellow, Strategic and Defence  
Studies Centre  
Australian National University*
- \* Coffee break will be served during the  
session
- 10.30–12.00 Session 5  
*Chair: Edy Prasetyono, Ph.D.  
Vice Dean and Head of Research and  
Development Unit  
Faculty of Social and Political Sciences,  
University of Indonesia*
- Reforming Indonesia's Defence  
Management**  
*Paper Presenter: Curie Maharani, M.Def.  
Ph.D. Candidate, Cranfield University*
- Paper Discussant: Novan Iman Santosa,  
M.ST (Han)  
Deputy Desk Editor, the Jakarta Post*
- 12.00–13.00 Lunch  
Temasek 2, Traders Hotel, Level 2

- 13.00–15.00 Session 6  
*Chair: Andi Widjajanto, M.Sc.  
Ph.D. Candidate, S. Rajaratnam School of  
International Studies  
Head of Undergraduate Studies,  
Department of International Relations  
University of Indonesia*
- Arms and Autonomy: The Limits of  
Indonesia's Defence Industrial Base**  
*Paper Presenter: Makmur Keliat, Ph.D.  
Head of Graduate Studies, Department of  
International Relations  
University of Indonesia*
- Inventing Indonesia's Defence  
Industrial Strategy and Offset Policy**  
*Paper Presenter: Ron Matthews, Ph.D.  
Professor and Head of Graduate &  
Doctoral Studies, RSIS  
Fitriani, M.Def.  
Associate Research Fellow, RSIS*
- Paper Discussant: Richard A. Bitzinger,  
M.A.  
Senior Fellow, Military Transformation  
and Military Studies Programme, RSIS*
- 15.00–15.15 Coffee Break
- 15.15–15.45 Remarks from Routledge's Editor for  
Asian Security Series  
*Leszek Buszynski, Ph.D.  
Visiting Fellow, Strategic and Defence  
Studies Centre  
Australian National University*
- 15.45–16.30 Concluding Remarks and Closing  
*Leonard C. Sebastian, Ph.D.  
Associate Professor and Coordinator,  
Indonesia Programme, RSIS*

## End of Workshop

## LIST OF CHAIRPERSONS SPEAKERS AND PARTICIPANTS

### Host

Leonard C. Sebastian, Ph.D.  
Associate Professor and Coordinator, Indonesia  
Programme RSIS, Nanyang Technological University

### Keynote Speaker

Juwono Sudarsono, Ph.D.  
Former Minister of Defence, Republic of Indonesia  
Professor, Department of International Relations,  
University of Indonesia

### Speakers

1. Alexandra Retno Wulan, M.A.  
Researcher, Centre for Strategic and International  
Studies, Jakarta
2. Andi Widjajanto, M.Sc.  
Head of Undergraduate Studies, Department of  
International Relations, University of Indonesia
3. Bernard Fook Weng Loo, Ph.D.  
Associate Professor and Coordinator, Military  
Transformation and Military Studies Programme  
RSIS, Nanyang Technological University
4. Broto Wardoyo, M.A.  
Program Manager Graduate Studies for Terrorism  
and International Security, University of Indonesia
5. Curie Maharani, M.Def.  
Ph.D. candidate, Cranfield University
6. Evan A. Laksmana, M.Sc.  
Researcher, Centre for Strategic and International  
Studies, Jakarta
7. Fitriani, M.Def.  
Associate Research Fellow, RSIS, Nanyang  
Technological University
8. Iisgindarsah, M.Sc.  
Research Analyst, RSIS, Nanyang Technological  
University
9. Makmur Keliat, Ph.D.  
Head of Graduate Studies, Department of  
International Relations, University of Indonesia
10. Ron Matthews, Ph.D.  
Professor and Head of Graduate & Doctoral Studies  
RSIS, Nanyang Technological University
11. Tan See Seng, Ph.D.  
Deputy Director and Head of Research, Institute  
for Defence and Strategic Studies RSIS, Nanyang  
Technological University



## LIST OF CHAIRPERSONS SPEAKERS AND PARTICIPANTS

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### Invitees

1. Ambassador Barry Desker  
Dean, S. Rajaratnam School of International Studies,  
Nanyang Technological University
2. Edy Prasetyono, Ph.D.  
Vice Dean and Head of Research and Development  
Unit, Faculty of Social and Political Sciences,  
University of Indonesia
3. Hadiano Wirajuda  
Ph.D. Candidate, London School of Economics
4. Jun Honna, Ph.D.  
Professor, College of International Relations,  
Ritsumeikan University
5. Leszek Buszynski, Ph.D.  
Visiting Fellow, Strategic and Defence Studies  
Centre, Australian National University
6. Novan Iman Santosa, M.ST (Han)  
Deputy Desk Editor, The Jakarta Post
7. Rhino Charles Tuo  
M.Sc. Student in Strategic Studies programme, RSIS,  
Nanyang Technological University
8. Richard A. Bitzinger, M.A.  
Senior Fellow, RSIS, Nanyang Technological  
University
9. Silmy Karim  
Advisor to Chairman of Committee for Defence  
Industrial Policy (KKIP), Ministry of Defence,  
Republic of Indonesia
10. Terrence Lee, Ph.D.  
Assistant Professor, Department of Political Science,  
National University of Singapore

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5. Yoes C. Kenawas  
Research Associate, Indonesia Programme RSIS,  
Nanyang Technological University

## ABOUT THE ORGANISER

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The S. Rajaratnam School of International Studies (RSIS) was officially inaugurated on 1 January 2007. Before that, it was known as the Institute of Defence and Strategic Studies (IDSS), which was established ten years earlier on 30 July 1996. Like its predecessor, RSIS was established as an autonomous entity within Nanyang Technological University (NTU). RSIS' aim is to be a leading research institution and professional graduate school in the Asia-Pacific. To accomplish this mission, RSIS provides a rigorous professional graduate education in international affairs with a strong practical and area emphasis; conducts policy-relevant research in national security, defence and strategic studies, international political economy, diplomacy and international relations; and collaborates with like-minded schools of international affairs to form a global network of excellence.

The Indonesia Programme is one of nine active research programmes under the umbrella of IDSS. The Programme studies current developments and a wide range of key issues in the archipelago, including political Islam, military and security affairs, foreign policy and regional relations, as well as national and local politics—especially in the Riau region. Through various research, networking, and teaching activities, the Programme has not only provided a platform for networking between the Singapore policy community and the emerging political elites in Indonesia, but also aims to further deepen mutual understanding and closer friendship between the two neighbours.





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