



Energy Security: Indonesia's Grand Strategy in Facing Global Energy Market

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Abstrak: *Indonesia memiliki peluang yang cukup potensial untuk memainkan peran dalam politik energi karena Indonesia di dukung sumber daya alam energi potensial baik energi fosil maupun energi terbarukan, yang seharusnya dapat melayani kebutuhan pasokan energi global serta menjaga ketersediaan energi bagi masyarakatnya. Serta dapat meningkatkan posisi tawar strategis Indonesia dalam ranah geopolitik dunia. Namun Indonesia belum bisa memanfaatkan posisi strategis tersebut, dikarenakan ketidaksanggupan dalam memenuhi substitusi energi dan menghadapi dinamika harga energi dunia yang ditunjukkan dari sikap Indonesia yang mengundurkan diri sebagai anggota OPEC di tahun 2008. Perubahan tingkat konsumsi energi masyarakat Indonesia yang semakin meningkat akibat pola industrialisasi dan perkembangan alat transportasi juga merubah posisi Indonesia menjadi salah satu negara yang tinggi dalam hal mengimpor energi daripada melakukan ekspor energi ke negara lainnya. Untuk itu penelitian ini berfokus menganalisis rancangan yang paling tepat bagi Indonesia untuk membenahi regulasinya di bidang energi. Analisis dari hambatan dan tantangan bagi pemerintah Indonesia dalam membuat regulasi di bidang energi khususnya energi terbarukan, maka Indonesia perlu membuat rancangan konsep ketahanan energi dengan menyiapkan sebuah Grand Strategy Energy dalam menghadapi pasar energi global. Pemerintah Indonesia perlu membuat Grand Strategi yang mengarah ke pembatasan konsumsi energi fosil dan perlu upaya diversifikasi energi agar permintaan terhadap energi fosil dapat diminimalisir, serta mendorong iklim investasi asing sebagai modal pengembangan diversifikasi energi alternatif tersebut, namun disesuaikan dengan tujuan kepentingan nasional yang lebih mengarah ke domestic oriented dan transisi energi dunia.*

Kata Kunci: *Grand Strategy, Pasar Energy Global, Ketahanan Energi.*

Abstract: *Indonesia has quite a potential opportunity to play a role in energy politics because Indonesia is supported by potential natural energy resources, both fossil and renewable energy, which should serve the needs of the global energy supply and maintain energy availability for its people. As well as being able to improve Indonesia's strategic bargaining position in the realm of world geopolitics. However, Indonesia has yet to take advantage of this strategic position due to its inability to meet energy substitution and to face the dynamics of world energy prices, as shown by Indonesia's resignation as a member of OPEC in 2008. Changes in energy consumption in Indonesia are increasing due to industrialization and development patterns. Means of transportation also changed Indonesia's position to become one of the countries that are high in importing energy rather than exporting energy to other countries. For this reason, this research focuses on analyzing the most appropriate design for Indonesia to improve its regulations in the energy sector. From the analysis of the obstacles and challenges for the Indonesian government in making regulations in the energy sector, especially renewable energy, Indonesia needs to design an energy security concept by preparing a Grand Energy Strategy in facing the global energy market. The Indonesian government needs to make a Grand Strategy that leads to limiting the consumption of fossil energy and needs efforts to diversify energy so that demand for fossil energy can be minimized, as well as encouraging a foreign investment climate as capital for developing alternative energy diversification but adjusted to the goals of national interests which are more directed towards domestic-oriented and world energy transition.*

Keywords: *Grand Strategy, Global Market Energy, Energy Security*

INTRODUCTION

Indonesia is a country that has considerable natural potential because it is located in the Ring of Fire, which is an area that frequently experiences earthquakes and volcanic eruptions that surrounds the Pacific Ocean basin. As a result of the volcanic eruptions and earthquakes, Indonesia's territory has become more fertile and richer in biological natural resources. The ring of fire path is also quite profitable because it provides geothermal energy potential that can be used as an alternative energy source. The majority of Indonesia's territory is a water area flanked by two oceans, namely the Indian and Pacific, which also contributes significantly to the potential of Indonesia's natural wealth and economic growth.

Theoretically, the availability of natural resources should support a country's economic growth. However Indonesia has not yet entered the category of developed countries whose gross national income can guarantee the welfare of its people with a continuously growing population growth. Recently, it was even noted that Indonesia's energy security position was declining, based on data released by the World Energy Council, Indonesia experienced a downgrade from 47th in 2011 to 129th in 2014. Energy security includes availability of energy sources, affordability of energy supply, and continued development of renewable energy. The decline is allegedly due to an imbalance in the rate of energy availability with energy needs in society, such as the supply of oil production which continues to decline while the number of requests is always increasing. (Kompas, 2016)

Referring to this problem, it can be seen that Indonesia is included in the criteria for the concept of the Dutch disease economy, which is included in the ranks of world countries that are rich in natural resources but often have relatively low economic growth. In addition, these countries tend not to have sufficient technology to process their natural wealth. Even domestic politics is very difficult to overcome, such as institutional problems, corruption, civil war, and weak democracy. This is also evidenced by the writings of several economic observers such as Jeffrey D. Sach and Andrew M, that several countries in the category of high gross domestic product, such as Singapore, South Korea and Taiwan, are countries with poor natural resources. Meanwhile, Zambia, Indonesia, Liberia and Venezuela are rich in natural resources, but their GDP is much lower. (Kasali, 2018).

It is interesting to understand whether the economic concept of Dutch disease has become a doctrine for almost all countries that have abundant natural wealth, especially Indonesia, or is the state community unprepared in managing the existing natural resources? The problem for Indonesia lies in the vastness of Indonesia's territory which is not proportional to the limitations of the population in managing it, so that Indonesia needs a grand strategy to improve the lives of its people. Especially a grand strategy that is more focused on the realm of energy security, because the availability of minerals and energy in Indonesia is very large,

such as oil, gas and coal which are quite large assets for the country. However, these assets are widely used to support other countries such as China and America which are far more advanced than to meet the main supply of the Indonesian population. In fact, thanks to the abundance of energy, Indonesia can also become part of developed countries by focusing on its bargaining position from energy reserves owned or net oil exporters so that it will cause dependence from several other countries on Indonesia and this position will be very profitable for Indonesia.

The existence of energy resources in Indonesia can be used as a grand strategy, which can be used to achieve its national interests in a global scope, energy is the main supply that is needed to support people in all countries if energy resources are sufficient then automatically a country's economic growth will evenly because there is no need to depend on energy imports such as petroleum and coal from other countries. This is what Indonesia needs to take advantage of, the Indonesian people need to use energy as a means of diplomacy which will not only maintain energy supplies for its people and support the sustainability of energy production in Indonesia but will also reduce threats to national sovereignty and help reduce unemployment by increasing oil production in country which means additional jobs for the people of Indonesia.

For example, several large countries such as the United States (US) and China have limited energy resources such as petroleum and are aggressively starting to seek alternative energy supplies around the world, including to Indonesia. In their search efforts, these countries offer cooperation and investment to help the economic growth of the countries that supply their energy. If Indonesia can manage energy availability in the country well and can help other countries' energy limitations by preparing energy reserves, this will help economic growth and improve Indonesia's strategic position in the international geopolitical situation. However, Indonesia also needs to be wary of net oil importer countries as energy producing countries, because the presence of energy can also result in an aggressive attitude of importing countries to dominate their energy sources and ultimately cause tension and threats to the security and sovereignty of the Indonesian state. Therefore, Indonesia needs to draft a grand strategy to secure its

energy security conditions, as well as guard against threats to the sovereignty of other countries.

METHODS

For example, several large countries such as the United States (US) and China have limited energy resources such as petroleum and are aggressively starting to seek alternative energy supplies around the world, including to Indonesia. In their search efforts, these countries offer a cooperation and investment to help the economic growth of the countries that supply their energy. If Indonesia is able to manage energy availability in the country well and can help other countries' energy limitations by preparing energy reserves, this will help economic growth and improve Indonesia's strategic position in the international geopolitical situation. However, Indonesia also needs to be wary of net oil importer countries as energy producing countries, because the presence of energy can also result in an aggressive attitude of importing countries to dominate their energy sources and ultimately cause tension and threats to the security and sovereignty of the Indonesian state. Therefore, Indonesia needs to draft a grand strategy to secure its energy security conditions, as well as guard against threats to the sovereignty of other countries.

The energy Grand Strategy can also be used as a means of diplomacy in defending national sovereignty from global threats. This writing will focus on scientific writings about awareness about the importance of energy for Indonesia's economic growth and how Indonesia can learn from other countries to maintain its energy resources for the national interest of society and avoid threats to state sovereignty from threats of exploitation of energy resources in Indonesia. Other sources can be in the form of state documents, textbooks, scientific journals and some results of interviews with related institutions regarding energy security with partners and other supporting sectors.

Theoretical Framework

Energy is an important element for a country, including for Indonesia because the availability of minerals and energy in Indonesia is very large, such as oil, gas and coal which are quite large assets for the country in driving its economic growth. The availability of energy besides being able to encourage the country's economic growth and become a strategy in achieving Indonesia's national interests globally because it increases the bargaining position in the global political arena as a net oil exporter but will also be a reverse direction threatening state sovereignty if the existence of these energy sources is used as a target for exploitation by other countries. industrial countries that need energy sources. This really poses a big threat to Indonesia's energy security and sovereignty, therefore in this study to analyze how Indonesia's grand energy security is in facing the global market, the authors use several theoretical concepts to examine these problems, namely the concept of energy security which is linked to economic theory concepts. neo-mercantilism.

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a. Energy Resilience

The concept of energy security explains the importance of maintaining the availability of energy resources supply, and affordable for the wider community. According to the definition of the International Energy Agency (IEA), what is meant by energy security is the availability of safe energy sources at affordable prices. The concept of energy security has two dimensions, namely in the short term it focuses on the ability of the national energy system to react to sudden changes in the balance of demand and supply in the international energy market while in the long term it relates to investment in energy supply in line with the needs of economic development. and environmental sustainability (Hikmat, 2016). Energy security is considered very important because all human productivity, especially in the economic sector, always requires energy supply, if energy supply is not available it will reduce economic productivity so that it disrupts the growth of human survival. For example, when Saudi Arabia stopped supplying its crude oil energy to importing countries, this action disrupted the economic activities of importing countries, so a plan was really needed to maintain energy supply so that it did not depend on one energy source and its producer.

For this reason, a plan is urgently needed to address the sustainability of the supply of energy sources, which puts forward how to calculate the estimated amount of energy demand as the basis for plans to provide energy supply reserves and price adjustments so that they can reach all people's abilities to be able to consume energy and also need to find an alternative renewable energy. So as not to depend on existing energy use and energy imports from other countries. The government needs to establish a policy direction in maintaining the availability of energy supply for its people by establishing more rules for the wise supply and use of community energy and carrying out acts of nature conservation, in addition to supporting infrastructure development and community empowerment so that they can compete in the global energy industry competition.

b. Neo-Mercantilism

The neo-mercantilist theory is a development of the theory of mercantilism in international political economy. This theory emphasizes the importance of a country defending its country's sovereignty from threats/supremacy of other countries by carrying out various activities that tend to protect the national economy and state intervention is very strong to encourage national economic growth. Theoretically, according to international political economy scientists (Balaam, 2001), neo-mercantilism focuses on aspects of nationalism in the thinking and practice of political economy; Protection or barriers are one of the government's policy instruments to protect the country in the era of free trade. This is done to anticipate market opportunities that are considered to dominate, and ultimately create interdependence and exploitation for countries that are less able to cope with their economic growth. Neo-mercantilism becomes a natural effort to protect the national economy through a rule or agreement that has been stipulated in free trade practices or through protectionism in the form of non-tariff barriers. As a net oil importer country, Indonesia really needs a regulation to protect its market and maintain its domestic energy supply from competitors in the energy industry of other countries and does not need to depend on energy imports such as petroleum and coal from other countries which will support the sustainability of energy production in Indonesia because will help reduce unemployment by increasing domestic oil production, which means additional jobs for the Indonesian people.

RESULT AND DISCUSSION

a. Indonesia's Awareness of Threats to Energy Sovereignty

As explained in the introduction, Indonesia has considerable natural potential which supports the availability of energy sources for its people. It is recorded that Indonesia has energy reserves originating from petroleum of 9 billion barrels with a production capacity of 500 million barrels per year, gas reserves reaching 182 trillion cubic feet with a production capacity of 3 trillion cubic feet per year and coal reserves of 19.3 billion tons with a production capacity 130 million tons per year (Rachmat, 2018). These energy reserves make Indonesia begin to be

considered in the global energy market as an energy supplier country. Indonesia has quite a potential opportunity to play a role in global energy politics. Indonesia has also been listed as a member of the OPEC (Organization of Petroleum Importing Countries) or oil-exporting countries, as a country that has energy reserves, especially petroleum, in an export orientation which plays a role in maintaining the stability of world oil prices. However, in 2008, Indonesia withdrew from OPEC membership on the grounds that it was unable to meet demands for oil production quotas and was influenced by domestic oil price stabilization policies related to world oil prices. It is suspected that this is because the growth of the population of Indonesian people is getting faster and is not supported by the fulfillment of balanced energy needs. When humans continue to develop, the demand for energy needs is also increasing, Indonesia cannot fulfill this because the consumptive pattern of society is increasing in the use of energy and the development of industrialization patterns that rely heavily on energy reserves, causing difficulties due to limited energy availability and scarcity. Causing economic growth to slow down as a result of not being able to adjust the price of oil that has been agreed upon by the world.

In 2007, Indonesia was listed as the country that ranks 13th in the world in terms of the largest energy consumption according to the World Bank. More or less, Indonesia consumes around 191 million tons of energy in the form of oil, and the trend of energy consumption has been increasing from 2000 to 2008, around 2.1% per year (Resosudarmo, 2010).

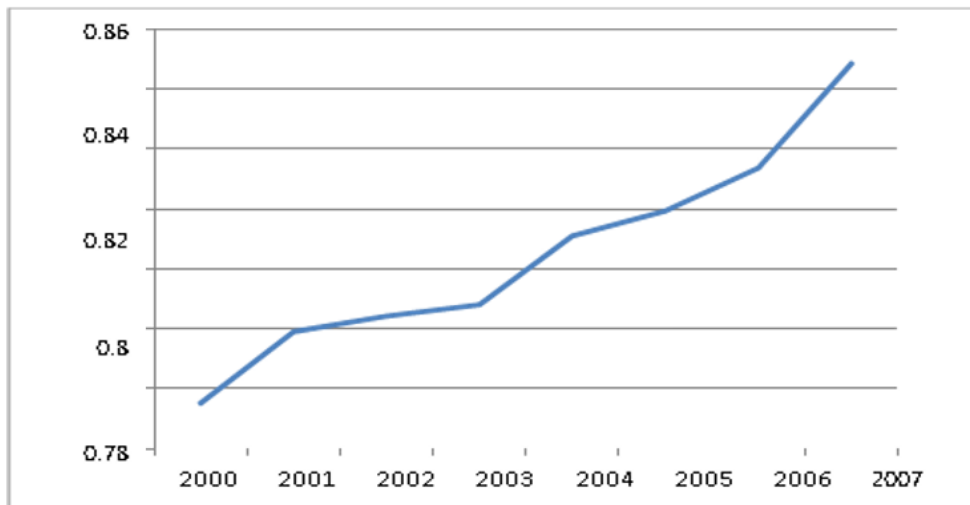


Figure 1. Energy Consumption in Indonesia Per Capita

Source: World Bank, 2010

Then when analyzed based on the sector of energy use, such as industry, households, commercial, transportation, and several other sectors. There has been a lot of increase in energy consumption in Indonesia due to the growth of the industrial sector followed by the use of transportation and household consumption.

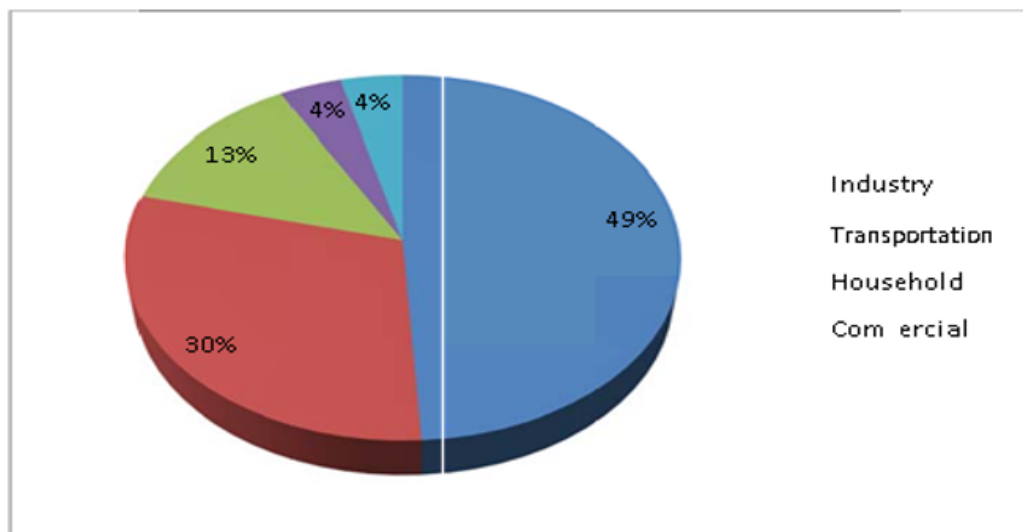


Figure 2. Total Energy Consumption According to Some Sectors

Source: Indonesian Ministry of Energy and Mineral Resources, 2009

These phenomena and facts are proof that Indonesia needs to make efforts in the field of energy security to maintain the continuity of meeting domestic energy needs and safeguard world energy supplies by planning a strategy in the energy sector and creating alternative energy plans to serve global demand for renewable energy. Because by looking at Indonesia's previous position, Indonesia has a considerable opportunity to play a role in the global energy politics arena. Not only to increase the bargaining position internationally as an energy supplier country but also the sustainability of energy availability will ensure the prosperity and welfare of the Indonesian people because energy availability supports growth in economic development and job creation. On the other hand, the world's panic over the energy crisis can lead Indonesia to take strategic opportunities from the proceeds of energy sales as development capital. For example, countries in the Middle East which are rich in energy sources such as Saudi Arabia, Venezuela, are able to guarantee the availability of energy sources for domestic needs at affordable prices and play a strategic role in the global energy market.

The availability of fossil fuel energy is currently a strategic issue, especially for advanced industrial countries, high economic growth in developed countries will increase the amount of energy consumption by 3 times and limited energy availability will lead to competition in obtaining energy sources, especially among advanced industrial countries. The development of industrialization has created an increasing demand for energy, not only for advanced industrial countries but also for newly industrialized countries such as China and India which have minimal supply of energy sources to support their economic growth, therefore energy supplies from outside the country are urgently needed. These countries are willing to compete to overcome their energy crisis by offering various cooperation opportunities for countries supplying energy sources both non-renewable energy and alternative renewable energy.

This is where Indonesia should be able to take market opportunities in global energy, as a country providing energy sources that can serve global energy demand and can take more profit from the sales of its energy. Because of the scarcity of energy, the competition will provide a much higher price to the demand for energy sources. However, Indonesia needs to realize this strategic

position and needs to improve its energy policy by realizing energy security that guarantees national needs and security of energy supply globally. In this case, Indonesia must take a central role in order to accommodate all parties without sacrificing energy reserves for its domestic needs. This is where it is important to design a Grand Strategy in the field of energy security so that it can accommodate Indonesia's national interests and make energy a means of increasing Indonesia's strategic bargaining position globally.

On the other hand, the grand energy strategy needs to be designed as a preparatory map for Indonesia in facing the global energy market. Because the increase in global energy consumption will be faced with the availability of energy reserves which is directly proportional to the arena of competition which will immediately cause conflict not only for countries that are competing but also countries that are the target of energy sources. Usually in the competition for energy sources, state actors are always positioned as consumers and producers. More consumers from industrial countries need these commodities, while most producers are owners of energy commodities. The interactions that then occur are not only competition between industrial countries but also how the interactions between industrial countries and countries producing energy sources (Rachmat, 2018). Referring to this, Indonesia's position also needs to be aware of competitive tensions in the vortex of global energy politics driven by industrializing countries. Indonesia is in this position, because it has large reserves of energy sources and establishes strategic partners for several countries that need energy reserves. From this reality, the Indonesian government needs to highlight Indonesia's current position and what Indonesia must do in the dynamics of energy politics being run by advanced industrial countries. Indonesia needs to make energy securitization in a global scope.

Energy securitization is urgently needed because this concept will help formulate energy security policies in Indonesia, if regional instability occurs such as conflicts with strategic partners or interference from advanced industrial consuming countries, Indonesia is ready to secure energy supplies (oil, gas and coal) even with use of military force. The concept of energy security is more outward looking not only to maintain a high probability of energy supply owned

in a safe condition for energy sources, distribution channels, and price stability on a domestic scale but also to be integrated with the global energy market. For this reason, Indonesia needs to maintain security stability with a foreign policy formulation that can guarantee national interests and protect state sovereignty from threats to the dynamics of the energy sector, because it is projected that the size and size of a country's power is no longer seen from the colonies of a country but rather to the large amount of energy reserves owned (Rachmat, 2018).

Another thing that started to awaken Indonesia to focus on its policies from the energy sector was the emergence of several energy securitization issues that occurred in Libya, where Gaddafi's decision to give space to Chinese companies to explore oil resources in Libya triggered European countries to attack Libya so that Chinese company out. Another related issue is the Iraqi invasion by NATO where the United States intervened very clearly to control access to oil resources related to the distribution of oil exploration concessions to oil companies and allied companies (Rachmat, 2018).

This energy need makes countries that have mineral and energy reserves such as Indonesia increasingly threatened by the implementation of a political concept, namely patronage politics from industrialized countries with an interest, namely by making strategic partners and then starting to dictate energy sources with various economic assistance. , the military, and politics which will unknowingly open up investment fields in the oil and gas sector and make them increasingly dependent on the industrialized country (Rachmat, 2018). Maybe for a country that can manage the dynamics of competition among developed countries in gaining access to energy sources, it will be an advantage for the interests of the country and a strategic position in international politics. However, not all countries that have energy reserves can think wisely and manage their country's interests well so that they actually hinder or even harm the country's economic growth.

Indonesia's position does not seem to be able to utilize the two blades described earlier, because Indonesia is still experiencing many domestic political issues that weaken its government, so it is very likely that Indonesia's rather fragile condition can be utilized by many industrial countries that are only aiming

to explore their energy reserves, let alone Indonesia's free and active politics is very supportive in establishing various strategic partner collaborations in all corners of the world. By having quite large energy reserves, namely oil reserves of 9 billion barrels with a production capacity of 500 million barrels per year, gas reserves of 182 trillion cubic feet with a production capacity of 3 trillion cubic feet per year, and coal reserves of 19.3 billion tons with a production capacity 130 million tons per year (Prasetyono, 2008), Indonesia is very much considered by Advanced Industrial countries to become a target for access to reserves of their energy sources, and Indonesia's bargaining position is very strong. Indonesia is a Southeast Asian country that was chosen to be a member of the G-20, thanks to its oil reserves. Indonesia was once a member of OPEC which showed capability in contributing to maintaining the stability of world oil prices, even from 2019 to 2020 Indonesia became a non-permanent security council member at the United Nations. This position should be a strategic position, but it cannot directly accommodate the national interests of the people because there is still an unequal distribution of the economy and frequent domestic conflicts.

Seeing the current condition and political situation in Indonesia, which is integrated with its strategic position, Indonesia needs to realize the importance of a grand national energy policy strategy that is more directed at realizing energy security from the aspect of energy security and independence. Energy security is a guarantee of long-term national needs while energy independence is the ability to use resources and technology to meet national energy needs (ESDM, 2010). In terms of security, Indonesia needs to put forward efforts to maximize the potential of its energy sources, because Indonesia already has sufficient assets and no longer needs to compete for backup energy sources. The government's task is only to optimize the benefits of energy sources that are owned. However, in reality this is still difficult to implement because it is still intended for strategic partners for other countries' needs. For example, data from the Ministry of Energy and Mineral Resources shows that around 69.9% of the oil and gas industry is still controlled by foreign companies, such as Chevron, Conoco Phillips and Exxon Mobil. Meanwhile, national oil and gas companies only control around 29.1%. The data

illustrates that Indonesia does not seem to have sovereignty in managing its energy sources (Rachmat, 2018).

Along with the increasing demand for energy at the global level, Indonesia should be able to take advantage of this opportunity as a net oil exporter in an effort to fulfill its national interests, especially in fulfilling people's welfare and increasing its economic growth. The Indonesian government must be able to become a producer and consumer to accommodate all parties without sacrificing its energy reserves. If this can be realized, it means that Indonesia has been able to implement energy sovereignty and has been able to allocate budgets for the benefit of development and people's welfare. However, in reality, Indonesia still lacks the human resources to manage these abundant energy sources and has forced the Indonesian government to create policies that are more oriented towards the development sector of foreign investment in the energy sector which makes Indonesian people have to pay more to enjoy domestic energy due to the high cost of the process production. All national economic and defense activities that still utilize energy sources from fossil fuels cannot be managed independently. Weaknesses like these need to be addressed by the Indonesian government, supported by the social capability of the Indonesian people, because as previously explained, the global energy demand sector, especially fossil fuels, is getting higher and it is not impossible that various industrialized countries will begin to apply their patronage politics to Indonesia, giving rise to competition. which can threaten the sovereignty of the Indonesian state. Therefore, awareness of Indonesia's energy sovereignty is urgently needed as a map to design a Grand Strategy for the dynamics of energy politics at the global level.

b. Design of Grand Strategy Energy Indonesia

The concept of energy security is needed to support Indonesia's energy sovereignty in achieving national interests. If there is no grand strategy aimed at maintaining energy security, it can be projected that in the future Indonesia will compete with other industrialized countries to seek access to reserve energy sources, because Indonesia's energy sources have been controlled by foreign countries. This condition will be very concerning for the Indonesian population, a new neo-capitalism will form which will make Indonesian people very dependent

on foreign countries. Indonesia's energy policy direction still relies on exploration and has not yet realized the importance of storing reserves for future needs. In fact, the direction of the Indonesian government's policy is to contribute energy to national development by providing clean and cheap energy sources for the people. Indonesia's energy imports are carried out to meet consumption needs, not to prepare energy reserves. This further explains that Indonesia does not yet have independence to fulfill energy security.

Not without thinking, the Indonesian government has spent a lot of money to conduct various research in finding alternative energy, but this process takes quite a long time to implement, inversely proportional to the average age of the national petroleum industry which is in the old category and is more than 100 years which makes production performance slower. The Ministry of Energy and Mineral Resources estimates that oil reserves will run out within 22.99 years, and natural gas is around 58.95 years, and coal has a longer time, namely 82.01 years. While in fact the need for energy consumption in Indonesia is always recorded to increase every year. It can be projected that energy will become scarce if the government does not actively manage the available energy reserves properly and begins to formulate a strategy for energy security. Maybe it can be started by mapping out the most real threats in facing energy security challenges.

The main threat is the mindset of the Indonesian people who always feel that Indonesia's energy sources are still very abundant and will always be available. It seems that the government needs to think of a way to change the paradigm of thinking of the Indonesian people first. People's consumptive patterns and a strong sense of ownership mean that the energy supply in Indonesia is decreasing, accompanied by rapid population growth and technology that increasingly demands high demand for energy. It seems natural that all Indonesian people still think that the availability of nature was indeed created for human existence, this was influenced by mistakes in interpreting lessons learned from Western science (modern science) which resulted in "Planetary Ecological Crisis", the consequences obtained such as mastery of natural resources nature by certain groups, increasing inequality, and rampant poverty. Modern Science focuses more on the basic knowledge that seeks to understand everything about reality by

understanding it from the subject itself. This thinking was influenced by Descartes, who inspired people to think that the world and its contents were giant machines that were created to be operated by humans, and the natural wealth contained therein is controlled by the state and used for the greatest possible prosperity of its people". Accordingly, it increasingly supports the high consumptive nature of Indonesian society. Therefore, the government's attention in the energy sector is more focused on domestic or domestic-oriented energy management systems.

The Indonesian government has not seen that energy is a very crucial thing to pay attention to, not only from the domestic level. Energy is a strategic commodity which is an important issue at the global level, as industrialized countries develop, the need for energy is higher and not all industrialized countries have sufficient energy reserves so that energy can become a commodity traded or a global market commodity. Energy trading in the global market can bring up conditions of profit and loss, which may trigger a conflict to maintain energy supply. Therefore, the energy problem needs to be seen from the external sector. The Indonesian government also needs to see energy as a strategic commodity that can support Indonesia's effectiveness and diplomacy at the regional and international levels. However, Indonesia's energy sector policies have not been very international or outward-looking. Well, this should be the focus of Indonesia's attention in planning Indonesia's grand energy strategy.

In the first stage, the Indonesian government needs a strategic plan to resolve Indonesia's domestic energy security problems. Indonesia's policies in the energy sector need to be revised, such as starting to synergize between government policies in the energy sector and energy-saving awareness from the public, and efforts to diversify energy are needed so that the demand for fossil energy can be minimized and energy reserves are available in the future. The high level of public consumption of fossil energy needs is influenced by increased industrial economic activity and population growth, causing the Indonesian government to import more fossil fuels from outside to meet the needs of its people and lead to dependence on other countries. For this reason, the Indonesian government must start establishing a regulation to minimize the diminishing

energy supply by reducing subsidies and implementing an energy mix. The government needs to make new policies for society so that they are not too dependent on fossil energy.

The government often limits fuel subsidies with the aim of reducing people's consumption patterns which are quite high for energy needs, which results in rising prices for this energy fuel. However, even though this is a fairly solutive effort, in the end the Indonesian people object because the economy is not evenly distributed and there are still many people who struggle with low purchasing power. Even though the elimination of fuel subsidies is an effort that is considered to have enough potential to reduce consumption pressure, the lack of public preparedness to deal with this makes this regulation considered not a solution.

The government needs to issue new regulations to limit people's consumption of fossil fuels that are more just and sustainable, without causing protests from the public. In the end, the government needs to prepare an alternative regulation by trying to limit the level of public consumption and direct it to the use of alternative, renewable energy or in other terms, carry out the energy mix. The government should put more effort into directing the public to develop and consume renewable alternative energy sources to initiate the scarcity of non-renewable energy such as petroleum, coal, and so on. As well as directing this alternative energy source to an environmentally friendly and more efficient business model to generate interest in foreign investment to support the program. Because this new and renewable energy development program requires a lot of money, and according to AT Kearney's calculations (2019), the capital investment requirement for the development of renewable energy in Indonesia reaches US\$62 billion in the 2018-2025 period, but in reality, Indonesia can only afford provided a range of US\$0.6 billion in 2016 and US\$1 billion in 2017 (Poppy Winanti, 2020).

Therefore, Indonesia needs to attract a foreign investment climate to help optimize the development of the energy mix program. Apart from attracting foreign investment, the Indonesian government also needs to support the renewable energy business sector on a domestic scale by providing regulatory

relaxation in the implementation process and incentive support. This initiative requires support from stakeholders such as support from parliament, business circles and public approval for smooth regulation in terms of energy governance, including support for infrastructure and technology development.

The withdrawal of the foreign investment climate is not only for diverting additional capital for the development of alternative renewable energy, but also for the absorption of foreign technology models that are not well-versed by the Indonesian people in making alternative energy programs. For this reason, the government needs to support it by stipulating regulatory relaxations for foreign investors while still paying attention to the principles of justice and benefit for the people, such as building easy access to transportation by making infrastructure facilities and relaxing permits for foreign companies that will invest, especially in the energy sector, if there is a technology transfer process inside it.

In the next stage, apart from setting limits on energy consumption and mix, the government needs to design energy security that is tailored to the specific context of a country, such as analyzing the cultural conditions of society and geopolitical issues inherent in that country. The successful implementation of energy governance policies is determined by the stakeholders involved, namely the relationship between government institutions, businesses, and the community. Policies made must be pro to the will of the people and adapted to their capabilities. Even though the government opened an energy governance policy by prioritizing the foreign investment sector, the Indonesian people must be involved in the process of transferring technology from foreign companies investing in the energy sector. Communities and local Indonesian businessmen must also be smarter in paying attention to the directions and objectives of these investors, and if there is a loss in the process of local energy management the government must be responsive to make regulations that do not harm their own people. There must be coherence with each other in their implementation or mutual support for the transformation of policies that have been set, if this fails, the conditions will only worsen and lead to a tendency of distrust of other countries to invest in the development and utilization of existing energy. The strength of the most important aspect of energy governance is the involvement of the power of stakeholders,

especially community support. If the people do not trust the government and lack sympathy in participating in government programs, national energy sovereignty will not be created.

Finally, understanding the energy transition in a global context, meaning that the government needs to understand a transformation that is becoming a global trend in the global energy market. The development of industrialization has increasingly increased the world's demand for energy, however, these energy needs are much unbalanced with the availability of adequate energy supplies, as a result, many countries globally have turned to developing new and renewable energy in order to reduce their level of consumption of fossil energy needs. New and renewable energy is also considered more environmentally friendly for consumption which can help overcome environmental issues that are increasing due to consuming fossil energy. The global community is increasingly aware of the need for clean and green energy which is more directed towards environmental improvement processes and economic democracy. In addition, the energy transition towards new and renewable energy is lower in cost than pursuing fossil energy exploration due to the use of technology that is more affordable in terms of production costs so that it can reduce investment costs in the renewable energy business.

Furthermore, it will increase energy security for a country that begins to develop it and carry out an energy mix policy because it will reduce dependence on energy imports from other countries, for example the United States (US) as a net oil importer country begins to switch to meeting its energy needs by developing Shale Revolution which produces shale. oil and shale gas which are considered to be able to meet the needs of the people of the United States for the next 100 years. Without realizing it, the discovery of new and renewable energy by the US has become a world trend because it can support the world's energy supply chain and make the US turn into a net exporter country. The US began to become a major player in the global energy market because the booming shale revolution caused fossil energy prices to decline because of the shift from fossil fuels to new and renewable energy which was considered environmentally friendly and far more affordable for the democratization of the world's economy.

This is what Indonesia must begin to map out and proclaim in the form of a grand energy security strategy if it wants to seize economic opportunities in the global energy market. Indonesia must adapt the world's desires to energy needs and increase technology development in the energy sector so that production costs can be much cheaper in the process of developing new and renewable energy.

Indonesia is considered capable according to the report of The International Renewable Energy Agency (IRENA) to take the potential and opportunities of the energy market like the United States because Indonesia has a lot of availability of new and renewable energy sources ranging from wind, solar, geothermal, and vegetable energy sources but still needs to be optimized (Poppy Winanti, 2020). How to optimize it by overcoming the weaknesses of Indonesia's production sector such as meeting the relatively high production capital costs by utilizing energy diplomacy to encourage other countries to be interested in investing and support the development of new and renewable energy exploration in Indonesia. For example, the Indonesian government needs to prepare regulations in the form of ease of regulation in investing and the provision of adequate infrastructure facilities and infrastructure.

CONCLUSION

As a country endowed with abundant natural resources, Indonesia must be able to take advantage of this potential to meet people's energy needs and serve energy needs globally, and maintain the sustainability of this energy supply from domination and exploitation by countries that will carry out their patronage politics to meet their country's energy needs. . The increasing world energy demand due to economic growth in terms of industrialization and technological developments as well as population growth has tripled the demand for energy and made energy importing countries increasingly competitive to dominate energy sources from consuming countries.

For this reason, Indonesia, which is in the middle as an importer and exporter country or acts as a producer and consumer player in the global energy market, needs to maintain the availability of its energy supply and overcome its level of dependence on importing countries by establishing a grand strategy

design for energy to survive in meeting its energy security for domestic interests as well as economic interests in facing the world energy market. Indonesia needs to design regulatory transitions that include various stakeholders and intervention from the government to support national interests in energy diplomacy to limit people's consumptive patterns by cutting fossil fuel subsidies and preparing an energy mix as a substitute for renewable energy materials.

The Indonesian government also needs to prepare regulations that support energy diplomacy globally in order to meet the needs for investment capital obtained from developed countries in order to be able to enrich new and renewable energy. In addition, the design of Indonesia's grand energy security strategy must be directed by looking at the energy transition in a global context in order to understand a transformation that is becoming a global trend in the global energy market and take economic opportunities in the global energy market to encourage the country's economic growth and improve Indonesia's strategic position in geopolitics world energy.

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