

STRATEGIC-BASED REGIONAL DEVELOPMENT IN BORDER AREA FOR NATIONAL DEFENSE: INSIGHT FROM NATUNA REGENCY AMID THE SOUTH CHINA SEA DISPUTE

Anisa Sulistiani¹, Muhammad Rofi'ud Mutaal²

¹Sekolah Pascasarjana, Universitas Gadjah Mada, Jl. Teknika Utara, Sleman, Yogyakarta, 55284, Indonesia

²Departemen Manajemen dan Kebijakan Publik, Universitas Gadjah Mada, Jl. Sosio Yustisia No. 1, Sleman, Yogyakarta, 55281, Indonesia

E-mail: anisasulistiani@mail.ugm.ac.id; muhammadrofiudmutaal@mail.ugm.ac.id

ABSTRACT. *This research aims to analyze strategic-based development in the Natuna Regency area as Indonesia's gateway and its relevance in strengthening national security related to the South China Sea dispute dynamics. The North Natuna Sea, as part of the South China Sea, has significant marine resource potential and is a strategic shipping lane connecting the Pacific and Indian Oceans. However, the region is also caught up in complex territorial disputes involving countries such as China, Taiwan, Malaysia, the Philippines, Vietnam, and Brunei Darussalam. China's unilateral claim to the region, known as the nine-dashed line map, triggered rejection from neighboring countries, including Indonesia. This research uses a descriptive qualitative method with secondary data and utilizes various sources of scientific publications and national regulations. Data were analyzed using the Strategic-Based Regional Development (SBRD) approach, integrating social, economic, and institutional dimensions. The results show that the regional development of Natuna Regency through strengthening the infrastructure, fisheries, and fisheries' industrialization sectors is crucial in maintaining Indonesia's national stability and security, especially in the face of China's unilateral claims. While Indonesia has strengthened its military posture and diplomacy in the region, the lack of synergy between central and local governments and challenges in governance cause vulnerabilities that must be addressed. This study recommends more integrated planning between central and regional governments to strengthen local trust in national sovereignty.*

Keywords: Border Security; National Defense; Natuna; Regional Development; South China Sea.

PEMBANGUNAN DAERAH BERBASIS STRATEGI DI WILAYAH PERBATASAN GUNA PERTAHANAN NASIONAL: KAJIAN DARI KABUPATEN NATUNA DI TENGAH KONFLIK LAUN CHINA SELATAN

ABSTRAK. Penelitian ini bertujuan untuk menganalisis pembangunan berbasis strategis di wilayah Kabupaten Natuna sebagai pintu gerbang Indonesia dan relevansinya dalam memperkuat keamanan nasional terkait dinamika sengketa Laut Cina Selatan. Laut Natuna Utara sebagai bagian dari Laut China Selatan, memiliki potensi sumber daya laut yang signifikan dan merupakan jalur pelayaran strategis yang menghubungkan Samudra Pasifik dan Samudera Hindia. Namun, wilayah ini juga terjebak dalam sengketa teritorial yang kompleks, melibatkan negara-negara seperti China, Taiwan, Malaysia, Filipina, Vietnam, dan Brunei Darussalam. Klaim sepihak China atas kawasan ini, yang dikenal dengan peta *nine-dashed line*, memicu penolakan dari negara-negara tetangga, termasuk Indonesia. Penelitian ini menggunakan metode kualitatif deskriptif dengan data sekunder, penelitian ini memanfaatkan berbagai sumber publikasi ilmiah dan peraturan nasional. Data dianalisis dengan pendekatan Strategi Pembangunan Daerah Berbasis Strategis (*Strategic-Based Regional Development, SBRD*), mengintegrasikan dimensi sosial, ekonomi, dan kelembagaan. Hasil penelitian menunjukkan bahwa pengembangan daerah Kabupaten Natuna melalui penguatan sektor infrastruktur, perikanan, dan industrialisasi perikanan merupakan langkah krusial dalam menjaga stabilitas dan keamanan nasional Indonesia, terutama menghadapi klaim sepihak Cina. Meski Indonesia telah memperkuat postur militer dan diplomasi di wilayah ini, kurangnya sinergi antara pemerintah pusat dan daerah serta tantangan dalam tata kelola menyebabkan kerentanan yang harus segera diatasi. Studi ini merekomendasikan perencanaan yang lebih terintegrasi antara pemerintah pusat dan daerah untuk memperkuat kepercayaan lokal terhadap kedaulatan nasional.

Kata kunci: Keamanan Nasional; Laut China Selatan; Natuna; Pembangunan Berbasis Strategi; Pengembangan Perbatasan

INTRODUCTION

The North Natuna Sea, as part of the South China Sea has tremendous potential for marine resources and is a strategic shipping route connecting the Pacific Ocean with the Indian Ocean. Not surprisingly, this region is a complicated dispute area. Conflicts occur due to overlapping over the territorial South China Sea between China, Taiwan, Malaysia, the Philippines, Vietnam, and Brunei Darussalam. The South China Sea conflict involves six countries, China, the Philippines, Vietnam, Brunei, Taiwan, and Malaysia, over the construction of artificial islands and militarization by China, which affects trade routes and economic prosperity (Israr, 2022). The problem faced in this region is the ownership of the South China Sea; although it is called the South China Sea, this sea area is an intersection of the territories of several countries. While the most dominant actor in this conflict is China, China issued a historical evidence claim, commonly known as the nine-dashed line map. This unilateral claim then caused various reactions of rejection from surrounding countries including Indonesia. Initially, Indonesia was not directly involved in the South China Sea conflict. However, based on China's unilateral claim to the North Natuna Sea as its territory, Indonesia finally had to get involved (Scott, 2016). As a result, the SCS conflict has impacted political and security stability in Southeast Asia, including Indonesia's national security.

In mid-2017, the Indonesian government explicitly changed the name of the EEZ in the South China Sea region to the North Natuna Sea; this step clearly caused a reaction from the Chinese government; they criticized this name change and considered that the name "South China Sea" was already recognized internationally. This name change provides political influence for Indonesia for its courage in the face of China's great hegemony, and the main thing is to provide more legitimacy for Indonesia to manage this region. Indonesia has explicitly warned China over the status of the North Natuna Sea as an EEZ under the sovereignty of Indonesian management. However, the Chinese government did not heed this warning. Instead, China sent its ships to work in the North Natuna Sea area. As satellite data obtained by IOJI (Indonesia Ocean Initiative Justice, 2023) shows, there are Chinese scientific research vessels conducting research in the North Natuna Sea. For example, in May 2023, the research vessel Nan Feng was detected and suspected of conducting marine scientific research in the Indonesian EEZ without permission from the Indonesian government. Legally, these activities violate the provisions of UNCLOS because they were conducted without the permission of the Indonesian government, and politically, this fact shows China's affirmation of its nine-dashed line claim. The future of the South China Sea dispute depends on preventing confrontation and conflict, addressing local instability, and enhancing maritime cooperation (Wu, 2020). Indonesia's role in resolving the South China Sea conflict is crucial to the global economy, as it is important for the transportation of goods and services between Asia, Europe, and the Americas (Renaldi et al., 2023)

The implementation of national defense policy in Natuna, Indonesia, is not functioning correctly due to weak stability and lack of central defense authority from the central government (Mulyawan & Kartini, 2018). In the Natuna Regency area, seven outer islands are located on international shipping lanes that are a good gateway for Indonesia. The seven islands are Kepala Island, Subi Kecil Island, Senoa Island, Sekatung Island, Sebetul Island, Semiun Island, and Tokongboro Island; of the seven outer islands only one island is inhabited, namely Subi Kecil Island (natuna.kab.go.id). Therefore, these islands are vulnerable and weaken Indonesia if they are improperly processed and maintained. In addition to the foreign policy formulated by the central government to maintain Indonesia's national security, synergy from local governments is also needed to realize national security because, after all, it is the local government that will reflect the condition of its region, especially in border areas prone to international conflict. Indonesia's strategy to strengthen the Natuna border involves increasing military posture and pursuing diplomacy to resolve the South China Sea dispute with China (Mustofa, 2022). Yang & Zou, (2024) argued that Regency Security's non-optimal management of Indonesia's border

areas has also given Indonesia a negative image and raised concerns about the Natuna islands as an object of dispute.

Indonesia needs to strengthen deterrence strategies, both military and non-military, to counter China's gray zone strategy in the South China Sea and North Natuna Sea (Anugerah, 2021). This research aims to analyze and examine regional development in the Natuna Regency area as a gateway to Indonesia and its relation to national security due to its proximity to the South China Sea. This research is important because few studies still focus on regional development in border areas as a form of strategic component of national defense in the South China Sea. Previous research focuses more on Indonesia's role in the South China Sea conflict, such as research from Renaldi et al., (2023) which examines Indonesia's role in the South China Sea conflict, research from Farida & Setiyono (2022) which examines Indonesia's potential to mediate the South China Sea conflict to protect its national interests and ensure freedom of international shipping while ensuring China's interests are met. Indonesia's national interests in resolving the South China Sea conflict include securing national territorial integrity and economic resources and ensuring the safety of citizens (Tatara et al., 2022). This research will complement previous studies by examining the regional development of the Natuna Regency that intersects with the South China Sea using the concept of Strategic-based Regional Development. The results of the analysis can add to the repertoire of knowledge in maintaining state security in the perspective of regional development in border areas.

RESEARCH FRAMEWORK

The North Natuna Sea, as part of the South China Sea, has significant marine resource potential and is a strategic shipping lane connecting the Pacific Ocean and the Indian Ocean. However, the region is also caught up in complex territorial disputes, involving countries such as China, Taiwan, Malaysia, the Philippines, Vietnam and Brunei Darussalam. China's unilateral claim to the region, known as the nine-dashed line map, has triggered resistance from neighboring countries, including Indonesia. In this context, applying Medeiros' Strategic-based Regional Development Framework is very relevant to identifying the region's potential and the challenges faced and developing a sustainable management strategy.

Indonesia responded by renaming the Exclusive Economic Zone (EEZ) as the North Natuna Sea to defend its sovereignty. This action not only asserted Indonesia's boldness in the face of China but also provided legitimacy in resource management. However, despite the government warning China regarding territorial sovereignty, the illegal activities of Chinese research vessels operating without a license demonstrate the remaining challenges. This situation reflects the need for an integrated strategic approach to improve coordination between foreign policy and regional development, as proposed in the Medeiros framework.

Indonesia should develop a prevention strategy that includes both military and non-military approaches and involves synergies between central and local governments. The Medeiros framework emphasizes the importance of coordinated planning in the context of regional development to achieve better national security. Focusing on regional development in the Natuna Regency, this study explores how the region can serve as a strategic gateway in the context of national security while addressing the challenges faced in dealing with conflict dynamics in the South China Sea.

METHOD

This research uses a descriptive qualitative research method. The data used in this research is secondary data. Heaton in Andrews et al., (2012) formulates secondary data analysis (ASD) as a research strategy that utilizes existing quantitative or qualitative data to find new problems or test the results of previous research. Descriptive qualitative research is appropriate because it allows for an in-depth

exploration of the complex dynamics of regional development in the Natuna Regency, especially in the context of national defense and the South China Sea dispute. The method helps to capture nuanced details, patterns, and relationships that quantitative analysis cannot fully describe. The secondary data of this research was obtained from supporting documents such as journal articles that provide an overview of the results of research on regional development in the Natuna Regency and South China Sea Conditions and also other secondary data in the form of applicable laws and regulations. This secondary data collection technique was carried out by searching on scientific publication search engines such as Google Scholar, which was published from journals and university repositories discussing the Natuna Regency and South China Sea Conditions. The data collected was then filtered to see suitability with the chosen theme. This method is efficient and suitable given the need to synthesize a broad range of information to understand Natuna's development within the SBRD framework. McCaston (2005) states that secondary data analysis includes two main processes: collecting and analyzing data. However, to avoid deviating, researchers need to formulate research objectives and design as the first step. McCaston intends to formulate research objectives as an affirmation of why it is necessary to collect data and what kind of data should be collected, analyzed, and appropriately understood. The research design is McCaston's step-by-step plan that directs the collection and analysis of data; in secondary data analysis research, it is simply an outline framework of what kind of result to report, a list of data that is deemed necessary to collect, and a provisional list of data sources.

Strategic-based Regional Development (SBRD) is a concept from Medeiros (2022) that is defined as a comprehensive theoretical framework that embraces various established regional development paradigms, including sustainable, institutional, knowledge, place, infrastructural, and balanced-based policy rationales. It aims to address all regions' development challenges and needs by integrating socio-economic, environmental, spatial planning, and governance-related policy approaches. The concept of Strategic-Based Regional Development was previously used in an article that identified key issues in developing a tourism strategy at the regional level and developing directions for further growth in the Vologda Oblast, a region in the Russian Federation (Leonidova, 2019). Sustainable-based Development: This research addresses economic and environmental sustainability aspects through data from journal articles on the blue economy and government regulations related to conservation obtained from Google Scholar and university repositories. Institutional-based Development: This research analyses institutional structures and regional policies using data from governance studies and legislative documents collected through scientific journals and local regulations. Knowledge-based Development: This research examines human resource development and knowledge transfer using data from BPS reports and education articles from statistical databases and scientific publications. Place-based Development: This research explores participatory approaches and local potential with data from case studies of community initiatives obtained from journals and community reports. Infrastructure-based Development: This research addresses economic connectivity and logistics with data from infrastructure and transport reports collected through government documents and academic publications. Balanced-based Development: This research examines policy integration and spatial planning with data from spatial planning documents and regional development policies, obtained from government sources and scholarly journals.

RESULTS AND DISCUSSION

The dispute in the South China Sea has been going on for quite a long time involving six countries namely Brunei Darussalam, Malaysia, the Philippines, Vietnam, Taiwan, and China with their respective claims to the Spratly Islands and Paracel Islands. Indonesia did not claim the area; Indonesia began to be disturbed by China's unilateral claims that began in 1992 over the Nine Dash Line claim in the South China Sea area, which jutted into Indonesia's Exclusive Economic Zone (EEZ) in the northern waters of the Natuna Islands. Unilateral claims made by China will cause more crucial problems for Indonesia's

maritime jurisdiction; if left unchecked, it will undoubtedly be able to prevent Indonesia from exploring natural resources in these waters (Wardana, 2020). Indonesia has an interest in participating in reducing this conflict because if this conflict continues, it will cause disturbances to Indonesia's security stability.

China claims to the international community as the rightful owner of the South China Sea, which has an area of 3 million square kilometers. This nine-dash line claim is historical. Traditional Chinese fishermen have explored the Spratly and Paracel Islands since 200 BC, and they have managed marine resources in the South China Sea region since ancient times. This historical claim is the basis for sovereign rights in the South China Sea region for China.

As a sovereign country, Indonesia took decisive action by launching a new map policy for the Unitary State of the Republic of Indonesia in 2017, signed by various ministries and institutions in Indonesia. One of the breakthroughs in making this new map is the name "North Natuna Sea" for the waters to the north of Natuna Island, Riau Islands Province; Indonesia's courage certainly has implications for the strength of Indonesia's sovereignty over this region. The renewal of the NKRI map was carried out on several grounds (Wardani, (2017), explaining the first Indonesian territorial sea border agreement with Singapore on the west and east sides, in addition to the Indonesia-Philippines agreement on EEZ, which was agreed and ratified in May 2017. Second, the international ruling between the Philippines and China over the South China Sea region has impacted international legal jurisprudence. Small islands and reefs that do not provide benefits to humans do not have EEZ rights. Third, the name North Natuna is taken from the area next to Natuna Island based on the cardinal directions since the 1970s, namely the North Natuna Block, South Natuna Block, East Natuna Block, and Southeast Natuna Block. Fourth, it emphasizes claims in the Malacca Strait by simplifying boundary line claims.

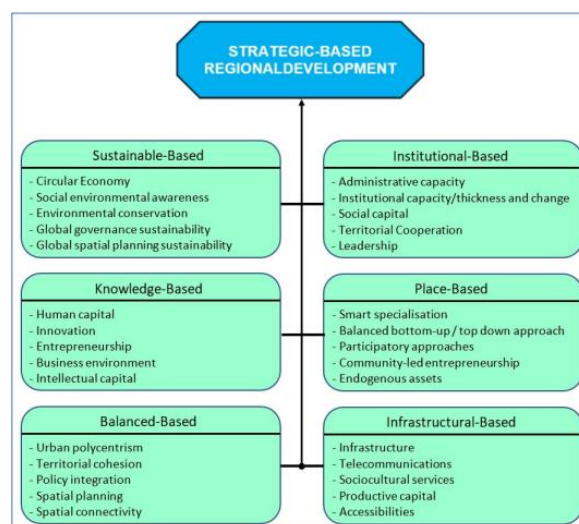
UNCLOS has guaranteed the security of Indonesia's national resources in the North Natuna Sea area, in Article 73 paragraph 1 of UNCLOS means that Indonesian government vessels have the right to board, inspect, arrest, and take judicial action if necessary if there are intruders in this EEZ area. Then, in Article 224 it is stated that any law enforcement against kapal asing can only be carried out by officials, warships, military aircraft, or other aircraft or ships that are marked and can be identified as being in service and have the authority to take action. Based on this provision, Indonesia has various institutions responsible for security in the North Natuna Sea area, namely the Indonesian Navy, KKP Fisheries Supervisory Ships, and Bakamla.

Violations of Indonesia's sovereignty and sovereign rights in the North Natuna Sea are related to several things: first, China has consciously violated Indonesia's sovereignty; second, China's claims to violate the North Natuna Sea area have changed the conflict map where previously Indonesia was a non-claimant state to a country with the status of a semi claimant state, thus requiring Indonesia to increase its national vigilance (Anugerah, 2021).

Indonesia has firmly stated that what China has done is an act that violates the norms of relations between countries and violates Indonesia's sovereignty and sovereign rights. The internal consolidation carried out by Indonesia to uphold Indonesia's territorial sovereignty is a result of China's coercive actions in the North Natuna Sea. The Indonesian government's policy so far in managing the North Natuna Sea is not optimal. The fact that various foreign ships enter the North Natuna Sea without the permission of the Indonesian government is a sign that there are gaps in the management of this region both by the central government, local governments, and various related institutions.

Strategic-based Regional Development (SBRD) is a comprehensive framework that integrates various established regional development paradigms, including sustainable, institutional, knowledge, place, balanced, and infrastructure-based approaches. The SBRD model aims to address the various challenges and needs of the region by considering not only socio-economic and environmental factors but also planning and spatial planning (Medeiros, 2022). Strategic-based Regional Development (SBRD) integrates various development paradigms by combining and influencing elements from six main regional development paradigms: sustainable-based, institutional-based, knowledge-based, place-

based, balanced-based, and infrastructural-based (Medeiros, 2022). This integration aims to create a coherent and comprehensive framework that addresses economic, social, institutional, environmental, and development planning dimensions. The SBRD model developed by Medeiros (2022) emphasizes the importance of a balanced development approach that explores all regions' territorial capital while recognizing the need for modernized infrastructure and human capital support and public institutions to maximize the positive impact of public policies. The SBRD framework can be seen in more detail in Figure 1 below.



Source: Medeiros (2022)

Figure 1. Strategic-based Regional Development Framework

Sustainable-based development of Natuna Regency

The United Nations launched the 2030 Agenda for Sustainable Development (Nation, 2015) as an action plan for people, planet, and prosperity, supported by 17 sustainable development goals (SDGs) to drive action over the next fifteen years in areas of critical importance to humanity and the world: (i) people; (ii) planet; (iii) prosperity; (iv) peace; and (v) partnership. Medeiros (2022) proposes within the current concept of sustainable development a broader conceptual lens, linking it to five key analytic dimensions: (i) circular economy; (ii) social, environmental awareness; (iii) environmental conservation; (iv) sustainability of global governance; and (v) sustainability of global spatial planning (Medeiros & van der Zwet, 2020). The concept of an emerging green economy, supported by low-carbon initiatives, is central to ecological modernization (Gibbs & O'Neill, 2018) and a circular economy (Lin, 2020). Strategy-based regional development involves creating mechanisms to manage the sustainable development of regional enterprises, focusing on innovation processes and economic security, and adapting to changes in a volatile environment (Kuznetsov, 2023).

Natuna Regency, as one of Indonesia's outermost regions, has various challenges and potentials in its economic development. Existing studies provide insights into the various factors that influence economic growth in this area, including fisheries industrialization and the potential of the blue economy. Fisheries industrialization in Natuna has both positive and negative impacts, with positive impacts as the policy of developing a fisheries industrial zone in Natuna is considered appropriate and can increase economic activity in the region (Pramoda et al., 2023), but on the other hand it also harms the social life of fishing communities, due to loss of access to the marine production base and decreased confidence of local fishermen (Putri et al., 2021). In addition, Natuna Regency has excellent potential in blue economy development through capture fisheries, although only a tiny portion of this potential is currently realized. Some districts, such as Bunguran Barat, have great potential for capture fisheries development (Gusrizal et al., 2021).

Institutional-based development of Natuna Regency (Tata Kelola)

Excellence at the regional level is influenced by organizational resources or the way regional organizational networks are involved in knowledge-based development, exploiting and renewing local government resources and capabilities (Laasonen & Kolehmainen, 2017). Increased attention to the role of regional institutions in shaping regional development processes is increasingly recognized as a means to facilitate negotiation and dialogue. This can assist in mobilizing stakeholders, integrating them into the development process, enhancing policy continuity, and strengthening the region (Pike et al., 2018). The importance of governance in regional development also relates to the concept of institutional thickness, which is considered a factor that consolidates the embeddedness of economic activity (Stoffelen & Vanneste, 2017). In addition, the attitudes, relationships, and values that influence interactions between individuals and institutions shape the quality of cooperation as well as institutional interactions (Iyer et al., 2005).

Geographically, Natuna Island is included in the Natuna Regency of Riau Islands Province, located on the Karimata Strait's northernmost side. The establishment of Natuna Regency was outlined in Law No. 53 of 1999, with Ranai as the capital of Natuna Regency. Natuna is a frontier that directly faces neighboring countries and international sea lanes. The Natuna Islands region juts into the middle of the South China Sea, making it more vulnerable to disputes by other countries. Although this region is closer to Malaysia, historically, Natuna is the territory of the Riau sultanate, which in 1956 was registered as part of the territory of the Republic of Indonesia. Because the North Natuna Sea region is a border area vulnerable to disputes, a strong synergy effort is needed between the central and local governments. National interests emphasized that national defense must be in line with diplomatic commitments at the local level; the seriousness of the Indonesian government has been marked by the change of the name "North Natuna Sea." Regional leadership needs to formulate a strategic vision for the region to accelerate economic growth by opening sustainable access to the potential of fisheries energy and strengthening human resources (Sambuaga et al., 2023).

Following what McMillan (2012) explains, in the modern era, foreign policy is not only influenced by transnational actors but also by government actors from the local level to the national government. To destabilize countries in direct contact with Indonesia can be optimized through good governance and strengthening military forces. The issue of border areas in Indonesia is still not optimized; this condition will create a negative image from other countries and the assumption that Indonesia cannot protect interests in the border area. According to Yang & Zou, (2024) their research results stated that the local government of Natuna Regency has actively encouraged the central government to overcome various existing problems. However, the lack of attention from the central government to local economic development has led to the growth of local nationalism. Meanwhile, the Chinese government actively manages border areas, as shown by the research from Li (2019) which examines the role of the Hainan Provincial government in China, which actively participates in maintaining national security. Hainan is a province adjacent to the South China Sea. The reason for Hainan's participation in the management of the South China Sea is that the benefits obtained are the abundant regional resources on the island. Indonesia is a unitary state that implements regional autonomy policies as part of its government system. The implementation of regional autonomy includes the regulation, distribution, and utilization of national resources and the financial balance between the central and regional governments within the framework of the Republic of Indonesia. Indonesia's commitment to maintaining national security can only be realized if there is a strong synergy between the local and central governments. Especially in the border region of the North Natuna Sea, more intensive attention needs to be paid to the regional development of Natuna Regency to increase public trust in the government and ultimately improve Indonesia's national security.

Knowledge-based development of Natuna Regency

This knowledge- and innovation-based regional development policy approach considers the importance of human capital and science and technology innovation as key drivers of regional development (Diebolt & Hippe, 2019). The increasing awareness of the importance of a knowledge-based learning economy for regional development through innovation and knowledge production makes skills training and education essential to any good regional development strategy (Eriksson et al., 2017). The increasing awareness of the importance of a knowledge-based learning economy for regional development through innovation and knowledge production makes skills training and education essential to any good regional development strategy (Pike et al., 2018). Ultimately, the quality of human capital determines the uptake of innovations by regions (Rodríguez-Pose, 2013). Strategy-based regional development involves making, implementing, and controlling key decisions to achieve long-term economic goals (Telyatnikova et al., 2024).

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Because the North Natuna Sea region is a border area that is vulnerable to disputes, a strong synergy effort is needed between the central government and the local government. National interests emphasized that national defense must be in line with diplomatic commitments at the local level; the seriousness of the Indonesian government has been marked by the change of the name "North Natuna Sea." Regional leadership needs to formulate a strategic vision for the region to accelerate economic growth by opening sustainable access to the potential of fisheries and energy and strengthening human resources (Sambuaga et al., 2023).

In 2022, the value of the Labor Force Participation Rate in Natuna Regency was 67.89% from the previous year's 72.31%, indicating that there was a decrease in the supply of labor available to produce goods and services in economic activities (Badan Pusat Statistik, 2023). The Labor Force Participation Rate can be interpreted as an indication of the percentage of the working-age population that is economically active in a country/region. Furthermore, Badan Pusat Statistik (2023) revealed that limited employment in 2022 was the cause of not absorbing all of the labor force in the labor market. Although extraordinary marine resources surround Natuna Regency, most of the population does not work in the fisheries sector. The results of the BPS report show that 54.7% of the population works in the service sector, while 27.2% work in the agricultural sector, and the rest work in the industrial sector. In addition, 35.5% of the population in Natuna Regency in 2022 experienced health or mental disorders (Badan Pusat Statistik, 2023). Natuna is a border area that is a gateway for Indonesia; if the population in this area does not have good health, it will reduce their level of welfare and give a bad image to Indonesia itself. With these facts, other countries will consider Indonesia's national security vulnerable.

The people of Natuna Regency are categorized as having a high Human Development Index, which in 2023 was 78.23, higher than the national average Human Development Index of 74.39. This figure is obtained from various indicators compiled by BPS, including Life Expectancy, Years of Schooling, and decent living standards. In the Natuna Regency, based on data from Badan Pusat Statistik (2023) there is an increasing trend from 2020 to 2023. In 2020, Life Expectancy (UHH) in Natuna was 73.57 years, which indicates that babies born in that year are expected to live for almost 74 years. With an annual increase, in 2023, the UHH in Natuna reached 74.15 years. When compared to the previous year, there was an increase in UHH of 0.25 years or 0.34 percent (UHH in 2022 was 73.90 years). This increase indicates an improvement in the health conditions of the people in Natuna because UHH is an important indicator for assessing public health.

In 2023, the average years of schooling for the population aged 25 years and above in Natuna reached 9.08 years. This indicates that, on average, residents in this age group completed their education up to the ninth grade of junior high school (SMP). Compared to 2022, the average years of schooling in Natuna increased by 0.12 years, or 1.34 percent, from the previous record of 8.96 years. In 2023, the Expected Years of Schooling in Natuna reached 13.93 years. This means that a child who is 7 years old in that year is expected to pursue education for 13.93 years until reaching the university level in the second year. The increase in Expected Years of Schooling from 2022 is 0.01 years or 0.07 percent, with HLS in 2022 recorded at 13.92 years.

The last indicator is the decent standard of living, which is adjusted actual expenditure per capita to describe a decent standard of living and show the community's purchasing power in a certain period. In 2023, the adjusted actual expenditure per capita in Natuna reached 15,409,000 rupiah annually. Compared to 2022, there was an increase of 3.88 percent, where the adjusted actual expenditure per capita in 2022 was 14,838,000 rupiah per year (Badan Pusat Statistik, 2023).

Community empowerment is one of the key factors in regional development. Development is not only aimed at improving development infrastructure but also empowering the community. Development will be in vain if it does not provide benefits and empower the surrounding community. As stated by Zsazsa (2022), the purpose of empowerment includes a variety of improvement efforts: Institutional improvement, business improvement, income improvement, environmental improvement, life improvement, and community improvement.

The development of border areas is necessary to empower the surrounding community so that they have knowledge and feel involved in every policy and do not feel marginalized. Border areas such as North Natuna face various challenges in terms of accessibility, infrastructure, and other social inequalities compared to areas close to the government.

Place-Based Development of Natuna Regency

Place-based development in Natuna Regency focuses on the specific potential of the region, such as marine resources and energy, which can be maximized through an innovative specialization approach and empowerment of local assets. Natuna has immense capture fisheries potential, especially in the West Bunguran region, which, if managed smartly and sustainably, can drive local economic growth (Gusrizal et al., 2021). In addition, implementing innovative specialization-based policies can focus on developing fisheries and energy industries that involve the latest technology and local innovation. This can increase regional competitiveness by utilizing Natuna's unique advantages over other regions. This approach requires the active involvement of various stakeholders, both central and local governments and local communities, so regional development reflects their specific needs and potential. Strategy-based regional development can be carried out by identifying growth areas, harnessing the potential of leading industries, and using economic and mathematical modeling to predict long-term prospects, ensuring integrated interactions and the possibility of effectively clustering these growth areas (Kuznetsov, 2023).

Community participation through a balanced bottom-up/top-down approach is needed so that development policies do not only come from the center but also from local aspirations. Community participation in policy-making can create a sense of ownership toward regional development, thus encouraging participatory-led entrepreneurship. For example, empowering fishing communities through training and support for fisheries-based businesses can improve the welfare of local communities and strengthen regional economic resilience. Endogenous assets in the form of local wisdom and traditional skills in the fisheries sector can also be combined with modern innovations to create superior products with higher added value.

Balanced-Based Development of Natuna Regency

Balanced-based development in the Natuna Regency requires policies that balance national defense aspects and the welfare of local communities. One important element is an urban polycentrism

policy, where development is centered in the capital, Ranai, and spread to other sub-districts. This can improve people's access to public services and economic infrastructure, thus promoting more inclusive growth. In addition, a balance between economic and military development policies in Natuna should be emphasized to maintain national security without neglecting the community's welfare.

The principle of territorial cohesion is also relevant in the Natuna context, where development must pay attention to inter-regional linkages to ensure accessibility and connectivity between islands. Adequate transportation infrastructure, such as port improvements in Lampa Strait and Ranai, can support the distribution of fishery products and local trade (Yudha & Dina, 2020). Policy integration between the central and local governments must be strengthened to ensure that infrastructure, economic, and defense development policies are aligned. With good coordination in spatial planning and spatial connectivity, Natuna's development can be carried out holistically, supporting local economic growth and strengthening Natuna's strategic position in the border region.

Balancing between top-down development led by central government policies and bottom-up approaches involving local communities, Natuna can achieve sustainable and inclusive development. The utilization of village funds for BUMDes capital participation and village revenue has a positive effect on increasing IDM. In contrast, the allocation of village funds does not have a significant effect, thus sustainably improving BUMDes governance to encourage village independence (Iftitah & Wibowo, 2022). This development strengthens national resilience and improves people's welfare, thus creating a stable and prosperous border region.

Infrastructure-based development of Natuna Regency

Infrastructure has traditionally been regarded as a key factor for increased productivity and more significant labor input; infrastructure-based development is still routinely debated as an important partner for generating the necessary regional multiplier effects and as a supplier of increased personal welfare (Rodríguez-Pose, 2013). In addition, digital technology is essential for regional economic development (Vlasyuk & Lomadze, 2024). On a positive note, some authors argue that infrastructure-based development can add positive effects to the diffusion and accumulation of knowledge capital, ultimately contributing to improving economic development quality (Zhou et al., 2021). It is also routinely argued that investment in infrastructure can have positive direct and indirect effects on long-term changes in regional investment, income, and employment in the private sector.

Natuna Regency is an area rich in petroleum and natural gas resources; Natuna holds the largest gas reserves in Indonesia or, more precisely, in the East Natunan block area of 49.87 TCF. If seen from this figure, it can make Natuna Regency an area with a level of economy and development superior to other regions. However, the authority to manage gas and oil is under the central government's authority. Based on data processed by Badan Pusat Statistik (2023), in 2022 five business sectors were contributing to Natuna Regency's GRDP, namely Mining and Quarrying (72.44 percent); Agriculture, Forestry and Fisheries (11.49 percent); Construction (6.95 percent); Wholesale and Retail Trade; Car and Motorcycle Repair (3.35 percent) and Government Administration, Defense and Compulsory Social Security (1.82 percent).

If the GRDP is calculated without mining and quarrying, the largest contributors to Natuna Regency's GRDP are the agriculture, forestry, and fisheries sectors—integrated transportation. Due to high inter-island transportation costs, the enormous potential of natural resources, including agriculture and capture fisheries, has not been optimized. The availability of transport ships that dock at Selat Lampa and Ranai Ports dramatically affects the growth of plantation and livestock products (Yudha & Dina, 2020). In remote areas such as the Natuna Regency, access to all economic activities, such as significant shipping lanes for passengers, fisheries, and goods, often requires the price of goods to be more expensive than in the global market. The establishment of Natuna as a fisheries industry area should be a breath of fresh air for a sustainable economy in the region, but the facts are not as good as what has been planned. Based on research by Pramoda et al., (2023) in KP Natuna Regency, sustainable fisheries

management in the North Natuna Sea waters is crucial to improve the welfare of small-scale fishers. Fisheries businesses in Natuna Regency consider that the establishment of a fisheries industry area in Natuna Regency could pose potential risks to small-scale fishers' rights to their livelihoods, including access to fisheries resources, coastal-marine space, and local, national, and international markets.

With an area of 264,198.37 square kilometers, the Natuna Sea region has significant economic, military, and political value; with such great natural wealth, it should be able to make this area prosperous. However, BPS shows an increase in the percentage of poverty in Natuna Regency by 0.37% from 2021 to 2022 to 5.32%. According to the results of (Yang & Zou, 2024), the Natuna Regency local government cannot manage oil and gas resources in the South China Sea, which are currently managed by the central government, and cannot share these resources. The local government's insistence has received a partial response, but the budget allocation, implementation of infrastructure development, and supply of electrical energy are still far from expectations and foreign investment is not yet available. Indonesia aims to develop a transparent and measurable National Energy Policy, which aims to be a guideline for national energy management. The principles upheld in preparing this policy are justice, sustainability, and environmental resilience, aiming to create energy independence and strong energy security (Apriliyanti & Rizki, 2023). The abundant potential energy sources in the North Natuna region should make this region an independent region in terms of development and community empowerment.

Development in Natuna Regency needs a balanced synergy between the development of the military base and the role of local government and civil society, especially in the economic sector and the community's social welfare. According to Mukti & Widiyanto (2001) border areas in Indonesia have always been less economically developed than other regions, which will have an impact on other social development issues and ultimately on national security.

CONCLUSION

Sustainable-based development concludes that Natuna's sustainable development should optimize its fisheries and blue economy potential by applying circular economy and environmental conservation principles to support balanced and sustainable economic growth. Next, Institutional-Based Development Synergy between the central and local governments is essential to address border challenges, ensure national security, and encourage governance policies that support local economic growth. Meanwhile, Knowledge-Based Development discusses strengthening human resources through education, training, and technological innovation as needed to improve competitiveness and maximize the economic potential and welfare of the Natuna people. Place-based development discusses approaches based on local potentials, such as fisheries and energy, through smart specialization and community empowerment, that can boost the regional economy by involving technology and local wisdom. Balanced-Based Development Balanced development between national defense and community welfare through equitable infrastructure and inclusive policies will improve the connectivity and stability of Natuna's border areas. Infrastructure-based development can be concluded as the development of infrastructure that supports the fisheries sector and energy resources needs to be optimized to reduce logistics costs, encourage investment, and reduce poverty in Natuna. Based on the results of the analysis that has been conducted, several important points can be concluded as follows:

1. The implementation of a strategic-based development strategy in Natuna Regency has the potential to strengthen Indonesia's national security, particularly through the development of infrastructure and fisheries to maintain sovereignty in the border region.
2. Constraints in coordination between the central and local governments create gaps in the management of border areas, which have the potential to be exploited by external parties and reduce the effectiveness of national defense policies.

3. China's illegal activities, including unauthorized research in the North Natuna Sea, increase risks to national stability, underscoring the need for a more assertive and coordinated response from Indonesia.
4. Strengthening military defenses and developing local economic sectors, such as fisheries and energy, are strategic steps to support the resilience of the Natuna region and improve community welfare.

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