The Interplay of Interest between Indonesia and Sweden in Blue Economy Cooperation

Jusmalia Oktaviani, Firdaus Muhamad Iqbal

International Relations Study Program, Faculty of Social and Political Science, Universitas Jenderal Achmad Yani, West Java – Indonesia
Department of International Law, Faculty of Law, Universitas Islam Bandung, West Java – Indonesia
Corresponding email: jusmalia.oktaviani@lecture.unjani.ac.id
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Abstract

In the beginning of 1950’s, Indonesia and Sweden have maintained diplomatic relations for the past 72 years. Multiple areas of collaboration have been implemented by both parties. Collaboration based on a blue economy is one of the initiatives implemented to foster economic progress. This study seeks to assess how Indonesia’s national interests align with those of Sweden in the blue economy. To solve this research question, the research used the Neoliberalism of international cooperation and national interests. The blue economy cooperation agreement between Indonesia and Sweden is listed in the Sweden-Indonesia Sustainability Partnership (SISP). Indonesia should collaborate with Sweden on the blue economy due to the country’s competitive advantages in the maritime technology sector. The pursuit of each country’s respective goals is the driving force behind the partnership that exists between Indonesia and Sweden. The improvement of the standard of living of the local population as well as the preservation of the marine ecosystem are two of the primary reasons why Indonesia and Sweden should work together to advance the blue economy.

Keywords: National Interest, Partnership, Sustainability, Marine Sector, Economic Transformation

INTRODUCTION

Today, it is of the utmost importance for a nation to be able to provide for its own requirements as it is impossible for any nation in this world to function independently (Jackson & Sorensen, 2016). The satisfaction of a nation’s domestic requirements and the growth of its relationships with other nations, which is what is referred to as international cooperation, take place concurrently in a variety of frameworks for cooperative endeavors (Sitepu, 2011). Because of developments in technology and communication, economic activities are no longer confined by national boundaries (Baranay, 2009). This has made it easier for various countries to work together even though they are geographically far apart, such as when Indonesia established a cooperative relationship with Sweden within the framework of the Blue Economy. Beyond simple preservation, the Blue Economy tackled questions of sustainability. Regeneration is promoted through a blue economy. For everyone to benefit from nature’s unending supply of innovation, adaptability, and plenty, it is important to sustain ecosystems’ evolutionary trajectory. Gunter Pauli (2010) in his
book aspires to contribute to the creation of a new economic model that can not only meet everyone’s requirements but also transform the idea of scarcity into one of sufficiency and even plenty (Pauli, 2010).

Even though Indonesia is located thousands of kilometres away from Sweden, the two countries have maintained diplomatic relations for the past 72 years, beginning in the year 1950 (Kementerian Luar Negeri Republik Indonesia, 2021). Both countries have worked together in a variety of areas, and Sweden is Indonesia’s largest trading partner in the Nordic region: as a result, the relationship between the two countries is mutually beneficial (Kementerian Luar Negeri Republik Indonesia, 2021). One of the partnerships that was put into action to accomplish economic growth was a cooperation based on the blue economy. The blue economy is defined as sustainable productive, service and all other related activities using and protecting coastal and marine resources. The practice and experimentation phase of the blue economy began in 2012 and continues today. Plans and frameworks for building the blue economy have been put out by several nations and regions (Wenhai et al., 2019). Naturally, the success of development based on exploration and not exploitation in accordance with sustainable development goals may be supported by the establishment of a sustainable concept based on the Blue Economy idea (Prayuda & Sary, 2019).

The government is promoting the "blue economy" as a model for managing the marine and fishing industries in Indonesia. While minimizing adverse effects on the environment and natural resources, the major goal is to promote people’s welfare and the local economic system (Wibowo, et al., 2023). In addition to being advantageous for maintaining ocean health, the blue economy can also create investment, job opportunities, and a fair distribution of national economic growth because fishery economic growth tends to concentrate in eastern Indonesia, raising the standard of living in those areas (Vokasi UI, 2022). Economic growth is positively and statistically significantly impacted by the blue economy, particularly in the fisheries producing sector (Alharthi & Hanif, 2020).

Indonesia’s plan to realize a blue economy as a new source of economic growth for an inclusive and sustainable Indonesia. The Blue Economy is one of the strategies in “Indonesian Economic Transformation” which was redesigned by the Ministry of National Development Planning (Ministry of National Development Planning, 2021). The ocean economy, which includes assets, products, and services provided by marine ecosystems, has an estimated worth of USD 24 trillion and is expected to develop more quickly than the world economy between 2010 and 2030 (Bethel, Buravleva, & Tang, 2021). This marine economy is already being built by Indonesia, Mauritius, Bangladesh, and the Seychelles.

The ideas of the "blue economy" and the "ocean economy" highlights important potential and problems for marine-based and economic growth for maritime countries (Doyle, 2018). Indonesia and Sweden agreed that as archipelagic countries, the blue economy is an economic potential that can be utilized for post-COVID-19 recovery and economic transformation for inclusive and sustainable development (Ministry of National Development Planning, 2021). In the previous studies, the Blue Economy, which is considered a top priority for the Indian Ocean Rim Association (IORA) focuses on
increasing national income, empowering the World Maritime Axis, and strengthening state defense. Indonesia’s membership in the IORA is an opportunity that aligns with one of President Jokowi’s Government initiatives to materialize Indonesia as a geostrategic and ally based Global Maritime Axis (Poros Maritim Dunia) as an archipelagic nation. It is a strategy used by the government to establish Indonesia as a powerful nation in the Indian and Pacific Oceans. Indonesia has a significant opportunity to manage maritime resources to become capital for the nation’s growth, both from an economic standpoint, in reference to the political will of the government for the development of the maritime sector (Duha & Saputro, 2022).

The second article by Pundari Amelia Chandra, Ismah Rustam, Parnami Safitri discussed about how Indonesia adopts blue economy strategies to advance the maritime industry. The National Medium-Term Development Plan has integrated the blue economy concept with a number of related programs in Indonesia. Because it pertains to international obligations, including the Sustainable Development Goals (SDGs). One of the partnerships is with the Food and Agriculture Organization (FAO), a particular agency of the UN that deals with global food issues. The project is titled "Development of Effective and Inclusive Food Value Chains in ASEAN Member States (GCP/RASS/296/JPN)" and it is a partnership between The Ministry of Marine Affairs and Fisheries and FAO. The project is managed in accordance with the blue economy because it adheres to a number of fundamental principles that put emphasis on effectiveness, sustainability, zero waste, and inclusivity. This complements Indonesia’s development pillars of support for the poor, jobs, growth, and the environment (Chandra, Rustam, & Safitri, 2021).

The third article, by Ghalidza (2020), argues that the blue economy policy is a new concept that is regarded to be more effective in utilizing the country's current marine resources because Indonesia has a wealth of biological and non-biological potential inherent in its oceans. Furthermore, the Minneapolitan concept can enhance the effectiveness of blue economy policies since there would be excellent interconnection to boost regional and national economic growth and development. The concept will lead to increased production in Indonesian fisheries and marine affairs, making it possible to export goods and subsequently increase the country's foreign exchange reserves, which may then be used to fund economic growth in other sectors that require development (Ghalidza, 2020).

Based on previous studies, this research seeks to elaborate the idea of the national interest in the blue economy cooperation between Indonesia and Sweden. Those three articles mentioned above, has a lot in common when it comes to the discussion of the blue economy and how it has been implemented in Indonesia. However, there is one considerable difference in this study. The blue economy platform offers a more robust sustainable development model by taking into account both local institutions and power dynamics as well as outside actors' influence (Keen, Schwarz, & Wini-Simeon, 2018). Therefore, the principle of international cooperation becomes a reference for countries, such as Sweden and Indonesia, that prioritize their national interest to meet the needs of their respective countries. This article addressed to examine on how this cooperation
operates within international legal contexts and elaborate Indonesia’s interests in collaborating with Sweden studied by the lens of Neoliberalism and international cooperation framework.

NEOLIBERALISM

The flow of commodities and services with added value on the global market dictated wealth, according to state elites in the 1970s. The first shift is the end of the age of independence or self-sufficiency brought about by this realization. An aggressive state would run the danger of being punished or sanctioned in the political economy by other nations, thanks to the interdependence between the various nations. Due to the perception that economic expansion and foreign investment are more profitable than territorial conquest, territorial conquest is also seen as expensive and undesirable. Starting wars or territorial disputes is viewed as expensive, cumbersome, and a danger to the established international economic system in a free and open trading environment (Burchill & Linklater, 2016).

A process of political economy homogeneity is taking place in each member countries as a result of other players, such as multinational businesses and financial markets, having greater influence than before. This will result in a society centred on the global market. In order to improve ties between democratic nations, liberals will work to increase the legitimacy of domestic political initiatives. Democracy in this context refers to a peaceful international system in which markets and civil freedoms are both respected. Globalization is ensured since all nations have access to the free market. Collective regime structures like international organizations handle issues of a contentious and divisive character. This system is resilient and durable since none of the other established systems, like communism, have dissolved since the conclusion of the Cold War (Burchill & Linklater, 2016).

Neoliberal looks at globalization through the lens of classical liberal ideas, which said that the international economic system works best when it is based on free trade that can spread wealth and improve the quality of life for everyone (Weber, 2021). This will also have a spillover effect via the growth of liberal democratic institutions that ensure freedom, liberty, and justice for all because the people possess political power. Classical liberals think that the economic process must drive the political process for this reason. In the period of globalization, classical liberal principles became a Neoliberal expression of "globalization,” which is defined specifically as three simultaneous and beneficial processes, the first is economic liberalization such as free trade, second is political democratization, and the last is cultural universalization, some call it "Americanization". In the term of cultural universalization, it is important to note that there are pros and cons. As Tojiboyev (2022) stated:

"Today we live in complex world that is very different from the times that humanity has ever experienced. Statesmen and politicians, philosophers and sociologists, commentators and journalists have misinterpreted this period and
called it by different terms: high technology; the age of thinking; the age of general information” (Tojiboyev, 2022).

The concept of a free market, the removal of different trade restrictions, and the outlawing of protectionism are also praised. Neoliberals hold the ideas of free trade in the highest regard. International commerce must be constrained by laws, not by acts of protectionism. Global trade in products and services is unrestricted across national borders in today’s open economy (Burchill & Linklater, 2016). The development of economic and commercial strength as a means of 'power' by nations is becoming a major concern as well. Not all nations are interested in annexing other nations’ land or relying entirely on their military prowess.

Countries favour diplomacy above utilizing force or coercion in resolving political disagreements (Burchill & Linklater, 2016). For Neoliberals, “globalization” is about the spread of liberal economic, political, and cultural processes, institutions, and practices throughout the world (Weber, 2021). The fundamental aspect of Neoliberalism in International Relations is that government can receive enormous benefits if they trust each other to uphold their commitments. In cases where a country can profit from fraud and avoid punishment, either party may be guilty of treason or defection (McGlinchey, et al., 2017). In this instance, the countries that signed the treaty may realize absolute gains.

Liberal philosophers argue that the state should prioritize absolute gains than relative gains. It referred to a circumstance in which a nation analyses its progress in prosperity relative to other nations and avoids any arrangement that makes its rival nation stronger. Liberals want to live in a world where countries are likely to work together on any deal that could lead to more wealth (McGlinchey, et al., 2017). Neoliberalism assumes that states need to develop strategies and cooperative forums for new sets of issues and areas. The fundamental problem in the foreign policy process is to make policies that allow countries to obtain maximum profits with minimal costs in their international trade (Steans, et al., 2013).

According to Neoliberalism, autarky is no longer is no longer relevant in the current context of complex interdependence. To avoid the heavy costs of commerce, governments can no longer evade, close down, or become independent. Neoliberalism has made state interdependence a necessity. Consequently, there are two repercussions of the price that must be paid as a result of interdependence: sensitivity and vulnerability. Price sensitivity refers to the rate at which a change in one government affects prices in another (Steans, et al., 2013). The existence of asymmetry in 'costs' and 'benefits' allows some governments to exercise more power and influence than others in this interdependence. However, because most countries in Neoliberalism are pursuing absolute gains, not relative gains, this cooperation is still rational considering that profits do not have to be shared equally (Steans, et al., 2013).

INTERNATIONAL COOPERATION

International cooperation is a form of interconnectivity between countries in the world in various fields of interest, which can provide benefits for each country as well as
for the world's welfare (Mas'oed, 2001). International cooperation is a form of engagement between a country and other countries or groups of countries that share a desire to realize their unique national interests and demands by recognizing previously agreed-upon provisions. In other words, international cooperation is a type of activity that goes beyond national borders and aims to help both governments and non-governments reach goals that they both agree on (Rudy, 1995).

International Relations spanning multiple domains, including ideology, politics, economics, society, the environment, culture, defense, and safety, might facilitate the formation of international cooperation. In addition to its field of use, international cooperation can also be determined by its type, which includes bilateral, trilateral, and multilateral cooperation. Most of the aforementioned phenomena are also marked by their growing interdependence (Friedmann, 1964). This interdependence is a result of variations in natural resources or other prevailing forces. The issue of population, technology, or economics varies from country to country (Friedmann, 1964).

The main problem with the above factors is the level of economic and technological differences between countries in the world. These differences affect relations between countries, especially if a developed country with technological, economic, or military capabilities is different from a country that lacks capabilities in these fields. In a situation like this, international economic law plays its role in protecting the parties, especially the weak ones, so that the relationship runs well (Friedmann, 1964). Obviously, international economic law plays a role in addressing this predicament. The objective of international economic law, is to build a link between industrialized and developing nations through a framework of rights and obligations that bind all nations. For this reason, industrialized nations must treat developing nations more equitably under a system of rules that includes or binds a nation (Erler, 2019).

There are two possible approaches to formulating the definition of international economic law. First, the approach is based on the origin of the law (norms) that govern it, and secondly, it is based on the object of international economic law (Erler, 2019). In addition, the definition of international economic law according to Schwarzenberger (1962) is:

“The branch of international public law which is concerned with the ownership and exploitation of national resources, production and distribution of goods, invisible international transactions of an economic and financial character, currency and finance, related services and organization of the entities in such activities”.

The above understanding is that the branch of international public law that deals with the ownership and exploitation of national resources, the production and distribution of goods, invisible international transactions of an economic and financial nature, currency and finance, related services, and the organization of entities in such activities.

One of the things that nations have been engaged in up to this point, namely international cooperation, is a great example of how important it is for there to be a body of law governing international economic transactions. International cooperation is a
characteristic that developing countries engage in with the objective of achieving their national interests in order to gain benefits for their parties without taking precedence over the parties with whom they are invited to cooperate. This objective is pursued with the goal of gaining benefits for their parties.

There is a pattern of interaction in International Relations that is known as international cooperation. Within this pattern, the goal of the interaction is to meet a variety of national interests from a variety of countries and nations that cannot be fulfilled within their own country. Because international life encompasses many different domains, including philosophy, politics, the economy, society, the environment, culture, and national defense and security, it is possible for international collaboration to come into existence (Perwita & Yani, 2005).

The principle of international cooperation is one of the principles of international economic law. According to Castenada (2016), underpinning this notion are collective accountability and solidarity for the development and prosperity of all nations. This legal requirement for collaboration encompasses the entirety of the global economy (Castenada, 2016). This notion colors and manifests itself in numerous areas of international law. This includes international law and development, monetary law, and technology transfer (Adolf, 2016). This notion of collective responsibility and unity in pursuit of a common objective must be reflected in legal structures. The legal institution is a system of rights and obligations that protects a portion of the international community for the benefit of society as a whole, including, in the final analysis, the interests of both developed and developing countries that wish solidarity for all nations (Adolf, 2016).

The principle of international cooperation can be seen in the United Nations Charter contained in Article 1 paragraph 1 which requires international cooperation in solving international economic problems. Article 55 states that the United Nations must promote economic, social and development conditions and special agencies will be established to achieve the objectives of Article 55 (Adolf, 2016). The existence of interdependence between countries requires international cooperation from countries to meet the needs of society and achieve national prosperity, especially in the economic field. Economic cooperation can be carried out by one country with one or more other countries. This collaboration aims to improve mutual welfare. Cooperation between countries can accelerate the process of economic development. International cooperation is cooperation that is generally carried out by several countries that is mutually beneficial. International cooperation must be harmonious and beneficial for those involved. One form of international cooperation is bilateral cooperation. Bilateral cooperation is cooperation carried out by two countries and is not limited to the territory of a single country. Bilateral cooperation agreements are stated in an Agreement, Memorandum of Understanding, or Treaty. In this case, the two countries that carry out bilateral cooperation are Indonesia and Sweden.

Neoliberalism allows for relations between Indonesia and other countries, including Sweden, despite their great distance from one another geographically. With the convenience of technology and globalization, international cooperation is advancing
rapidly. With free markets and globalization that connect one country to another, it provides opportunities even for developing countries like Indonesia to enjoy international cooperation with other more advanced countries in various fields, including in terms of Blue Economy cooperation. For Indonesia, which has great potential in maritime affairs, but does not yet have the technology to manage it, then as the neo-liberals assume, independence or self-sufficiency is not the solution (Burchill & Linklater, 2016).

Because each nation becomes a partner for other countries in certain sectors, cooperation will be a more rapid method for countries to advance in the fields they want to dominate. As a result, a world with an interdependent system will be developed. In the current neoliberal international system, the sector of blue economy is also feasible since nations are more motivated to expand their trade and economic opportunities than their military or defense budgets alone. More people are drawn to advanced and affluent economic power than conquest of new lands (Burchill & Linklater, 2016).

The government’s partnership always attempts to provide better outcomes for the community and the environment. Increasing the economy without destroying the environment is therefore a new development for the survival of both natural and human resources. The partnership between Indonesia and Sweden, which is based on the notion of a blue economy, undoubtedly contributes to the economic development of the two countries. Blue economy was developed as a response to the challenge that the global economic system tends to be exploitative and environmentally destructive; in addition to waste, nature is also harmed as a result of exploitation that exceeds its capacity (Sunoto, 2013). The term "blue economy" was coined by Gunter Pauli, the creator and activist for the Zero Emission Research Initiative (ZERI). According to Gunter Pauli, "blue economy" means "blue ocean · blue sky;" therefore, it may be assumed that this blue economy model method will be able to provide economic growth and improve people's welfare, while the sea and sky remain blue (Rani & Cahyasari, 2015).

In addition, the term "blue economy" refers to socioeconomic development that does not degrade the environment. Environmental degradation can be avoided by resource efficiency and optimization, and the creation of a blue economy necessitates a comprehensive grasp of marine and technology skills to develop and exploit marine resources through innovation (Pratama, 2014). As a new idea for marine and fisheries development, "blue economy" will focus on finding a balance between using marine and fishery resources and taking care of the environment in the best way possible. The term "blue economy" refers to a developing country program initiated by Small Island Developing States (SIDS), but it applies to all coastal nations and nations with an interest in the seas. A "blue economy" is a sustainable development concept for developing nations who wish to capitalize on the sea’s resources (Sustainable Development Knowledge Platform, 2014).

The blue economy framework, according to United Nations Sustainable Development (2014), is a developing world project that was started by SIDS but is applicable to all coastal states and countries with an interest in oceans outside of their own territorial waters. SIDS are constantly heavily reliant on the oceans for their survival,
but the Blue Economy extends well beyond that, even though it encompasses the idea of ocean-based economy. Oceans are seen in the Blue Economy as “Development Spaces” where marine transportation, sustainable resource usage, oil and mineral riches extraction, bioprospecting, and conservation are all integrated into spatial design.

SIDS have always been highly dependent upon the seas for their well-being but the Blue Economy, whilst encompassing the concept of ocean-based economies, goes far beyond that. The Blue Economy conceptualizes oceans as “Development Spaces” where spatial planning integrates conservation, sustainable use, oil and mineral wealth extraction, bio prospecting, sustainable energy production and marine transport. The Blue Economy challenges the "brown" development model of "business as usual," where costs are externalized from economic calculations and the oceans are seen as a place to dump rubbish for free and harvest resources. While modelling and making decisions about the economy, the Blue Economy will take ocean values and services into account. The Blue Economy paradigm provides developing nations with a framework for sustainable development that addresses equity in the use of, access to, and distribution of benefits from marine resources. It also provides opportunities for reinvesting in human development and reducing crippling national debt loads.

According to United Nations Sustainable Development (2014), the blue economy has some basic principles, firstly, optimizing the benefits received from the development of the marine environment, for instance, fishery agreements, bioprospecting, and oil and mineral extraction. Secondly, promoting national equity, including gender equality, and in particular inclusive generation growth and decent work for all, and lastly, achieving the national interest in marine development. Therefore, it may be stated that the blue economy refers to a notion in sustainable development whereby blue economy policy is a paradigm in which a country's wealth is represented by its colour. It is not just a synonym for marine or maritime but also alludes to the blue of the sea and sky, which must be protected in the midst of pollution.

THE LEGAL REGULATIONS REGARDING INTERNATIONAL COOPERATIONS

International economic law remains a component of international law. Thus, the formal source of international law, as specified in Article 38, paragraph 1, of the Statute of the International Court of Justice, may likewise serve as a formal source of international economic law. International treaties are one of the primary sources of international law. Sources of law occupy a position of utmost importance and play a crucial role in the resolution of problems and conflicts in the international community. International treaties are international law agreements that are ratified by international law subjects. In Article 38 paragraph 1 of the statute of the International Court of Justice, the sources of international law are international conventions or treaties, international custom, general legal principles, judges' decisions and teachings of eminent (international) legal experts (Adolf, 2016).

International treaties are one of the primary sources of international law and play a crucial role in International Relations (Purwanto, 2009). An international agreement is a
legal document that demonstrates how a state or other subject of international law intends to achieve the same objectives. Its creation is governed by international law and has legally binding ramifications for those who create it (Mauna, 2015). The central component of an international agreement is a mutual agreement between nations (Situngkir, 2019). Article 38, paragraph 1, of the ICJ Statute says that international customs are evidence of general practice that is accepted as law (Starke, 2014). International custom will still play an important role as a dynamic source of new international law rules where the international community experiences changes in new areas that are not or have not been touched by treaties, judicial decisions, or the writings of legal experts (Cindawati, 2018). In an agreement that contains a reflection of customary international law, it will be binding on non-participating countries, not because of the provisions in the agreement but because this is confirmed in the rules of customary international law (Situngkir, 2018).

The third source of law, according to Article 38, paragraph 1, of the Charter of the International Court of Justice, is the general principles of law recognized by civilized nations (Kusumaatmadja & Agoes, 2014). Common law principles were first introduced by the PCIJ Statute with the intention of avoiding non-liquet problems in a court case (Sefriani, 2014). What is meant by legal principles are the legal principles that underlie the modern legal system. The principle of law is a major (primary) source of formal law that stands alone in addition to the other two sources, namely international agreements and customs (Kusumaatmadja & Agoes, 2014). Even though court decisions are not legally binding, the decisions of international courts, especially the Permanent International Court of Justice, have a big impact on how international law develops (Kusumaatmadja & Agoes, 2014). In addition to the opinions or teachings of leading scholars, it can be said that research and writings carried out by scholars are often used as guidelines for discovering what constitutes international law, even though the teachings of these scholars do not give rise to law (Kusumaatmadja & Agoes, 2014).

The significance of the function and standing of international treaties led to the creation of the Vienna Convention of 1969, which governed international treaty law between countries and entered into force on January 27, 1980. International economic law relies heavily on international treaties as a source of law. Members of the international community create rights and obligations in international economic interactions through the formation of agreements. Countries also employ international accords to increase their economic growth (relationships). There exist bilateral, regional, and multilateral agreements (Adolf, 2016). The international community supports international agreements because they are the most effective means of establishing rights and obligations in the international economic arena (Quraeshi, 2019).

Article 2 of the 1969 Vienna Convention defines a treaty as a written international agreement between nations that is governed by international law. The agreement may be contained in one or more documents. The difficulty in comprehending this instrument stems from the fact that, in practice, the international community concludes agreements using different names or phrases. The terminology used includes the following: Treaty, Convention, Agreement, Protocol, Covenant, Charter, Statute, Act, Declaration,
Concordat, Exchange of Notes, Agreed Minutes, Memorandum of Understanding, and Modus Vivendi (Adolf, 2016).

On the basis of these instruments, a nation entering into an agreement with another nation may utilize one of the instruments listed above. Indonesia and Sweden agreed to a number of international agreements to strengthen international cooperation in a variety of areas, particularly the economic field. Article 11 of the 1969 Vienna Convention indicates that a country's agreement to be bound by a treaty might be conveyed through signing, exchanging instruments forming a treaty, ratification, acceptance, approval, or accession, among other means.

**INDONESIA AND SWEDEN IN THE BLUE ECONOMY ARRANGEMENTS**

Three billion people worldwide depend on the sea for their survival, according to Jusuf Kalla, who was vice president at the time and spoke at the 2017 IORA event. However, contaminants produced by people who live on Earth have polluted 40% of the ocean. Even if conservation and rehabilitation efforts have been made for many years, ecological harm is growing more quickly than the process of recovery. The health of the marine environment and the productivity that people may get from aquatic regions are both significantly impacted by this. Lower middle-class coastal areas are particularly hard hit by this condition's negative economic effects (Nurfauzi & Mansur, 2022).

Environmental issues and poverty, which are prevalent in coastal regions, are seen as best solved through the blue economy. The Blue Economy's guiding principles are intended to spur expansion of the marine and fishing industries (Andersen, 2007). Before Indonesia sought to develop a blue economy policy, numerous countries, including South Korea, China, and Canada, had already adopted this concept. President Susilo Bambang Yudhoyono's address at the Rio+20 Summit in Rio de Janeiro, Brazil, which took place from 13 to 22 June 2012, marked the beginning of the blue economy concept's implementation in Indonesia (Nurhayati, 2013).

Since Susilo Bambang Yudhoyono's administration, Indonesia has started to investigate the blue economy idea. Due to the government's recognition of the marine industry's enormous potential, this idea started to focus on development in 2017. If handled well, the marine sector's contribution to GDP will rise to 20% of the national GDP over time. It is anticipated that awareness of and implementation of the blue economy across Indonesia will contribute to the reduction of poverty and the improvement of coastal people's wellbeing (Nurfauzi & Mansur, 2022).

President Joko Widodo then continued to spark a concept that was in line with the previous one. President Jokowi and his working cabinet have made maritime affairs one of the priorities outlined in the 2015-2019 National Medium-Term Development Plan (RPJMN). The government wants Indonesia's independence as a maritime country that is advanced, strong, and based on national interests (Chandra, et al., 2021). President-elect Jokowi, who is aware of Indonesia's maritime potential, wants to turn his country into a global maritime axis. On November 13, 2014, in Nay Pyi Taw, Myanmar, he attended the
9th East Asia Summit, at which he became aware of this. Indonesia has created pillars to assist in the achievement of this goal in order to attain the World Maritime Axis. One of them is talking about marine diplomacy and inviting all of Indonesia's allies to work in the maritime sector. To protect Indonesia's national interests, marine diplomacy is accomplished through agreements with Indonesia's allies, particularly maritime nations. A healthy marine economy, collaboration on sea commerce transit routes, maritime border areas, and other maritime concerns are only a few of the potentials presented by this maritime diplomacy for Indonesia. Indonesia is attempting to be consistent in the execution of its maritime diplomacy, specifically through enhancing collaboration with nations around the Indian Ocean's coasts by participating in the IORA (Indian Ocean Rim Association) (Nugroho & Sampe, 2020).

In accordance with Article 11 of the Vienna Convention of 1969, the collaboration between Indonesia and Sweden in the blue economy sector has been formalized in a document that has become an agreement between the two countries. Sweden and Indonesia's cooperation is governed by the Sweden-Indonesia Sustainability Partnership (SISP). The goal of the program is to strengthen ties between Indonesia and Sweden so that the 2030 Agenda can be carried out. The Sweden-Indonesia Sustainability Partnership is a venue for stakeholders to interact and engage in discourse in order to accomplish the 2030 Agenda for Sustainable Development. In this activity, government, academic, and commercial leaders meet virtually to share their experiences in the sustainability industry, collaboration between the two nations to explore partnership opportunities in five areas: sustainable development and job creation; intelligent transportation; renewable energy; the blue economy; and the industry 4.0 (Embassy of Sweden In Jakarta, 2021).

Relations between Indonesia and Sweden have continued to grow for 72 years, marked by the visit of the National Development Planning Agency (Bappenas) to Sweden in 2021. During the visit, the two countries highlighted cooperation in the blue economy and signed a joint statement. Representing Indonesia, Minister of National Development Planning/Head of Bappenas, Suharso Monoarfa, signed a Joint Statement on October 25, 2021, with Swedish Minister of Infrastructure Thomas Eneroth and Minister of Environment and Climate/Deputy Prime Minister of Sweden Per Bolund in Stockholm (Asia Today Editor, 2021). Indonesia's government is putting in place a Blue Economy to help with inclusive and long-term growth.

In the 2020–2024 National Mid-Term Development Plan, Indonesia plans to increase the use and management of natural resources. The marine industry is expected to expand rapidly in the coming years. The long-term prosperity of the sector depends on the sustainable management of marine resources (Embassy Of Sweden In Jakarta, 2021). Sweden has taken into account the sustainability of marine ecosystems to achieve the 2030 Agenda, with collaboration as the key to its success. In the marine sector, the Swedish government works closely with agencies in the fields of innovation, energy, and economics, as well as marine and water management, to address challenges in industry. At this year's SISP, Sweden and Indonesia will explore long-term cooperation to promote
Blue Economy growth implemented in line with the 2030 Agenda (Embassy of Sweden in Jakarta, 2021).

This partnership is geared toward the establishment of a blue economy as a novel driver of economic expansion for an inclusive and sustainable Indonesia (Embassy Of Sweden In Jakarta, 2021). Given the close interrelationships that exist between economic activities both within and outside the sector, the marine sector as a field consisting of multi-sectors calls for a policy that is in line with the marine economic sector. Green economy in its national development, but also pushing for a blue economy, in which the sea is an intrinsic aspect of the Sustainable Development Goals between Indonesia and Sweden. As a result, the model of the blue economy needs to be incorporated into the overall grand design of the nation's marine growth (Chandra, et al., 2021). The mechanism for collaboration between Indonesia and Sweden in the blue economy is therefore governed by the Sweden-Indonesia Sustainability Partnership (SISP), and the cooperation is agreed upon through a Joint Statement. As a matter of fact, cooperation in the blue economy is an agenda that is one of the priorities for Indonesia and Sweden, with the aim of encouraging blue economic growth that is carried out in compliance with the 2030 agenda.

NATIONAL INTEREST BETWEEN INDONESIA AND SWEDEN

As is well known, the majority of the planet's surface is water. As the world's largest archipelagic nation, Indonesia's territory is comprised primarily of water, not land. Furthermore, due to the ocean's vastness, not all of the potential of marine and marine products, as well as the sectors and businesses that surround them, can be fully realized. As Rahmadi (2019) stated, a preliminary estimate of the value of Indonesia's marine potential up until March 2019 was 1.772 trillion dollars. This figure accounts for 93 percent of the total revenue collected by the Indonesian government for the 2018 state budget. This estimate of Indonesia's gross wealth is derived from the unprocessed value of the country's potential riches. In other words, it does not consider any of the subjective calculations that result in wealth being valued differently in each area. At a total value of 1.772 trillion, 312 trillion comes from fisheries; 45 trillion comes from coral reefs; 21 trillion comes from mangroves; 4 trillion comes from seagrass; 560 trillion is the potential for wealth along the coast; 400 trillion comes from biotechnology; 20 trillion comes from marine tourism; 210 trillion comes from petroleum; and 200 trillion comes from sea transportation (Biro Kerja Sama, Hukum, dan Humas LIPI, 2019).

The marine riches of Indonesia can be more administratively structured, and law enforcement can be more easily implemented, because its true value exists. Cooperation is also needed for it to work well and for the economy of a country to grow and stay stable. Community prosperity is anticipated to result from blue economy program operations. It is important to mention that the program implemented is a collaboration with respect to marine conservation and optimization of fishing potential in the archipelago. A "blue economy” can be viewed as a strategy that relies on the entire growth of the people's economy in order to accomplish national development as a whole.
Then, when the economy is run in a way that is arbitrary or excessive (exploitative), with the sole intention of making a profit, the idea of a "blue economy" refers to an ideal and sustainable kind of economic activity that is oriented toward the improvement of natural environments like the ocean (blue). Therefore, with a blue economy, it will still be accomplished, both the financial rewards and the generation of new energy as the primary goals, while still considering and prioritizing natural circumstances so as to not add to the damage already done to the environment. The "blue" part of the term "blue economy" is not just jargon; it has the potential to make a big difference in the way sustainable development moves forward.

As was mentioned earlier, Indonesia is a nation that possesses a great deal of potential in terms of blue economy cooperation. This is due to the country's wide coastline, the number of parties that rely on the sea and marine products, as well as the country's tourism potential. On the other hand, if the government is unable to carry out management that is both comprehensive and sustainable, then this potential will never be realized (Kaczan & De Aquino, 2021). Cooperation between Indonesia and Sweden is founded on the concept that national interests must be met. From the Neoliberal perspective, it has been said that people who seek to engage in cooperation must pursue their absolute interests. In other words, it is irrelevant if one party has greater advantages than the other. Even if only a tiny amount of profit may be generated through the collaboration, the benefits will still be considered profits. Consequently, if cooperation is measured based solely on profit and loss within the context of Neoliberalism, it will be profitable even if it is not evenly distributed or balanced. Cooperation in the blue economy must be seen prudently in terms of medium and long-term benefits, not merely short-term gains.

In terms of 'blue economy' collaboration, Indonesia appears to recognize the necessity to work with nations deemed capable of comprehensive and sustainable management. Sweden is a country with technological advantages, including marine biotechnology, wave and tidal energy, floating solar parks, underwater technology, seafood, corrosion, anti-fouling, data analysis and security, and project management in blue growth and maritime development (Pinori, 2015). This technology gives Indonesia the "empty space" it needs to make a "blue economy" work. In addition, the sector that will be developed is extremely diverse, encompassing the fishing sector, the marine product processing industry sector, the marine logistics sector, the trade sector, the shipping industry, marine tourism, biotechnology, renewable energy, water resource management, and human resources, among others. To realize the goals of the 'blue economy,' Indonesia requires partners.

According to the Neoliberal philosophy, cooperation is a need, particularly in the context of economic cooperation, as no country can meet its own needs and isolate itself by being self-sufficient. Success in growing the blue economy will inevitably result in the creation of new economic resources, which will have a ripple effect on other areas. According to Steans (2013), cooperation occurs precisely because of the diversity of interests. Indonesia's national interest in cooperating with Sweden in the blue economy is certainly in Indonesia's interest to improve people's welfare. The 1982 United Nations
Convention on the Law of the Sea (UNCLOS) or the 1982 Convention on the Law of the Sea finally recognized Indonesia as an archipelagic country with approximately 17,000 islands.

Both parties have not yet fully complied with all of the terms of the collaboration agreement that was signed in 2021. Indonesia and Sweden, both archipelagic countries, agree, however, that the blue economy is an economic potential that can be used for post-COVID-19 recovery and economic transformation in order to achieve fair and sustainable development (Asia Today Editor, 2021). Indonesia wants to use the blue economy idea because it is an archipelagic country with the second-longest coastline in the world (after Canada). This means that it needs to think about how to protect marine resources since doing so will affect marine resource reserves and sustainable food supply for the community (Nurhayati, 2013).

The blue economy is a development based on the economic value of Indonesia's marine resources, which creates added value in the supply chain—directly or indirectly—thus accelerating economic growth that improves people's welfare and preserving the environmental sustainability. This growth is based on three things: a healthy and resilient marine environment, a competitive marine-based industry, and an attractive coastal area (Nurhayati, 2013). In addition, cooperation in the blue economy has led to many Swedish companies being interested in contributing to the Indonesian economy in an inclusive and sustainable way. Both countries are both archipelagic countries, so the use of marine resources in a sustainable way is crucial for the economic growth of both. In addition, the benefits of cooperation in the blue economy can share experiences and policy issues, as well as participate in international environmental forums (Maritim Muda Indonesia, 2021).

The three pillars of blue economic growth are (Angriani, 2021), (1) Healthy and resilient marine environment. The sea offers a variety of services, including a food supply and life, connectivity, and other necessities (Antara, 2023). A robust and healthy marine environment, with the potential to produce food and energy, is the cornerstone of climate management and sustainable development (Redaksi, 2022). In order to manage marine space in a way that fosters a healthy ecology and a sustainable economy, it is required to manage marine, coastal, and small island resources after learning about the amount, quality, and economic potential of marine resources ( Wahyuni, 2022).

Therefore, it is essential to have a government regulation that will serve as a roadmap for implementing marine spatial planning by applying blue economy principles for the regions in order to enhance the investment climate, provide certainty for doing business in the sea space sustainably, maintain ocean health, and promote peace over oceans and marine resources; (2) Competitive marine-based industry. The foundation of a country's competitive advantage is the efficient use of its own natural resources (Tarumingkeng, 2002). To encourage the growth of ocean-based resources, the marine economy is being developed through sea control (Humas Sekretariat Kabinet Republik Indonesia, 2014). The economy of the ocean needs to continue to focus on the fisheries sector, marine tourism, marine mining, marine/maritime industries, sea transportation,
marine construction, and marine services in order to maximize its economic added values (Humas Sekretariat Kabinet Republik Indonesia, 2014): (3) Attractive coastal area. Given its abundance of natural resources and its most productive environment, the coastal region is particularly attractive to humans who want to make use of these riches (Yonvitner, et. al., 2019). The impact of human activity on this area is significant. This is due to the fact that coastal areas are among the most productive since they offer essential ecosystem services and habitats to people. This region is exotic with exceptional economic attraction due to seeing how comprehensive the coastline is. Hence, a wide range of industries are quickly expanding in the seaside region (Yonvitner, et.al., 2019).

In the blue economy cooperation between Indonesia and Sweden, it covers several sectors that have been agreed upon, including the fishing sector, the marine product processing industry sector, the marine logistics sector, the trade sector, the shipping industry, marine tourism, biotechnology, renewable energy, management of water resources, natural resources, education, and research, as well as other related sectors directly and indirectly. In addition, the blue economy is also an opportunity for Indonesia to realize inclusive and sustainable development by reducing inequality between regions, between income groups, and between genders (Asia Today Editor, 2021).

Sweden and Indonesia share many opportunities and obstacles in building a blue economy as the basis for future economic growth. A blue economy is being developed in Sweden, which comprises blue growth and maritime spatial planning. The benefits of blue economy collaboration between Sweden and Indonesia for Sweden are realized through blue growth, which contributes to the expansion of the Swedish industrial market in shipping, marine energy, offshore wind, marine biotechnology and aquaculture, and marine and coastal tourism. By encouraging the creation of long-lasting, reliable, and safe products, both countries can help customers and society, as well as encourage people to interact with the ocean in a responsible way (Pinori, 2015).

The Swedish Marine and Water Management Agency is the agency in charge of marine spatial planning in Sweden. This agency is also in charge of the process of marine spatial planning as well as the production of plan proposals. The Government will decide what the maritime spatial plan will look like. This activity contributes to the long-term goal of sustainable development by providing direction on the appropriate ways in which the ocean should be utilized. Marine spatial planning is one of the techniques that is used to govern both the usage of the sea and the sea itself through the many sorts of regulations and measures that are in place (Olsson, 2020). As part of Indonesia’s efforts to accelerate economic transformation, both Indonesia and Sweden agreed to develop a roadmap for a blue economy. The blue economy principle can be seen and assessed as appropriate in helping the world, especially Indonesia and Sweden, to face the challenges of climate change and marine ecosystems that are increasingly vulnerable to the impacts of climate change and ocean acidification. The blue economy concept can bridge activities for both parties in the future with the aim of achieving sustainable growth.

The identification of Indonesia as a maritime country holds enormous potential for the country, including in the economic field. Indonesia’s foreign exchange earnings are
still focused on nature because, as an example of the marine tourism sector, many tourists come to Indonesia for tourism purposes. What's more, at this time, the concept of a “blue economy” is spreading or being implemented on a large scale by countries around the world because of environmental problems that are increasingly threatening human survival and life. Cooperation in the blue economy between Indonesia and Sweden will certainly face challenges. Blue economy cooperation is a long-term mega-project which, of course, requires a lot of capital, specifically natural wealth, and renewable energy sources. A blue economy is indeed present to solve environmental problems and energy crises in the marine sector. In addition, another challenge in blue economy activities is capital problems, where implementing a blue economy will be a big irony for many countries that do not have a lot of natural wealth, especially marine or renewable energy sources.

Although Indonesia and Sweden’s cooperation in the blue economy has not yet been fully implemented, there have been several agendas that have been implemented by both parties, with the aim of increasing economic growth, economic prosperity, and increasing the national economic activities of both parties. Also, the above-mentioned benefits of international cooperation are accomplished so that the needs of the people and the interests of the state can be met. From a Neoliberal standpoint, it makes little difference if one party earns less or more, because the most important thing is the absolute gain. It makes no difference as long as you make a profit. As a result, the question of whether Indonesia would profit much from this partnership is irrelevant from the standpoint of Neoliberalism. In the perspective of the world, demonstrating Indonesia’s willingness to adopt the Blue Economy is already a positive thing, especially by demonstrating its sincerity in working with Sweden. One of the ideas propagated by globalization is the notion that progress must consider the environment. The Blue Economy is not immune to the rise of the notion that the ocean is a component of life that cannot be continually exploited for human advantage. Regardless of whether this implementation will continue in the long run, the Indonesia’s government could demonstrate to the world that Indonesia is open to change, open to new values, and committed to environmental preservation.

**CONCLUSION**

Cooperation between Indonesia and Sweden is based on the principle of achieving national interests. The Neoliberalism approach has determined that absolute interests are interests that must be achieved by parties who want to cooperate. In blue economy cooperation, Indonesia needs to cooperate with Sweden, which has advantages in the field of marine technology. It is in Indonesia's national interest to cooperate with Sweden in the blue economy, to improve people's welfare and protect the marine environment. Indonesia's interest in implementing the blue economy concept is based on the fact that Indonesia is an archipelagic country with the second longest coastline in the world after Canada, so there is a need for ideas to conserve and protect marine resources.

The question of whether collaboration in a relatively new industry, such as the Blue Economy, is considerable and profitable may be insignificant from the standpoint of Neoliberalism. States that are interlinked to each other make it problematic for one
country to remain blocked, not only from material activities, but also from immaterial activities such as ideas, values, ethics, and new perspectives that are spreading swiftly in the name of globalization. Globalization's effects include the proliferation of concepts about the Blue Economy. It may be said that nations who are receptive to this approach and open immediately are nations that are adaptable to change and prepared to take on problems in the future. Even if there aren't many direct benefits for Indonesia from this collaboration, the country's leadership has nonetheless proven how cooperation may be performed in the name of Blue Economy.

There is interconnectedness between nations in the present global political economic system in several different areas. Collaboration is one method of accelerating growth in a nation. Even though Indonesia possesses maritime resources, depending on self-sufficiency will prevent it from using those resources to their fullest potential. Indonesia must acknowledge its shortcomings in resource management and technology, which frequently delays behind other nations, even if it may learn from Sweden, which has maritime resources that are not as extensive, and wealthy compared to Indonesia. In the future, the notion of the blue economy will be able to serve as a bridge between the two parties that are working together to create sustainable growth. Any form of collaboration that is initiated in the economic sphere will inevitably spread to other areas. We argue that the utilization of natural resources in a manner that is environmentally conscious will, in addition to having a positive influence on the environment, also have a favourable impact on the surrounding community, which will result in substantial welfare gains.

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