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INDONESIA IN THE GEOPOLITICS AND GLOBAL DIGITAL ECONOMY OF SUBMARINE CABLES

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Abstract:
Submarine fiber-optic cables carry the vast majority of international internet traffic and form the physical backbone of the digital economy, from cross-border digital trade and payments to cloud services. Indonesia's position linking the Indian and Pacific Oceans has placed it at the center of growing great-power competition over this infrastructure, yet the economic-policy implications of that position remain understudied, particularly in the Indonesian case. This article contributes to the digital-economy policy literature by arguing that a strategic geographic position does not by itself generate bargaining power; without adequate regulatory and oversight capacity, it may instead become a source of economic vulnerability. The article employs a qualitative case study based on analysis of national regulations, policy documents, and secondary literature, interpreted through the framework of weaponized interdependence complemented by the concept of digital sovereignty. The analysis shows that competition unfolds across three domains: ownership, supply chain, and landing routes. State influence across these domains, however, remains partial and fragmented. Indonesia acts as an active owner at the periphery of the network but a passenger at its core. Because cable segments beyond its territory are subject to limited coastal-state jurisdiction under UNCLOS, cable landing points are where Indonesia exercises its most complete jurisdiction. Yet the control it holds there is largely administrative and spatial-planning oriented, not yet extending to physical security, geopolitical screening, or data sovereignty. This asymmetry between formal involvement and substantive control places Indonesia's position closer to vulnerability than to strength, with direct implications for the resilience of its digital economy and for national policy on critical digital infrastructure.

Keywords: Submarine Cables; Geopolitics; Weaponized Interdependence; Digital Sovereignty; Critical Infrastructure

INTRODUCTION

From the sixteenth to the eighteenth century, the geographic position of the Nusantara archipelago between two continents and two oceans made it an object of contestation among Western powers competing for access to spices, the commodity that at the time was the principal engine of the global economy and of global power. Four centuries later, the same geography once again places Indonesia at the center of great-power competition, no longer because of spices but because of the submarine fiber-optic cables that carry data across continents.

Globally, this infrastructure carries more than 97% of international internet traffic. The figure of USD 10 trillion in daily financial transactions is also frequently cited to illustrate its economic significance, although the validity of that number is disputed among industry analysts (Abels & Babić, 2026). One node of this global network makes landfall in Dumai: the 20,000-kilometer SEA-ME-WE 5 cable, which connects 15 countries from Southeast Asia and the Middle East through to Western Europe (Telkom, 2016).

This historical parallel raises a question: is Indonesia once again merely a strategic crossroads that is traversed without any significant control over what passes through it? The question has

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become more pressing following a series of cable damage incidents suspected to be acts of sabotage over the past two years. Since 2023, European and Taiwanese authorities have each recorded at least eleven submarine cable damage incidents in the Baltic Sea and in the waters around Taiwan — including the detention of the vessel Hong Tai 58 by the Taiwanese coast guard in February 2025 on suspicion of deliberately severing a telecommunications cable (Al Jazeera, 2025). These incidents indicate that submarine cables have become targets of unconventional geopolitical conflict, even though proving sabotage at sea and prosecuting it has proven exceedingly difficult.

Behind these dynamics, academic attention to the geopolitical dimension of submarine cables remains limited and has only developed over the past decade. Bueger and Liebetrau (2021) observe that the global submarine cable network has long suffered from a triple invisibility: it is invisible as infrastructure, because it lies underground, and because it lies at sea. As a result, it has received far less analytical attention than its importance warrants. Their survey further finds that existing research treats cables narrowly, through security, technical, or legal lenses, and they call for cables to be treated as a key issue in security studies, geopolitics, and peace and conflict research. In particular, they identify the need to understand how cables have become a core theater of geopolitical competition and how vulnerable countries with weak capacities can be supported.

Work relevant to Indonesia remains similarly limited in scope and falls into three strands. Legal-normative studies have examined the compatibility of national regulations with UNCLOS 1982, showing that marine location permits for cable laying in the EEZ are inconsistent with the Convention, which does not require coastal-state consent in that zone (Merdekawati et al., 2021). At the regional level, divergent interpretations of UNCLOS among Southeast Asian states have produced a patchwork of cable-protection approaches (Noor, 2024). Geopolitical analyses have examined how US–China competition affects Southeast Asia's cable networks. Noor (2024) argues that this rivalry is fragmenting the networks and increasingly forcing regional states to choose between infrastructure provided by China and that provided by the United States and its partners. Comparative policy analysis has found that Indonesia's regulatory regime lacks a strong emphasis on security and that, compared with Japan, Singapore, and India, Indonesia has given less attention to cable outages and repair (Sherman, 2024). These works are legal-normative, regional in scope, or descriptive-comparative; none of them offers a theoretical account of why Indonesia's geographic centrality fails to translate into leverage, nor of what this means for its digital economy.

This article addresses that gap. It argues that a strategic geographic position does not automatically generate power or bargaining leverage; without adequate regulatory and oversight capacity, that position may instead become a source of vulnerability. Drawing on weaponized interdependence and digital sovereignty, the article examines four questions: first, how submarine cables have become a new arena of global geopolitical competition; second, what this infrastructure implies for the global digital economy; third, Indonesia's position within that cable network; and fourth, how far the current national regulatory framework is able to address emerging challenges to digital sovereignty and to Indonesia's capacity to capture value from the digital economy.

METHODS

This article employs a qualitative approach based on document analysis. Sources were selected purposively according to their relevance to the research questions and were drawn from four categories: (1) government regulatory documents, in particular Decree of the Minister of Marine Affairs and Fisheries No. 14 of 2021 on on the Submarine Pipelines and Cable Systems, together with official government statements on their implementation; (2) industry and corporate sources, comprising cable system information published by PT Telkom Indonesia, submarine cable data from

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TeleGeography, and threat-intelligence reporting by Insikt Group; (3) academic literature on the politics, governance, and law of submarine cables; and (4) national and international media reports on submarine cable incidents in a geopolitical context.

Sources were retrieved from Sources were identified through searches of academic databases, institutional repositories, official government and corporate websites, and online news outlets, and were supplemented by references cited in key sources (snowballing), using the keywords "submarine cable", "undersea cable geopolitics", "kabel bawah laut", "SKKL" covering publications from 2016 to 2026, the final search was conducted in September 2026. Sources were included if they (a) addressed submarine communication cables, (b) concerned Indonesia or the geopolitical competition shaping its cable network, and (c) originated from an identifiable official, corporate, scholarly, or established media publisher. Sources were excluded if they dealt only with power cables or pipelines, lacked verifiable provenance, or duplicated information already obtained from a primary source.

To strengthen credibility, factual claims were triangulated across source types: regulatory provisions were compared with official statements on their implementation, and corporate and media accounts were cross-checked against each other and, where possible, against official or scholarly sources. Where sources conflicted, primary and official sources were prioritized and the discrepancy was noted.

The analysis was descriptive-interpretive and proceeded in three steps. First, initial analytical categories were derived from the theoretical framework: network centrality, chokepoints, and the panopticon effect from weaponized interdependence, and control over ownership, physical security, and data from digital sovereignty. Second, the documents were coded against these categories, and categories were refined or added where the material did not fit them. Third, the coded findings were organized into four layers: (1) the dynamics of competition and threats to submarine cable infrastructure at the global scale; (2) the implications of this infrastructure for the global digital economy and the distribution of value within it; (3) Indonesia's position and formal involvement within the cable network; and (4) the gap between that formal involvement and domestic regulatory and oversight capacity, including the capacity to capture economic value. This approach identifies patterns and gaps without claiming statistical representativeness or causal generalization.

RESULT AND DISCUSSION

Submarine Cables as an Arena of Global Geopolitical Competition

Developments in information and communication technology have expanded the space of competition in international relations. Whereas inter-state rivalry was once expressed primarily through military, economic, and diplomatic instruments, the development of cyberspace has produced a new arena in which states build influence and defend their strategic interests. In this context, Juned et al. (2022) show that the rivalry between the United States and China has increasingly extended into cyberspace as part of a struggle for power to shape global governance in line with their respective interests. Cyberspace, however, does not operate as a self-standing virtual realm. All digital activity depends on the physical infrastructure that carries data movement across borders, above all the submarine fiber-optic cable network.

Submarine cables are not merely technical infrastructure; they are the arteries of digital civilization, carrying more than 97% of global internet traffic. Everyday communications, financial transactions, and military communications flow through the fiber-optic network stretching across the ocean floor (Abels & Babić, 2026). As of 2026, TeleGeography records 694 active and planned cable systems, with 1,893 landing points spanning more than 1.5 million kilometres (TeleGeography, 2026). Though invisible, this infrastructure underpins almost all contemporary global economic and

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security activity. As geopolitical rivalry intensifies, submarine cables are increasingly regarded as critical infrastructure. Insikt Group (2025) reports that rising geopolitical tensions, particularly the Russia–Ukraine war and Chinese pressure on Taiwan have increased the risk of sabotage against submarine cables. In this context, submarine cables are no longer perceived merely as a medium for transmitting global data, but also as strategic assets that can be used to generate political, economic, or military pressure.

For several decades, submarine cables were treated as a relatively neutral commercial domain because they were built by private multinational telecommunications consortia, managed according to business logic, and assumed to lie outside the orbit of great-power competition. That assumption is now increasingly questioned. Major powers, particularly the United States and China, are actively seeking to shape the cable network in line with their security and geoeconomic interests (Abels & Babić, 2026). Ownership and network expansion nonetheless remain dominated by private corporations, so that states do not fully control this infrastructure. The competition that has emerged is therefore better understood as a tug-of-war between state strategy and corporate commercial logic, playing out across three interconnected arenas. These three arenas are the terrain on which the chokepoint effect operates: control over network nodes — whether through ownership, supply chain control, or landing points — becomes a source of pressure and bargaining power between states (Farrell & Newman, 2019).

The first is the arena of ownership and financing. During the era of neoliberal globalization, cable construction was dominated by a consortium model in which telecommunications operators shared investment costs and network capacity. Since the mid-2010s, that model has shifted as cloud computing technology companies (hyperscalers) such as Google and Meta began financing cable construction independently and integrating it into their own digital ecosystems. A mapping of more than 600 cable systems identifies Google as the dominant actor in the ownership of global core cables, while the involvement of Chinese state-owned enterprises has also increased although it still trails American firms (Abels & Babić, 2026). This shift indicates that control over global digital infrastructure is increasingly concentrated in a handful of technology companies possessing enormous financial resources and technological capacity.

The second is the arena of construction and the supply chain. This segment is the most oligopolistic part of the submarine cable industry. Manufacturing and laying cables requires immense operational capabilities, and only four global suppliers possess the in-house capability to do both: SubCom (United States), Alcatel Submarine Networks (France), NEC (Japan), and HMN Tech (China) (Abels & Babić, 2026). This concentration is reinforced by a small fleet of cable ships, numbering only 60 worldwide as of 2022 (International Cable Protection Committee, 2022, as cited in Abels & Babić, 2026). Because the number of suppliers is so limited, state intervention at this stage becomes far more effective. The United States, for instance, placed HMN Tech on the Department of Commerce Entity List in 2021 and intervened in several international projects, including SEA-ME-WE 6, so that the construction contract was transferred to SubCom. France, for its part, nationalized Alcatel Submarine Networks in 2024 as a step toward retaining control over that strategic industry (Abels & Babić, 2026). These developments show that geopolitical competition is not confined to the level of states but also permeates the technology supply chain underpinning global digital infrastructure.

The third is the arena of routes and landing points. Legally, most of the cable network still faces limited international protection, particularly in Exclusive Economic Zones (EEZs) and on the high seas (Abels & Babić, 2026). Under such conditions, landing stations become the strategic node most easily controlled by states because they lie entirely under national jurisdiction. The Pacific

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Light Cable Network case illustrates how United States regulators refused to allow the cable to land in Hong Kong, with the result that the route was redirected to Taiwan and the Philippines (Abels & Babić, 2026). At the same time, the Insikt Group (2025) report shows that network vulnerability is determined not only by jurisdiction but also by physical characteristics. The largest connectivity disruptions in 2024–2025 occurred when several cables were damaged simultaneously in regions with low redundancy, limited route diversity, and minimal repair capacity. The series of incidents in the Baltic Sea, the Red Sea, West Africa, and around Taiwan demonstrates that submarine cable routes have developed into a space of strategic competition in which digital infrastructure becomes a target of pressure amid geopolitical rivalry.

Even so, an important finding by Abels and Babić (2026) that is frequently overlooked in the "cable war" narrative is that state influence over the cable network remains partial and fragmented. American and Chinese companies are still involved in several joint projects connecting the two countries, indicating that commercial interests have not been entirely displaced by geopolitical rivalry. Nevertheless, developments in recent years also show that competition is no longer determined solely by who owns or builds the cables, but also by a state's ability to build network redundancy, route diversification, and repair capacity as the foundation of digital infrastructure resilience. For Indonesia, this situation sharpens the strategic challenge. If even major powers are able to shape the network only to a limited extent through a combination of sanctions, subsidies, and control over landing points, then Indonesia's position as an archipelagic state crossed by many international cable routes makes the management of its landing points, cable corridors, and infrastructure resilience an increasingly important geopolitical resource.

Submarine Cables and the Global Digital Economy

The geopolitical competition described above unfolds over an infrastructure that is at the same time the foundation of the global digital economy — and it is this economic dimension that defines the real stakes of controlling the network. Around 97% of international internet traffic, including data supporting cross-border trade and financial settlement, travels through submarine cables rather than satellites, and this dependence is deepening as the build-out of data centres for artificial intelligence and cloud computing multiplies demand for capacity; the market value of cables is projected to grow from roughly USD 13 billion in 2022 to more than USD 30 billion by 2030 (Abels & Babić, 2026). Submarine cables therefore constitute foundational infrastructure for cross-border services and financial information flows; disruptions can consequently affect economic activity beyond the telecommunications industry (Cariolle, 2026).

The concentrated ownership structure described above determines not only who can pressure whom, but also where economic value is captured. Because the network is almost entirely corporate-owned, value capture concentrates with the owners of the core segments, while states that are merely crossed by the network absorb that dependence as a structural economic vulnerability. That dependence creates a vulnerability because a transit state's digital economy, including payments, online trade, communication, and public services, cannot function without the data flows carried by these cables, making them an irreplaceable necessity.

These dependencies also have tangible economic consequences. In a working paper covering 146 countries over 2008–2020, Cariolle (2026) estimates that a typical accidental cable disruption, requiring about 10 to 11 repair days, reduces GDP-per-capita growth by roughly 5 to 7 percentage points on average three to six years after the event, once spillovers to neighboring countries are accounted for. These losses are concentrated in countries with few international connections, and no Internet exchange points, whereas better-connected countries show no significant losses (Cariolle, 2026). The estimate therefore indicates the scale of risk facing poorly connected economies rather

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than a uniform cost applicable to all countries.

Crucially, the mere presence of cables does not guarantee that value is captured locally or that development follows. In the Pacific, leaders have come to see cables primarily as infrastructure for socio-economic development, strategically navigating the surrounding geopolitics rather than avoiding it; yet experience there shows that connectivity alone is not enough. In Papua New Guinea, internet prices remained stagnant for years after a cable became operational, and the eventual decline owed more to retail competition than to the cable itself (Watson, 2025).

As Vatanparast (2020) argues, rather than simply drawing more countries into the global data economy through new landing points and presuming that development will follow, the pertinent question concerns the structures that channel the value of that economy toward a few corporations, states, and individuals. That distributional pattern tends to follow and reinforce pre-existing global inequalities, because new cable routes usually trace older colonial-era paths.

This economic logic limits the potential outcomes of Indonesia's position, and this issue will be discussed in the next two sections.

Indonesia's Position in the Global Cable Network

Indonesia's involvement in the global network operates across several layers. At the layer of intercontinental connectivity, SEA-ME-WE 5, which lands in Dumai, has connected Indonesia to the Asia–Middle East–Europe corridor since 2016 (Telkom, 2016). Toward the Pacific, the Indonesia Global Gateway (IGG) and SEA-US systems, operational since 2017, connect Manado with Davao, Guam, Hawaii, and on to Los Angeles, making Manado Indonesia's second international gateway after Batam (Detik, 2022). This route through Indonesian and Pacific waters simultaneously serves as a protective alternative to the main routes to the Americas, which generally cross the South China Sea and the Luzon Strait — regions that frequently experience cable disruptions (Detik, 2022).

The significance of the Indonesian route has grown as attention to the resilience of the global cable network has increased. As noted above, the major disruptions of 2024–2025 clustered in regions with limited route diversity and repair capacity (Insikt Group, 2025). That experience has pushed global operators to expand route diversification as part of a strategy for strengthening network resilience. In this context, Indonesia's position as a corridor connecting the Indian and Pacific Oceans acquires additional strategic value, not only as a data transit route but also as an alternative that strengthens the resilience of Indo-Pacific digital connectivity.

The second layer is the arrival of a wave of hyperscaler investment. In March 2021, Meta and Google announced two trans-Pacific cable systems connecting the west coast of the United States directly with Indonesia and Singapore: Echo, developed by Meta and Google together with XL Axiata, and Bifrost, developed by Meta together with Telin (a subsidiary of Telkom) and Keppel of Singapore (Kompas, 2025). Bifrost was designed to cross the Java Sea and the Sulawesi Sea along a route running from Jakarta and Singapore through Balikpapan, Manado, Davao, and Guam to California (Katadata, 2025). Following these two, the Apricot system, involving Google, Meta, NTT, Chunghwa Telecom, and PLDT, connects Singapore, Indonesia, the Philippines, Taiwan, Japan, and Guam (Detik, 2025). Consistent with the global geopolitical pattern, these systems are routed across the Java Sea rather than along the conventional and most efficient route through the South China Sea, where territorial tensions have complicated cable deployment (Noor, 2024).

The size of Indonesia's domestic market provides further context for this investment wave; an Indonesian government publication attributes hyperscaler interest in Indonesia to its geostrategic position and large digital market (Kementerian Koordinator Bidang Kemaritiman dan Investasi, 2023, p. 56). The Indonesian Internet Service Providers Association (Asosiasi Penyelenggara Jasa Internet Indonesia [APJII]) estimated in its 2021–2022 survey, conducted in January and February

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2022, that 210.03 million Indonesians were connected to the internet, a penetration rate of 77.02% of the 2021 population of 272.68 million (APJII, 2022). These figures are cited as historical context for the period in which the cable projects were announced, not as current estimates.

The partnership pattern in these projects indicates where Indonesia's bargaining power lies, , although its scope requires qualification. The Marine Spatial Use Suitability Approval (Persetujuan Kesesuaian Kegiatan Pemanfaatan Ruang Laut, PKKPRL) for Echo was issued in 2021 with XL Axiata as the permit holder, for Bifrost in 2022 through Telin, and for Apricot in 2025 through NTT Indonesia The government has also affirmed that every international cable is directed to land at a designated landing station — Manado for cables coming from the direction of Sulawesi, Jayapura for those from the Pacific Ocean, Kupang for those from Australia, and Batam (Detik, 2025). In addition, regulations issued in 2021 require cables crossing Indonesian waters to include an Indonesian telecommunications operator holding at least a five percent stake (Sherman, 2024). Cables that land in Indonesia therefore cannot do so without a local partner and without passing through the marine spatial licensing regime.

The SEA-ME-WE 5 case illustrates both sides of this position. Insikt Group (2025) records that the repair process for the SEA-ME-WE 5 cable in Indonesian waters in 2024 was delayed by licensing procedures relating to the cabotage principle. The delay affected Bangladesh's connectivity capacity for several months. This case shows that Indonesian regulatory procedures on cable repair have consequences not only for national infrastructure but also for regional digital connectivity, although these consequences arose from procedural friction rather than from a deliberate use of leverage.

Global ownership data, however, place that leverage in more realistic proportion. In the dataset compiled by Abels and Babić (2026), Telkom Indonesia and XL Axiata are recorded among the ten largest sole owners of cables, and Biznet Nusantara Cable System-1 is among the ten highest-capacity cables in the world. Indonesia is therefore not absent from ownership — but its presence is concentrated in short-haul domestic and regional systems rather than in the transcontinental cables that are the principal object of geoeconomic competition. Indonesia's position is more accurately described as that of an active owner at the periphery of the network and a passenger at its core: its territory is crossed and called at by the core cables of global actors, while national ownership rests on systems supporting domestic connectivity. Read against the economic logic set out above, this means that Indonesia participates in the traffic of the global digital economy without capturing a commensurate share of its value.

Dependence is also evident in the supply chain underpinning national cable infrastructure. Domestic production capacity has begun to grow, reaching about 15,000 km of submarine fiber-optic cable per year across three manufacturers (Kementerian Perindustrian, 2022, as cited in Kementerian Koordinator Bidang Kemaritiman dan Investasi, 2023, p. 57). Nevertheless, as of 2021, the material for national telecommunications cable was split evenly between local and imported inputs, and optical-fiber cable imports reached USD 144.7 million, a 35% increase over the previous year. Laying, maintenance, and part of the specialist workforce also relied on foreign providers (Kementerian Perindustrian, as cited in Kementerian Koordinator Bidang Kemaritiman dan Investasi, 2023, p. 57).

This lag in converting a strategic position into substantive control is acknowledged by the Indonesian government itself. Indonesia is relatively late in positioning itself as a "player and controller" of the internet-based (cyber) telecommunications system, even though the strategic factors and capital have been within its grasp from the outset, namely its posture as an archipelagic state with a vast territory, its strategic position astride international telecommunications routes, and its large population (Kementerian Koordinator Bidang Kemaritiman dan Investasi, 2023, p. 14).

This admission underscores that the gap between strategic assets and substantive control is

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recognized not only by outside analysis but by the state itself. Indonesia's position is thus paradoxical: its geography, landing points, and licensing regime confer real but conditional bargaining power in regional connectivity governance, while ownership and technological control remain dominated by hyperscalers and foreign firms. The aspiration to make Indonesia a regional cable hub (Kompas, 2021) is therefore best read not as an attempt to displace global dominance, but as a strategy for strengthening its place within an asymmetric Indo-Pacific architecture.

The National Regulatory Framework and Its Gaps

Indonesia's principal instrument for organizing submarine cable infrastructure is Decree of the Minister of Marine Affairs and Fisheries No. 14 of 2021 on Submarine Pipeline and/or Cable Corridors (hereafter Ministerial Decree KP 14/2021), issued in February 2021 as the product of the National Team for the Arrangement of Submarine Pipeline and Cable Corridors, a cross-ministerial and cross-agency body coordinated by the Coordinating Ministry for Maritime Affairs and Investment (Kementerian Kelautan dan Perikanan, 2021a). The decree designates 217 national submarine cable corridors, 43 submarine pipeline corridors, 209 beach manhole points, and four landing stations for international submarine cable communication systems in Jayapura, Batam, Kupang, and Manado (Beritasatu, 2021; Kementerian Kelautan dan Perikanan, 2021a). These corridors serve as the mandatory reference for cable deployment, whose licensing proceeds through the Marine Spatial Use Suitability mechanism as a basic prerequisite prior to environmental approval and business licensing (Kementerian Kelautan dan Perikanan, 2021b).

This framework represents a genuine advance over the previous situation, in which there was almost no arrangement at all. Its implementation gap, however, has also been documented from the outset: based on identification by the Hydrographic and Oceanographic Centre of the Indonesian Navy, there are 186 segments of submarine telecommunications cable positioned outside the designated corridors (Kompas, 2021). This indicates that a substantial number of legacy cables, those laid before the arrangement regime took effect, operate outside the framework the regulation envisions.

More fundamentally, the orientation of this regulatory framework is spatial planning, not security. The problem that the decree sets out to address is the disorder and overlap in the use of marine space — conflicts among cables, pipelines, shipping lanes, anchorage areas, and fisheries (Kementerian Kelautan dan Perikanan, 2021a). The three dimensions of challenge that have emerged in global geopolitical competition remain practically beyond its reach. First, physical protection: as the Baltic and Taiwan incidents demonstrate, cable damage can occur in the EEZ, where international legal instruments are weakest (Abels & Babić, 2026; Al Jazeera, 2025), while the national framework does not yet possess dedicated surveillance and enforcement mechanisms for the threat of cable sabotage. Second, the geopolitical dimension of suppliers: unlike the United States, which has established an inter-agency mechanism (known as Team Telecom) to screen foreign investment and influence in telecommunications infrastructure (Abels & Babić, 2026), Indonesia's licensing regime assesses spatial suitability rather than the geopolitical profile of cable owners and suppliers. Third, the data dimension: control over the physical route does not by itself amount to control over what flows within it, including the risk of interception that has been demonstrated to occur on global cable networks (Abels & Babić, 2026). This issue is a manifestation of the panopticon effect (Farrell & Newman, 2019) and simultaneously touches the core of digital sovereignty as defined at the outset — state control over the data flows crossing its territory: command of the physical route is not command of the information moving through it.

The answer to this article's question on the national framework is therefore twofold. On one

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hand, Indonesia has built a governance foundation that gives the state administrative control over where cables may be laid and where they may land and that foundation has demonstrably functioned as a gateway that even actors as large as Google and Meta must pass through. On the other hand, that foundation was designed to address the spatial planning problems of the previous decade, not the geopolitical competition of this one. The gap between the two is the space of vulnerability aptly captured by this article's central argument: a strategic position without commensurate institutional capacity. Within the framework of weaponized interdependence, domestic institutional capacity is precisely the condition that determines whether control over a chokepoint can be translated into power; without it, command of the landing point remains merely administrative (Farrell & Newman, 2019). The same gap has economic-policy implications: spatial control alone does not demonstrate that value added by digital connectivity will accrue locally. Assessing that outcome requires evidence on investment, domestic firms' participation, competition, skills, and downstream digital services.

CONCLUSION AND RECOMMENDATIONS

This article examined Indonesia's position in the geopolitics and global digital economy of submarine cables through four questions. First, submarine cables have become an arena of competition across ownership, supply, and landing routes — though the dominance of private corporations renders state intervention partial and fragmented, an important correction to the "cable war" narrative (Abels & Babić, 2026). Second, as the backbone of the global digital economy, cables distribute value unevenly: value capture concentrates with the owners of the core segments, while states merely crossed by the network absorb that dependence as a structural economic vulnerability. Third, Indonesia is best described as an active owner at the periphery of the network and a passenger at its core, so that it participates in the traffic without capturing a commensurate share of the value. Fourth, the national regulatory framework grants administrative control over landings and corridors which is a transit state's only real leverage, but that control is spatial-planning oriented and does not yet reach physical security, geopolitical screening, or data sovereignty.

These findings both correct and sharpen the historical analogy with which the article opened. Indonesia today does not precisely repeat the position of the seventeenth-century Nusantara that was merely passed through. Indonesia now possesses instruments for determining where global infrastructure may touch its territory, and those instruments are complied with. What recurs is a subtler asymmetry between formal involvement and substantive control capacity, and between participation in the flow and capture of its value. So long as the country's sole leverage is managed with instruments not designed for a geopolitical or geoeconomic context, its strategic position will remain closer to a source of vulnerability than to a source of strength.

These findings suggest several operational priorities. The measures most directly supported by the evidence are threefold: a fast-track permit procedure for foreign cable repair vessels, led by the Ministry of Transportation in coordination with the Ministry of Communication and Digital Affairs; an inventory of the 186 legacy cable segments outside the designated corridors by the Ministry of Marine Affairs and Fisheries and the Navy's Hydrographic and Oceanographic Centre; and the integration of security and supplier screening into cable licensing by the Ministry of Communication and Digital Affairs together with the National Cyber and Crypto Agency. Further research is needed on how the PKKPRL regime works in practice, whether hyperscaler–local operator partnerships deliver real capacity and value to Indonesia, and how far control over landing points can extend to the data flowing through them.

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