

***THE IMPACT OF INDONESIA'S ECONOMIC DIPLOMACY TO SINGAPORE  
THROUGH THE DEVELOPMENT OF THE NONGSA D-TOWN BATAM***



**THESIS**

**Complied and Submitted by:**

**Rani Herlinda Palilu**

**E061 181 802**

DEPARTMENT OF INTERNATIONAL RELATIONS  
FACULTY OF SOCIAL AND POLITICAL  
HASANUDDIN UNIVERSITY

2022

## HALAMAN PENGESAHAN

JUDUL : THE IMPACT OF INDONESIA'S ECONOMIC DIPLOMACY  
TO SINGAPORE THROUGH THE DEVELOPMENT OF THE  
NONGSA D-TOWN BATAM

N A M A : RANI HERLINDA PALILU

N I M : E061181802

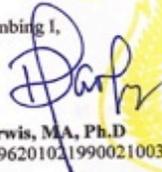
DEPARTEMEN : ILMU HUBUNGAN INTERNASIONAL

FAKULTAS : ILMU SOSIAL DAN ILMU POLITIK

Makassar, 11 Agustus 2022

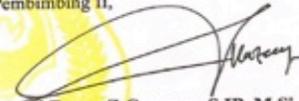
Mengetahui :

Pembimbing I,



H. Darwis, MA, Ph.D  
NIP. 196201021990021003

Pembimbing II,



Abdul Razaq Z. Cangara, S.IP, M.Si, MIR  
NIK. 198909132020053001

Mengesahkan :

Ketua Departemen Ilmu Hubungan Internasional,



H. Darwis, MA, Ph.D  
NIP. 196201021990021003

## HALAMAN PENERIMAAN TIM EVALUASI

JUDUL : THE IMPACT OF INDONESIA'S ECONOMIC DIPLOMACY  
TO SINGAPORE THROUGH THE DEVELOPMENT OF THE  
NONGSA D-TOWN BATAM

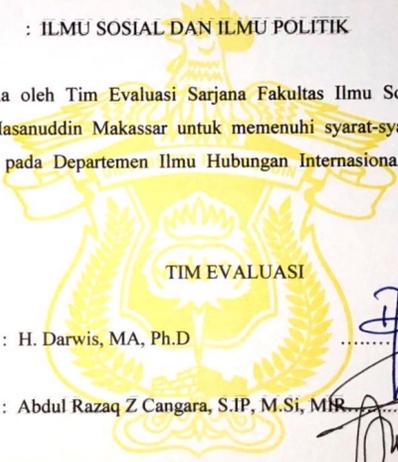
N A M A : RANI HERLINDA PALILU

N I M : E061181802

DEPARTEMEN : ILMU HUBUNGAN INTERNASIONAL

FAKULTAS : ILMU SOSIAL DAN ILMU POLITIK

Telah diterima oleh Tim Evaluasi Sarjana Fakultas Ilmu Sosial dan Ilmu Politik Universitas Hasanuddin Makassar untuk memenuhi syarat-syarat guna memperoleh gelar sarjana pada Departemen Ilmu Hubungan Internasional pada hari Senin, 18 Juli 2022.

  
TIM EVALUASI

Ketua : H. Darwis, MA, Ph.D .....  
Sekretaris : Abdul Razaq Z Cangara, S.IP, M.Si, MIR .....  
Anggota : 1. Drs. Munjin Syafik Asy'ari, M.Si .....  
2. Aswin Baharuddin, S.IP, MA .....  
3. Bama Andika Putra, S.IP, MIR .....

## STATEMENT OF AUTHENTICITY

The undersigned:

Name : Rani Herlinda Palilu  
NIM : E061181802  
Study Program : International Relations  
Level : Undergraduate (S1)

Declare that I have written this thesis with the title:

**“The Impact of Indonesia’s Economic Diplomacy To Singapore Through The  
Development Of The Nongsa D-Town Batam”**

It is the result of your own work, not the the expropriation of other people’s writings or thoughts. If in the future it is proven or can be proven that part or all of this thesis is the work of others, I am willing to accept sanctions for such actions.

Makassar, August ,12, 2022



**Rani Herlinda Palilu**

## PREFACE

Praises and gratitude the author sends to God Jesus Christ. Thanks you God, to His grace, love, and mercy, the author is finally able to complete this research with title *“The Impact Of Indonesia’s Economic Diplomacy To Singapore Through The Development Of The Nongsa D-Town Batam”* as one of the requirement to complete the study and obtain academic degree in International Relations of Faculty of Social and Political Science Hasanuddin University.

The author is fully aware that this thesis would never be realized without the help, guidance, and suggestions for various parties. The author would like to use this opportunity to express deepest gratitude to those who contributed in the making of this research.

1. **Lord Jesus**, for the blessings, grace, and the gift of health and patience and endless wisdom to the author so that the author can complete this thesis well
2. My beloved parents, Fredik Lallo Palilu and Meri Sampe Padang who have always selflessly supported and motivated me. For always, reassuring me that it will be in the past, directing me as best I can, until I am on this beautiful journey of my life, showering me with love and reminding me to always remember and glorify the name of the Lord Jesus. Thank you for believing in me and being proud of me. Deep in my heart, I wouldn't even

be anywhere near this point without the two of you. From the bottom of my heart, thank you for always supporting me financially and mentally.

3. **H. Darwis, MA, Ph.D.**, as the head of International Relations department in Faculty of Social and Political Science of Hasanuddin University, and as the author's first supervisor. Thank you for all knowledge that been given and patiently took time to author's.
4. **Abdul Razaq Z. Cangara, S.IP, M.Si, MIR**, , as the author's second supervisor. All my thank belong to you, for patiently and sincerely took time to gave the author's
5. All Lecturers of the Department of International Relations **Drs. Patrice Lumumba, MA., Drs. H. Husain Abdullah, M.Si, Drs. Munjin Syafik Asy'ari, M.Si., Dr. H. Adi Suryadi Culla, MA., Muh. Nasir Badu, S.Sos, M.Hum, Ph.D, Agussalim Burhanuddin, S,IP, MIRAP., Ishaq Rahman, S.IP, M.Si., Burhanuddin, S.IP, M.Si., Pusparida Syahdan, S. Sos, M.Si., Muh. Ashry Sallatu, S.IP, M.Si., Aswin Baharuddin, S.IP, MA., Nurjannah Abdullah, S.IP, MA., and Bama Andika Putra, S.IP, MIR.** Thank you for all the knowledges that been given to the author, with all the warmest hearts, with all the gratitude, within these last four years.
6. International Relations department staff, especially **Bu Rahma, Pak Ridho, Kak Ita, and Pak Dayat.** and as well as academic staff who patiently helping, providing, and processing all the documents required for thesis defense.

7. My brother. Ryan Febrian Palilu, Remy Febrian Palilu, Richard Raja Palilu who have always been my support system, as well as a place for me to complain even though you often make me angry and sad, but you are one of the reasons for the writer in completing his duties and responsibilities this. You are the love of my life, I wouldn't be able to get to this stage of life if it weren't for you, I'm sure you guys also love me very much, moreover it's just me and my mom that you guys have for now heheh.
8. My 911 **Aldo Chresna Pramana Anau**, Thank you for accompanying the author for 3 years in the journey of living in this campus world, thank you for everything that has been sacrificed, thank you for all the support that has been given to the author, thank you for all the hassles that the author has given that you have done well, thank you for loving the author with all your heart, regardless of mate or not, the author is very grateful to aldo for accompanying the author during the lecture period up to this moment and also various things, don't forget to go to paris wkwkwk.
9. My new student friend, **Muh. Fajhri Aditya Agus**, thank you for always being a good friend to the author, thank you for always being faithful to hear the complaints that the author feels, thank you for always being a person who cares for the author, and many many thanks for all the help and suggestions for good suggestions for writers in the world education and also love, asekkk. Thank you for coloring my study period with many colors, ranging from quarrels, affection, mellow-mellow and many more. Don't be an introvert

anymore! Good luck moving on, good luck, hopefully the friendship doesn't lose contact.

10. Supalonely, **St. Atyfah Putri Baramuli, Suci Puspa Batara Ningrun**, thank you very much for my 2 great women who are in this international class for accompanying the author and always listening to the author's complaints, thank you for being able to deal with writers who are very panicked in responding to everything, thank you for coloring the day writer's day by going for a walk, deep talk and others, thank you very much for wanting to be bothered especially **Suci**, who under any circumstances is ready to accept and try to understand the author's situation, thank you for being the best friend during the lecture period, I don't know since when I started to be close friends with the holy saint suddenly became the first person I always contacted in every situation, if the author feels lonely, sad and even happy, the first person who helped me and heard all the writer's complaints was this girl, the author said many thanks to Suci for always wanting to be bothered by the author, holy always gave support both physically and mentally for the author, thank you for always listening the author's chat from the important to the unimportant, thank you for accompanying the writer everywhere and with the writer's different moods every day, thank you for being there in all the circumstances the author faces, thank you for being part of my life, thank you for being a different brother faith and blood difference, because for campus affairs and out and out my

mother only believed in the holy, thank you for forming that trust for my parents and family, thank you also for the exchange of thoughts that until now only you have opened your brain from the results of the exchange, I am still stuck and stuck in a situation that continues over and over again, thank you for being a friend of the author's car pool, sleeping partner, deeptalk friend regarding family, spouses and education, thank you for being a friend who can be invited to trouble, but don't want to be bothered guys!! many thanks to the holy, many things that we have gone through both from working on college assignments until finally ending up in the biggest assignment or this final task, the author has felt and gone through with the holy, from the very stressfull preparation process to the time of scheduling exams, starting from Sempro until the close of the exam we are still partners, from those who initially had a girlfriend until they returned to being single hahahah the thesis is still just like that xixix.. thank you for making your house my place to stop, thank you also for making writers like your brother, you really show that you care and love the author very deeply, right? The author also wants to say the same thing!! Thank you for being my sister! Stop being insecure! May we be together forever! Hope it works the same again!! I love you my brother Suci Puspa. I will always give the best prayers for you XOXO love you!!!!

11. Snakes. **Dinda, Caca, Nisa, Punu, Ai and Beben.** The gang who are always there on writers' days, the gang who always think of each other, asekkk ...

thank you for being present in my campus world, thank you for **Dinda** who is very, very chatty, and likes to be emotional, thank you for always accompanying the author in any case, especially in writing This thesis, Dinda accompanied from the beginning of love into the title until the seminar results, although not always together but Dinda was always there for the author during the preparation period, always gave the author enthusiasm and never left the author, Dinda was also very helpful for the author in the process, thank you very much dear dinda, I love you. **Caca**, the sister who is very small but very lively, thank you very much for all the moral support that caca gives to the author, Caca is always ready if the author needs help, always gives encouragement and prayers, tengkyu caca love you. **Nisa**, my shrill voice friend since 2018 heheheh thank you very much Nisa has helped the author a lot, has become a gossiping friend of the author, and thank you very much for the teachings of the shrill voice that you have taught, you are very entitled to get the shrill title, thank you for always supporting and accompany the writer in these stressful times, I love u. **Punu**, the patient man in Snakes, for some reason, I'm the only one who's afraid if Punu gets angry, I'm the only friend who knows how to appreciate... xixi joke.. Punu, thank you for everything we've been through, Punu is also the one who was there when the writer felt this -stressed things, punu is the right person to go to when the writer feels lonely, thank you punu for always being a mediator and a good person in snakes. Too bad punu. **Aisyah**, huuuu I'm so confused

about how to express my gratitude for this one in what form, iuuuuhhhh....

She is the writer's first friend in college, we used to be inseparable, now she is very, very busy huuuuu!!!, but I am very grateful to Aisyah because she is my sister who I love very much, no matter what the situation is even though we are already together. not as close as I used to be because of this busyness, but the author strongly believes that Aisyah always prays for the author and fully supports the author, even though she always fights and never gets along, you are my first goal if I want to shed tired, sad and others, thank you for always being there for me. the author, I LOVE U. The last one is the person I always meet both in the world of campus and outside of campus activities, namely the career woman **Brenda**, hi Brenda Cantikk, thank you for accompanying the author in various activities, both on campus and at PMKO , thank you for being a very caring person in the author's life, thank you very much for always reminding the author to pray and give thanks, very proud to have a friend like Brenda, thank you for always serving this very unimportant world of gossip, thank you very much for always wanting to be bothered by the author, I LOVE YOU.

12. International class friends **Alwan, Aan, Azhar and Zaim**, thank you for being there and coloring the author's lectures, thank you for always making the author laugh endlessly due to all your silliness, thank you for making the author comfortable with education to the final level, and thank you Many

have helped and supported the author during this lecture period, thank you for always caring, thank you very much for everything.

13. **Reforma 2018**, thank you for being a compact and fun friend, thank you for being good friends during the author's lecture period, thank you for the stories and many other fun that has been given to writing, thank you for coloring the writer's lecture period, may always be united and successful.
14. My friends such as **Indah Lambe, Asria, Jubilee, Dito, Naswan, Faiq, Wingky, Luthe, Nabil, Kiki, Fadhil**, etc. which the author cannot mention one by one, thank you for helping the writer and encouraging the writer during the lectures Thank you for being a good friend to the author, also enthusiastic and always successful.
15. **PMKO FISIP UNHAS** especially **AMORE** who has accompanied the author and gave a smile of joy to the author, thank you very much for the stories and experiences that have been given to the author, thank you for being a home for writers in faith, thank you for always being there to strengthen the author, thank you for being taught the author many things about this life that must always rely on God. Thank you also to all my clowns, especially **Meri, Inles, Keso, Yurike, Susan, Joy, Clara, Bilolo, Gadis, and Brenda**, thank you for being in the author's life, the author is very grateful to have you, thank you very much for the story and the fun.
16. Last but not least, I want to thank me, I want to thank me for believing in me, I want to thank me for doing all the hardest things, I want to thank me

for staying shining through the times darkest, I want to thank myself for showing that I can do this.

The author realizes that the process of writing and organizing this thesis is inseparable from mistakes and shortcomings. Therefore, with all humility, the author sincerely apologizes and is gracefully willing to accept all input, critics, and suggestions to make this thesis better. The author humbly presents this thesis, with the hope that it could be useful to increase knowledge and information in the field of International Relations.

Makassar, 15 Agustus 2022

Penulis

## ABSTRAKSI

**Rani Herlinda Palilu (E061181802). “Dampak Diplomasi Ekonomi Indonesia Ke Singapura Melalui Pembangunan Kawasan Digital Nongsa D-Town Batam”.** Dosen Pembimbing I: **Drs. H. Darwis, MA, Ph.D.** Dosen Pembimbing II: **Abdul Razaq Z. Cangara, S.IP, M.Si, MIR** pada Departemen Ilmu Hubungan Internasional, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Hasanuddin.

Penelitian ini bertujuan untuk mengetahui bagaimana bentuk dan juga dampak dari diplomasi yang dilakukan oleh Indonesia dalam mengait Investor dan menjalin hubungan kerjasama, salah satunya dengan menjalin hubungan baik dengan negara tetangga yaitu Singapura, Singapura menjadi salah satu negara yang menjadi Investor terbesar bagi Indonesia, Indonesia melakukan diplomasi terhadap Singapura dan membentuk suatu kerjasama dalam bidang digital, Indonesia dan Singapura menjalankan hubungan kerjasamanya melalui kegiatan dan proyek, Singapura juga melihat peluang yang sangat besar dalam mencapai tujuannya yaitu menjadi negara penguasa ekonomi digital, maka dari itu Indonesia dan Singapura melakukan kerjasama Bilateral khususnya dalam bidang Ekonomi digital guna mencapai segala kepentingan bersama. Salah satu proyek terbesar yang dilakukan oleh Indonesia dan Singapura ialah membangun wilayah ekonomi digital yang menghubungkan Indonesia dan Singapura dalam menampung para startup, wilayah ini kemudian disetujui dan dibangun di salah satu kawasan di Indonesia yaitu Batam yang berbatasan langsung dengan Singapura, kawasan ini disebut dengan Kawasan Nongsa Digital Town (NDT), Pada penelitian ini, peneliti menggunakan metode penelitian kualitatif dengan teknik pengumpulan data studi kepustakaan dan juga pengamatan perkembangan data dari situs Internet, peneliti menganalisis bagaimana dampak yang diterima oleh Indonesia dari hasil berdiplomasi sehingga mencapai kesepakatan bersama dengan Singapura dan membentuk investasi bagi Indonesia melalui Transfer teknologi, pelatihan gabungan, dan juga suntikan Modal.

Hasil penelitian ini menunjukkan bahwa Indonesia berhasil dalam melakukan diplomasi terhadap Singapura hal ini diperjelas dengan adanya kegiatan kegiatan yang dilakukan oleh Indonesia dan Singapura melalui beberapa usaha dalam mendapatkan transfer teknologi seperti fasilitas-fasilitas berupa prasarana elektronik yang diberikan oleh Singapura, pelatihan gabungan berupa pengajaran dan ilmu yang di berikan terhadap pelaku digital Indonesia, dan juga Suntikan modal yang di berikan dalam proses pembangunan kawasan NDT oleh para perusahaan besar dari masing-masing negara, Demikian hasil penelitian diatas dengan adanya pencapaian tersebut hasil diplomasi Indonesia terhadap Singapura terbukti membantu peningkatan pendapatan ekonomi Indonesia melalui hubungan kerjasama ekonomi bidang digital khususnya pada pembangunan kawasan ekonomi digital Nongsa Digital Town di Batam.

**Kata Kunci: Diplomasi Ekonomi, kerjasama bilateral, ekonomi digital, startup**

## ABSTRACT

**Rani Herlinda Palilu (E061181802). "The Impact of Indonesia's Economic Diplomacy to Singapore Through the Development of the Nongsa D-Town Batam Digital Area".** Advisor I: **Drs. H. Darwis, MA, Ph.D.** Advisor II: **Abdul Razaq Z. Cangara, S.IP, M.Si, MIR** at the Department of International Relations, Faculty of Social and Political Sciences, Hasanuddin University.

This study aims to find out how the form and impact of diplomacy carried out by Indonesia in hooking investors and establishing cooperative relationships, one of which is by establishing good relations with neighboring countries namely Singapore, Singapore being one of the countries that is the biggest investor for Indonesia, Indonesia doing diplomacy towards Singapore and forming a collaboration in the digital field, Indonesia and Singapore carry out their cooperative relationship through activities and projects, Singapore also sees a huge opportunity in achieving its goal of becoming the ruling country of the digital economy, therefore Indonesia and Singapore carry out bilateral cooperation, especially in the field of the digital economy in order to achieve all common interests. One of the biggest projects undertaken by Indonesia and Singapore is to build a digital economy area that connects Indonesia and Singapore to accommodate startups, this area was then approved and built in one of the areas in Indonesia, namely Batam which is directly adjacent to Singapore, this area is called the Nongsa Digital Town (NDT) area. In this study, researchers used qualitative research methods with library research data collection techniques and also observed the development of data from Internet sites, researchers analyzed how the impact received by Indonesia from the results of diplomacy so as to reach a mutual agreement with Singapore and form investment for Indonesia through technology transfer, joint training, and also capital injection.

The results of this study indicate that Indonesia has succeeded in conducting diplomacy against Singapore, this is clarified by the activities carried out by Indonesia and Singapore through several efforts to obtain technology transfer such as facilities in the form of electronic infrastructure provided by Singapore, combined training in the form of teaching and knowledge. given to Indonesian digital actors, as well as the injection of capital provided in the process of developing the NDT area by large companies from each country, Thus the results of the above research with these achievements the results of Indonesia's diplomacy against Singapore have proven to help increase Indonesia's economic income through economic cooperation relations in the digital field, especially in the development of the Nongsa Digital Town digital economy area in Batam.

**Keywords: Economic Diplomacy, bilateral cooperation, digital economy, startup**

## TABLE OF CONTENTS

*HALAMAN PENGESAHAN SKRIPSI* .....*Kesalahan! Bookmark tidak ditentukan.*

*HALAMAN PENERIMAAN TIM EVALUASI* .....*ii*

*STATEMENT AUTHENTICITY*.....*ii*

*ABSTRAKSI*.....*xiii*

*ABSTRACT*.....*xiv*

*CHAPTER I*.....*1*

*INTRODUCTION*.....*1*

**1.1. Background**.....**1**

**1.2. Limitation and Research Questions**.....**8**

**1.3. Aim and Uses of the Research**.....**8**

**1.4. Conceptual Framework**.....**9**

1) Diplomacy Economy ..... 10

2) Bilateral Economic Cooperation ..... 14

**1.5. Variabel Operation**.....**19**

**1.6. Analysis Model**.....**21**

**1.7. Assumption and Hypotheses** .....**21**

**1.8. Method of the Research**.....**22**

1) Type of Research ..... 22

2) Types of Data ..... 23

3) Analysis Technique Data ..... 23

**1.9. Systematic Writing** .....**24**

*CHAPTER II* .....*26*

<i>LITERATURE REVIEW</i> .....	26
2.1.    Diplomacy Economy.....	26
2.2.    Digital Economy .....	30
2.3.    Electronic commerce (E-commerce).....	36
2.4.    Bilateral Economics Cooperation .....	43
2.5.    Previous Research .....	46
<i>CHAPTER III</i> .....	52
<i>DIGITAL ECONOMY DEVELOPMENT IN INDONESIA AND SINGAPORE</i> .....	52
3.1.    Digital Economy Development in Indonesia.....	52
3.2.    Digital Economics Development in Singapore.....	58
3.3.    Dynamics of Cooperation between Indonesia and Singapore in the Digital Sector .....	62
3.4.    Development of the Nongsa D-Town Batam Digital Area .....	68
<i>CHAPTER IV</i> .....	76
<i>ANALYSIS &amp; RESULTS</i> .....	76
4.1.    Forms of Indonesian and Singaporean Economic Diplomacy in the Development of the Nongsa D-Town Batam digital area.....	76
4.2.    The Impacts and Challenges of Indonesia's Economic Diplomacy to Singapore in the Development of the Nongsa D-Town Batam digital area.	96
<i>CHAPTER V</i> .....	105
<i>CLOSING</i> .....	105
5.1.    Conclusion .....	105