

CHAPTER I INTRODUCTION

1.1. Background

Universities, as institutions of higher education, serve as a platform for students to acquire information, beliefs, norms, and experiences that equip them to make meaningful contributions to society. The younger generation, as the nation's heirs, are anticipated to assume the role of future leaders and catalysts for the country's progress and affluence. Hence, it is anticipated that students possess not just theoretical knowledge but also practical expertise, strong interpersonal skills, and supplementary capabilities such as critical thinking and problem-solving. These attributes will equip them to assume leadership roles in the future.

The internship program serves as a means for students to apply their gained information, theories, and abilities from college in order to attain a comprehensive understanding of the service process and adequately prepare for graduation. Being an International Relations student, the majority of our studies center around diplomacy, politics, economics, cross-border societies, and global matters. Within the field of international relations studies, I seek to gain a comprehensive grasp of the methods employed to bolster Indonesia's economic diplomacy.

In this instance, I participated an internship at Samudera Shipping Line Ltd in the Carrier Owned Container Indonesia (COC INA) Marketing department as part of their ongoing research on the role of multinational firms in bolstering Indonesia's economic diplomacy with foreign nations. Maritime transportation has played a crucial role in human history for many millennia. Oceans serve as inherent conduits for commercial, travel, and cultural exchange. Efficient utilization of maritime transportation may have a substantial positive impact on a nation's economy. The marine sector, encompassing international diplomacy, provides not only financial benefits but also serves as a means to enhance a nation's foreign diplomacy. The expansion of international corporate activity corresponds to the wider phenomena of globalization, which is characterized by continued economic integration and rising international reliance of nations worldwide (Cavusgil, 2014). In response to

worldwide concerns over the importance of transnational and international trade routes through maritime channels. Indonesia is situated in Southeast Asia and has a position in the equatorial zone, between the landmasses of Asia and Australia, bordered by the Pacific and Indian Oceans.

To establish itself as a central hub for the maritime sector, Indonesia's port system must consistently undergo updates to align with worldwide standards. This will provide efficient services and access to all ports, following international procedures (Iisbet, 2019). Diplomacy is an important weapon for furthering a country's national interests. Diplomacy is a country's formal contact with parties outside of its boundaries. This might be another country, a group of nations, or a group of countries that belong to an organization. Diplomacy is the execution of a country's foreign policy (IWF, 2021).

Economic diplomacy is the process by which a government resolves disagreements with other countries in order to maximize income and gains through bilateral, regional, and multilateral economic activities and exchanges. This strategy strives to maximize national revenues in all sectors, including bilateral, regional, and international trade and investment. The vast scope of economic diplomacy, according to Rana, necessitates active engagement not just from state actors such as the Ministry of Foreign Affairs and the Ministry of Trade, but also from non-state players such as multinational corporation (Gibbons, 2020) .

Samudera Shipping Line Ltd (SSL), a subsidiary of Samudera Indonesia as multinational corporation in Indonesia, was founded in Singapore in 1993. The company primarily delivers containerized and non-containerized commodities through its Container, Bulk, and Tanker Shipping business divisions. In 1997, SSL was listed on the Singapore Stock Exchange (Sesdaq).

The SSL shipping line operates nine routes originating from its Singapore hub, facilitating the connection of shipping service networks throughout Southeast Asia. These routes serve the major ports of Jakarta, Surabaya, Semarang, Belawan, Palembang, and Pontianak. Colombo, Karachi, Chennai, Kolkata, Mumbai, Mundra, and Pipavav in India, and Chittagong in Bangladesh are among the seventeen ports available in the Indian Subcontinent. Phone calls from Malaysia,

India, and Sri Lanka may be made directly, and there is also a weekly service to China.

Given the significance of the shipping industry in the economy and its function as a unifying force for the nation, it is worth contemplating. This study has significance due to the fact that SSL contributes to the economic diplomacy of Indonesia as a multinational corporation on the global stage. It also Establishes effective diplomacy by fostering relationships not just with the Ministry of Foreign Affairs and Economic Affairs, but also with other non-state enterprises.

Collaboration inside the country in this scenario is more efficient and has the capacity to broaden global industries and concerns. This study will employ qualitative research methods, incorporating literary studies from many sources such as books, journal articles, reports, and websites. Furthermore, the research will encompass comprehensive interviews with experts at Samudera Shipping Line Ltd, including executives and staff.

1.2. Purpose of Internship

An internship is an educational opportunity for students to acquire information via practical experience and comprehend the operational procedures in a certain subject, while relating them to the theoretical concepts taught in lectures. The anticipated results of this internship are as follows:

- a. In order to acquire knowledge and expertise in the professional work domain, namely inside a global organization, I am seeking career options for international relations students, and;
- b. To use the acquired theoretical knowledge in a professional context, and;
- c. To carry out research on the effects of economic diplomacy initiatives at an international level, and;
- d. To cultivate the proficiencies essential for the student's readiness in the professional domain, and;
- e. To acquire a useful network from global corporations and other related organizations.

1.3. Benefits of Internship

Below are many anticipated advantages of interning with the international firm Samudera Shipping Line Ltd:

- a. This internship provide a valuable chance for the International Relations department at Universitas Muhammadiyah Yogyakarta to build strong relationships and foster cooperation for future academic progress;
- b. Internships undertaken by students in the International Relations department at the University of Muhammadiyah Yogyakarta have predominantly centered on government institutions, including ministries and other government agencies. The internship opportunity at Samudera Shipping Line Ltd. enhances the International Relations Study Program in Multinational Cooperation Agency, namely in the areas of feeder vessel, logistics, and cargo. In this scenario, it can also offer advantages to partners, such as the opportunity to disseminate literature on PT Samudera Indonesia Tbk, specifically the Samudera Shipping Line Ltd unit, for educational and research purposes through case studies, thereby extending the influence of Samudera Shipping Line Ltd.
- c. This internship offers the intern a valuable opportunity to acquire a deep understanding of the functioning of the professional sector. Furthermore, it equips students with the required information and practical experience to effectively prepare for the demands of the actual professional environment. Furthermore, the intern will have the capacity to establish a network and establish connections in order to engage in research within the realm of international relations, utilizing pertinent data and resources.