



**How the Japanese and global economy would  
be impacted by potential disruption of oil  
tankers transport in the Malacca Strait**

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## Freedom of Navigation and Development of Mankind

- The beginning of civilization related with the the seas.
- Safe and free sea transportation brought prosperity to human society.
- \* The maritime world as we are now is vulnerable in terms of security



# Aim of the presentation

## 1. Introduce the result of the case study;

How the global economy would be impacted by difficulties across Indonesian Archipelagic Waters and the Straits of Malacca.

## 2. Propose discussing ways how we stabilize security environment in the highly accessed sea areas.



## 1. Eurasian Blue Belt

### Indian Ocean Sea Lane:

Arabic Coast line ~ Indian Ocean

~ Southeast Asian Sea Area

### East Asian Sea Lane:

Southeast Asian Sea Area

~ Northeast Asian Sea Area

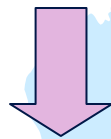
### South Pacific Sea Lane:

Oceanian Sea Area ~ Southeast Asian Sea Area

## 2. Sea Lanes and Global Economy

Sea Transportation → A Function of the Global  
Logistic Support System

Sea Lines of Communication(SLOC)



Consolidated Ocean Web of Communication  
(COWOC)

### 3. Highly Accessed Sea Area

Sea Area where the three sea lanes - Indian, Southeast and South Pacific - meet.

Highly Accessed Sea Area → HASA



## 4. Current Condition of World Shipping

### a. Bulk Carriers **Year 2005**

#### - Dry Cargo

- Total Volume ;2,362.5 million tons
- Total Ship Tonnage ; 311.9 million tons
- Required Ship Tonnage ; 302.8 million tons  
= +9.1million

#### - Liquid Cargo

- Total Volume ; 1,956.2 million tons
- Total Ship Tonnage ; 264.3 million tons
- Required Ship Tonnage ; 246.1 million tons  
= + 18.1 million



## b. Container Shipping and Hub Ports

- Container ships

Year 2003 ; 3,066 ships, 6.45million TEU

Numbers doubled in 7 years

- Hub Ports and “Hub and Spokes”

\* Container Shipping → Essential Sub-system  
of Total Logistic Support System



## 5. Dangers and Threats to Eurasian Blue Belt.

### a. Emerging danger and threat.

- Piracy / Armed Robbery
- Maritime Terrorism
- **Natural and Manmade Disaster**



## b. Predictable Destabilizing Factors

- Upheaval in the security environment brought by energy / resources war.
- International dispute over rights to marine resources or delimitation of jurisdictional waters.
- Impediments to passage due to excessive claims of sovereign rights.

6. In the case that it is impossible to pass through HASA

Malacca Strait → Sunda or Lombok  
crude oil to Japan +3days and 15tankes

South China Sea → Lombok to  
east of Philippines

Indonesian Archipelago → South of  
Australia  
crude oil to Japan +2weeks and 80tankes

## 7. Cost of detouring

### a. Crude oil Shipping

- potential losses to Japan

SOM blocked → 87.9 million USD

SCS blocked → 200 million USD

IA blocked → 1.2 billion USD

### b. Container Shipping and Hub Ports

- Serious losses on the world economy



## Considerations

- Detours HASA are possible only in major sea lanes, coastal routes would still be disrupted.
- Indispensable “Navigation Freedom”  
for security and sustainable development
- Regional efforts to stabilize security environment and strengthen enforcement capability are recommended