

Obama trip consolidates strategic ties with Indonesia

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US President Barack Obama's day-and-a-half stopover in Indonesia on November 9 and 10 highlighted the importance of the most populous South East Asian nation in the growing strategic rivalry between China and the United States for dominance in Asia. The Indonesian visit was one leg of an aggressive diplomatic campaign that also included visits to India, South Korea and Japan.

Obama and Indonesian President Susilo Bambang Yudhoyono signed a "Comprehensive Partnership Agreement", which the White House press department described as "building a 21st Century partnership" between the two nations. First mooted in June, a joint commission was set up in September by the State Department and Indonesian Foreign Ministry.

The Obama administration had been striving to achieve a comprehensive deal all year. In May, US Commerce Secretary Gary Locke led the first cabinet-level trade mission to Jakarta. As a result, new trade missions are planned for 2011 to deal with education, infrastructure and creative industries. Washington has set aside \$US165 million over five years for student exchange programmes and \$136 million over the next three years for climate change projects.

On June 10, the US Defence Department and Indonesian Defence Ministry signed a Defence Framework Agreement to enhance military-to-military cooperation and launch new projects involving counter-terrorism, maritime security, peacekeeping, natural disaster response and humanitarian assistance.

In July, US Defence Secretary Robert Gates announced that Washington was lifting the US ban on military cooperation with Indonesia's notorious Kopassus special forces units, removing the last restriction on cooperation between the two nations' armed forces. The ban was imposed in 1999 in response to Kopassus atrocities in East Timor.

Indonesia is regarded as the most strategically important country in South East Asia by both the US and China. The

Indonesian archipelago is located on one side of the Malacca Strait and encompasses the Sunda and Lombok Straits—some of the world's most important shipping routes and both vital for China's overseas trade.

The country has long been regarded as a key US asset in the region. In 1965 the US Central Intelligence Agency was deeply implicated in the military coup that established the Suharto dictatorship, which lasted until 1998.

The aim of the 1965 coup, which led to the slaughter of an estimated one million people, was to eliminate the Indonesian Communist Party and the trade unions and peasant organisations under its influence. Indonesia's founding President Sukarno was replaced with an anti-communist military clique that orientated toward Washington that viewed China as a threat. Throughout the entire period of the Suharto regime, the Pentagon and Indonesian military maintained a close relationship. Yudhoyono was one of many officers who trained in US military schools.

In a joint press conference with Yudhoyono on November 9, Obama denied that Washington's stepped up diplomacy in Indonesia was aimed at aligning the country behind a US agenda of containing China. He said: "We think China being prosperous and secure is a positive. We're not interested in containing that process."

At the same press conference, however, Obama made clear that the US would be intervening in the territorial disputes in the strategic South China Sea. China lays claim to the Spratly Islands, against rival claims by Vietnam, Taiwan and the Philippines. The Beijing regime insists that the dispute should be resolved bilaterally with the various claimants, without the involvement of "outsiders".

Against China's stance, Obama asserted that "everybody", including the US and Indonesia, had an interest in ensuring that the disputes were "resolved in a peaceful fashion"—in other words, in the interests of the US, not China.

Obama was repeating the position put by Secretary of State Hillary Clinton at recent meetings of the Association of South East Asian Nations (ASEAN) that the US had a “national interest” in defending “freedom of navigation” in the South China Sea. In effect, this means the unhindered right of US warships to operate in waters claimed by China and close to the Chinese mainland.

University of Indonesia foreign affairs academic Bantarto Bandoro bluntly concluded to the *Jakarta Globe*: “America’s interest in Indonesia is to deter, if not end, China’s rising influence in the region.”

Yudhoyono responded uneasily to a journalist’s question as to whether the US’s “renewed engagement” with Indonesia should “be seen in any way as a counterbalance to a rising China”? He replied: “It is Indonesia’s hope that China and the US relations will continue to flow well because if something happens between those two states, it will have severe impacts to not only countries in the region, in Asia, but also to the world.”

The guarded language is necessitated by the contradictions facing the Indonesian ruling class. While they are still closely tied to the US economically and militarily, they are acutely conscious of China’s rising influence.

In 2009, the US was still ahead of China as a destination for Indonesian exports, taking 11.3 percent, compared with China’s 8 percent. China was second after Japan as the source of Indonesia’s imports, with 12.9 percent of the total. The US accounted for just 5 percent.

The trading patterns between Indonesia and China are changing rapidly, however. In the first five months of 2010, Chinese authorities reported that imports from China to Indonesia increased by 85 percent to \$8.11 billion, while Indonesian exports to China increased by 79 percent to \$7.86 billion.

Beijing is encouraging Chinese firms to heavily invest in electricity, coal and gas-oil projects in Indonesia. CNOOC, China’s major offshore oil producer, has reported that its investment in the country will exceed \$5.6 billion by 2011. In 2009, Chinese direct investment grew by 29 percent.

On the eve of Obama’s visit, a Chinese delegation led by National People’s Congress head Wu Bangguo pledged a further \$6.6 billion of investments in infrastructure and development projects, outdoing the US financial commitments by a factor of 20-to-1.

Obama’s keynote speech in Indonesia advanced empty platitudes about “shared values” of democracy and tolerance,

and attempt to gain sympathy for US policy by speaking of the childhood years he spent in the country. The talk of democracy and human rights carries little weight in the world’s largest Muslim nation, however.

Tens of millions of Indonesians are well aware of the brutal and neo-colonial US actions in Palestine, Afghanistan, Iraq and Pakistan, not to mention the three decades of support that Washington gave to the Suharto dictatorship. When Obama addressed over 6,000 students at the University of Indonesia, tight security had to be deployed to keep protestors away. Even among this vetted audience, the loudest applause came when Obama said that he had removed 100,000 US troops from Iraq.

Criticisms have been made in US ruling circles that Obama achieved next to nothing in Indonesia. An op-ed piece in the *Wall Street Journal* on November 10 by Michael Auslin of the right-wing American Enterprise Institute declared: “While the President talked about free trade in India and democracy in Indonesia, his words are disconnected from a concrete policy.... And in multilateral settings, the agenda is so watered down that no realistic action plan for enhancing trade or promoting economic recovery is likely to emerge.”

It was not enough for the president “to sermonise about freedom’s importance,” Auslin wrote. “He should also augment US forces in the region, placing more submarines, surface ships and aircraft in allied bases, thereby sending a clear signal of resolve to China and to other nations that seek to reorder patterns of regional behaviour.”

Such comments reflect the fact that the only real means that US imperialism has to maintain its past dominance in the Asia-Pacific is through the provocative and reckless use of its still overwhelming military might.



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