THE UNITED STATES, SOUTHEAST ASIA, AND INDONESIA

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SPEAKER:
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Excellencies,

Ladies and Gentlemen

One of the pleasures of speaking to an Indonesian, particularly a Javanese, is that one never has to feel the pain of being rebuffed. An Indonesian nods his head politely till the speaker has had his say. The problem, however, is what occurs after that. The speaker goes away with the happy idea that the Indonesian has agreed with all that he has said – when the truth is that he has merely heard him out and has not necessarily agreed with him. Westerners, to whom the absence of a forthright “No!” is equivalent to a default “Yes”, are aghast that the Indonesian has nodded his head without agreeing with anything that was said. I’m sure some of you who have experienced communicating with Indonesians know exactly what I mean.

Since the tables are turned and I am at the speaking end today, I would be delighted if you would play polite Indonesians and nod at what I have to say. That way, I can say what I want without being challenged by the sharp intelligence of an illustrious gathering such as this.

It’s a pleasure to be here with you at the launch of the Bakrie Chair for Southeast Asian Studies. Let me say why this occasion is important to me personally. My grandfather, the late Achmad Bakrie, who founded Bakrie & Brothers, did not have a privileged upbringing. Born in a small farming village, he managed to receive only a basic education. But he valued the importance of learning and launched concerted philanthropic efforts to help people break out of the poverty cycle that kept them from education. My father, Mr Aburizal Bakrie, was luckier than his father. My father studied at the Bandung Institute of Technology, one of Indonesia’s best universities. He received a degree in electrical engineering in 1973. However, he joined the family business soon after. I am the luckiest in the three generations of my family, like my siblings and cousins, because I was able to receive
tertiary education in the United States, first at Northwestern University and then at the Stanford Graduate School of Business. Then, I cheered for the Chicago Bulls which were champions ages ago, and played on the golf courses graced by Tiger Woods – though not at the same time!

If I may put things another way, land, labour and capital were the factors of production in my grandfather’s generation. In my father’s generation, information joined the list. In my generation, information is moving from quantity to quality. In my children’s generation, quality will become internationalised to an extent that is unimaginable today. Hence the need for an education system that prepares Indonesian children for an internationally competitive future is apparent.

This is where the Bakrie Center Foundation (BCF), which is driven by the third generation of my family, is trying to make a difference. It supports ordinary Indonesians across the country with basic vocational skills so that they can lead fulfilling and productive lives. Our primary objective is to provide Indonesia’s best and brightest with a chance to study for a higher education at some of the best universities at home and abroad. It is a private-sector initiative to identify and develop leaders in Indonesia, and create a talent pool that will eventually drive economic development and growth.

The BCF is an integral part of the Bakrie for the Nation Foundation which has pioneered several philanthropic and educational efforts in Indonesia, including the establishment of Bakrie University, a full-fledged undergraduate institution. All our efforts go back to the deep-rooted conviction of our founding father and the enduring mission of the Bakrie Group: to give back to society and build a more prosperous Indonesia.

Now you can see why the establishment of the Bakrie Chair for Southeast Asian Studies here at Carnegie gives me such a sense of fulfillment. The Bakrie Center Foundation wants to have all its bases covered, but here, at the world-class Carnegie Endowment in the heart of Washington DC, is its launching pad. It is one way for me to give something back to the United States, from which I have gained so much over the years.

**America’s Importance**

So much for the personal. This evening, I want to speak on Indonesia’s role in the relationship between Southeast Asia and the United States. Southeast Asian countries welcome American investment, technology transfers, markets and the presence of the US Seventh Fleet in Asia. So does Indonesia, which has strong trading links with the United States.

To quote President Richard Nixon, ‘Trade doesn’t prevent wars, but it does require peace’. America, the only Superpower, is the key to Pacific Asia’s security. The balance of power in Northeast Asia affects Southeast Asia. Washington needs to continue to pay attention to Southeast Asia’s security concerns if it wants to maintain its influence in the region.

With China’s rise, Chinese influence now isn’t limited to Northeast Asia. Neither is India just sticking to South Asia. The region’s very name – South of China, East of India – speaks of a new game in the works. Southeast Asia is the buffer zone where the Sino-Indian contest for supremacy will first take place. We hope that their rivalry will be friendly one. But we in Southeast Asia can’t afford to simply hope.
Of some concern to us are Washington’s somewhat mixed policies towards Southeast Asia. President Barack Obama has kept on postponing his visits to Indonesia and Australia. While understandable in the light of American domestic issues, the Indonesians couldn’t help but be disappointed.

But it isn’t all bad news. The US signed the ASEAN Treaty of Amity and Cooperation and was the first country to name an Ambassador to ASEAN. Mr Obama was also the first US President to hold a meeting with all ten ASEAN leaders, and Secretary of State Hillary Clinton’s first official visit was to Asia. On balance, I hope we will see more and not less of America in Southeast Asia.

This is because it is in Southeast Asia that America’s own capacity for action in wider Asia may well be tested. After all, the Northeast Asian situation is on the whole stable. This is due to America’s policy of strategic ambiguity towards China and Taiwan, and its alliance with Japan. North Korea is a problem. However, a one-man state can hardly bring an entire region down. As for South Asia, the United States appears to be acknowledging New Delhi’s role as the region’s lynchpin while having parallel links with Pakistan.

It is in Southeast Asia that the future takes the form of open-ended questions. How will the region fare amidst the gravitational pulls of China and India? How will it accommodate China’s needs if they conflict with America’s? Will the US ignore or underplay its interests in Southeast Asia? Talk of American disengagement usually crops up during Democratic Administrations. Will the Obama Administration be different?

China has unleashed a charm offensive in our region. One way is through the China-ASEAN FTA (CAFTA). Some Indonesian businessmen might be apprehensive about what CAFTA will mean for their competitiveness but Southeast Asians welcome it generally. However, it would be good for the United States to be around as well, and use its soft power much as China is doing. We look forward to a win-win game.

**Indonesia’s Quest for Recognition**

The Indonesian archipelago forms a crossroad between two oceans, the Pacific and Indian, and a bridge between two continents, Asia and Australia. Indonesia, the largest archipelago in the world to form a single state, consists of five main islands – some of which are as big as California and Texas – and 30 smaller archipelagos, totalling about 17,508 islands and islets, of which about 6,000 are inhabited. Maritime Southeast Asia cannot be imagined without Indonesia.

Indeed, Indonesia’s geographical position between the Pacific and Indian Oceans makes it a major security player. Indonesia helps ASEAN succeed. Its G-20 membership shows its global economic importance. Indonesia has gotten over the decline that followed the collapse of the Suharto era.

Some ask whether Indonesia is awakening. I think of the *garuda*. True, Indonesia’s mythical national bird is preparing to soar again over the *Nusantara* – the sprawling Southeast Asian archipelago. However, the *garuda* will not fly again as a bird of prey. This is what happened when Sukarno launched *Konfrontasi* or Confrontation against Malaysia and Singapore in the sixties. It is not in Indonesia’s interest for such a history to repeat itself. Like you, what we want are democracy and economic growth.
What Indonesia needs now is recognition of its status as a rising Southeast Asian power. Washington has reasons to encourage Indonesia's peaceful rise. These reasons are seen in the US-Indonesia comprehensive partnership. Its main features have to do with China, Islam, and democracy.

China has a legitimate interest in protecting its access to global markets and Middle East energy sources. Jakarta would be wary of any attempt to encircle China strategically. Hence any move to try and make Jakarta a component of China's containment is bound to fail – especially if that policy is against Beijing's legitimate interests in the Taiwan Straits.

It will be in everyone's interest for relations to stay friendly. Indonesia, being the world's largest Muslim country, offers America a gateway to Islam in Southeast Asia. We are also the 4th largest country in the world, after the US, and our Muslims are by and large moderates. Although President Obama isn't a Muslim, the middle “H” in his name would build a bridge to Indonesian moderate Muslims. Considering his unique Indonesian heritage, he will bring that X-factor to the negotiating table.

Democracy is an essential part of the new chemistry between America and Indonesia. As Americans are the first to say, democracies are unlikely to go to war with one another (although they can and do fight non-democracies). Hence, the spread of democracy helps to make the world more peaceful. A democratic Indonesia contributes to peace in Southeast Asia.

Having said this, I must admit that Indonesian cultural attitudes towards the United States are uneven. The MTV generation and the affluent middle class are in love with American food, fashion, media, education and Hollywood stars. Madonna and Michael Jackson compete with the drone of the traditional gamelan and Friday prayers at the mosque. However, many Indonesians detest American hard power. TV footage of tanks rumbling through the streets of Baghdad or fighter planes bombing strategic targets in Afghanistan has left a bitter aftertaste of US policies. Yet, we Indonesians prefer to see America as more than only a country of tanks and planes.

We live in interesting times. It is my hope that the Bakrie Chair will contribute to policy-relevant research on Indonesia and Southeast Asia by revealing key political, economic and socio-cultural trends. It should try to become a reference point for policy communities in the United States, and subsequently Singapore and Australia, where plans are underway to establish similar Chairs.

I had begun my speech by asking you to nod in the Indonesian way. I earnestly hope that you have not done so, but have instead nodded in a very American way that says a definite “yes”. If you have not nodded at all, please do so now!

Thank you very much for your kind attention.