

“New Thinking for a New Partnership”

A Special Open Forum Luncheon with

The Honorable Scot A. Marciel
United States Ambassador to Indonesia



May 1, 2012
Jakarta, Indonesia

The United States - Indonesia Comprehensive Partnership, first proposed in 2008 by Indonesian President Yudhoyono at USINDO, and officially launched by both Presidents in November 2010, is a framework for realizing the full potential for positive bilateral relations between the United States and Indonesia for the long term.

It marks a new form of partnership intended to draw together whole elements of each nation; governments, corporations, non-governmental organizations (NGOs), and most importantly, people-to-people relations.

It seeks to enhance cooperation and mutual understanding in the fields of security, education, climate change, trade and investment, energy, and democracy.

On May 1st, 2012, USINDO hosted a Special Open Forum Luncheon with **The Honorable Scot A. Marciel**, the United States Ambassador to Indonesia. Ambassador Marciel presented his views on the accomplishments of the partnership, identified opportunities to be further explored, and suggested the time has come for fresh thinking about how our two nations can live up to the full

potential of the Partnership. This brief is USINDO's summary of his talk.

Record of Accomplishments

To objectively measure the accomplishments of the Comprehensive Partnership that has been ongoing for the last 18 months, it is important to understand the ultimate aim behind the initiative. The leaders of both nations genuinely hoped to embark on a partnership for the 21st century that could create "meaning" and "real substance", and involve contacts at many levels, as opposed to a partnership in a strictly diplomatic sense.

This partnership is founded on the principle of mutual respect, to equally meet mutual interests of both nations, and to fulfill mutual benefits for their peoples. Based on this aim and principle, the Comprehensive Partnership has brought some important progress in its fields of cooperation.

In the field of education, the two nations have been working hard to show their serious commitment to reverse the trend of declining numbers of Indonesian students studying in the United States and vice versa. The United States has increased the number of scholarships allocated for Indonesian students, initiated the first ministerial level Education Summit last year in Washington D.C., and brought about at least twelve university-to-university partnerships. Further progress in both academic exchanges and partnerships is expected, emphasizing the significant role of education in creating a deeper understanding and stimulus to engage in closer relations.

In the field of environment, the partnership seeks a stronger commitment from both nations to accomplish even more ambitious goals. Given the global importance of Indonesia's environment, the United States supports Indonesia's commitment to significantly reduce its greenhouse gas emissions by 26% and preserve its world-class forests and marine environment. A substantial portion of the \$600 million Millennium Challenge Account Compact is for the environment.

In the field of economy, Indonesia and the United States are working closer than ever through their affiliation with G-20 and APEC to address regional and global economic issues and create opportunities for a more beneficial bilateral trade and investment. Recent statistics show that Indonesian exports to the United States rose 16%, equivalent to US\$ 19 billion. Despite this decent progress, there is a strong belief that there are still many opportunities and ideas that the two nations can explore to yield even greater success.

In the field of security, military to military relations have improved significantly over the last year. The cooperation has steadily developed in various activities ranging from ship visits, expert exchanges, military education programs, as well as joint exercises and training. The United States also agreed to equip Indonesia with 24 F-16 jets, and has shown support for Indonesia's increasing external focus to improve its capacity in disaster relief, peacekeeping and maritime security.

Aside from the progress in these fields, in November 2011, the Comprehensive Partnership brought Indonesia and the

United States to the signing of a Millennium Challenge Corporation (MCC) Compact which provided Indonesia a development grant of US\$ 600 million. This grant is intended to help Indonesia develop low-carbon energy, nutrition and health programs and an electronic procurement program, among other purposes.

The partnership also has brought about substantial improvement in engagements among scientists, health workers, NGOs and other wide-ranging institutions. This advancement in people-to-people content covering a broad area of issues demonstrates the meaning of the word 'comprehensive'.

Unexplored Opportunities

Although the partnership has brought substantial meaning and real benefits for the two nations, it still has large potential and open opportunities. Responding to these requires all sides to "imagine" greater cooperation between the third and fourth largest countries in the world.

The most prominent example is in the economic field. The total bilateral trade between Indonesia and the United States last year, US\$ 26.5 billion, was good, but not yet impressive. This number can grow even more significantly if the partnership can overcome some economic challenges, such as existing trade barriers and the re-emerging populist thought of economic nationalism. Implementing protectionism is sometimes appealing, but as a constant belief, it serves only as a setback that will lead toward lower growth and lower poverty reduction.

In addition to resolving those challenges, the two nations can also collaborate to materialize opportunities such as the prospect of direct flights between Indonesia and the United States and the expansion of Indonesian companies to markets in the United States. These opportunities, if pursued, will elevate bilateral economic relations to a higher level and bring bigger benefits for the workforces of both nations in the form of job creation.

The logic to 'think big' also applies to the other areas of the partnership: Military exchanges and cooperation can be further developed and the support for the international peacekeeping intensified. NGOs from both nations can work together to actively protect Indonesian rainforest and its precious coral reefs. Filmmakers can progressively collaborate to make quality movies.

The possible opportunities for the partnership know no boundaries as long as ideas are always welcome, and more comprehensive engagements encouraged and facilitated, to bring all the positive ideas to fruition.

Living up to the opportunities

The heart of this partnership is engagement. More often than not, both Indonesia and the United States actually share common goals and similar world views. The only problem is that these goals and views are sometimes not comprehensively supported by all elements of each nation.

To make the partnership thoroughly impactful, the engagement has to be built between societies, involving not only the governments, but also business

communities, universities, students, civil society organizations, religious leaders and other crucial elements.

The way to achieve this is through consultation. This means a two-way communication and exchange of information to banish the old thinking and construct a fresh view.

The old thinking that consists of lingering suspicions and misperceptions about each other has hampered comprehensive engagements between the two nations.

A fresh view that recognizes the world's changes and the importance of understanding each other is hence needed. Indonesia must help the United States learn more about its rich and accomplished cultures and appreciate its democracy, diversity, growing prosperity and increasingly important roles in the world. Likewise, the United States must help Indonesia understand that we are a good partner who wants to cooperate as a friend and we are aligned with Indonesia's interest to achieve the substantial improvements it seeks.

The vast majority of Americans who have lived and engaged in some affairs in Indonesia, returned to the United States with greater appreciation for Indonesia and high level of enthusiasm for future cooperation. The same can also be said about Indonesians who have had personal experience interacting with the Americans. This suggests the need of more scholarships, partnerships and exchanges between the people of the two nations.

With all the promising opportunities and tremendous enthusiasm for more

comprehensive United States - Indonesia relations, the most important focus for the two nations is to bring our peoples together and create those opportunities. It is time to implement this focus with the thinking - the guiding principle should be to 'think big' and 'think bold' to build durable engagements.

Questions and Answers

Q: What has the United States government done to raise awareness to the people throughout Indonesia, not only in Jakarta, but also in Central Java, West Kalimantan and Papua towards its desire to be more engaged?

We have made substantial efforts. First, we are travelling constantly with a lot of focus on going to schools and universities to reach young audiences in building the understanding as the base of the relationship. We also try to build the awareness through @America and other popular media like Facebook and Twitter. We try to optimally use every means we have and take advantage of all those visits.

Q: What kind of efforts have you done to increase women's participation in politics and public policies?

Both Indonesia and the United States still have some work to do to increase the percentage of women holding elected offices. Indonesia of course has had one female president. We try to make great efforts to include women in our outreach and entrepreneurship programs. We also make sure that there is full representation of women in Fulbright awards. We further support the efforts of NGOs and media to talk about this

issue. But Indonesia and the United States still have a lot to learn from each other in our efforts to improve the role of women.

Q: What kind of collaboration have you seen happening between the two nations in humanitarian actions?

There are two aspects. First, through USAID, we support Indonesian capacity of its disaster relief both in national and provincial levels such as in Padang. Second, we also build the capacity of Indonesia to respond to disasters. The military and civilian sectors of both our countries collaborate on tsunami-related issues, and the volcanology experts of both countries have instant contacts on such events as the Mount Merapi eruption.

Q: The United States has some very noble values like the solid foundation of democracy and human rights. We would like you to export those values to Indonesia.

President Obama has said several times that we believe very strongly in universal values of freedom and human rights. We also believe that the best way to encourage those around the world is to make sure that we live up to those values. That is basically our focus and what we are trying to do right now. It takes time to build institutions that enable you to have the rule of law operate effectively. In Indonesia, democracy already exists and can be seen in the form of an open press and an active civil society. Therefore, what the United States can do is to be supportive of Indonesian institutions that help it to be more effective in implementing those values.

Q: How is Indonesia portrayed in the United States? What has the United States government done to help maintain a more positive image of Indonesia, despite some negative news?

Lack of information and knowledge is still the biggest problem faced by the public of the United States to understand Indonesia. But the perception is clearly getting better right now as Indonesia gains some positive news as an emergent democracy and a strong economic player. The fact that President Obama happened to live here for four years and visited it twice has also gotten the U.S. public's interest in Indonesia to grow. This brings us back to the point of the importance of exchanges, visits and talks like this to raise awareness and aim better understanding.

Q: Coinciding with Labor Day, what is the United States policy in general about labor rights?

The United States has long been a strong supporter of the labor rights and it continues until today. In terms of the United States companies, the policy is that, they have to follow the law of the country in which they operate. We are pleased to learn that in Indonesia, most of the United States companies maintain very high standards in terms of how they treat labor.

Q: I would like to invite you to visit the educational sites in the east part of Indonesia. There is a huge need for capacity building to be done there. I hope we can build cooperation with the U.S. universities. Moreover, related to the discussion of direct flights, we can

possibly build one to Papua to further promote the tourism in the east.

We would love to increase education cooperation throughout Indonesia, not only in Jakarta. We had a couple of education groups come to Jakarta recently and we got them to at least stop in Medan and Surabaya. We are very committed in trying to reach out and engage to ensure more partnerships between the U.S. universities and Indonesian universities throughout the countries including in the east. Specifically on the question about the flight, what we are trying to do now is to eliminate any official and legal hurdle to direct flights and then, it is up to the airlines to decide.

Q: This is more of an opinion than a question. As we can recognize the significant representation of both private sector and civil society members in the audience, it then relates to the very first vision of how we reach different group of Indonesians and the U.S. community in order to build a mutual understanding among the people.

I completely agree with your opinion. It is appropriate to note that this discussion is taking place at USINDO, as it is an NGO. This partnership cannot be just about government to government relations. It must also have people to people content. The private sector certainly has a huge role to play. One of the big tasks is building stronger links between our businesses. The companies can also do a lot through their Corporate Social Responsibility programs and other measures to promote the well-being of their communities. The US-Indonesia Joint Council for Higher

Education Partnership also plays a key role in mobilizing non-government efforts in the education sector.