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Washington debut: a strategic Jokowi? by Ernest Z. Bower

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Indonesian President Joko (Jokowi) Widodo will make his debut in Washington as president of the world's fourth-largest country from Oct. 26-28. Following recent trips to the United States by President Xi Jingping of China and Prime Minister Narendra Modi of India, the scene is set for Jokowi to tell the world what Indonesia's role will be and demonstrate his strategic thrust as a leader.

To achieve this goal, his trip will need to be thoughtfully planned and carefully executed. There is a compelling case for him to demonstrate vision and leadership, including conveying an understanding of the political and economic context for his visit.

The world needs an Indonesia with a sense that its time has come, and that it can play a significant role in the Asia-Pacific and global security, economic integration, and foreign policy. To ante up and get in the game, Indonesia can no longer afford to play games with its own economy. Instead, it must recognize that there is a foundational link between economics and security, particularly in Asia.

Indonesians deserve to be proud of their country's incredible journey. Indonesia has come a long way since asserting its independence as World War II ended in 1945. Now Indonesia should rightly assert itself again. It should tell its story and define its future in ways that will be historic – if somewhat uncomfortable – for a nation that has long considered itself nonaligned and neutral in global affairs.

For Jokowi, the stakes are high, both domestically and internationally.

A year into his presidency, Jokowi needs his US trip to redefine Jakarta's strategic narrative. He will want to position himself as a statesman and visionary, in the same league with the leaders of the other largest countries in the world. To do so, he and his team will need to break away from the type of foreign trips he has done so far as leader of Indonesia. Jokowi's visits to Japan, China, and Singapore earlier this year lacked a consistent strategic focus and were not backed up with real deliverables based on Indonesia's long-term economic and national security objectives.

Jokowi has the ability to change this pattern. Doing so will help him politically at home and put Indonesia in the right place geopolitically and economically. He can use his stops in New York, Washington, and Silicon Valley to describe his vision for his country's security and economic well-being.

Jokowi's election, the first time an Indonesian president was chosen from outside traditional power structures, was expected to be transformational. To date, that has not been the case, and Jokowi's public approval ratings have dropped to 40 percent from around 70 percent when he took office last October. The economy has slowed to a 4.7 percent growth rate, a significant drop from 6 percent growth when he assumed office.

Jokowi recognizes the need for economic stimulus and reform, but he has yet to find the right formula to unlock Indonesia's massive potential. Despite his focus on attracting foreign direct investment, successive economic stimulus packages announced over the past month have missed the mark. This is because they are not comprehensive and do not address the core issues, including the need to substantially reduce the negative investment list that restricts foreign investors from certain sectors.

The world's top investors want to be in Indonesia. They want to understand and align with Jokowi's vision for building infrastructure, creating jobs, and fueling innovation. Leading US companies are all looking for new growth in Asia outside of China, and Indonesia and India are obvious choices. However, Indonesia's performance in attracting foreign direct investment has lagged behind its regional competitors. In 2014, foreign investment was only 2.3 percent of Indonesia's gross domestic product, lagging behind neighboring Malaysia at 4.2 percent and Vietnam at 6 percent.

In preparation for his US trip, Jokowi could send a strong message to US investors by resolving a few high-profile cases, such as the <u>case</u> of jailed Chevron employees, and announce a major reduction in the negative investment list. He could also reduce barriers to foreign investment and cumbersome rules about local content requirements, paving the way for significant new investments in manufacturing in Indonesia.

Getting its economy right is critical if Indonesia wants to play the role of anchor of the Association of Southeast Asian Nations (ASEAN), and therefore the foundation for the emerging security and economic architecture across the Indo-Pacific region. Indonesia cannot <u>assert</u> itself properly if its economy is limping and suboptimal.

From the US perspective, ASEAN cannot be strong without a strong Indonesia. If ASEAN is weak, the fulcrum for regional security and economic integration based on international law – as opposed to new ideas from Beijing for a Sinocentric economic and political order in Asia – will be undermined.

On the security front, Jokowi will likely be ready to talk about Indonesia's new strategic paradigm with the United States. His security advisers are rightly worried about the threat of domestic terrorism, which stems from the radicalization of small parts of Indonesian society. Indonesia believes it has as many as 400 citizens <u>fighting</u> with the Islamic State (IS) in Syria and Iraq and more than 3,000 IS sympathizers, many of whom would like to go to the Middle East or wage war at home.

Recent bilateral defense discussions between the two countries were engaged and productive. Indonesia has a maritime consciousness that defines 21st-century geopolitics. It needs and wants US help in enhancing its capacity and ability to protect its coastline from piracy and enhance its maritime domain awareness. Indonesians are deeply concerned about China's perceived aggressive posture in the South China Sea and its new assertiveness in Indonesian waters, including the Lombok and Sunda Straits.

Jokowi will in turn find President Barack Obama interested in a new strategic modality for the two countries. This should come in the form of a new level of sustained strategic engagement and discussion of security and defense issues, underscored by better economic ties. The stage is set for augmenting the existing US-Indonesia comprehensive partnership with a strategic dialogue, which could include a strong track-two component.

Jokowi's inaugural visit to Washington is a historic opportunity for both countries. A thoughtful plan for this trip would link pre-trip policy moves in Jakarta to a trip narrative that describes Indonesia's economic and security interests and how it wants to work with the United States and US companies. Deeper and more meaningful relations with Washington will not be in lieu of enhancing Indonesia's relations with other countries; in fact, Indonesia-US ties would benefit from a more proactive Indonesian security and foreign policy regime.

Jokowi's meetings with key members of the US Cabinet and Congress, private sector leaders, and policy thought leaders should have clear objectives that Indonesians can understand and appreciate. The trip should bring home new business, deeper economic engagement, enhanced security ties, and a strategic dialogue based on mutual respect, confidence, and a growing recognition of shared goals.

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