



MINISTRY OF DEFENCE
REPUBLIC OF INDONESIA

BUILDING SECURITY PARTNERSHIP IN ASIA

Presentation of H.E. Purnomo Yusgiantoro
Minister of Defence of the Republic of Indonesia
At the CSIS Seminar in Washington D.C, 16 May 2013

*Excellences, Distinguished Participants,
Ladies and Gentlemen,*

1. I would like at the outset to convey the sincerest apologies of the Minister of Defence of the Republic of Indonesia, H.E. Purnomo Yusgiantoro, for not being able to be present in person. He has a very high regard to the Seminar, and was really looking forward to participating personally. To his deep regret, pressing duties of state have prevented him from going.
2. So, upon his instruction, and with the permission of the organizer, please allow me, Lieutenant General Budiman, Secretary General of the Indonesian Ministry of Defence, to read the presentation that Minister Purnomo has prepared for this important occasion. It consists of three parts as follows: (1) Developments of Security Environments in the Asia-Pacific region; (2) Indonesia-US bilateral defence cooperation; and (3) How Indonesia and the US can contribute to Security Partnership Building in the Region.

I. The Development of Security Environments in the Asia-Pacific Region.

Excellences, Ladies and Gentlemen,

3. We are now watching the shifting of global economic centre of gravity that turning to Asia. While Asia's economic rise has been staggering, the current downturn among major economies in other parts of the globe has further amplified that shift. Along with this outstanding economic performance, Asia countries are also gaining weight in the global geopolitical equation, and increasingly playing crucial roles in the regional dynamics. This convinces us that the 21st century provides Asia more opportunities to develop cooperation with countries in the world, as some observers would call it an Asian century.
4. Despite the emergence of certain Asia's large powers such as India, and in particular the rise of China that has become a driving force, the US remains the most powerful strategic actor as reflected inter-alia in the defence expenditure budget factor. In tandem with these key big players, South East Asian countries individually and ASEAN as a group are also growingly influential in interstates relations within the region both in economic, political and security terms, and in turn, in charting the regional security architecture.

5. If we look at the ongoing development of the security architecture in the Asia-Pacific region, we can see the changing regional security environment today is driven by the power shifts due primarily to the rise of China, especially as its global interest is expanding. This change would not be necessarily negative, since, despite their rivalry, we are optimistic about the ability of China and the US, whose continued presence in the region is also appreciated, to manage this changing strategic landscape.
6. It has been repeatedly stated by both sides that maintaining good relations with each other is a key feature in their foreign policy. It is worth noting however that both China and the US have also been working concurrently to engage in diplomatic and security cooperation with medium and small states in the region, most notably the ASEAN members. This includes positive development in the efforts to strengthen inclusive dialogues among states in the region.
7. Thus, it would be misleading to hastily come to conclusion that small and medium countries, most notably ASEAN, are caught in an either-or proposition, to opt between taking side with China or allegiance to the United States. Rather, these states are making serious efforts to draw the inclusion of major powers into regional and international schemes. This is particularly evident with ASEAN that has been consistently trying to integrate the major powers into regional arrangements, institutions and norms which ultimately shape the regional security architecture. This can be seen in the

formation of, among others, ASEAN Regional Forum (ARF), ASEAN+3, ASEAN+6, East Asia Summit, and APEC. Adding significantly to these institutions is the ASEAN Defence Ministers' Meeting (ADMM and ADMM Plus).

8. The advent of the ADMM in 2006 and ADMM Plus in 2010, involving 10 ASEAN states along with 8 Plus countries where the US is also a member, has further strengthened to the common endeavours to build robust regional security architecture. The stated goals of the ADMM Plus are to provide a platform for constructive dialogue at the ministerial level and to enhance capacity building of members through practical cooperation.
9. Over the last decade, for example, there have been more and more ASEAN-initiated meetings that elevated defence-related issues involved the defence-military forces of member states. Through such arrangement, bilateral and multilateral defence relations among ASEAN members themselves as well as between ASEAN and their Plus Partners have been, by and large, positive. It is to be noted in this regard that engaging in the region's multilateral institutions represents one of the six pillars of US Asia policy.
10. Notwithstanding their doubtful ability to tackle key security issues related to territorial disputes, such arrays of institutional efforts have managed to draw a great deal of attention to the rising non-traditional security threats such as, humanitarian assistance, maritime security, counter terrorism and climate change. These non-

traditional security issues do constitute a comfort zone of cooperation for the regional security architecture to evolve.

11. Indonesia attaches great importance to developing defence diplomacy and forming strategic security partnership in order to pursue confidence-building with our partners, enhance our military capability, and promote defence industry. In doing so, as part of Indonesia's confidence building measures, we have conducted defence-military official reciprocal visits, dialogues and consultations, information and intelligence sharing, officers training and educational exchanges, as well as joint-military exercises, be it bilaterally or multilaterally. To enhance our defence capability, we have conducted military training and education exchanges, defence development assistance and weapons procurement; at the same time we spare no effort to improve domestic defence industry includes research and development cooperation, investments in joint ventures as well as transfer of technology. For us, such defence cooperation constitutes not only a means to better safeguard our national sovereignty and territorial integrity, but also to be better equipped to contribute to the maintenance of regional and global peace and stability.
12. I observe that other states in the region are taking a similar path. Solid economic recovery and robust growth has allowed many governments in the region not only to alleviate poverty, increase prosperity, and improve social well-being of their people, but also to enable them to modernise their defence forces. In Indonesia too, as

our economy advances, the government this year, for example, has allocated around 1% of its spending for defence expenditure (in comparison with an average of 2-3% that of developed countries). This enables Indonesia to gain assets of its military up to 30%, leveraging its existing structure. For Indonesia, defence force modernisation priority to keep up with today's *state of the art* technology is aimed at maintaining our deterrent capability.

13. Other Asian countries in varying degrees have also seen a spate of significant military modernisation efforts. However, whilst military modernisation may be seen as a natural process which accompanies economic growth, it must be matched with a greater level of transparency, so as to avoid misperception, miscalculations and mistrust, and to prevent such military modernisation from degenerating to become destabilizing arms race. In this regard, the evolving regional fora and the strengthening regional security architecture could well find its relevance in promoting transparency in defence spending and military modernisation.

II. Indonesia-US Bilateral Defence Cooperation

14. Indonesia and the US enjoy their bilateral defence relations for many decades, as both countries have much in common. Although in general, defence relations between Indonesia and the US have been positive and stable, despite the relationship remains "full of surprises", and although for Indonesia, the US was, is and will remain an important partner, we should also be aware of that Indonesia may be the most important country that for most

Americans know little about. In this regard, we should work more intensive to increase people-to-people contact and links in the future.

15. Growing defence cooperation between the two countries has also brought significant contribution to the implementation of comprehensive partnership established in 2010 during the visit of President Obama to Jakarta. I noticed cooperation in military education and training works very well. We also see remarkable increase in the joint exercise activities involving our two Armed Forces, including cooperation under GPOI (Global Peace Operations Initiative) programs.
16. In recent years we have seen the significantly increasing frequency of meetings among high ranking officials. At the ministers level, for example, I have met two US Secretary of Defence, Secretary Gates, and Secretary Panetta, and I do wish to see Secretary Chuck Huggle in the near future. In the meetings with the US Secretary of Defence in various occasion we expressed our confidence that our defence relations have been very strong, tangible and comprehensive.
17. To strengthen further the strategic partnership, it was an historic occasion and an important milestone that in 2010, senior defense officials of both countries signed a Framework Arrangement on Cooperative Activities in the Field of Defense. This Arrangement not just serves as an umbrella of the bilateral defence cooperation, but it also an instrument for both countries that will enhance the quality of defence cooperation.

18. I would also like to emphasise the importance of the Indonesia-US Security Dialogue (IUSSD) and the United States-Indonesia Bilateral Defence Dialogue (USIBDD) in boosting the defence cooperation of the two countries. The two countries find the roles of these Dialogues that have been fundamental in discussing concrete programs and activities undertaken every year.
19. What we need in the future, among others, is to expand a vigorous “soldier-to soldier” programs such as visits and exchanges for young officers, and increase the allocation of the IMET program so that Indonesia can send more personnel to the US institutions in the future. We should take note that the IMET program is the most cost-effective component of a security relationship. Through this program Indonesia will be able to educate its personnel who are the key elements to enhance the role of the military in a democratic society.

III. How Indonesia and the US Could Contribute to Security Partnership Building in the Region.

Ladies and Gentlemen,

20. Whilst the Asia-Pacific region has developed to become a geostrategic centre of gravity, the development of regional security architecture is still somewhat lagging behind. Yet, security challenges abound. Hence, the urgent need for more efforts to build security partnership in the region. Let us, therefore, see how Indonesia and the US can contribute to such endeavours.

21. Regional peace and stability. Being responsible and conscientious stakeholders, Indonesia and the US share common interests in the maintenance of peace and stability in the Asia-Pacific. With alarming tensions in flash-points that extend from the Korean Peninsula to Myanmar, we are indeed facing serious security challenges that require right and effective responses. Responses that should reduce the tensions and not exacerbate the conflicts. In this regard, one important concern that we are having in Indonesia is the possible return of Cold War type polarization which, if happens, would represent a serious set-back for the region. Indonesia have been making efforts to prevent this possibility from happening within ASEAN, and hopes that the US will exert its more powerful influence to save the whole region from this undesirable possibility.
22. South-China Sea. One of the regional flash-points to watch is, without doubt, the South-China Sea. As articulated by President SBY, Indonesia is of the view that “even without waiting for resolution over territorial dispute, we can still find ways to transform the potential conflicts in the South-China Sea into potential cooperation”. By the same token, Indonesia together with ASEAN are urging the full implementation of the Declaration of Conduct of 2002, and pushing for the speedy works on a more binding Code of Conduct in the South-China Sea. We are encouraged with the recently more forthcoming attitude of China, and looking forward to the US continued support.

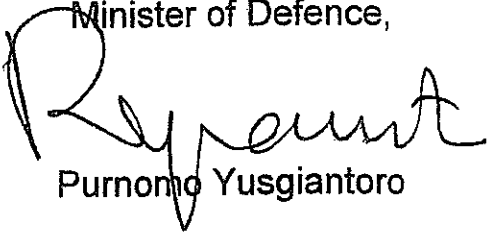
23. **Maritime Security and Freedom of Navigation.** The Asia-Pacific is basically a maritime region. And being both maritime countries Indonesia and the US share great interests in maritime security and important stake in freedom of navigation under international laws including in particular UNCLOS 1982. Close cooperation between our two countries in this area, both bilaterally and under multilateral setting, will certainly reinforce regional maritime partnership would be much further enhanced with the possible accession by the US to UNCLOS. In the same vein, US bilateral assistance to Indonesia to increase its capacity in carrying out its responsibility as a littoral state in the Malacca Strait is been fitting users from the region and beyond.
24. **Counter-Terrorism.** Sharing the horrible experience of being major victims of terrorism, Indonesia and the US have been more than a decade cooperating very closely in the fight against terrorism. However, in spite of significant successes, terrorism remains a dangerous threat to security. The Boston Marathon attack was just the latest of numerous alarm signals. Therefore our close cooperation in this field should continue, not only for our own sake, but also to the benefit of the whole region. The Indonesia-US co-chairmanship of the ADMM Plus Expert Working Group on Counter Terrorism represents our joint contribution to the security partnership building in the region.
25. **Peace-Keeping Operations.** Consistent with its strong belief in open regionalism, Indonesia has always been preparing itself to play

positive roles beyond the region. In the field of defence this ambition is manifested in our active participation in United Nations Peace-Keeping Operations. In our serious efforts to improve our standard and increase our capability as troop contributing country (TCC), we have opened the Indonesia Peace and Security Centre (IPSC) last year, which is a comprehensive training centre for our military. In view of our shared aspiration, we see the US with its Global Peace Operation Initiative (GPOI) as a potential major partner in the undertaking for global peace.

26. So, those are just a couple of items that I want to highlight in this presentation. As I see it, Indonesia and the US have vast potentials and a bright future for defence cooperation. A cooperation that serves our respective national interests, that cater our joint objectives, and that benefits regional partnership.

Excellences, Distinguished Participants, Ladies and Gentlemen,

27. I have thus completed my reading of Minister Purnomo's presentation. On behalf of the Minister and on my own behalf, I thank you very much for your kind attention.

Minister of Defence,

Purnomo Yusgiantoro