



Yudhoyono's Election Win and U.S.-Indonesia Relations by Anthony Smith

One of the interesting photos from the recent Indonesian presidential election featured candidate Susilo Bambang Yudhoyono pausing for a day to sit for a doctoral-level examination in agricultural economics at the Bogor Institute for Economics. Given Yudhoyono's overwhelming victory in the second round of Indonesia's presidential elections, Indonesia now has a head of state who is at least interested in the details of policy. Yudhoyono's election will have a positive impact on U.S.-Indonesia relations, but the new president will have to be careful not to be too closely associated with Washington to maintain domestic legitimacy and build coalitions with parliamentary allies.

First, there is the war on terror. Although this tops Washington's list of modern threats, Indonesia continues to regard this as one of many security problems, and one that ranks behind the problem of separatism. Megawati, while in office, failed to demonstrate leadership on the problem of domestic terrorism, making no official statements after the October 2002 Bali bombing and failing to attend commemoration ceremonies in Bali on the annual anniversary of the terrorist attack. Yudhoyono, while a Cabinet minister, took the lead in speaking out against the terrorist threat, even in the face of a skeptical public, and seems committed to confronting the problem.

He may be constrained, on this and other issues, by his relative weakness in Parliament. The new president will face many of the same political pressures Megawati faced when it came to arresting key leaders of *Jemaah Islamiyah*, and will be unable to enact much tougher legislation. But Indonesia now has a head of state that is willing, and able, to speak directly to the masses on the issue of international terrorism.

Second, a major obstacle to stronger U.S.-Indonesia relations remains the ban on military-to-military relations imposed on Washington by Congress. Military-to-military relations were severed during the violence in East Timor in 1999. Attempts by the Bush administration to begin to restore those links have met opposition from Congress due to a series of concerns over human rights violations. The Bush administration showed an interest in restoration of those links prior to Sept. 11, and the war on terrorism has added impetus, from Washington's standpoint, for attempts to forge ties, where possible, with the Indonesian military and police. The death of two American teachers in Papua, with suspicion falling on the army, has been the latest hurdle. Human rights issues, corruption, and a lack of professionalism within the Indonesia military will outlive the term of the newly elected president no matter how hard he tackles them.

Yet, important progress can be achieved. In particular, Yudhoyono has spoken about finding a political solution to the conflict in Aceh, and while he was a member of the Megawati Cabinet seemed to be almost a lone voice advocating the

continuation of peace talks in that province. Ending the all-out military offensive in Aceh and going back to the negotiating table has been urged on Indonesia by the Bush administration since an earlier agreement broke down in December 2002. A revival of such talks, including a draw-down of forces, will go a long way toward convincing Washington that Yudhoyono is serious about revamping Indonesia's security approach. Should Yudhoyono be able to end Indonesia's hamfisted approach to separatist problems, this will remove a fundamental issue that drives separatist sentiment – namely, hatred of the military.

Third, Yudhoyono has already signaled to the international community that Indonesia will continue to seek international assistance and remain connected to global trade, investment, aid, and loans where needed. He has an ambitious economic reform plan, which includes tackling Indonesia's massive subsidies for bulk commodities, although it is doubtful that he will be able to move quickly on these issues. Although Yudhoyono faces formidable opposition from Parliament's largest political parties, who say they will remain outside government as a "loyal opposition," his landslide victory will focus the minds of politicians in Jakarta, at least in the short term. The Yudhoyono presidency and Cabinet, although likely to be frustrated at times, give Indonesia a more technocratic government with which to shore up stability.

A Yudhoyono presidency will not do away with some of the structural bilateral problems between the U.S. and Indonesia. Many in Indonesia remain skeptical about the U.S. war on terrorism, seeing it as a means to weaken Islam. Political elites in Indonesia will remain concerned that the U.S. is the only superpower and that the Bush administration is an unhealthy unilateralist power. Above all, under a Yudhoyono presidency, Indonesia will be unwilling to fully support America's methods in the war on terrorism even if there is agreement on the evils of terrorism. In particular, Jakarta will remain concerned that Washington is not being even-handed toward the Middle East, especially Palestine.

The Yudhoyono administration is therefore likely to improve U.S.-Indonesia relations in particular areas but disagreements will continue. Ironically, Yudhoyono's ability to substantially improve the relationship could have a downside: this could add substance to charges that Yudhoyono is too close to Washington. Such an association would be a political liability. The new president must use good judgment to improve relations with the U.S. – as he will want to do – while avoiding a public backlash. Time will tell if he has the skills for that political balancing act.

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