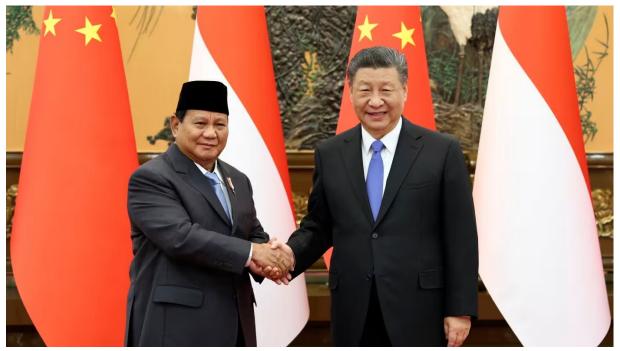
Indonesian politics

Indonesia's president seeks closer ties to Xi Jinping and China

First foreign trip in office signals Beijing's importance for investment but will be followed by US visit

1 of 5



Prabowo Subianto with Chinese President Xi Jinping in April. China was also the Indonesian leader's first overseas destination as president-elect © China Daily/Reuters

A Anantha Lakshmi and **Diana Mariska** in Jakarta YESTERDAY

Prabowo Subianto is kicking off his first foreign tour as Indonesia's president with a visit to top trading partner China, underscoring Beijing's importance to south-east Asia's largest economy.

Prabowo, who <u>took office three weeks ago</u>, will visit Beijing from Friday to Sunday and hold talks with China's President Xi Jinping at the start of a five-country trip that will also include the US and UK.

Prabowo has yet to set out his diplomatic priorities or strategy, but has made clear he wants <u>Indonesia</u> to play a more active role in international affairs. China was also his first overseas stop after he won Indonesia's presidential election in February.

Muhammad Zulfikar Rakhmat, director of the China-Indonesia Desk at the Center of Economic and Law Studies, said Prabowo was being pragmatic in prioritising Beijing.

"The visit indicates that China will be an important partner for Prabowo, especially for him to fulfil his economic promises," he said.

Prabowo has vowed to <u>boost annual economic growth to 8 per cent</u> from about 5 per cent, a target economists have said will require increasing foreign direct investment.

2 of 5 11/8/2024, 17:50

China, Indonesia's second-biggest source of FDI, was <u>instrumental in helping</u> Prabowo's predecessor Joko Widodo to meet his economic goals by investing heavily in flagship projects and economically important sectors such as metals, mining, and infrastructure.

Chinese companies have pumped billions of dollars into Indonesia's nickel industry as Jakarta sought to develop its reserves of the metal critical to steelmaking and electric vehicle batteries. Beijing also funded a \$7.3bn high-speed rail line — Indonesia's first — between Jakarta and Bandung as part of its \$1tn global Belt and Road infrastructure initiative.



Chinese companies have invested billions of dollars in Indonesia's nickel sector © Bannu Mazandra/AFP/Getty Images
Prabowo has vowed to maintain Indonesia's long-standing policy of international
neutrality and analysts said he was seeking to balance his visit to China by
immediately following it with a trip to the US, where he is expected to meet President
Joe Biden and possibly president-elect Donald Trump.

Prabowo will then go to Peru for a meeting of the Asia-Pacific Economic Cooperation forum, to Brazil for a G20 summit and finally to the UK, where he will meet Prime Minister Keir Starmer.

"We must negotiate, explore existing potential, and resolve crucial and strategic issues with these countries, which are part of very important economic blocs. It is very crucial to the survival of our economy," said Prabowo in a statement this week.

3 of 5

The president did not say whether one of those issues he planned to discuss would be China's increased assertiveness in the South China Sea, where Beijing's sweeping territorial claims appear to overlap with Indonesia's exclusive economic zone.

Last month, the Indonesian coastguard said it had <u>driven Chinese coastguard ships</u> <u>out</u> of waters under Jakarta's jurisdiction, where it said the vessels had been disrupting resource survey work.

Prabowo has previously called for a peaceful resolution of the South China Sea disputes.

Prabowo, who has said he wants to be "friends with all countries", is keen for the world's fourth most populous nation to play a more influential role in global affairs than it did under Widodo, who had a more domestic focus.

In the first three weeks of his presidency, Indonesia has announced that it will join the Brics grouping of major emerging economies that includes China and Russia and <u>launched its first joint drills</u> with the Russian military.

As defence minister in Widodo's government, Prabowo last year proposed a demilitarised zone and a UN referendum to end the conflict between Ukraine and Russia, a plan rejected by Kyiv. This year, Prabowo said Indonesia was willing to send peacekeeping forces to Gaza.

"Indonesia under Prabowo will be more willing to work with everyone. Not just with Russia or China, but also the US, France and others," said Evan Laksmana, senior fellow at the International Institute for Strategic Studies.

"Prabowo himself will be Indonesia's chief diplomat. What we will see is a more hands-on, active personal touch to foreign policy and international engagement."

Copyright The Financial Times Limited 2024. All rights reserved.

4 of 5 11/8/2024, 17:50

5 of 5