Mixed Results for Corruption Fight in Indonesia

MURRAY HIEBERT

Murray Hiebert is senior fellow and deputy director of the Southeast Asia Program and Pacific Partners Initiative at the Center for Strategic and International Studies in Washington, D.C.

December 7, 2011

Transparency International gave Indonesia another poor grade on December 1 in the country’s battle against corruption. Indonesia scored 3 out of a possible 10 (the cleanest score) in Transparency’s annual Corruptions Perception Index (CPI), a slight improvement from 2.8 last year. It also ranked 100 (an improvement from 110 last year) among the 183 countries surveyed. The results highlighted a widespread perception in Indonesia that the government is not doing enough in its efforts to tackle corruption.

Several ASEAN countries scored lower than Indonesia on the CPI, which is closely watched by foreign investors, economists, and civil society groups. Vietnam got a score of 2.9 (out of 10), just below that of Indonesia, while the Philippines came in at 2.6, despite the campaign mounted by President Benigno Aquino to tackle corruption. Singapore got the best score in the region with 9.2.

The day after the CPI was released, the Indonesian parliament revamped the country’s Corruption Eradication Commission, popularly known as the KPK for its Indonesian initials, but the new lineup got mixed reviews. Busyro Muqoddas was removed as head of the KPK, apparently because he was an outspoken critic of corruption and courageous in his pursuit of corrupt officials, but he kept his seat on the commission. He was replaced as head of the KPK by a relatively unknown lawyer, Abraham Samat.
Mixed Results for Corruption Fight in Indonesia (continued)

Although the outgoing anticorruption czar will be joined on the commission by Bambang Widjojanto, a lawyer, civil society activist, and anticorruption campaigner, analysts widely expect that the reconstituted KPK will not take a very activist role in tackling corruption during the remaining years of the Susilo Bambang Yudhoyono administration.

The election of Samat surprised many observers because he met parliamentarians for the first time during his vetting process in the days just prior to the voting. He criticized Muqoddas for having been too outspoken in public and said that his own strategy would focus on enhancing the witness protection program, improving coordination with other law enforcement bodies, and promoting corruption prevention. Analysts were surprised that he didn’t stress prosecution of corrupt officials and businessmen.

How seriously the new KPK takes its work may become clear in the months ahead as it handles several ongoing cases. One case being watched is the investigation of a former official at the state-owned Pertamina energy company for allegedly accepting bribes for a fuel additive contract with a British firm in 2005. The commission began reviewing the case on November 30. The other case that will be watched is that of the collapse of a bridge in East Kalimantan that killed up to 39 people on November 24. The construction of bridge parts and its maintenance were handled by firms linked to two senior Golkar party leaders.

Since being established eight years ago, the KPK has received more than 50,000 complaints about corruption. It has investigated and prosecuted nearly 70 parliamentarians, more than 10 cabinet ministers, and other high-ranking officials, judges, and businessmen who colluded in the awarding of state contracts and business deals.

Fighting corruption was a key plank of Yudhoyono’s election campaign in 2009 after the previous KPK had succeeded in getting a number of senior officials and businessmen sentenced to prison terms. But that fight has slowed in recent years. A Gallup poll in October found that 91 percent of Indonesians felt that corruption in the Indonesian government was widespread, up from 84 percent in a similar poll in 2006.

Observers give Indonesia high marks for its successful transition to democracy, decentralization of political power, and vibrant free press and civil society, but they complain that the move to free elections has done
Mixed Results for Corruption Fight in Indonesia (continued)

little to rein in corruption. Foreign companies report that they often face unexplained fees to obtain licenses and permits and get requests for kickbacks when they seek contracts. Some say that they face requests for bribes when they turn to the courts to resolve disputes with local partners.

None of the candidates touted for Indonesia's presidential race in 2014 have cited fighting corruption as a priority. Given the public's rising discontent, this will need to change. Corruption now dominates political discourse among the populace and in the media. It is seen as the greatest barrier to consolidating Indonesian democracy and improving governance, and voters will no doubt want whoever they elect as their next president to address it.

Despite running on an anticorruption platform in the 2009 elections, President Yudhoyono has made little progress in the fight against corruption in Indonesia during his second term.

http://www.flickr.com/photos/worldeconomicforum/5397056501/

Looking for expert analysis of trends in the Asia Pacific? Check out the CSIS Asia policy blog, cogitASIA. Here are the most-read posts from October to November:

1. “Reluctant Realists” by Malcolm Cook and Andrew Shearer
2. “East Asia Summit: Next Step is Structure” by Ernie Bower
3. “Economic Damage of Thailand’s Flooding,” by Chayut Setboonsarng
4. “U.S. Marines to Darwin, Australia: Evolution of an Idea” by Richard W. Teare
5. “Diverging Visions of Asia’s Future Lead to Polarisation” by Hugh White
MYANMAR

• Clinton visits Myanmar; announces lifting of restrictions on aid from IMF and World Bank. Hillary Clinton became the first U.S. secretary of state to visit Myanmar in more than 50 years November 30–December 2. During meetings with government officials, including President Thein Sein, opposition leader Aung San Suu Kyi and members of her National League for Democracy, and representatives of ethnic minority groups, Clinton announced that the United States would no longer block assistance to Myanmar from the International Monetary Fund and World Bank. During the visit, Clinton told government leaders that the release of political prisoners, an end to violence in ethnic minority areas, and a cutting of military ties with North Korea were prerequisites for further U.S. engagement.

• Myanmar government reaches cease-fire with Shan group. Representatives of the Myanmar government and leaders of the Shan State Army-South ethnic minority group reached preliminary agreement on a cease-fire December 2. The agreement includes assurances of economic development and joint operations to combat illegal drugs in Shan State. The government also began cease-fire negotiations with the Karen National Union, Karenni National Progressive Party, and Chin National Front on November 19 and with the Kachin Independence Organization on November 29. Those negotiations are ongoing.

• Myanmar Parliament approves law allowing public protests. Myanmar’s Parliament passed a new law November 23 granting citizens the right to publicly protest for the first time. According to the new law, protest organizers must seek permission five days in advance of a planned demonstration and provide details about slogans and speakers. The law prohibits protests at factories, hospitals, and government offices. Violation of the law is punishable by up to one year in prison.

• Lawyer’s trial raises concerns over land seizures, rule of law. The New York Times reported that lawyer and former political prisoner Phoe Phyu appeared in court on December 2 to face charges of illegal assembly and disobeying government orders for leading a farmers’ protest in October against land seizures. Phoe Phyu is leading a campaign against what he says are increasing land confiscations that favor well-connected companies at the expense of poor farmers. Phoe Phyu has yet to be sentenced, but said before his court appearance, “There has been absolutely no change in the courts…. There is no rule of law.”

Reports suggest that the number of land seizures in Myanmar is on the rise, dispossessing poor farmers who account for roughly two-thirds of the country’s population. http://www.flickr.com/photos/gusjer/3285895050/
MALAYSIA

- **Prime Minister Najib convenes UMNO General Assembly.** Prime Minister Najib Razak convened the 62nd United Malays National Organization (UMNO) General Assembly in Kuala Lumpur November 30. Najib, who is also president of UMNO, gave the commencement speech at the three-day assembly, describing the crucial role that UMNO has played in Malaysia’s development. He emphasized that the party must come together to appeal to the population and “reformulate the game plan” in order to win the next general elections expected in the first half of 2012. UMNO is the leading party in the coalition that has governed Malaysia since independence in 1957.

- **Malaysia’s new Peaceful Assembly Bill passage spurs protests.** The lower house of the Malaysian Parliament approved a new Peaceful Assembly Bill on November 29, sparking protests and criticism from opposition parties, the Bar Council, and civil society groups. The bill allows protests without a permit for the first time, but places new restrictions on demonstrations by banning street protests, and requiring organizers to provide 10 days’ advance notice to police before a rally. The bill still needs to be ratified by the upper house of Parliament.

- **Petronas reports another quarter of rising revenues.** Petronas, Malaysia’s state-owned oil and gas firm, reported a 54.3 percent increase in its second quarter profits compared to 2010. The company’s revenues for the first six months of the fiscal year experienced a 25.3 percent increase over fiscal year 2010, while profits rose 50.9 percent. The rising profits were due to increased global oil prices, which Petronas said were up to 55 percent higher in the second quarter, and a 0.8 percent increase in global demand driven by emerging markets.

- **Panasonic plans to open up new solar cell factory in Malaysia.** Panasonic of Japan announced November 25 that it will invest $578 million to establish a solar technology factory in Kedah, Malaysia. The company expects the plant to begin production in December 2012 and to employ roughly 1,500 people. Panasonic said that the plant would strengthen the firm’s cost competitiveness in the market.
INDONESIA

- **Indonesian army and police clash with protesters at celebration of Papuan independence.** A rally on December 1 marking the 50th anniversary of West Papua’s independence claim sparked a confrontation with local police and soldiers. Soon after protesters hoisted the Papuan “Morning Star” flag without the Indonesian national flag in the village of Berang, shots rang out as a detachment of soldiers approached to disperse the crowd. Police said no one was injured but two protesters were arrested. The next day, four people were arrested in connection with a bow-and-arrow attack on the head of criminal intelligence in the same district. Jakarta allows Papuans to use the “Morning Star” flag, but it must be flown alongside the Indonesian flag, which must be raised higher.

- **Nazaruddin corruption trial begins as Pertamina executive faces charges.** Former Democratic Party treasurer Muhammad Nazaruddin’s trial for allegedly taking a kickback for the construction of the Southeast Asia Games athletes’ village started on November 30. The Corruption Eradication Commission (KPK) the same day launched an investigation of a former executive at the state-owned Pertamina energy company for allegedly accepting a kickback on a fuel additive contract from a UK supplier in 2005. Indonesia’s legislature is considering eight candidates, including the current polarizing KPK adviser Abdullah Hehamahua, for four openings on the commission.

- **Yudhoyono’s son’s marriage may have political implications.** Edhie “Ibas” Baskoro Yudhoyono, the president’s youngest son, and Siti Ruby Aliya Rajasa married at the Cipanas palace in West Java on December 1. Some in the press suggested that the wedding had a political purpose, as the bride’s father is a high-level government official and chairman of the National Mandate Party, a moderate Islamist party that took 6 percent of the vote in the 2009 elections. President Yudhoyono has pledged that no state funds were used for the wedding.

- **Trade Minister Gita Wirjawan to continue role at Investment Coordinating Board.** Gita Wirjawan, recently named Indonesia’s trade minister, will not be replaced in his former role as the head of Indonesia’s Investment Coordinating Board. Instead, he will wear both hats. Analysts express concern that with Wirjawan focused on expanding Indonesian exports, investment promotion will not get the attention it received when he headed the board full-time, particularly at a moment when investment in Indonesia is accelerating.
Speculation on cause of bridge collapse threatens to tarnish Golkar’s Bakrie and Kalla. Speculation on the cause of the collapse of a bridge in East Kalimantan that killed as many as 39 people November 26 has focused suspicion on the contractors in charge of the bridge’s construction, its maintenance, and the manufacture of its components. Some bolts used in the bridge’s construction were manufactured by a firm with ties to Golkar’s potential presidential candidate, Aburizal Bakrie, and the contract for the bridge’s maintenance was held by a firm tied to Golkar’s 2009 presidential candidate and former vice president, Jusuf Kalla.

Jakarta to raise minimum wage. Jakarta’s minimum wage was raised by two local governing boards on November 18 and will be implemented starting next year. The increase of 16.1 percent comes on the heels of a 15.4 percent increase that took effect in 2011, both pegged to inflation of goods and services. This could cause labor costs to rise in and around the capital, the country’s most important manufacturing base, at the same time that Indonesia is seeking to court foreign investors wary about rising labor costs in neighboring countries.

THAILAND

Thai government plans to return passport to former prime minister Thaksin. The Thai government announced on December 2 that it will soon issue a Thai passport to ousted former prime minister Thaksin Shinawatra. Foreign Minister Surapong Tovichakchaikul told reporters, “I will use my authority to do whatever is not illegal under the regulations of the ministry to give the passport to ex-premier Thaksin.” While Thaksin’s sister, current prime minister Yingluck Shinawatra, is said not to be involved, opposition members claim the foreign minister has been given the sole job of helping Thaksin return to Thailand.

Government sentences man to 20 years for text message and warns of criminal Facebook use. The European Union Delegation to Thailand issued a statement November 28 expressing deep concern about a court decision to sentence Ampon Tangnoppakul to 20 years in prison under Thailand’s strict lèse-majesté laws for sending anti-royal text messages. Minister of Information and Communication Technology Anudith Nakornthap announced the next day that Facebook users who “share” or “like” content that insults the Thai monarchy are committing a crime. Thailand’s lèse-majesté laws have often come under attack for being anathema to democratic free speech rights.
Philippine president Benigno Aquino and his predecessor Gloria Macapagal-Arroyo have been engaged in a political standoff in the high courts in recent months. http://www.flickr.com/photos/worldbank/6170232825/

PHILIPPINES

- **High court says Aquino relatives must surrender land.** The Philippine Supreme Court ordered President Benigno Aquino’s relatives on December 1 to surrender their 15,901 acre sugarcane plantation, the Hacienda Luisita, to 6,300 farmers in impoverished northern Tarlac province. Some analysts say the court’s ruling is ex-president Gloria Macapagal-Arroyo’s latest vendetta against Aquino for seeking her arrest. The president refused to allow the current chief justice, one of several justices appointed by the former president, to administer his presidential oath of office at his inauguration in 2010.

- **Philippine economic growth drops to 3.2 percent.** Bad weather, high energy costs, a weakening construction sector, and sluggish exports slowed Philippine economic growth to 3.2 percent in the third quarter, despite government spending in a recent stimulus package, according to a November 28 economic report. The Philippine government had projected a more optimistic target of 4.5 to 5.5 percent growth for the quarter, but “construction wasn’t really there,” said Economic Planning Secretary Cayetano Paderanga.

- **Four arrested in scam to finance terrorist activities.** Manila police arrested four hackers November 23 for running a fraudulent premium-line phone network that scammed about $2 million from AT&T and funneled it to an undisclosed Saudi-based militant group. The FBI says the four perpetrators were hired by the terrorist group that financed the November 2008 Mumbai attacks. Officials also discovered links between the hackers and Jemaah Islamiyah, a Southeast Asian militant group with ties to al Qaeda.

- **China to execute fourth Filipino this year for drug trafficking.** China’s Supreme People’s Court scheduled the execution of a 35-year-old Filipino
man for December 8 despite appeals for clemency from Philippine president Benigno Aquino. The unidentified man, the fourth Filipino to face China’s death sentence since March, was arrested in September 2008 for smuggling 3.3 pounds of heroin through Guilin International Airport. A Philippine government spokesman said that the execution “should not cause a hiccup in Filipino-Chinese relations,” but critics argue the incident reveals growing mistrust between Manila and Beijing.

VIETNAM

- **Dong’s inflation slows, prompting government to consider interest rate cut.** Vietnam’s inflation slowed for the third consecutive month in November, prompting the central bank to consider an interest rate cut to counteract dampened global demand. The government has been working to address inflation since February and is in the process of overhauling its industrial and fiscal policies. Government officials fear an international and domestic crisis of confidence in the Communist Party’s ability to guide the economy through current difficulties.

- **National Assembly agrees on need for law on public demonstrations.** Vietnam’s National Assembly decided November 26 to move forward with drafting a law regulating public protests. Before reaching a decision, the legislature debated the need for such a law, with one legislator questioning the need for citizens to protest their government’s policies and citing the danger of recent protests against China’s claims in the South China Sea that could potentially inflame a tense diplomatic situation.

- **Court cuts sentence for French-Vietnamese dissident.** Vietnam’s appeals court shortened the prison sentence for French-Vietnamese blogger Pham Minh Hoang from 36 to 17 months November 29. The math professor blogger was convicted of posting several articles criticizing Vietnam’s one-party system and for his membership in the U.S.-based Viet Tan group, which is considered a terrorist organization in Vietnam. Leniency was offered in return for Hoang’s renunciation of the group’s activities, but he will remain under house arrest for three years after completion of his prison sentence.

- **GE to help build wind farm in Vietnam.** U.S.-based General Electric (GE) plans to assist a Vietnamese company in building a 10-turbine wind farm that will produce 16 megawatts of electricity to help the country address its frequent power shortages. The project, on which construction has started, is located 125 miles south of Ho Chi Minh City. Vietnam aims to
increase its wind-generated energy capacity to 1,000 megawatts by 2020, although some experts believe that the price of domestic renewable power does not yet make building wind turbines practical.

SOUTH CHINA SEA

- **China's first aircraft carrier begins second trial.** China's refurbished aircraft carrier, the Varyag, started its latest sea trial November 29 after completing a series of refitting and testing measures since its maiden trial in August. The former Ukrainian carrier set off from the Port of Dalian in northeastern China to “carry out relevant scientific and research experiments,” China’s Defense Ministry said. Some analysts expect the carrier will be used to reinforce Beijing’s claims and protect vital shipping lanes in the South China Sea.

- **Chinese op-ed says “history has bestowed” China's nine-dotted line.** China’s state-owned People’s Daily and Global Times newspapers issued an op-ed November 21 urging Beijing to “resolutely repel [U.S.] interference [and] defend China's nine-dotted line area [in the South China Sea] that history has bestowed to us.” The author, Pan Guoping, a professor at China's Southwest University of Law and Politics, said joint exploration between PetroVietnam and India's ONGC would “push China to the limit.” Global Times commentaries often take strident positions on foreign policy issues.

- **Chinese military says U.S.-Australia military expansion is “Cold War mentality.”** China’s Defense Ministry spokesman Geng Yansheng said on November 30 that the positioning of U.S. marines in Darwin, Australia, expressed a “Cold War mentality.” The warning was China’s strongest reaction against President Barack Obama's announcement November 17 that 2,500 U.S. marines will be based at the northern Australian base. The statement was issued amid sea trials for China’s second aircraft carrier and Washington's decision to upgrade the Philippine naval fleet with two more warships and reinforce Taiwan’s air force with at least 66 refurbished F-16s.

ASEAN

- **ASEAN defense spending set to rise in 2012.** Indonesia, Vietnam, the Philippines, Brunei, and Cambodia have all pledged greater defense spending in their 2012 national budgets. Indonesia and Vietnam have
announced the largest increases, about 35 percent each. Singapore is likely to remain the largest spender in ASEAN, but its 2012 defense budget has yet to be released. Despite the increased spending, the grouping’s defense budgets will still be dwarfed by the United States and regional powers like Japan, India, South Korea, and China.

- **Indonesia hosts seventh ASEAN Intergovernmental Commission on Human Rights.** The ASEAN Intergovernmental Commission on Human Rights (AICHR) held its seventh meeting November 28–December 1 in Bali, Indonesia. During the meeting, ASEAN secretary general Surin Pitsuwan and Navi Pillay, the UN High Commissioner for Human Rights, heralded the efforts by AICHR to push human rights to the forefront. However, Pillay said that more needs to be done to promote human rights in the region and that the next two years are crucial for AICHR.

- **ASEAN to implement new Harmonized Tariff Nomenclature in 2012.** ASEAN countries plan to implement a harmonized set of tariff codes and classification system in 2012. The ASEAN Harmonized Tariff Nomenclature (AHTN), part of ASEAN’s 2015 Master Plan on Connectivity, seeks to provide transparency through a common classification coding system and help facilitate trade in the region. The implementation of the AHTN follows the enactment of several other initiatives related to the master plan at the ASEAN summit in November.

- **Transparency International’s 2011 Corruption Perception Index reveals mixed results for ASEAN countries.** Transparency International released its annual Corruption Perception Index (CPI) December 1, analyzing perceived levels of public corruption in 183 countries. Among ASEAN member states, Singapore ranked highest at number 5 in the world, while Myanmar ranked lowest at 180. None of the ASEAN countries’ scores changed substantially from 2010, though several increased slightly, including Indonesia (ranked 100) and the Philippines (ranked 129), whose meager improvements highlighted the continued difficulties facing government efforts to combat corruption.
CAMBODIA

- **William E. Todd nominated as U.S. ambassador to Cambodia.** President Barack Obama announced December 1 his intention to nominate William E. Todd as the new U.S. ambassador to Cambodia. Todd, a career foreign service officer, was the U.S. ambassador to Brunei from 2008 to 2010 and has previously worked in various roles at the State Department’s Bureau of International Narcotics and Law Enforcement Affairs. The U.S. Embassy in Phnom Penh has been led by chargé d’affaires Jeff D’Agle since the previous ambassador, Carol Rodley, completed her three-year mission in September.

- **First hearings in Khmer Rouge trial adjourn.** The first round of hearings in the long-awaited trial of three former Khmer Rouge leaders adjourned November 23 after two days, providing little satisfaction to Cambodians hoping for justice. The three defendants, Nuon Chea, Khieu Sampha, and Ieng Sary, are charged with crimes against humanity for their role in atrocities during the Khmer Rouge rule in the 1970s. During the proceedings, the regime’s chief ideologist, Nuon Chea, defended his actions as a patriotic act to defend the state from colonization by Vietnam.

- **Cambodia to be affected by Global Fund freeze.** The Geneva-based Global Fund, a major donor of projects combating HIV/AIDS, tuberculosis, and malaria in Cambodia, announced on November 30 that it will freeze new grants for two years due to “substantial budget challenges.” Money from Global Fund pays for medicine for 37,000 HIV/AIDS patients in Cambodia. Cambodia aims to reduce the number of people in the country who die from HIV/AIDS from 2,500 in 2011 to 2,300 in 2012, but the funding freeze by Global Funds is expected to hurt further progress.

- **Cambodia hosts global anti-landmine summit.** About 1,000 delegates participated in a five-day annual meeting of members of the Anti-Personnel Mine Ban Convention, also known as the Ottawa Treaty, which was adopted in 1997. According to United Nations data, Cambodia, which signed the treaty in 1999, has cleared 270 square miles of landmines and other unexploded ordinance and intends to clear an additional 251 square miles by 2019. About 160 countries have agreed to stop using and producing anti-personnel mines as part of the Ottawa Treaty.

MEKONG RIVER

- **International petition calls for Lao and Thai governments to cancel Xayaburi dam project.** Environmental group International Rivers said
December 1 that 22,580 people from more than 100 countries had signed a petition calling for canceling the controversial Xayaburi dam project. Environmentalists claim the 1,280 megawatt Thai-financed dam project in Laos will negatively affect fish stocks and Vietnam’s prime rice growing area. The Mekong River Commission countries—Laos, Thailand, Cambodia, and Vietnam—agreed in April to suspend the dam’s development pending further studies, but continued reports of construction on the dam have worried Vietnam and Cambodia.

- **Mekong Delta receives flood aid from Australia and Germany.** The Australian Agency for International Development pledged $10,000 November 25 to help address flood issues in the Mekong Delta region, which was followed by a $3.2 million donation from the German government on November 29. According to Vietnam’s flood and storm preparedness committee, flooding by mid-November had affected nearly 154,000 houses, caused 85 deaths, and destroyed more than 26,000 acres of rice paddies.

**SINGAPORE**

- **Goh Chok Tong urges region to respond to nuclear accidents.** Former prime minister of Singapore Goh Chok Tong stressed the importance of building regional early warning capabilities and consolidating responses to nuclear accidents during a meeting of the Nuclear Security Summit Eminent Persons Group (EPG) meeting in Seoul November 29. The EPG was formed to advise South Korean president Lee Myung-bak before Seoul hosts the 2012 Nuclear Security Summit. Although there is no active nuclear power plant in region, six Southeast Asian countries have expressed their interest in developing nuclear power.

- **Singapore puts new submarine into operation.** Singapore’s defense minister, Ng Eng Hen, declared on December 2 that the first of Singapore’s most advanced pair of submarines had entered active service after two years of sea trials. He said that the RSS Archer would reinvigorate regional peace and stability operations by building “confidence with other militaries.” A second Archer-class submarine, the RSS Swordsman, is still conducting trials in Sweden and will join the Republic of Singapore Navy fleet once completed.

**TIMOR-LESTE**

- **ASEAN Summit unanimously approves proposal for working group on Timor-Leste membership.** Singapore proposed November 23 the

---

Former prime minister of Singapore Goh Chok Tong is one of the 12 members of the Nuclear Security Summit Eminent Persons Group, which also includes former U.S. secretary of state Henry Kissinger and former U.S. defense secretary William Perry. http://www.flickr.com/photos/azharyphotography/3995511946/
Southeast Asia from the Corner of 18th & K Streets  December 7, 2011 | 14

establishment of a working group to discuss all aspects related to Timor-Leste’s application for ASEAN membership, including whether it is able to meet the ASEAN charter’s requirements. The ASEAN member states reached consensus on the proposal during the ASEAN Coordinating Council meeting. Indonesia and Malaysia have publicly endorsed Timor-Leste’s membership, but Singapore has expressed concerns about its implications for the group.

• **Timor-Leste first to benefit from Australia’s pledge to help fragile states.** Timor-Leste and Australia signed an agreement November 29 outlining Australian support for improved governance, security, agriculture, and infrastructure development in Timor-Leste, making it the first official beneficiary of Australia’s New Deal for International Engagement in Fragile States. Australian foreign minister Kevin Rudd said his country is committed to Timor-Leste’s development priorities and its goals of stability and greater prosperity. Twelve of Australia’s neighbors are classed as fragile states.

• **UN praises Timor-Leste’s efforts to implement disaster response measures.** Margareta Wahlström, UN Special Representative of the Secretary-General for Disaster Risk Reduction, praised Timor-Leste’s efforts to respond more effectively to natural disasters November 22 after a three-day visit to Dili, saying, “A cohesive strategy that focuses on prevention as well as response will help Timor-Leste to protect its development gains.” Due to its propensity for floods, landslides, and prolonged dry spells, as well the high risk of earthquakes and tsunamis, Timor-Leste has suffered 470 natural disasters in the last decade.

BRUNEI

• **Chinese premier vows to strengthen economic ties during visit.** Chinese premier Wen Jiabao traveled to Brunei November 20–21 for the first visit by a Chinese premier during the 20-year official relationship between the two countries. Wen witnessed the signing of several deals for Chinese investment in energy, healthcare, forestry, and natural resource extraction, including a contract between Brunei Shell Petroleum and Chinese petrochemical company Zhejiang Hengyi Group to build a $6 billion refinery in Brunei.
• **Lecture on free trade with Australia’s shadow treasurer.** The Heritage Foundation will host Joe Hockey MP, a member of Australia’s Liberal Party, for an event entitled “The Future of Free Trade and Commerce” on December 7 from 4:30 to 5:30 p.m. Hockey has served as shadow treasurer in Australia’s opposition Shadow Ministry since February 2009. The event will be held in the Lehrman Auditorium, The Heritage Foundation, 214 Massachusetts Ave., N.E., and can be viewed live online. Please RSVP [here](#).

• **Lecture on climate change in the Asia Pacific at the Embassy of Australia.** The Embassy of Australia will host a lecture by the University of Melbourne’s John Barnett entitled “Climate Change and Security in the Asia Pacific” on December 8 at 6:30 p.m. Professor Barnett will discuss the evidence for and against viewing climate change as a threat to human security in the Asia Pacific. The event, part of the Australian Ambassador’s Speaker Series 2011, will be held at the Embassy of Australia, 1601 Massachusetts Ave., N.W. Please RSVP to [media.us@dfat.gov.au](mailto:media.us@dfat.gov.au).

• **The Cloister with Kurt Campbell.** Kurt Campbell, assistant secretary of state for East Asia and the Pacific, will speak at a Cloister briefing at CSIS on December 9. The Cloister is a series of high-level, private, off-the-record meetings following Chatham House rules that give senior statesmen and policymakers the opportunity to discuss a range of policy options, challenges, and new initiatives with top experts. The meetings are by invitation only.

• **Forum on Indonesia’s changing electoral system at USINDO.** The U.S.-Indonesia Society (USINDO) and the International Foundation for Electoral Systems (IFES) will cohost an open forum entitled “Understanding Changes to Indonesia’s Electoral System and their Relationship to the 2014 Elections” on December 9 from 12:00 p.m. to 1:30 p.m. The forum will be led by Peter Erben, chief of party and senior electoral adviser for Indonesia, IFES. It will take place at the USINDO Office, 1625 Massachusetts Ave., N.W., Suite 550. Please RSVP [here](#) by December 8.

• **Book launch of World Under Pressure at the Woodrow Wilson Center.** The Woodrow Wilson International Center for Scholars will host a launch of Carl J. Dahlman’s new book, *World Under Pressure: How China and India Are Influencing the Global Economy and Environment*, on December 9 from 3:00 p.m. to 4:30 p.m. Dr. Dahlman is an associate professor at the Edmund A. Walsh School of Foreign Service at Georgetown University and former senior adviser at the World Bank. The launch will take place on the 5th floor of the Woodrow Wilson Center, 1300 Pennsylvania Ave., N.W. Please RSVP [here](#).
• Screening of The Lady at Asia Society. Filmmaker Ang Lee, Asia Society, Open Society Foundations, and Human Rights Watch will cohost a film screening of the new Aung San Suu Kyi biopic The Lady on December 11 from 2:30 p.m. to 5:30 p.m. The film will be introduced by Ang Lee, and a Q&A session with director Luc Besson and actress Michelle Yeoh will follow the screening. The event will take place at Asia Society, 725 Park Avenue, New York, NY. For more information, click here.
SOUTHEAST ASIA FROM THE CORNER OF 18TH & K STREETS

CSIS Southeast Asia Program contributors:

- Ernest Bower, Senior Adviser and Director
- Murray Hiebert, Senior Fellow and Deputy Director
- Greg Poling, Research Assistant
- Sakari Deichsel, Researcher
- Wai Phyo Myint, Researcher
- Kiet Nguyen, Researcher
- MeiLee Dozier, Researcher
- Blake Berger, Researcher

For more details on our programs and to follow CSIS with real-time updates, follow the CSIS Southeast Asia Program:

- On Facebook at [http://www.facebook.com/CSISSoutheastAsia](http://www.facebook.com/CSISSoutheastAsia)
- On Twitter at [@SoutheastAsiaDC](http://twitter.com/SoutheastAsiaDC).
- On our blog, [cogitASIA at http://cogitASIA.csis.org](http://cogitASIA.csis.org)

Thank you for your interest in U.S. policy in Southeast Asia and CSIS Southeast Asia. Join the conversation!

This newsletter is published by the Southeast Asia Program at the Center for Strategic and International Studies (CSIS) in Washington, D.C., a private, tax-exempt institution focusing on international public policy issues. CSIS’s research is non-partisan and nonproprietary. CSIS does not take specific policy positions; accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author(s).

© 2011 by the Center for Strategic and International Studies. All rights reserved.