



**Delhi Policy Group**

Advancing India's Rise as a Leading Power



# POLICY BRIEF

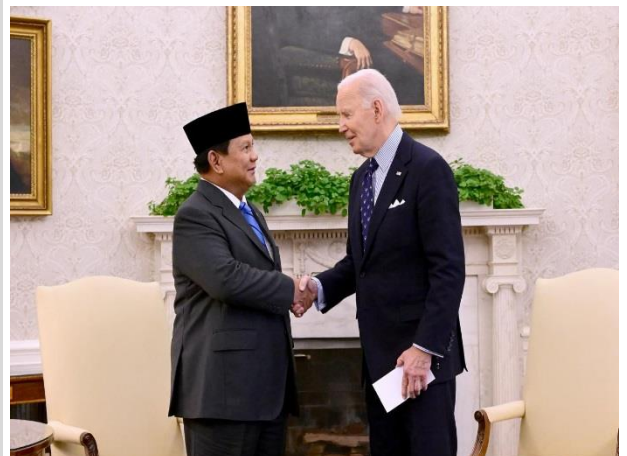
**Prabowo's balancing visits to China  
and the US yield uneven outcomes**

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*The views expressed in this publication are those of the author and should not be attributed to the Delhi Policy Group as an Institution.*

## Cover Photographs:

*President of the Republic of Indonesia, Prabowo Subianto was welcomed by Chinese President Xi Jinping with a state ceremony at the Great Hall of the People, on November 9, 2024. Source: [President of the Republic of Indonesia](#)*

*President of the Republic of Indonesia, Prabowo Subianto, had a bilateral meeting with the President of the United States, Joe Biden, at the White House, Washington D.C., on November 12, 2024. Source: [President of the Republic of Indonesia](#)*

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Prabowo's balancing visits to China and the US yield uneven  
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by  
Biren Nanda

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# Prabowo's balancing visits to China and the US yield uneven outcomes

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## Introduction

President Prabowo Subianto of Indonesia undertook an extended five-nation tour to China (November 8-10) and the United States (November 10-12, 2024), followed by Peru, Brazil, the United Kingdom, and the UAE (November 13-23, 2024).

The prolonged tour signals that Prabowo plans to pursue a more vigorous foreign policy reflecting his vision for Indonesia's role in global affairs, as well as his desire to play a more active role in multilateral forums. Like other leaders from the Global South, he clearly perceives the emergence of a multipolar world, which is also reflected in Indonesia's decision to seek membership in BRICS, marking a change from the hesitation of his predecessor's administration.

This policy brief focuses on Prabowo's visits to China and the United States.

China was the first country Prabowo had visited as President-elect, where he had held discussions with President Xi Jinping. During Prabowo's inauguration as President in October this year, he had received Chinese Vice President Han Zheng. The United States was represented at the inauguration by Linda Thomas Greenfield, the US Ambassador to the United Nations.

Commenting on Prabowo's visits to China and the US, an Indonesian scholar<sup>1</sup> has observed:

"Prabowo is keen to show that he has a broader geopolitical vision, especially with regard to US-China rivalry. This trip to key countries is about securing Indonesia's role in the global order...These initial visits show that that Indonesia's foreign policy will be driven by pragmatic considerations – securing trade deals, boosting defence partnerships..."

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<sup>1</sup> Tria Dianti (November 5, 2024) Analysts: President Prabowo's first foreign tour signals Indonesia's return to global stage. Benar News  
<https://www.benarnews.org/english/news/indonesian/prabowo-first-foreign-trip-return-to-global-stage-11052024140256.html>

## Prabowo's visit to the PRC

In Beijing, Prabowo held talks with his counterpart Xi Jinping, and with other Chinese leaders, on November 09, 2024. Reflecting on Indonesia's relationship with China, he remarked, "in the present situation, geopolitical and geo-economic, Indonesia and China have become close partners in many, many fields."

The most significant outcome of Prabowo's visit was that two countries reached "an important common understanding on joint development in areas of overlapping claims and agreed to established an Inter-Governmental Joint Steering Committee to explore and advance relevant cooperation based on the principles of 'mutual respect, equality, mutual benefit, flexibility, pragmatism, and consensus building', pursuant to their respective prevailing laws and regulations".

This marked a breakthrough on the exploration of oil and gas in the 'overlapping waters' around Indonesia's Natuna islands, where China's 'nine-dash line' overlaps with Indonesia's EEZ<sup>2</sup>. The understanding reached also appears to recognise China's claims in the South China Sea, which according to the findings of UN Arbitration Tribunal in 2016 have no basis in international law. Cooperation on fisheries is to be resumed, marking another advance in bilateral ties.

Indonesia has never before acknowledged China's claim to what it calls the North Natuna Sea – a nomenclature used by Jakarta since 2017. To make matters more obscure, the China-Indonesia Joint Statement does not refer to UNCLOS, but only to "their respective prevailing laws and regulations."

In contrast, during Prabowo's visit to Washington DC on November 12, 2024, the Indonesian side noted the ruling of the 2016 Arbitral Tribunal constituted under UNCLOS. Commenting on this matter, the White House Press Secretary stated<sup>3</sup>:

"We continue to encourage Indonesia to work with their legal experts to make sure any agreement they make with the PRC [People's Republic of

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<sup>2</sup> Joint Statement Between the People's Republic of China and the Republic of Indonesia on Advancing the Comprehensive Strategic Partnership and the China-Indonesia Community with a Shared Future

[https://news.cgtn.com/news/files/Joint\\_Statement\\_between\\_China\\_and\\_Indonesia.pdf](https://news.cgtn.com/news/files/Joint_Statement_between_China_and_Indonesia.pdf)

<sup>3</sup> Patsi Widakuswara (November 12, 2024) At White House, Indonesia's new leader straddles US-China rivalry. VOA. <https://www.voanews.com/a/at-white-house-indonesia-s-new-leader-straddles-us-china-rivalry/7862008.html>

China] is in accordance with international law, especially the U.N. Convention on the Law of the Sea.”

The Indonesian Foreign Ministry (KEMLU) immediately went into damage control mode, and has clarified that Indonesia remains firm in rejecting China's "nine-dash line". KEMLU has asserted that Beijing's claim "does not comply" with the 1982 United Nations Convention on the Law of the Sea and "therefore has no bearing" on Indonesia's sovereignty and jurisdiction over the North Natuna Sea. Confusing matters further, the Indonesian Navy Chief stated on November 12 that Indonesia's EEZ does not overlap with Chinese claims.

On the matter of "overlapping claims", the China-Indonesia Joint Statement is not quite aligned with the manner in which Indonesian law enforcement has been publicizing stand-offs with China Coast Guard vessels in the North Natuna Sea area.

It is not clear whether this apparent change in Indonesia's stand marks a carefully crafted concession to China camouflaged in ambiguity, in return for which Indonesia will receive Chinese financial support which Prabowo deems essential for Indonesia's economic growth.

Both sides reaffirmed their commitment to the full and effective implementation of the 'Declaration on the Conduct of Parties in the South China Sea (DOC)', and the early conclusion of a 'Code of Conduct (COC)' on the basis of consensus building, so as to "jointly" safeguard peace and stability in the South China Sea.

Furthermore, both sides expressed support for 'Asian values', the 'Five Principles of Peaceful Coexistence', and the 'Bandung Spirit', urging the Global South to seek strength through unity and contribute to building a "community with a shared future for mankind". While agreeing to strategic coordination to forge "an exemplary comprehensive strategic partnership", Indonesia endorsed Xi Jinping's GDI, GSI and GCI initiatives for collective approaches to global development, security and civilisation.

No less significant was the assertion that "China and Indonesia are similar in the development phase, concept and path, as well as in cultural traditions." This blurred the distinction between Communist China and Asia's second largest democracy.

To the 'four pillars' of Indonesia-China bilateral relations – political, economic, people to people, and maritime ties – Prabowo and Xi agreed to add a 'fifth pillar' of 'security cooperation' to strengthen strategic partnership. Indonesia

and China will promote high-level military-to-military exchanges, improve dialogue mechanisms in the area of defense, and systematically promote cooperation at all levels and in all fields. Both sides also agreed to hold the first meeting of a 2+2 Dialogue Mechanism for Foreign and Defence Ministers in 2025, which will serve as the primary platform to expand high-level strategic communication and political, security and defence cooperation between the two countries.

Another major outcome of Prabowo's visit to Beijing was a series of agreements valued at US \$10 billion focusing on infrastructure, green energy, digital technology, and agriculture. In the Joint Statement, the two countries agreed to enhance collaboration in new energy vehicles, lithium batteries, photo voltaic cells and the digital economy. It was agreed to establish a "Green Mineral Resources Partnership". China endorsed Prabowo's initiative to provide free nutritional meals to Indonesia's poor, and pledged to provide an unspecified amount of financial assistance for the programme.

Prabowo<sup>4</sup> expressed readiness to cooperate in high-quality BRI Projects in Indonesia.

On China's "core" interests, Prabowo strongly endorsed<sup>5</sup> China's positions on Taiwan and Xinjiang, with the Joint Statement affirming that:

"Indonesia fully supports the position of the Chinese government on the Taiwan question, firmly pursues the one-China policy, and steadfastly supports the efforts of the Chinese government to safeguard territorial integrity and realize national reunification. Xinjiang-related matters are entirely China's internal affairs. Indonesia stands by the principle of non-interference in internal affairs and firmly supports China's endeavours to safeguard the development and stability in Xinjiang."

## Prabowo's visit to the United States

President Biden met the Indonesian leader on November 12, 2024, marking the 75<sup>th</sup> anniversary of US-Indonesia diplomatic relations.

Biden looked forward to deepening the "Comprehensive Strategic Partnership" which the two countries had concluded in 2023 by advancing a 'Free and Open Indo-Pacific'. He stressed the importance of deepening security cooperation,

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<sup>4</sup> (November 9, 2024) Xi Jinping Holds Talks with Indonesian President Prabowo Subianto

<sup>5</sup> *ibid*



and expressed concern regarding freedom of navigation in the South China Sea.

In contrast to his Beijing visit, Prabowo's visit to Washington DC was marked by more modest outcomes<sup>6</sup>.

**First**, the US and Indonesia are to cooperate in sustainable urban development including smart cities, quality infrastructure and best practices, and technical assistance for training programs in the USTDA and DOL.

**Second**, under the "Comprehensive Strategic Partnership", the two countries will finalize a number of agreements including a "Trade and Investment Framework Agreement" and agreements under the "Indo-Pacific Economic Framework", a US\$ 649 million "Indonesia Infrastructure and Finance Compact" under the "Millennium Challenge Corporation", and programs promoting labour rights.

**Third**, the two countries signed agreements to cooperate in expanding access to climate-resilient water and sanitation, marine conservation, debt for nature swaps, clean energy alternatives for industrial growth, renewable energy mini-grids, and an MOU on emergency management.

**Fourth**, Prabowo and Biden called for all parties involved in the conflict in Myanmar to create conditions for dialogue.

**Fifth**, both leaders expressed support for the development of a "Code of Conduct" between the ASEAN countries and China in the South China Sea.

The US clearly regards Indonesia as an important partner in South East Asia/ASEAN, a region where China has developed extensive trade and investment ties. Indonesia is also the world's most populous Islamic nation. While Washington DC may lag behind Beijing in terms of trade and investment, it wishes to sell military hardware to Indonesia and access Indonesia's mineral resources.

Prabowo has made a political comeback after losing two prior presidential elections. In the past, the US has been critical of his involvement in the abduction of opposition activists in 1997, during the regime of Gen. Suharto,

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<sup>6</sup> FACT SHEET: President Joseph R. Biden and President Prabowo Subianto Commemorate 75 Years of Diplomatic Relations  
<https://www.whitehouse.gov/briefing-room/statements-releases/2024/11/12/fact-sheet-president-joseph-r-biden-and-president-prabowo-subianto-commemorate-75-years-of-diplomatic-relations/>



the then President of Indonesia. The Bush and Obama administrations had denied him entry to the US due to human rights concerns. The Trump administration had lifted this visa ban. With Trump's return to power, Indonesia could possibly see more opportunities to expand ties between the two countries.

It is significant that during his visit to the US on November 12, 2024, Prabowo placed a phone call to President-elect Trump prior to his official summit meeting with President Biden. During Trump's earlier term, Indonesian interests were advocated in the White House by Luhut Binsar Pandjaitan, a businessman and retired four-star General, who had served as the coordinating minister for Maritime and Investment Affairs. Luhut will now head Indonesia's National Economic Council and serve as special adviser on Investment in the Prabowo administration.

Indonesia has the world's largest nickel reserves, and is keen to develop its EV battery industry. The Biden administration is offering large incentives in tax credits under the "Inflation Reduction Act", which are contingent upon 40% of the minerals used in battery production sold in the US being extracted or processed in the US, or in one of its free-trade partners. Indonesia is pushing for a limited free-trade agreement in order to be eligible for these tax credits. However, prospects for such a deal will become more challenging under the forthcoming Trump administration.

## Conclusion

Prabowo Subianto can take satisfaction from his substantive visits to China and the United States, which highlighted the wide-ranging trade and economic ties of Indonesia with both these major powers.

However, fresh questions have now emerged regarding a nuanced change in Indonesia's position on its own territorial and EEZ claims in the North Natuna Sea.

Indonesia had hitherto regarded the dispute with China as one of fishing rights in the EEZ, and pursued a muscular policy towards the Chinese Coast Guard and fishing vessels intruding in the area. By implicitly acknowledging China's claim under the "nine-dash-line", and agreeing to the joint exploitation of mineral resources in the area of "overlapping claims", Indonesia appears to have undermined both its own position and that of other regional claimants to islands and features in the South China Sea.

Despite strenuous denials of any change in policy by Indonesia's Foreign Ministry (KEMLU), it appears that China has extracted certain concessions from Prabowo in his first substantive exchange with his Chinese counterpart, which Beijing will exploit as it asserts its dominance in the South China Sea.

To conclude, while Prabowo has certainly sought to balance his engagement with China with a visit to the US, Indonesia has moved closer to the PRC while the nature of Indonesia-US relations under the Trump presidency remains to be seen.

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