

Look to Indonesia, not over it

THE recent decision by Indonesia to dramatically cut imports of Australian cattle had many in this country scratching their heads.

Beef consumption in Indonesia is growing, Ramadan is nearly at an end, the domestic herd has declined in recent times and the vast majority of Indonesians can ill afford hikes in the price of beef.

It goes without saying this decision will have an impact on the northern Australian beef industry and my thoughts are with the many friends, ARLF families and all the people involved in this vital part of the north.

However, I proffer two key factors as to why the Indonesian government may have made this call. Firstly, the Widodo government (which has also restricted import permits for certain Australian horticultural produce) has a stated objective of achieving self-sufficiency in a range of agricultural products, including beef. This might seem fanciful given the current estimated domestic Indonesian beef herd, but do not underestimate how passionately many feel about this in Indonesia. Furthermore, we would do better to explore ways to play a role in helping Indonesia towards its target, while at the same time improving the value of two-way trade between our countries.

This is not a new concept, and I know a number of Australian and Indonesian businesses and individuals who are doing this now – and some for over 20 years.

The second factor is that Australia's poor communication around the 2011 live cattle ban remains in the Indonesian government's memory. While this event is not high in the consciousness of the Indonesian public today, it would be naïve to assume that ripples are not still felt at a policy level. Indeed, we are still recovering from the impact of this, and it is another reason to find innovative ways of supporting Indonesia towards its goals, while at the same time stretching our relationship for mutual benefit.

Achieving true mutual prosperity is front and centre for leaders in both countries.

Recently, I had the pleasure of accompanying 30 leaders from across rural, regional and remote Australia as they travelled throughout Indonesia as part of the Australian Rural Leadership Program. The key goal of this part of the program is to expose leaders—who range from such diverse backgrounds as Melville Island in the remote north, to Tasmania in the south and in fact every corner of the country—to the unique challenges facing leaders in Indonesia.

Our journey came hot on the heels of a range of incidents that served to strain the relationship between the two countries, culminating in the execution of two convicted Australian drug smugglers and the subsequent fallout. One could be forgiven for expecting there may be a sense of unease or at least some disquiet.

Nothing could have been further from the truth. In fact, from major cities like Jakarta through to small rural villages, our group were warmly welcomed. More than that, Indonesians went out of their way to greet us, ask how we found their country and hoped that we would return some day.

Tellingly many Indonesians were also at pains to reassure us that Islam is a religion of peace; that it is a religion that had been misconstrued by some, and its reputation sullied by the darker ulterior motives of a minority. Indeed, for many Australians, their only window into Indonesia is restricted to the night-spots of Kuta or the beaches of Seminyak.

Indonesian culture, traditions and a colloquial sense of humour very similar to our own, often struggle to be heard over news of crime and political machinations.

This only serves to highlight the low levels of understanding between our two countries, despite the fact that we are close neighbours. Our rural leaders gained insights into the opportunities that abound in Indonesia, should we choose to fully explore them. They should not be overstated – while the population is some 250 million, around half of all Indonesians live on less than \$2 a day. However, there remain further opportunities focused both on a growing middle class and importantly on the exchange of ideas and capital in working with Indonesians towards their goals.

There is a saying in Indonesia along the lines that if we meet once or twice we are acquaintances but if we meet a third time we are friends. Relationships mean everything in Indonesia, and as such Australian leaders need to be patient and committed when working there.

Leaders shouldn't view Indonesia as a short-term source for a quick buck. The best way to understand a place and its people is to go there—as our group of leaders so enjoyed doing—and begin to establish long-term relationships.

Such groundwork reveals that Indonesians prize Australian quality and innovation when it comes to agricultural production. The opportunities for Australia in Indonesia extend beyond trade, and into services, investment, emerging markets and intellectual capital. While Asia as a region is of critical importance to the Australian economy, too often we set our sights on China, perhaps overlooking the friends that are right on our doorstep.

But as with building any good, profitable relationship, leaders at all levels must first work to bridge the gaps in understanding.

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