



PRIME MINISTER

**STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING, MP
THE FIFTIETH ANNIVERSARY OF INDONESIA'S INDEPENDENCE**

Fifty years ago, in the same week in which victory was finally achieved in the Pacific war, the leaders of Indonesia's nationalist movement proclaimed their country's independence from the Dutch.

That declaration on 17 August 1945 by Sukarno and Mohammed Hatta set in train the momentous events which created the modern Indonesian state and transformed our region.

On behalf of the Australian Government and people I am very happy to offer the Government and people of Indonesia our warmest congratulations on the 50th anniversary of this historic event.

Few developments since the end of the Second World War have had such beneficial strategic and political consequences for Australia as Indonesia's development as a united and increasingly prosperous country.

In its half-century of independence, Indonesia has faced huge nation - building challenges. It has had to mould a unified nation and create a modern and outward-looking economy in a diverse archipelago comprising a vast number of different cultures, languages, religions and ethnic groups.

Its population of 190 million is now the fourth largest of any country in the world.

In the face of these challenges, the accomplishments of the Indonesian people have been remarkable.

Under the New Order Government of President Soeharto, the number of Indonesians living below the poverty line has fallen from 60 per cent of the population to 13 per cent in 1994. By the end of the century it is expected to fall to 6 per cent. Infant mortality has more than halved over the past 25 years and life expectancy has risen by 17 years. In 1960 39 per cent of Indonesians were literate; now more than 80 per cent are.

Each year the Indonesian economy has been growing at around 6 per cent. It is expected to continue to grow at this rate for the rest of the century.

Indonesia has also had an important influence in the wider international community. The Bandung Conference of Asian and African countries in 1955 led to the establishment of the Non-Aligned Movement. Indonesia has been a core member of ASEAN. And at the Bogor conference of APEC leaders last year under President Soeharto's chairmanship, the framework was set in place for economic growth in the Asia Pacific region into the 21st century.

These developments have formed the foundation for the growing economic partnership between Australia and Indonesia, which has huge, untapped potential for both our countries.

Australia's merchandise exports to Indonesia were worth more than \$2 billion in 1994 and more than 300 Australian companies now have a presence there.

But Indonesia's independence struggle was also important to Australia in another way.

Our policy response to the developments to our north - our decision to support the new national leadership and to help marshal international support for Indonesian independence rather than simply to acquiesce in the post-war return of the colonial system - marked a turning point in the development of an independent Australian foreign policy.

Australia's choice reflected the realities of our geography and the realisation that the aspirations of the people in this region mattered to Australia.

Australians can take pride in the contributions this country made at that time through public support for the struggle, including Trade Union blackbans on shipping, and the Government's decision to bring the struggle to the attention of the United Nations and our key role as advocate of Indonesia on the Committee of Good Offices.

Far-sighted individuals such as the Prime Minister, Ben Chifley, the Foreign Minister, Dr Evatt, Sir Richard Kirby, Mr John Burton, Professor W McMahon Ball and Mr Tom Critchley, as well as many private individuals and trade unions like the Waterside Workers' Federation helped to secure the cause of Indonesian independence and, in doing so, shaped a new direction for Australian foreign policy.

I have often said before that no country is more important to Australia than Indonesia.

The future of our two countries is inextricably linked.

Year by year the network of government - to - government and people - to - people contacts between us has been growing in strength and depth. I am delighted with the rapid increase in Indonesian students and tourists coming to Australia. One of the Australian Government's major policy aims is to ensure that this strong partnership between us continues to develop and that it becomes a source of stability and prosperity for our whole region over the next fifty years.

For that reason, I am pleased to announce that the Australian Government has decided to mark the 50th anniversary of Indonesian's independence by establishing a prestigious new scholarship scheme to be called the Australia-Indonesia Merdeka Fellowships.

These will be mid-career awards directed at future leaders in each country from across a wide range of professions and disciplines.

It is our hope that over time these fellowships will help consolidate in each country a community of people who share common experiences and a common vision of our bilateral relationship.

It is my very great pleasure on Australia's behalf to congratulate Indonesia and its people on the achievements of fifty years of independence.

CANBERRA
16 August 1995