

and to the people of Indonesia, thank you for your hospitality and the warm greeting that we've already received.

We had an excellent conversation. It was so good that it ran over the scheduled time. And so I think the recommendation has been that we use this expanded bilateral just to try to summarize some of the discussion that we've already had and the meeting of the minds that we've had on a range of issues.

Obviously, the most important thing that comes out of this visit is finalizing the comprehensive partnership between our two countries. We are very invested in making this successful

because it is our belief that Indonesia is not just a rising regional power, but a rising world power. And as the world's two most populous—two of the three most populous democracies, as countries that I think share a tradition of pluralism and diversity, for us to work together—

[*At this point, the press pool was escorted out of the room.*]

NOTE: The President spoke at 6:01 p.m. at the Istana Merdeka. Audio was not available for verification of the content of these remarks.

The President's News Conference With President Susilo Bambang Yudhoyono of Indonesia in Jakarta November 9, 2010

President Yudhoyono. Your Excellency, President Barack Obama, today Indonesia has the honor of welcoming the state visit of President Obama for the first time, fulfilling my invitation to him. It is my hope that this visit that we have been waiting for so long by the people of Indonesia can further enhance the relations between Indonesia and the cooperation between Indonesia and the United States in the future.

In President Obama's state visit this time, it also coincides—we are launching the comprehensive partnership that we hope with its—this partnership all forms of cooperation between our governments can be enhanced in a concrete manner in the future.

We both agreed to enhance, increase cooperation the field—in various fields with the specific agenda and specific priority that we wish to enhance—that is in the area of trade and investment, in the area of education, energy, in the area of climate change and the environment, in the area of security and democracy and also civil society.

We earnestly hope that this partnership that we establish, that we can look to the future, and this partnership may build upon people-to-people relations between our two great nations, and furthermore, can contribute to the creation of global peace, stability, and the economy, be it at the regional or at the global level.

Ladies and gentlemen, there are many issues that we discussed earlier at the bilateral meeting, but I wish to convey a number of elements that became the commitment of both our governments—commitment of the United States and the Republic of Indonesia—to truly enhance and to build upon in the future.

First of all is in the area of trade and investment. At this time, the United States is the trade partner number three for Indonesia, with \$21 billion in 2008, and also investor number three for Indonesia. We hope that—and I personally expect that—once again, the investment and trade between our two countries can be increased significantly in the future, bearing in mind that the magnitude of the economies of the United States and also the economic growth that is occurring in Indonesia right now.

We also discussed and agreed to enhance cooperation in the area of energy, especially clean energy, and invite the U.S. to participate in the development of geothermal energy that is also one of Indonesia's great sources of renewable energy and a high number of deposits.

We also discussed the opportunity to cooperate in the area of climate change, environment, and also management of the forest. Indonesia possesses the responsibility to manage our forests, to reduce the emissions of greenhouse gas effects from the forest. We also have a target to

reduce 26 percent of our emissions by 2020, with the cooperation of the international community, the United States, and Indonesia, as developing country and developed country. Therefore, our hopes to attain this and this kind of commitment will contribute significantly and play an effective role.

It is our need to underscore the cooperation in education sector. Therefore, I thanked President Barack Obama for his assistance and cooperation all this time in the area of education. When we met in Toronto in June, the United States assisted \$100 million to the development of education in Indonesia. This is a pillar of great importance for people-to-people contact, for cooperation between our two great nations, comprehensive partnership that we possess right now. We agreed to enhance this cooperation in the area of education in the future.

We also underscored the importance of cooperation in the area of counterterrorism, where terrorism is an enemy for all nations, and we must—and we desire to strengthen cooperation in the context of law enforcement. In this regard, it will be an effective focus in the efforts to eradicate acts of terrorism.

Ladies and gentlemen, we also discussed the issue of—global and regional issues of common concern. Among others, the future of the relations between ASEAN and the United States, the future of the East Asia summit, and also cooperation in regional—in the context of APEC, we both agreed to discuss efforts to ensure stability and security and peace in our region—specifically Asia-Pacific, including in the area of Asia, which currently is facing a lot of focus on many shifts in geopolitics in the recent times.

I conveyed to President Obama that Indonesia will chair ASEAN in 2011, and therefore, as host of the East Asia summit, we invite Obama to attend the meeting with other leaders in the East Asia summit, including the President of Russia, to together we discuss matters on the issue of security in our region, specifically Asia-Pacific.

And we also discussed the issue of G-20, where we must continue to promote G-20 as a premier forum for international economic cooperation so that efforts to develop global eco-

nomical growth that is strong, balanced, and sustainable can be achieved. And also we must secure the balance of the global economy so that it will bring benefit to all humanity.

We also see the issue of Myanmar and hope that the process of democratization in Myanmar that is currently taking place as promised by the Government of Myanmar will take place in a good way.

Last but not least, we also discussed the issue of the situation in the Middle East, including the issue of Palestine and Israel. And also I conveyed the His Excellency that the position of Indonesia is clear that we need a resolution on Palestine-Israel in a permanent and sustainable manner, a two-state solution and independence for the people of Palestine who are living in peace with the people of Israel and must be supported by the international community.

Ladies and gentlemen, those are the key elements that I wish to convey that we discussed during our bilateral meeting this evening. And it is my big hope from Indonesia that—and I'm very optimistic that with the comprehensive partnership with the Government of the United States and cooperation and partnership between Indonesia and the United States in various fields will receive our effort to enhance and to improve.

Therefore, ladies and gentlemen, I wish to now invite President Barack Obama to convey his views to the Indonesian press and also to the U.S. press and the participants here. And I also truly hope that once again this framework for cooperation that is new can truly bring benefit, be it for the nation of the United States and Indonesia.

I welcome—I invite you, Mr. Barack.

President Obama. Selamat sore. Thank you, President Yudhoyono, for your kind words, your gracious welcome, and for your friendship and your partnership.

After more than one attempt, it is wonderful to finally be back in Indonesia. And I'm very pleased that my wife Michelle is joining me for her first visit to the country. I assure you, it won't be her last. And I want to thank the people of Jakarta for the wonderful reception when

we arrived. Even in the rain, people were there to greet us. And we're very appreciative of that.

Of course, we're mindful that this is a difficult time for Indonesia: first, the recent earthquake and tsunami, and now the volcanic eruptions. And our thoughts and prayers are with those who have lost their loved ones or their homes. And I know that President Yudhoyono has been tireless in his efforts to make sure that people are safe and that this difficulty is dealt with in as effective way as possible. And so we are fully supportive of him.

The United States will continue to support the relief efforts in any way that we can. And I hope that my presence here today is a reminder that in good times and in bad times the United States stands as a friend with Indonesia.

Now, obviously, much has been made of the fact that this marks my return to where I lived as a young boy. I will tell you, though, that I barely recognized it. As I was driving down the streets, the only building that was there when I first moved to Jakarta was Sarinah. Now it's one of the shorter buildings on the road. *[Laughter]*

But today, as President, I'm here to focus not on the past, but on the future: the comprehensive partnership that we're building between the United States and Indonesia.

As one of the world's largest democracies, as the largest economy in Southeast Asia, and as a member of the G-20, as a regional leader, as a vast archipelago on the frontlines of climate change, and as a society of extraordinary diversity, Indonesia is where many of the challenges and the opportunities of the 21st century come together.

At the same time, the United States is leading again in Asia. We are strengthening our alliances. We're deepening relationships, as we're doing with China. We're reengaging with ASEAN and joining the East Asia summit, and we're forging new partnerships with emerging powers like Indonesia. So our comprehensive partnership is bringing our countries closer together. And I want to focus just on three key areas. And we discussed a wide range of issues during our meeting.

First, as President Yudhoyono mentioned, we are looking to expand our trade and invest-

ment and commercial relationships because it can create prosperity in both our countries.

Trade between us is growing fast, and that includes American exports to Indonesia. And that's why Indonesia is one of the growing markets that we're going to be focused on as part of my initiative to double U.S. exports. President Yudhoyono and I discussed ways to create the conditions that would encourage additional trade and investment. He mentioned that we're number three right now in terms of trade volume and investment. And I informed him we don't like being number three, we want to be number one. *[Laughter]*

And so we're going to be doing everything we can to expand this trading relationship. And I'm pleased to announce that the Overseas Private Investment Corporation, or OPIC, will host its annual conference this spring in Indonesia to highlight new opportunities for partnership here and across the region.

To strengthen cooperation in science and technology that fuels growth, we are going to be pursuing joint research in areas like energy and biodiversity conservation. And we are expanding educational partnerships between our young scientists, engineers, and doctors. And building on the entrepreneurship summit that I hosted in Washington, which was attended by some very talented young Indonesians, I'm pleased that Indonesia will be hosting a regional entrepreneurship conference next year.

As we prepare for the G-20 and APEC summits, President Yudhoyono and I discussed the need to ensure that the global economic recovery is strong and balanced and is creating jobs in all of our countries. So that's focus number one: trade, investment, and the economy.

Second, we're forging new ties between our people to address common challenges. We're expanding partnerships between our students and our universities. We aim to double the number of educational exchanges between our two countries within 5 years. And I thank President Yudhoyono's offer for additional scholarships for young Americans to study in Indonesia. I think that's a wonderful thing that needs to happen.

We're proud to support Indonesia's leadership under President Yudhoyono in confronting climate change. I understand there's been a lot of rain this year, and obviously, we can't look at 1 year as indicative of the future, but I think there's no doubt that as an archipelago, Indonesia will be on the frontlines when it comes to the potential impacts of climate change.

So we're glad to work with President Yudhoyono on this issue, and we welcome and will support the new partnership between Indonesia and Norway to slow emissions from deforestation and degradation of peat land.

We're bringing on—we're building on Indonesia's inspiring transition from dictatorship to democracy by launching a new effort to help Indonesian civil society groups who tackle corruption and promote human rights at home to share their experience with civil society groups across this region, because I think people can learn from the experiences of Indonesia.

And I would note that many of the partnerships I've mentioned are a direct result of my call in Cairo for a new beginning between the United States and Muslim communities around the world. And it involves the private sector as well, thanks to efforts like Partners for a New Beginning, which is forging partnerships around science, education, and entrepreneurship.

The third element of our comprehensive partnership is to deepen our political and security cooperation. As President Yudhoyono mentioned, we're already enjoying strong cooperation in preventing terrorism, preventing piracy. We look forward to Indonesia's leadership as the chair of ASEAN next year, and I look forward to returning to Jakarta next year for the East Asia summit.

One of the challenges ASEAN and the world will continue to face is Burma, and I commend Indonesia for standing up for the people of Burma and their rights. Last week's election in Burma was neither free, nor fair. And we will continue our efforts to move Burma toward democratic reform and protection of human rights. As a first step, the Burmese authorities should immediately and unconditionally release all political prisoners, including Aung San Suu Kyi.

So promoting prosperity, expanding partnerships between our people, and deepening political and security cooperation, these are the pillars of our new partnership, which owes so much to the leadership of my good friend President Yudhoyono. I believe that our two nations have only begun to forge the cooperation that's possible. And I say that not simply as someone who knows firsthand what Indonesia can offer the world, I say it as President, a President who knows what Indonesia and the United States can offer the world together if we work together in a spirit of mutual interest and mutual respect.

So terima kasih and Assalamu alaikum.

Asia-Pacific Region

Q. Good evening, Mr. President. I speak in Indonesian because Mr. President has been in Jakarta. Lately, Mr. President, the region of Asia-Pacific is developing, and the development is extraordinary. There's initiative, cooperation, and there is always promotion to a strategic partnership. What do you think is the role of the U.S. in the configuration of Asia-Pacific in the future? Thank you very much, Mr. President.

President Obama. Well, this is something that President Yudhoyono and I spent a lot of time discussing. Asia is the fastest growing part of the world. It's the fastest growing in terms of population. It's the fastest growing set of economies. And so there's enormous potential and enormous promise, but only if countries are cooperating, if they are observing basic rules of the road, if potential conflicts are resolved in a peaceful fashion.

And so it's very important, I think, to make sure that we have the kinds of multilateral institutions and architecture that can maximize the potential and minimize the challenges of a rapidly changing region.

I think Indonesia is going to be a critical partner in that, a critical leader in that, primarily because it is a country that has figured out how to create a genuine democracy despite great diversity, and so, I think, can promote the kinds of values that will help people all across this region maximize their potential.

What I'd like to see is that even as we continue to work through APEC on economic issues—

it's primarily an economic organization—that the East Asia summit becomes a premier organizational structure to work on political and security issues. And I think under President Yudhoyono's leadership next year, there's enormous potential for us to start looking at some specific areas of common interest.

One example that I mentioned in our bilateral meeting was the issue of the South China Sea and how various maritime issues, conflicts, can get resolved in a peaceful fashion. I think that's something that everybody has an interest in, everybody has a concern in. But there may be a whole host of other issues like that in which the East Asia summit is probably the ideal venue.

Regardless of whether we're talking about APEC or East Asia summit, or for that matter the G-20, Indonesia is going to have a seat at the table. And its leadership is going to be absolutely critical and the United States wants to make sure that we're coordinating closely on all these issues of critical concern.

Carol Lee of Politico. Where is Carol? There you go.

President Obama's Childhood in Indonesia/Outreach to Muslim World

Q. Thank you, Mr. President. How would you assess your outreach to the Muslim world at this point in your Presidency, particularly in light of some of the controversies back home? And if you could, give us some of your thoughts on what it's like to return here as President of the United States.

President Obama. Well—

Q. And may I, President Yudhoyono? Obviously, President Obama spent some time here as a child, and I wonder what your thoughts are and what special insights that gives him into the region. Thank you very much.

President Obama. Well, I'll take the second question first. I think it's wonderful to be here, although I have to tell you that when you visit a place that you spent time in as a child, as President it's a little disorienting. First of all, as I said before, the landscape has changed completely. When I first came here, it was in 1967, and people were on *becaks*, which for those of you who aren't familiar is sort of a bicycle rickshaw thing.

And if they weren't on *becaks*, they were on *be-mos*, which were—[laughter]—they were sort of like little taxis, but you stood in the back, and it was very crowded.

And now, as President, I can't even see any traffic because they block off all the streets—[laughter]—although my understanding is that Jakarta traffic is pretty tough. But I feel great affection for the people here. And obviously, I have a sister who's half Indonesian. My mother lived and worked here for a long time. And so the sights and the sounds and the memories all feel very familiar. And it's wonderful to be able to come back as President and, hopefully, contribute to further understanding between the United States and Indonesia.

One of the things that's striking is because it's almost on the exact opposite side of the world, I think not enough Americans know about this great country. And hopefully, my visit here will help to promote additional interest and understanding. People have heard of Bali and they've heard of Java, but they don't always know how to locate it on a map back home. And I think that increasing awareness of Indonesia is something I'm very much looking forward to doing.

Obviously, this is a short visit. It's a shorter visit than I would like. My hope is, is that we're going to be able to come back and maybe bring the kids and visit some places outside of Jakarta. When you go to—inland, further into Java, there are just incredible places like Yogya, old ancient temples, and places that I have very fond memories of visiting when I was a kid. I'd love to do that.

With respect to outreach to the Muslim world, I think that our efforts have been earnest, sustained. We don't expect that we are going to completely eliminate some of the misunderstandings and mistrust that have developed over a long period of time. But we do think that we're on the right path.

So whether it's our more active communications to press in Muslim countries or exchange programs in which we're having U.S. scientists and other educators visit Muslim countries or that entrepreneurship summit that we had in Washington in which we invited young business leaders from Muslim countries all across—all

around the world, what we're trying to do is to make sure that we are building bridges and expanding our interactions with Muslim countries so that they're not solely focused on security issues.

Because you come to a place like Indonesia, which is a large—the largest Muslim population in the world, but people here have a lot of other interests other than security. That security is important, but I want to make sure that we are interacting with a wide range of people on a wide range of issues. And I think by broadening the relationship, it strengthens it, it builds trust, creates more people-to-people contact. That will be good for our security, but it will also be good for the larger cause of understanding between the United States and the Muslim world.

So I think it's an incomplete project. We've got a lot more work to do. And it's not going to eliminate some—or replace some tough dialogue around concrete policy issues. Those are going to continue. There are going to be some policy differences that we can't avoid. But I do think it's helping.

President Yudhoyono. Could you repeat your questions to me?

Q. Sorry. Thank you. I wanted to ask you, obviously, President Obama spent some time here as a child, and I wonder what your thoughts are, and how that gives him special insight into the region. Thank you.

President Yudhoyono. Very good. I, a few times having met with President Barack Obama, up to now one thing that I felt during our meetings, the understanding of the situation in developing countries, an understanding on the issues faced by a country like Indonesia that is often very complex. That makes it possible for President Barack Obama to see in a more clear situation what are the true challenges faced by the developing world. And therefore, the cooperation that we build between Indonesia and the United States, for example, is more precise. He understands more the challenges, the situation, and the obstacles that is faced by countries like Indonesia.

That's what I really felt when I met with him. And now I too can feel more easy to convey to him the issues that we are faced, the challenges

faced by Indonesia, and therefore, the agenda that we discuss together, including comprehensive partnership that we have discussed will be more precise and accurate for the benefit not only for Indonesia, but also for the people of the United States.

Group of Twenty (G-20)/Global Economic Stabilization

Q. Good evening, President Obama and President Yudhoyono. I'm from ANTARA. My question is one, and it is to President Obama, regarding to the global economic crisis that still has impacts on the economy of the world today. The President of the United States, where you have created a lot of unemployment in this region, East Asia. Do you think this affects the economic cooperation between Indonesia and the United States?

And in the context of the G-20, how do you see the effectiveness of the G-20 to improving or the recovery efforts in the global economy? Because we still see many challenges faced by countries, especially in the area of currency.

President Obama. Well, I think that overall the G-20 has been very successful in stabilizing the world economy. When you think about where we were when I first entered office and attended my first G-20 meeting in April of 2009, at that point, there was great uncertainty as to whether the financial system was going to be melting down around the world.

The economies of a lot of countries, including the United States, were contracting at a severe pace. I think our economy contracted in that first quarter by 6 percent. World trade had drastically contracted. And in part because of the effective coordination between the G-20 countries—making sure that countries weren't resorting to protectionism, coordinating a package of recovery programs that increased world demand, effectively intervening in the banking system and stabilizing it—because of all those actions, what we've seen is that countries for the most part around the world are back on a growth pattern.

Now, you're absolutely right that we still have a lot of work to do. And I'm going to be joining

President Yudhoyono in Seoul, South Korea, to discuss the next steps that have to be taken.

One of the key steps is putting in place additional tools to encourage balanced and sustainable growth. One of the reasons that the crisis was so severe was, there were huge imbalances when it comes to surpluses and deficits. Our trading patterns were such where there was a lot of money floating around engaged in a lot of speculative activity.

And what we agreed to in previous meetings of the G-20 is, is that we need to establish a framework for more balanced growth. We have not yet achieved that balanced growth. You're seeing some countries run up very big surpluses and intervening significantly in the currency markets to maintain their advantage when it comes to their currency. We've got other countries that are in deficit. Both surplus and deficit countries would benefit if there was a more balanced program in which the surplus countries were focused on internal demand, there was a more market-based approach to their currencies, and the deficit countries thereby were able to export more, and that would also make it easier for them to deal with their unemployment issues.

So this is going to be something that we're going to be discussing extensively in Seoul. I'm confident we can make progress on it. It's not going to happen all at once. But I'm very much focused on creating a win-win situation in which everybody is invested in expanding world trade, everybody is invested in increased prosperity, but we're doing so in a way in which everybody is benefiting and not just some.

Last question on our side is Stephen Collinson of AFP [Agence France-Presse].

Middle East Peace Process/China/Asia-Pacific

Q. Thank you, Mr. President. As the President mentioned, events in the Middle East are watched very closely here. Does Israel's advanced planning for more than a thousand new homes in Jerusalem undermine trust between the parties and undermine your peace efforts?

And if I may just ask President Yudhoyono, is ASEAN ready for the more advanced role in world affairs the U.S. would like to see it play?

And should the U.S. engagement—renewed engagement be seen in any way as a counterbalance to a rising China?

President Obama. I have not—I've been out of town, so I'm just seeing the press reports. I have not had a full briefing on Israel's intentions and what they've communicated to our administration. But this kind of activity is never helpful when it comes to peace negotiations. And I'm concerned that we're not seeing each side make the extra effort involved to get a breakthrough that could finally create a framework for a secure Israel living side and side—side by side in peace with a sovereign Palestine.

We're going to keep on working on it, though, because it is in the world's interest, it is in the interest of the people of Israel, and it is in the interest of the Palestinian people to achieve that settlement, to achieve that agreement. But each of these incremental steps can end up breaking down trust between the parties.

Even though it wasn't directed to me, I do want to just chime in briefly on the issue of China. We want China to succeed and prosper. It's good for the United States if China continues on the path of development that it's on.

That means that, first of all, just from a humanitarian point of view, lifting millions of people out of poverty is a good thing. It is also a huge expanding market where America then can sell goods and services, and so we think China being prosperous and secure is a positive. And we're not interested in containing that process. We want China to continue to achieve its development goals.

We do want to make sure that everybody is operating within an international framework and sets of rules in which countries recognize their responsibilities to each other. That's true for the United States. That's true for China. That's true for Indonesia. It's true for all of us. And the more that we have international mechanisms in which people say we have rights, we also have responsibilities, we're going to abide by them, we're going to hold each other accountable, the better off we'll all be.

President Yudhoyono. Yes, the views that I have of the future of our region, the region of Asia, including East Asia and Southeast Asia, all

wish to have a region that is experiencing development, including economic development. This region should continue to be a region that is stable, a region that is peaceful and a region that is safe.

In this regard, the community that is built upon in Asia, in East Asia also, and also a framework now through the East Asia summit framework, we have the responsibility to—in one area, to ensure that the cooperation in the region, especially in the area of economic cooperation, can contribute significantly to the development of the global economy that will bring benefit for all humanity.

On the other spot of the coin, we also have the responsibility to ensure stability and security in our region. I am not using any theory or the theory of one power to counterbalance the other powers. But I do have the view that there must be some form of dynamic equilibrium in Asia-Pacific, in East and Southeast Asia. And the formation of such regional cooperation such that is East Asia summit, where there are 10 countries from ASEAN and there is also China, Republic of Korea, Japan, India, Australia, New Zealand, and now Russia and the United States, therefore, I have faith that it will be more effective to ensure peace, stability, and order in this region.

And in this regard, with such a condition, such cooperation in the area of economic will go effectively, and it is Indonesia's hope that China and the U.S. relations will continue to flow well because if something happens between those two states, it will have severe impacts to not only countries in the region, in Asia, but also to the world.

For that reason, I hope that the economic relations between the U.S. and China will continue to proceed well, despite the geopolitical developments. We also hope to contribute to creating a region in East Asia, in Southeast Asia, and especially in Asia-Pacific, to become a region that is stable and productive.

That is my views in general on the regional architecture issues and the future cooperation in our region.

Thank you very much.

NOTE: The President's news conference began at 6:35 p.m. at the Istana Merdeka. In his remarks, the President referred to Aung San Suu Kyi, leader of the National League for Democracy in Burma; and his sister Maya Soetoro-Ng. President Yudhoyono and a reporter spoke in Bahasa Indonesia, and their remarks were translated by an interpreter. A portion of these remarks could not be verified because the audio was incomplete.

Remarks at a State Dinner Hosted by President Susilo Bambang Yudhoyono of Indonesia in Jakarta November 9, 2010

President Yudhoyono, Mrs. Yudhoyono, to all the distinguished guests who are here today, thank you for this extraordinary honor. I am proud and humbled to accept this award on behalf of my mother. And although she could not be here in person, I know that my sister Maya Soetoro would be equally proud.

Now, I'm going to have the opportunity to speak tomorrow, and so I will try to keep my remarks brief. First of all, thank you for the *bakso*—[laughter]—and the *nasi goreng*, the *emping*, the *kerupuk*. [Laughter] *Semuanya enak*. [Laughter] Thank you very much.

But the fact, President, that you would choose to recognize my mother in this way speaks to the bonds that she forged over many years with the people of this magnificent country. And in honoring her, you honor the spirit that led her to travel into villages throughout the country, often on the back of motorcycles, because that was the only way to get into some of these villages.

She believed that we all share common aspirations: to live in dignity and security, to get an education, to provide for our families, to give our children a better future, to leave the world better than we found it. She also believed, by