

## Will the Carcass of Indonesian Infrastructure Really be Revived by Big Business?

By <u>Andre Vltchek</u> Global Research, September 25, 2019 Region: <u>Asia</u> Theme: <u>Economy</u>, <u>Poverty & Social</u> <u>Inequality</u>

Outside the Indonesian city of Palangkaraya in Central Kalimantan (Borneo island), the new airport is totally empty. A lonely Cessna flies around, performing "touch and go" maneuvers, perhaps training some corrupt businessman how to fly.

Two scheduled flights, one from Balikpapan, and the other from Jakarta, are delayed. No reason is given.

Balikpapan on a turboprop ATR-72 Lion Air (operated by its subsidiary Wings Air) and then connection on a monstrously stuffed Boeing 737-900ER, is the only 'direct' way to reach the eastern part of the island and the city of Tarakan. The price is exorbitant – around \$185 one way, on this 'discount airline', which keeps crashing, and squeezes people like sardines, while not even serving water on board.

Flights are departing from this part of Indonesia, where the average person in the rural areas lives on just \$0.59 per capita, per day. Planes are now flying empty, or semi-full, as no one can afford the prices of Indonesian airline duopoly.

If they really have to go around this enormous island, most of the people take the dilapidated buses. Or if they have to go to other islands, they take old and filthy ferries. Ferries tend to sink, at alarming rates. But even a thoroughly disgusting ferry from Tarakan to the Malaysian city of Tawau, a hair-raising 3 hours' sail, costs Rp.500.000 one way (around US\$36 dollars), plus 'hidden' fees. If you do not use thugs to carry your bag, you will have to face harassment from the entire mafia.

Life is brutal.

The citizens of Borneo (the third largest island on earth, after Greenland and Papua) were promised cheap flights, as a result of glorious capitalism, competition and the 'free market'. The dream did not materialize. Or actually it did, but just for a short time. Indonesian capitalism is based on kleptocracy, filthy deals made behind closed doors in order to actually avoid any serious competition, and with collaboration of the epically corrupt government officials.

Here, everyone seems to gain. Except those 95% of the citizens of the fourth most populous country on earth, who are (don't say it loudly, as it is supposed to be concealed) miserably poor.

Now, during his second term in office, President Joko Widodo (known as Jokowi), claims he has 'no political obligations' tying his hands, anymore. He wants to 'do business', big business, which in his simple vocabulary that of a furniture maker from Central Java, means a further wave of privatization, of drawing massive investments from abroad, enforcing 'labor reforms' (cutting the workers' rights further), and introducing 'tax holidays' for both foreign and local big companies. He is also dreaming about lowering taxes for the rich.

"I know some of my reforms will not be popular," he says proudly. He doesn't seem to care. He is enjoying the full support of the 'educated elites', of the 'moderate military' and "moderate Muslim leaders". How 'moderate' most of them really are, is extremely questionable. He has already had internationally recognized mass murderers in his government. But by Indonesian standards they appear to be "moderate". Earlier this year, Jokowi defeated, in elections, the retired genocidal army General Prabowo. Although, some will recall that he embraced another mass murderer, General Wiranto, in his previous administration, elevating him to the post of Minister of Defense. Now Wiranto is still in power – Coordinating Minister for Political, Legal and Security Affairs.

My theory is simple and I stand by it: General Prabowo (who recently lost presidential elections) has actually never had any real chance of being elected. He was 'thrown into the ring' by the elites, who wanted Jokowi to win, for both the first and the second time. They wanted him to be voted in, 'democratically', by the confused Indonesian electorate, who got too terrified of the prospect of being governed by a mass murderer and the favorite candidate of the jihadi cadres.

What the 'elites' did not expect was that well over 40% of the disordered, brainwashed (by anti-Communist propaganda, and by capitalist and religious dogmas) voters would actually decide to vote, passionately and determinedly, for the 'fake candidate', General Prabowo.

But things have now calmed down, as planned, as expected, and Jokowi has survived on his throne. Bloomberg and other mass-media outlets call Jokowi, flatteringly, the "pro-business president".

That is precisely what the Indonesian unelected but true rulers always wanted.

"Come to my country, I have over 17,000 islands," Jokowi mumbles in front of international business forums. It is embarrassing to witness. Very embarrassing, indeed. "I used to be a businessman," he continues. "Let us talk about business."

He is selling what is left of his country. And he is doing it very quickly.

What is next? It is infrastructure, of course.

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Indonesian infrastructure is horrid. It is not just bad, as simply bad as the one that used to be in India. It is basically one of the most terrible ones on earth. Even Rwandan or Burundian roads are much better by comparison. I know, because I have driven on all of them.

Jokowi has a plan. He wants to build motorways, or more precisely, "Toll roads", all over his

unfortunate archipelago. He is a businessman, after all, as he himself repeats.

Since Suharto's pro-Western dictatorship, the concept in Indonesia (but also in Thailand and to a lesser extent, in Malaysia), has been very simple: "Let public infrastructure deteriorate, invest almost nothing in sanitation, flood canals and garbage collection, let railroads rot, make sure there is no urban mass public transportation, except in the capital city. Make sure also that in the cities and villages, there will hardly be any great sidewalks, promenades and waterfronts. Then, people will be forced to buy cars and scooters, even if they were not able to afford them. They would simply have no choice, and somehow find a way. Then you hit bingo: heavily tax the sales of the motor vehicles, make them twice costlier than in the United States, or even better, assemble outdated models in your country – old stripped-down models pushed for at a premium price. And, while you are at it, also get more profit from burning oceans of fuel."

Air transport is also very convenient for the capitalist extremists. Private 'discount' airlines can easily destroy solid bus and ferry transport, by ridiculously (and by secretly set, unrealistically low prices). Then, once there is no competition left, show your real teeth, and make air travel prices sky-rocket; make airplane tickets more expensive than those in Europe, China, or the United States. Maximize your earnings by destroying your nation.

In Indonesia, some air routes like those in Borneo, are five times more expensive than their equivalent in neighboring, and much richer, Malaysia.

Railroads are yet another Indonesian nightmare. In 2019, the rail network is significantly shorter than during the Dutch colonial era. Some tracks are so ridiculously bad, that trains, so-called "Argo" expresses, have to crawl over bridges more than 100 years old, at some 10 km/h speed. The entire country does not have one single tunnel, to speak of.

But Jokowi's government has decided to build a super bullet train, that will be running at over 300 km/h speed, connecting Jakarta and Bandung, two huge cities located only 140 kilometers apart. Two brand new stations will only add to the traffic jams in the already collapsed cities. Passengers would have to sit for hours in legendary traffic gridlocks of Jakarta, then 'fly' at exorbitant speed, just to end up in another urban jam, this time the one in Bandung.

It is all just nonsense, a show-off, and a big business tool. The pricing of the tickets has already been discussed, and it will be high, 'pro-profit'.

Japanese and Chinese companies competed. The Chinese one won. But, as I was told in China, this is not what the government really wanted to do in the frame of BRI. China habitually deals with logical, integrated, national concepts.

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And so, President Jokowi wants his huge new system of "toll ways" to be put in place, soon. But toll ways that have so far been constructed in Java, are of horrid quality. They are clogged, they are for a fee, and their surfaces are uneven.

Such roads would never be acceptable, let alone chargeable in a country like Thailand. And in Malaysia, motorways charge toll only when they are almost on the same level as those in

Italy or France.

Greed of Indonesian elites is big; it is monumental. Patience, or call it ignorance or submission of its people knows no boundaries.

President Jokowi has been throwing around large numbers. 80 billion dollars for the toll-way system. He wants someone to sponsor it. Not his government, but once again, some private, foreign enterprises. China has been approached. But China is not ecstatic, not at all. I was told, explained to. BRI exists for improving countries, connecting them to each other, humanizing the lives of people. Not for purely and cynical 'business' interests.

This is not some mammoth project to save the nation. It is designed to make rich Indonesians richer, to sell more cars, and to make poor people poorer. To squeeze the tiny middle class of their last rupians. China may participate, but never make something like this its priority.

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The Indonesian people were fooled into believing that Jokowi is working on behalf of the nation. Once re-elected, he declared that he will introduce sweeping reforms, which will be 'unpopular with many Indonesians'.

Bloomberg wrote in July 2019:

"Jokowi is expected to announce his cabinet lineup before starting his second term in October. Earlier this month, he vowed to implement a wave of reforms to attract foreign investment, including cutting corporate taxes, overhauling labor laws and lifting curbs on foreign ownership in more industries."

He is ready to implement neo-liberal policies, to be precise.

The question is, how much more can poor Indonesians endure; how much can they pay? Most of them live well below the internationally defined poverty line. This government calls them 'middle class', as only over 9% are registered as poor. But they are expected to pay more than the citizens of the rich countries – for cars, medicine, most food items, services and consumer goods of comparable quality.

They are even forced to pay in order to enter tiny and badly maintained public spaces. Or to stop their cars for couple of minutes in front of convenience stores. Or... basically, everything here is for a fee.

Here, everyone has mobile phones, because without them, in Indonesia, you are nobody. But the mobile connection is extremely poor, and so is the internet connection. Voice calls get interrupted. Internet downloads and uploads are endlessly cut. When I am working on my films here, I am periodically forced to fly to Singapore, in order to send files. That is how bad things are. And so, I try to spend as little time here as possible.

The internet is heavily censored, much more than in countries like Thailand or Malaysia. For instance, to learn about the genocide in West Papua, which the Indonesian government and the military are committing, is extremely difficult (not that many people are actually trying). Indonesia, which is failing to provide functional literacy to tens of millions of its citizens,

excels in the field of censorship. Recently, Jokowi declared that he will be destroying books in any way related to Communism.

And just recently, the capital was plunged into darkness, as one of the power plants collapsed. Blackouts and electric shortages are common occurrences. Instead of resigning, Indonesia's director of the electricity company – PLN – Ms. Sripeni Inten, suggested publicly that Indonesian citizens should go "Ikhlas", which is one of the Arabic words for "submission" or "acceptance".

The West calls Indonesia the "third largest democracy", because it robs its own islands on behalf of Western corporations and governments.

And almost all the future Indonesian infrastructure will be designed to serve the interests of the multi-national companies, big local businesses, as well as North American, and European regimes.

Most likely, China will participate only marginally in helping hyper-capitalist Indonesia to build its infrastructure. As mentioned above, most of what Jokowi is begging for, has very little to do with the optimistic and internationalist Belt and Road Initiative (BRI). Jokowi is a capitalist nihilist.

The Indonesian government is mainly interested in motorways, so the road system can move more trucks bringing looted commodities to the ports, as well as more private cars, all those, of course, for a fee. It wants to build seaports in 'strategic' areas, near oil palm plantations, coal and other mines. It is modernizing airports for the upper class, as nowadays, almost no one else can afford to fly.

Make a wrong turn, and enter the village roads. You will encounter potholed paths, much more terrible than in Africa.

Extreme capitalism cannot create first-rate infrastructure. Even in the richest turbocapitalist country – the United States of A. – bridges are crumbling, airports are overcrowded, and passenger trains pathetic. In the post-Pinochet, socialist Chile, the infrastructure improved to the point that it became the best in the Western Hemisphere. Lately, after embracing neo-liberalism again, Chile is quickly losing its edge.

Indonesia – one of the most desperate countries in Asia – could never copy the great infrastructural leap forward of the socialist China.

If it tries, the borrowed money will end up in the pockets of corrupt elites, instead of improving the lives of ordinary citizens.

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Andre Vltchek is a philosopher, novelist, filmmaker and investigative journalist. He covered wars and conflicts in dozens of countries. His latest books are: "Exposing Lies Of The Empire" and "Fighting Against Western Imperialism". Discussion with Noam Chomsky: On Western Terrorism. Point of No Return is his critically acclaimed political novel. Oceania - a book on Western imperialism in the South Pacific. His provocative book about Indonesia: "Indonesia – The Archipelago of Fear". Andre is making films for teleSUR and Press TV. After living for many years in Latin America and Oceania, Vltchek presently resides and works in East Asia and the Middle East. He can be reached through his website or his Twitter.

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