

Project Discussion Paper No. 22/2003

**Indonesia:
The Search for Stability and a Democratic Discourse**

Gerald L. Houseman

**DISCOURSES ON POLITICAL REFORM AND
DEMOCRATIZATION IN EAST AND SOUTHEAST ASIA
IN THE LIGHT OF NEW PROCESSES OF
REGIONAL COMMUNITY BUILDING**

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Indonesia: The Search for Stability and a Democratic Discourse

Gerald L. Houseman

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Preface to the Paper Series

The present discussion paper series of the Institute of East Asian Studies accompanies a research project entitled *Political Discourses on Reform and Democratisation in Light of New Processes of Regional Community-Building*. The project is funded by the Deutsche Forschungsgemeinschaft and supervised by Thomas Heberer.

The central topic of interest is, as the title of the project suggests, the influence exerted on the political reform process by political discourse. The papers published in this series address the public political discussion at the national as well as the transnational, regional level. Accordingly, the papers display a variety of discourses that have emerged in different countries and centre round different political issues. Contributions from authors of the region are particularly welcome, because they reflect an authentic view of the political discussion within the local public. By integrating and encouraging the local voices, the project team intends to compile a collection of papers that document some important debates and states of the research process.

The current political discourses in East Asia are primarily analysed in case studies of two authoritarian states (China, Vietnam), a multi-ethnic, formally democratic state with strong authoritarian features (Malaysia), and a democratic state with significant parochial structures and patterns of behaviour (Japan). In addition to these case studies, contributions from and on other countries of the region are included to provide a broad scope of comparable discourses.

While Claudia Derichs and Thomas Heberer are the editors of the paper series, a project team of eight members conducts field work in East Asia and brings forth regular proceedings. Research reports other than discussion papers shall be published in refereed journals and magazines. Detailed proceedings leading to the final results of the research project will be published as a book. The project team is composed of research fellows associated with the Chair for East Asian Politics at the Gerhard Mercator University of Duisburg. The team members are: Karin Adelsberger (area: Japan); Claudia Derichs, Ph.D. (Malaysia, Japan); Lun Du, Ph.D. (China); Prof. Thomas Heberer, Ph.D. (China, Vietnam); Bong-Ki Kim, Ph.D. (South Korea); Patrick Raszelenberg (Vietnam); Nora Sausmikat (China); and Anja Senz (China).

Paper No. 1 of the series provides a detailed idea of the theoretical and methodological setting of the project. Each discussion paper of the present series can be downloaded from the university server, using the following URL: <http://www.uni-duisburg.de/Institute/OAWISS/Publikationen/orangereihe.html>. Suggestions and comments on the papers are welcome at any time.

Duisburg, June 2000

Claudia Derichs and Thomas Heberer

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Indonesia: The Search for Stability and a Democratic Discourse

Gerald L. Houseman

Overview

Supporters of political freedom and democratic values were more than gratified to see the end of the Suharto regime in Indonesia in May, 1998, along with the advent of free and fair elections and a multi-party system as well as a termination of the aggression against East Timor. The street demonstrations which brought down Suharto and his „New Order“ were followed by a carefully-administered national election over an eight-month period in 1999, a plebiscite that can be termed an unqualified success. More than 112 million people exercised their right to vote.¹

The turbulence and dislocations that have occurred since have caused observers of Indonesian politics to see a variety of prospects for this new democracy. One expert, speaking off the record, recently said that „entropy“ is the most apt description of the overall situation. „Muddling through“ is another term one hears frequently applied to the efforts of the government of President Megawati Sukarnoputri. Recent journalistic assessments are taking a somewhat more optimistic view, but with an inevitable caution.²

This optimism is based mostly upon economic factors — slow growth by Asian standards but growth all the same,³ some stabilization in the inflation rate, small movements towards reform of the banking system, a more flexible stance taken by the International Monetary Fund in providing credits, some vague and, indeed, almost imperceptible moves towards openness in corporate governance (a much needed change from the cronyism of the past),⁴ and a continuing realization that some sectors, like agriculture and fisheries, perform well for the domestic economy and the export market.⁵

The President has also initiated measures, for the first time ever, to bring war criminals to trial for their outrageous activities in East Timor in connection with that new nation’s UN-sponsored plebiscite and subsequent vote for independence. This is appreciated by human rights analysts and activists, but this feeling must be tempered by the likelihood that only comparatively minor figures will be tried or convicted. General Wiranto, often regarded as a principal player, apparently will not be brought to trial, although he will testify in cases.⁶

¹ Donald E. Weatherbee, „Indonesian Politics in a Newly Emerging Democracy,“ in *How Asia Votes*, John Fuhsheng Hsieh and Donald Newman (eds.), (New York: Chatham House, 2002), 255-281.

² „Megawati Makes Progress,“ International Herald Tribune, March 23-24, 2002; The Economist Intelligence Unit, Country Report - Indonesia (London: February, 2002).

³ It is currently running at an annual rate of 3.5%; Country Report, 5.

⁴ Some of these issues are effectively described by Daniel Fitzpatrick, „Indonesian Corporate Governance: Would Outside Directors or Commissioners Help?“ in *Indonesia in Transition: Social Aspects of Reformasi and Crisis*, Chris Manning and Peter Van Diermen (eds.), (Singapore: Institute of Southeast Asian Studies, 2000), 293-304.

⁵ On the strength of agriculture and fisheries in the economy, see Notrida G. B. Mandica and Gerald L. Houseman, „Indonesia Awakens: The Search for Transformation Under Economic Duress,“ *Journal of the Indiana Academy of Social Sciences*, Vol. II, 1998, 19-26.

⁶ *Jakarta Post*, March 31, 2002; somewhat ominously, the General has recently stated that democratic development has not proceeded competently and is now in decline because of a failure of the political leadership to make any commitment to it; *Straits Times* (Singapore), 10 January 2002. The Army, however, is not likely to move against the government at this time.

Discourse and discussion of all of these issues has taken on some of the flavor one would find in a more mature democracy, and all agree this is a healthy sign. Democratic traditions, all the same, are weak, and this shows up in Army and police activities, some repression of demonstrations, tremendous suppression of labor unions, economic, gender, and religious and ethnic inequality, and occasional reticence about political dissent. Because democratic discourse is still in its infancy and the economy at the day-to-day level has barely improved, Indonesians may be excused for their cynicism and a lack of interest in politics.. Continued economic privation and anti-democratic traditions of discourse persist from three decades of Suharto's „New Order.“

So great pessimism remains. Unemployment continues at a high rate, living standards have not recovered from the steep decline suffered in the economic „melt-down“ of 1997, farmers and other land-owners cannot expect to recover properties taken from them during the Suharto years, and labor standards, especially working conditions, are in decline.⁷ The issues of the environment are generally neglected in this setting because of the primacy of economic activity and a general belief that direct and immediate exploitation of resources is the quickest way out of the country's dilemmas. Some interest groups and NGOs have voiced their opinions on these matters, but their voices are muted because of the dominant position of traditional economic development in this discourse. Corrupt interests are also involved; so serious air and water quality problems have resulted, and these are escalating.

Corruption is endemic and seems to smother all public and many private efforts, stifling progress everywhere; and Indonesia holds a continual and even quantified position as the corruption leader of East Asia.⁸ At the present time, for example, the leader of Golkar, the second largest bloc in the country's parliament, the MPR, is under investigation, though little is expected to come of this. NGOs, once considered the country's hope because of their advocacy role and their youthful personnel, are now considered part and parcel of the overall skimming, scamming, pay-offs, and favoritism. The President continues to pledge a full-scale effort against corruption⁹, but a „wait and see“ attitude on this is well-justified. Discourses on corruption, moreover, always appear to follow familiar paths of condemnation of practices followed by ignoring them.

All of these discourses appear to pale, however, when compared to the strident and sometimes violent demands of regional separatists, ethnic chauvinists, and religious fanatics. The separatist movement in Aceh is in the news every day because it has taken such a violent turn; but there are serious problems as well with the demands for autonomy from West Papua (Irian Jaya), Riau, Sulawesi, and Ambon and its Molucca neighbors. Ethnic and religious-based violence have infected leading cities such as Jakarta, Surabaya, Medan, Makassar, and large areas of Java, Kalimantan, and Sulawesi.¹⁰ Security problems are further intensified by the presence of Al Qaeda sympathizers and affiliates; these operate both openly and secretly, but the government, perhaps most especially the President, seems reluctant to move against them. This is unfortunate, to say the least, since these groups are a threat to this first democratically-elected government since 1955. A sustaining force for the government and for the general public, however, is a long tradition of religious tolerance in the country instituted by President Sukarno's doctrine of

⁷ Dan LaBotz, *Made in Indonesia: Indonesian Workers Since Suharto* (Cambridge: South End Press, 2001).

⁸ „Asia's Place in the League of Shame,“ *Asiaweek*, July 13, 2001, 12; „World Competitiveness Report,“ *Far Eastern Economic Review*, 5 November 1992, 12.

⁹ See for example the President's statement in the *Jakarta Post*, April 11, 2002.

¹⁰ One of the most recent journalistic investigations of the legacy of violence in Eastern Indonesia is Edith Hartonto and Oktavianus Pinontoan, „Three Years of Bloody Maluku Conflicts Leave Nothing But Disaster,“ *Jakarta Post*, April 11, 2002.

pancasila, which has played an important part not only in the nation's religious discourse, but in its socialization and education systems.¹¹

The government's response to separatism is more resolute, and Megawati seems to have stepped up military efforts in Aceh and other places. Much of this effort will depend, of course, upon how well the Army can ultimately perform, and the signs are not encouraging. Like all of the country's major institutions, it is steeped in corruption and its troops and officers feel that they are not looked after well. Professionalism is lacking: a recent visit to an Army neighborhood in Sulawesi, for example, showed large amounts of household items such as television sets, microwaves, various other appliances and furniture, and even refrigerators had been spirited out of Ambon and East Timor during recent operations in those places.¹² Despite such problems and the terrible history of human rights abuses, U. S. government leaders are now interested in re-establishing close ties with the military and in making this legally possible once again.¹³

Instability and an absence of discourse aimed at problem-solving therefore plagues Indonesia on every front — the economy, its politics and its administration, the environment, and, above all, in the severe differences engendered by ethnic, regional, and religious strife (despite the history of tolerance in socialization.) The government, at best, has come up with only partial solutions and insufficient resolve in meeting these problems.

Government Responses to Instability

The threats of Al Queda and related terrorist groups are not being effectively addressed so far, and the government will be required, sooner or later, to answer for this. Separatism, on the other hand, is being met by a variety of responses, largely depending upon the character of the separatist movement involved, the peoples and region represented, and the priorities set by the government in carrying out anti-separatist activities. The most serious insurrection, in Aceh in North Sumatra, is complicated by the dynamics of Islamic activism and by the violence of this movement and the equally violent response of the government. There remains a general belief in Jakarta that a settlement can be negotiated in Aceh at some point in the future and that Aceh, much more than rebellious areas like East Timor or West Papua, is an integral part of Indonesia. There is a sentimental attachment, in fact, to the idea that the concept of „Indonesia“ was born in Aceh.¹⁴ The drawn-out rebellion and counter-rebellion in West Papua (Irian Jaya) is, in the long run at least, an almost hopeless situation. One is hard put to find even the vaguest support for the government in this region which, after all, only came under Indonesian rule in the early Suharto years. Sulawesi, Ambon, and the Moluccas all have forces operating within them which are supportive, in some degree or another, of the government; and recent decentralization efforts may be bearing fruit, in Sulawesi at least, because in the public mind these seem to be tied to an optimism which says this strengthens the democratic elements of post-Suharto Indonesia and, just as importantly, that it represents a true loosening of ties to the central government. The free flow

¹¹ Robert W. Hefner, *Civil Islam: Muslims and Democratization in Indonesia* (Princeton: Princeton University Press, 2000); Douglas E. Ramage, *Politics in Indonesia: Democracy, Islam, and the Ideology of Tolerance* (New York: Routledge, 1995).

¹² Observed on a visit to Sulawesi in April, 2001.

¹³ *Jakarta Post*, March 31, 2002. There are strong reasons for believing that such a move is ill-advised, but this is a subject for another paper.

¹⁴ The Dutch had specially difficult problems in Aceh, engaging the populace in a long and difficult war from 1873 until the early twentieth century, and the truth is that this area was never fully under colonial control; D. G. E. Hall, *A History of Southeast Asia* (fourth edition), (London: Macmillan, 1981), Chapter 34.

of discourse surrounding decentralization issues, and the tying of this discourse to democratic values, is one of the brighter recent developments in the country.¹⁵

The Megawati Government is unquestionably hoping to „muddle through“ its economic woes. Though economic events and issues are beyond Jakarta’s control in many cases, the President was believed off to a good start when she peopled her cabinet largely with technicians rather than politicians. It remains to be seen how this works out, but the gesture may have been important as a break from the corrupt and crony-ridden ways of the past. Much of Indonesia’s near-term economic fate will depend upon the IMF (and a less restrictive loan regime than it has operated in the past), various international economic and aid agencies, and initiatives from Japan, the United States, and wealthier Asian countries such as Malaysia and Singapore. The government, all the same, can do a great deal to improve its future prospects by getting its financial house in order. The banking system must be more ambitiously and thoroughly reformed despite the foot-dragging that still goes on. Less obvious points in the literature of Indonesian economics, but also guaranteed to promote future success, are emphases on the primacy of agriculture and fisheries, including programs to help small farmers, and support for organizing labor unions. These measures are valuable in the promotion of a democratic ethos and discourse as well as of a viable economy. Vast arrays of economic data demonstrate the problem of economic inequality in Indonesia, a country which in most accounts of its cultures is characterized by a strongly cooperative and indeed socialistic view of economic life.

At some near-term point the government must begin to seriously undertake enforcement of the good environmental measures which have long been on the law books. At the present time enforcement is next to nothing; but the terrible „haze“ conditions which have shown up in recent years and the serious water supply problems now being faced should be enough reasons for the turning of a new leaf. Increasing international assistance on these matters is also occurring, since the world has a stake in the rainforests, flora, and fauna of Indonesia’s rich and varied ecology.

The Roots of Instability and the Absence of a Tradition of Democratic Discourse I: The Thirty-Two Years of the Suharto „New Order“

The times since the fall of Suharto in 1998 have been difficult for Indonesia and its millions of poor people, and the suffering they have borne in this period has occurred in the wake of clueless leaderships and policies that have mostly led nowhere. Vice-President B. J. Habibie succeeded to the Presidency upon the much-awaited resignation of Suharto; and, as could be expected of a leader steeped in the traditions of the „New Order“ government and its Golkar Party machine, he soon proved quite out of his depth. He had hardly acquitted himself well in his previous job as Minister of Science and Technology; his career there had been built around a flawed airplane production scheme which did not take account of the country’s capital and engineering shortages. Following his resignation and in the wake of the elections, Abdurrahman Wahid, sometimes known as Gus Dur, took over the Presidency as leader of a coalition of parties. If any comparisons are necessary or possible, it is fair to say that Gus Dur was even more clueless than Habibie, though far more flamboyant, and his forced removal from the Presidential Palace was greeted by almost all observers with a sigh of relief. It is these unfortunate starts that have left little expectation that Megawati Sukarnoputri will succeed. Many press reports create the impression that she is not very dedicated to her tasks, and that she often seems distant and uninvolved. Some would say, all the same, that it is a matter of „so far, so good.“

¹⁵ Dissertation of Notrida G. B. Mandica on decentralization in South Sulawesi (currently being written at Northern Illinois University.)

She does have three advantages over her contemporaries: she is the daughter of the nation's founding President and legendary hero of independence, Sukarno, her party (PDI-P) commanded more votes than any other, though not a majority, in the elections, and her party has a broad base of ethnic and religious support.

The slight influence of these three Presidents and the discourses on national affairs that have taken place during their tenures seems to pale in overall significance, of course, in comparison with the thirty-two year repressive reign of Suharto, for it is manifestly the case that the legacy of his leadership, which inhibited discourse and openness, continues to influence all matters of state. Economic mismanagement, endemic corruption, disregard of environmental imperatives, and some continued repression of democratic initiatives from NGOs or labor unions should all be considered part of a continuous and unfortunate „New Order“ thread.

No cause of stultification nor instability in Indonesia today can rank with the long years of the Suharto regime. Its brutal and corrupt stamp on the country will probably affect all of the foreseeable future. It is noteworthy that this regime began with genocide on a massive scale against Communists and a vast array of other real or imagined enemies, and ended its days with genocide on a massive scale in East Timor.¹⁶ In the latter case, the genocide was so massive that it exceeded even that of Pol Pot in Cambodia in the 1970's when one considers the percentage of the population affected. In the former case, the change of government in 1965, documents and reports have long and amply verified the assistance of the United States in the overthrow of Sukarno and the ascension of Suharto.

Thirty-two years is a long time to endure almost any political leadership, but there is an absolute consensus that the „New Order“ years amount to a massive setback on all matters of importance to the Indonesian people. It was, both by measure and intuition, the most corrupt government in East Asia.¹⁷ The elections system was a sham, resulting in a quintennial re-crowning of „the Javanese king“ after the people had cast another unanimous vote in his favor. The opposition parties were not even allowed to refer to themselves as „parties,“ and they were forced to support Suharto just as much as Golkar, the government party, had done. On one infamous occasion, PDI-P was required to turn its back on Megawati in favor of a Suharto crony because of orders from the government about whom it must choose as its leader. News organizations and publications were banned or put out of business because they dared to support or oppose this or that policy. The Army held — as it continues to hold, in reduced numbers — a „functional“ status which permits it to have seats in the House of Representatives. It has had, and continues to have, a role in businesses and activities not even tangentially related to national security matters as well as a huge portion of the national budget and government largesse. Education was a sham: the government could sometimes find the money to build schools or university buildings, for example, especially if international aid was involved, but it did little or nothing for libraries, student facilities, or instructional infrastructure. Failing grades were awarded to university students, regardless of their performance in tests and class work, if they had participated in forbidden rallies or perhaps invited inappropriate guest speakers to the campus.¹⁸ Nepotism and scandal were part and parcel of the university scene just as they were dominant in other sectors of government and society.

¹⁶ See *Violence and the State in Suharto's Indonesia*, Benedict R. O'G. Anderson (ed.), (Ithaca: Cornell University Press, 2001).

¹⁷ See Footnote 9.

¹⁸ Firsthand observation of this phenomenon in 1993 and 1994 revealed that faculty were absolutely required to cooperate in this discriminatory activity.

The early years of the „New Order“ witnessed a perennially stagnant economy, but even the later years — particularly the 1990's, which saw good growth patterns in much of East and Southeast Asia — found Indonesia lagging well behind the more sensational cases such as Malaysia and Thailand.

Unemployment was a constant curse, and the government figures supplied on this were suspect on many counts.¹⁹ Living standards in the outer reaches of the country — Kalimantan, Flores, Lombok, Sumbawa, or the Moluccas, for example — were significantly behind those of Java, the country's economic hub and political center.

Many a peasant saw the family land taken without compensation by Suharto or one of his family members or cronies so that a golf course or luxury hotel could be built. The „lucky“ ones in this position were able to obtain employment in the new hotel or other business, but many or most were simply dispossessed.²⁰ Labor union leaders and members were often brutalized, jailed or even killed. Getting fired by an industrial firm in the Suharto days could mean that soldiers or police were waiting to pick you up as you left the plant.

Corruption, theft, needless wars caused by invasions of West Papua and East Timor, killings by the thousands, even genocide — that is the record of the „New Order“ and President Suharto. And political discourse, the necessary ingredient to make any aspiring country work, was threadbare or nonexistent.

Were there no pluses? Did Suharto and his cronies actually do everything wrong? Those with a more charitable view of his regime will sometimes point to many years of apparent — though not necessarily real stability.

They may also defer to the economic growth numbers of the earlier 1990's and some progress in such areas as population control, housing, and even employment. But such arguments, heard much less often today, are overdone for two reasons. First, there were always disturbances of one kind or another cropping up — student protests, street riots, and ethnic and religious violence — and these were on-again, off-again events throughout all of the Suharto years.

Second, the inattention of the regime to underlying causes of instability — corruption, Army and police excesses, and the economic problems everyone knows can bring about cynicism and hopelessness — eventually did catch up with the rulers, though admittedly this took a long time. The cynicism of the „New Order“ years could be experienced at an intuitive level by any half-astute observer traveling the country and seeking out conversations. Jakarta's streetwise cigarette, newspaper, and bottled water sellers, for example, often displayed, not very discreetly, a large photo of the country's heroic first President, Sukarno, on the inside walls of their small vendor shacks. It would hardly be illegal, of course, to display a photo of the nation's first President, the architect of *kemerdekaan* (independence) and a man generally believed to be willing to die for his country. But the circumstances of the change in government in 1965 and the mere realization that, after all, the country now had a quite different President of long experience and renown could at least raise questions in the mind of anyone seeing Sukarno's photograph. Why not instead choose one of the ubiquitous photos of Suharto so readily available in bookstores or other outlets? They

¹⁹ The unemployment picture was always affected in a salutary way by overstaffing within firms brought about by government pressure on employers as well as a willingness to hire people for pay which amounted to next to nothing.

²⁰ Interviews conducted on farms and in villages in Java in 1994 show that this land-grabbing habit of the regime had left an intense and abiding hatred of the government and the ruling family in its wake.

did not like him and, if asked about this, they might even hint that this was the case; discourse by necessity was circumspect. In the hinterland of Java, a rice farmer or villager one would get to know for a few days — especially if one stays with the family and sleeps on their earthen floor — would tell you that Suharto should be treated as a criminal or perhaps beheaded. He was seen by such people as a corrupt elitist who had nothing in common with their interests or those of the people of Indonesia.

One of the more painful characteristics of the corruption endemic in the Suharto regime is the way that it dribbled out into the public domain, detail by detail, over the years. This or that bank failure, the pinching of funds in the state-run oil monopoly, Pertamina, the collapse of various public or private corporations, highly speculative activities in airlines or gold mining ventures, and on and on, all took their toll. The public was given three decades of spectacle perhaps unmatched anywhere in the world. It is fair to say that had polls been allowed in the country, Suharto and his family would not have been seen as popular. Suharto's photo, alongside that of his Vice President, graced not only government offices and public buildings, but was found in virtually any bank, restaurant, or middle-sized or large-sized business because this was a requirement. The Suharto family holdings were found everywhere and in everything — agricultural lands, forest products, resorts, exclusively-franchised taxi companies, a national tollway, a clove imports monopoly, a car factory, some banks, and a share of the proceeds from this or that business, whether it was financed by domestic or foreign resources. In sum, Suharto and his family have assets conservatively estimated at one billion U. S. dollars, though there may be substantially more funds than this amount in the family fortunes.²¹ The family fits within a small circle of wealth-takers such as Mobutu Sese Seko of Zaire or the Marcos family in the Philippines.

The holdings of cronies adds significantly to this list of assets. One of the best-known of these, Bob Hasan, now in prison, made a plywood fortune from the depleted rainforests (as did Suharto) and was the major backer of a now-defunct private airline, Sempati, among other ventures. Also in this picture is a long list of antics, petty jealousies, and other snafus which embroiled the Suharto family over the years. There were intra-family disputes about government favoritism for one family bank over another; there have been rumors as well as verified reports about excessive gambling losses by family members in Australia and Las Vegas; and there are stories about violent gunplay, and even family death, as a result of these misadventures.²²

This corrupt and mismanaged approach to government was carried out in tandem with a host of injustices aimed at minorities as well as the general population. The banning of Chinese, written or spoken, for a small but significant minority of persons was insulting enough, but these people also endured killings, rape, and property damage before the „New Order“ met its end. Scores of university students were expelled for their political views and researchers were required to obtain a license to carry out their work. Minimum wage laws were ignored and unenforced. Labor unions were required to affiliate with a government-run federation. Organizations of any kind could not exist without government sanction. The justice system, which sometimes saw a confusion of criminal and civil procedures, often charged „fees“ for the simplest service or for supplying a form. Passport prices varied from location to location, and this ridiculous problem remains. Public employees, perhaps most of all in universities, sometimes had to wait two months beyond

²¹ Forbes provides this number in its list of „The World's Richest People,“ www.forbes.com dated March 11, 2000.

²² One of the first extensive reports of the family's corruption appeared in the Sydney Morning Herald of April 10, 1986; this expose caused a great stir in Jakarta and, like many corruption reports which were to follow from a variety of sources, it was denied by a straight-faced Suharto.

a scheduled payday for their compensation. Public services were (and remain) unreliable and not well-maintained. Sudden and unexplained changes in production schedules or boat or airline services or full factory shut-downs left people bewildered because the system never bothered to develop notice provisions. And the hardships caused by all of these shortcomings were immense.

A major justification of the Suharto regime — and certainly one of its cruder propaganda ploys — was repeated year after year: the Indonesian nation is simply too new, too inexperienced, too incapable of any meaningful evolution towards democracy. How could this be foisted upon the people with any hope of credibility for such a premise? In the nearby Asian neighborhood, the Philippines and Thailand had been able, in fits and starts, to develop democratic states and societies; and less prosperous countries such as India, Bangladesh, and Sri Lanka have long ago established and maintained more than a modicum, however rough, of institutional integrity and democratic stability. One was often struck during the Suharto era by hearing this piety mouthed by intellectuals and members of elite circles who must have known better; in any event, the eruptions of 1998 (and even before) demonstrated its falsity.

It is impossible to catalogue all of the important failures of the „New Order,“ whether these resulted from negligence or purposefulness. Among the meritorious attempts to do this in the post-Suharto era is a small booklet on „The Ten Major Sins of Suharto“ by Wimanjaya K. Liotohe.²³ These are the ten major wrongs of the regime as seen by him: (1) his beginning in power came as a result of stabbing the country’s first President, Sukarno, in the back, revealing a treasonous side to his character; (2) he conducted mass killings as soon as he came to power in 1965, and though no one can supply a figure, it is certain that at least a quarter of a million people lost their lives; (3) he enriched himself and his family at the expense of others, (4) he made himself more powerful than a king; (5) he established the worst human rights record in the world; (6) he manipulated Indonesian history and destroyed Gedung Proklamasi, a building devoted to the spirit of the 1945 revolution against the Dutch; (7) he wronged the war heroes of the independence movement, the military, and the 1966 Movement; (8) he led the Army into becoming a part of Golkar, the government party; (9) he had the rainforests cut down for Bob Hasan and other crony friends for the plywood and other industries; and (10) he transformed the principle of the greatness of God into the power and greatness of money.²⁴ Liotohe is of course only one of the many critics of the „New Order,“ and contribution to discourse as a menu of complaints will vary from the lists of others; but it is not a bad summary, and his views are probably shared by the vast majority of Indonesians.

More than three lost decades of progress against the poverty, health problems, badly-administered justice, and other plagues of Indonesians undoubtedly helps to explain much of the reticence and instability which still reigns in the land. Sharing the blame for this monumental tragedy, all the same, are those who helped to bring about the opportunity for Suharto and his cronies to rise to power; and, sad to say, the United States, though by no means the principal cause of the changes of 1965, had a great deal to do with this unfortunate turn of events — and, by logical extension, with the creation of today’s uncertainty and turbulence.²⁵

23 Liotohe, 10 Dosa Besar Soeharto (Jakarta: Upaya Warga Negara, a sub-unit of Gramedia), 1998.

24 Ibid.

25 Shame and embarrassment were also significant costs of Suharto’s tenure in power. Many untoward incidents can illustrate this, but one of the most bizarre was a request by the President’s staff, at a Pacific Rim Summit Meeting in Vancouver, Canada, in 1998, to the Royal Canadian Mounted Police to allow them to shoot any Indonesian protesters who happened upon the scene of the Meeting. This of course was denied, but it demonstrates how out of touch the government was; UE News 40 (October 16, 1998), 16.

The Roots of Instability and the Absence of a Tradition of Democratic Discourse II: United States Foreign Policy and Indonesia

As with Liotohe (see above), virtually all critiques of the Suharto era begin with his rise to power in 1965, a period regarded still as somewhat unclear. Considerable controversy once surrounded the shape of these events and their meanings, but the availability of documents, the researches of scholars, and the admissions of U. S. officialdom demonstrate American involvement in this crucial change of Indonesian government.²⁶ Mentioning this in an academic paper today could bring a reaction like „So what else is new?“, but understanding the events of 1965-66 well — despite the many points of confusion which remain — is basic to an appreciation of the „New Order“ decades that followed.²⁷ The clarity which now exists is owed to scholars who have investigated United States involvement in Indonesia in the 1950's, whether they were critical or supportive of this involvement.²⁸ These policy initiatives and the events they brought about, whether they were undertaken in Jakarta, Sumatra, or Sulawesi, point to the immense changes that were to come shortly.

For more than three decades Indonesians have been told that Communist forces attempted a coup d'état in 1965, a move hastily defeated by heroic Army leaders who were loyal to the nation; foremost among these leaders was General Suharto. In school classrooms and the national media, Suharto was portrayed as the savior of his country when it faced this dire threat. Suharto, the general line goes, had not been an important target of the coup plotters because he was not seen as a major player. In point of fact, the general was second in command under the Army Chief of Staff, General Achmad Yani, who was one of six generals killed during this conflict. Following the failure of the coup, Suharto took over as transitional leader of the government after receiving a communication from Sukarno known as Supersemar, an acronym describing a March 11 letter of appointment. This letter, the subject of annual celebrations under the „New Order“, has apparently never been shown to the public and recent reports say that it has been missing for all of the years of the „New Order“ and all of the years since. The „legitimate“ foundation of the „New Order“ is therefore open to question.²⁹ What has been ladled out to the people about the coup is highly questionable and still debated. Kahin and Kahin state that „President Suharto's government ...[did] much to obscure what took place in 1965.“³⁰

Separatist leaders in the Army had sponsored movements against Jakarta in Sumatra and northern Sulawesi in the years preceding the coup. Bloody wars resulted. These culminated, however, in eventual agreements worked out with the central government calling for an end to these hostilities. The surrender of the rebels strengthened the government and the centrally-organized Army forces under General A. H. Nasution, and with this result, with the political parties headquartered in Jakarta as well. The party most strengthened was the PKI, the Communist Party

²⁶ Carolyn Francis, „The Year of Dangerous Reporting: Indonesia Bloodbath, New York Times Whitewash,“ www.fair.org/extra/best-of-extra/Indonesia-nyt.html July/August 1990. This quotes an original article by Kathy Kadane which appeared in the Herald-Journal (Spartanburg, South Carolina), 5/19/90 and was picked up by a number of major daily newspapers, including the Boston Globe, Chicago Tribune, and the Washington Post.

²⁷ New details continue to surface, all the same; most of Tempo of February 5, 2001, for example, is devoted to the coup period in 1965.

²⁸ Audrey Kahin and George McT. Kahin, *Subversion as Foreign Policy: The Secret Eisenhower and Dulles Debacle in Indonesia* (Seattle: University of Washington Press, 1995); Kenneth Conroy and James Morrison, *Feet to the Fire: CIA Covert Operations in Indonesia, 1957-1958* (Annapolis: National Institute Press, 1999).

²⁹ Notrida Mandica, „Soeharto dan Legenda Supersemar 1966,“ *Jawa Pos*, 9 March 2001.

³⁰ *Subversion as Foreign Policy*, 229.

of Indonesia, which appealed to the masses as a strongly-perceived opponent of poverty and inequality. The PKI was able to organize extensively throughout Indonesia and had broad popular support. It would have won any national election organized for a fair result. This era was one of intense poverty because the separatist wars had taken their toll while Indonesia was still reeling from centuries of colonialism, exploitation, and underdevelopment.

This strong PKI set off alarm bells in Washington. It had shown it could work well with peasant organizations, community groups, labor unions, a part of the Army, and President Sukarno. The U. S. was deeply involved in the politics of the Cold War, and leaders like Presidents Eisenhower and Johnson looked askance at strong Communist movements wherever these were manifested. A strong and pro-active stance was taken against governments considered to pose a threat, and 1965 was a particularly busy year for U. S. involvement in the internal politics of disparate countries found around the globe; the Dominican Republic and Ghana are prime examples of countries that felt the brunt of this surreptitious but effective interference.

Although the PKI was probably a largely indigenous movement,³¹ the United States, and the West generally, saw it as an ally of the Soviet Union or China, or both. The size and strategic importance of the country were unquestionably factors. It is the largest Southeast Asian nation and it lies at a maritime crossroads position vital to international trade. The Washington view was that an Indonesia under Communist rule would be a severe threat to regional security, the Western bloc, and perhaps world peace.³² If the foreign policy and defense establishment could get as excited as they apparently did over Vietnam, a country with 25 per cent of the population of Indonesia, it follows that the archipelago nation was thoroughly worrisome. Moreover, this overwhelming emphasis upon a Communist threat in Indonesia was well underscored by the post-„success“ statements of U. S. policy-makers that Indonesia was the scene of America’s greatest Cold War victory.

Analysts including Harold Crouch, Benedict Anderson and Ruth McVey, and Kahin and Kahin all say that in many respects the coup story does not make sense.³³ Troop movements and locations militated against such a PKI move. And the PKI, more importantly, was doing very well in terms of influencing the government so that there was little need for such an overt attempt. It even enjoyed a good measure of strength within the Army. One must also ask why President Sukarno would support a putsch against himself.³⁴

As for the activities and motivations of the United States, it is now generally admitted that there was a heavy involvement in this change of government. This concession conforms with a policy of first, denial of involvement in the internal affairs of states and later, after passage of a

³¹ Fond and sentimental memories of the PKI can still be found in Java today, and the Party, largely considered defunct, has managed to organize a web site. During the Suharto years the government set up a classification system of PKI supporters, dividing them into four ranks of suspects. Nominal supporters who had received rice or other aid from the Party (which was a major reason for Party strength in the hinterland) but who may have just been going where their bread was buttered, so to speak, occupied the Fourth Rung. Those who had shown some active sympathy to the Party in the past but were deemed nominal in their support were Third Rung. People involved in a greater degree of activity were in the Second Rung, and national leaders, such as Subandrio, were imprisoned for life. All were watched with varying degrees of intensity; Interviews in rural Central Java and East Java, 1994.

³² Subversion as Foreign Policy, throughout.

³³ Harold Crouch, *The Army and Politics in Indonesia* (Ithaca: Cornell University Press, 1978); Benedict Anderson and Ruth McVey, *A Preliminary Analysis of the October 1, 1965 Coup in Indonesia* (Ithaca: Cornell University Press, 1971); Kahin and Kahin, *Subversion as Foreign Policy*, op.cit.

³⁴ See the three sources listed in Footnote 28.

considerable period of years, a confirmation that such involvement occurred.³⁵ Ex-agents of the Central Intelligence Agency (CIA) state that the U. S. was so committed to the abolition of the PKI that it supplied some 5,000 names of Indonesian citizens to the Army who were suspected of Communist affiliations or leanings.³⁶ This number, disputed but perhaps significant, would in any event be only a small part of the quarter million or more deaths that resulted from these events.

Despite an initial image as a somewhat unknown but unpopular leader, General Suharto seemed unusually pleasing to U. S. political, diplomatic, and military policy-makers. He had removed the threat of Communism, after all, and it was never to raise its head again. The massive slaughter of 1965 and shortly thereafter insured this. Indonesia was never to be a security risk again, or so it was thought.

It would be wrong on any account to believe that Suharto was a force for stability. He presided over ever-returning crises in the economy. He was the major force in broadening the acceptance of an absolutely debilitating level of corruption. His regime saw race riots, unfulfilled career hopes of university students because of political pressures or the absence of places or facilities, land grabs, monopoly franchises for himself, his wife, and his children which intruded upon the interests of others and maligned the idea of a free economy, and gross inefficiencies. A major student protest against Japanese investment was crushed in 1974, and demonstrations by students in the streets were banned for the remainder of the „New Order“ years.³⁷ Most to the point, however, is that Suharto gave his people one of the most violent regimes in history, and the mass killings, tortures, violation of human rights, and repression were hardly the way to breed stability or any meaningful discourse.

The goal of U. S. policy for all of these years, ironically, was stability. Nationally- and internationally-sponsored aid programs, education and other exchange programs, copyright agreements (which were never totally honored in Indonesia), tourism, investment activity, health programs, support for population control, and private and public loans all had this aim. There were also weapons sales and military training of officers by the U. S., now terminated and illegal though their revival is sought by the Bush Administration. Not to be overlooked were the efforts involved in day-to-day diplomacy, which amounted to abetting and propping up a corrupt and inhumane dictatorship. It may be quite wrong to honor diplomats involved in these endeavors: Paul Wolfowitz, to cite just one, served as U. S. Ambassador from 1986 to 1989 and has received commendations for his work in the country and, indeed, has moved up to the higher echelon of Undersecretary of Defense. The briefest overview of his years in Indonesia, however, will show that this was a disastrous time for its people. He is presently one of those urging a renewal of contacts — and contracts ---with the Army that plundered Ambon and the Moluccas while carrying out genocide in East Timor. The American search for stability, characterized by examples of leaders such as Wolfowitz, has yielded little or nothing.

³⁵ This approach cannot be said to apply to individuals, however; Chilean groups, for example, are still carrying out a campaign against former Secretary of State Henry Kissinger and claim that he should admit to some of the actions in their country in 1970.

³⁶ Kathy Kadane, „Ex-Agents Say CIA Compiled Death Lists for Indonesians,“ *Herald-Journal* (Spartanburg, S. C.), May 19, 1990. This account is disputed by CIA spokesperson Mark Mansfield.

³⁷ *Front Aksi Mahasiswa Indonesia, Petaka Demokrasi* (Jawa Timur: FAMI, 1994); this book presents the case for the student democracy movement, including its strongly anti-Suharto stance.

The Continuing Search for Democratic Discourse and Stability

Stability, perhaps even more than democratic discourse, is always at the top of Indonesian hopes and goals, and this is as true of its elites as it is of its peasants, workers, villagers, and urban poor. The desire for a better life, education, health, decent housing and fresh water is first and foremost, and this is hardly surprising in a nation so poor and underdeveloped. The thirty-two years of the Suharto regime, always receiving the help of the United States after being brought to power with the help of American facilitators, saw damage to these hopes occurring on a daily basis. Indonesians knew that no matter how hard they worked, their efforts could disappear in a flash if the government decided to enrich a bureaucrat, a crony, a foreign interest, or perhaps a member of the Suharto family at their expense. They knew their government was uncaring, inefficient, and unable to exercise its roles even in the best of circumstances.

Recent years have seen a much greater openness in discourse but also a heightening of instability despite the demise of the „New Order.“ The 1997 Asian economic crisis nearly halved living standards, inflating the cost of necessities such as rice and cooking oil while creating greater unemployment, wage cuts, currency debasement and a slackening of imports. There have also been severe problems in vital public services such as water provision and transportation. Instability and a democratic discourse grew out of this catastrophe, removing Suharto but also helping to breed race riots, communal hatreds, separatist demands, and Army and police misdeeds. Whether Indonesia is now in a state of „entropy“ or is barely managing to „muddle through,“ the path forward, at least for the short term, will be difficult. The Army may decide to make good its hints or threats. Secessions may in fact occur, and racial and communal hatreds, in gross violation of Sukarno’s doctrine of pancasila, are likely to cause further misery. Terrorism may become an even greater threat. Perhaps there will be a need for a second revolution to follow the anti-colonial revolution, a prescription argued by Neo-Marxist theorists like Frantz Fanon.³⁸ The U. S. will remain involved with Indonesia, of course, but a different attitude and perception must be allowed to evolve. There is no chance of this occurring at the moment because American policy-makers and the think tanks and universities with whom they are connected are increasingly talking in bloated terms of „empire“ and „imperialism,“ outmoded rubrics they openly and foolishly seek to revive. The post-Suharto drive towards democracy remains weak and shallow, and the people have not been socialized into democratic nor human rights norms.³⁹ It remains clear that the achievement of democracy, through all of this turmoil and challenge, should not be lost. It provides a reed of hope at the moment.

³⁸ Fanon, *The Wretched of the Earth* (New York: Grove Press, 1963). This ideology, however, now seems peculiar and outdated.

³⁹ See, for example, the analysis by Olle Tornquist, „Dynamics of Indonesian Democratisation,“ *Third World Quarterly* 21 (2000), 383-423.

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Indonesia: The Search for Stability and a Democratic Discourse

Definition: The index of Political Stability and Absence of Violence/Terrorism measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism. The index is an average of several other indexes from the Economist Intelligence Unit, the World Economic Forum, and the Political Risk Services, among others. Construction of the political stability index. The index is a composite measure as it is based on several other indexes from multiple sources including the Economist Intelli Guided Democracy (Indonesian: Demokrasi Terpimpin) was the political system in place in Indonesia from 1957 until the New Order began in 1966. It was the brainchild of President Sukarno, and was an attempt to bring about political stability. Sukarno believed that parliamentary system implemented during the liberal democracy period was ineffective due to Indonesia's divisive political situation at that time. Instead, he sought a system based on the traditional village system of discussion and