2nd Berlin Conference on Asian Security (Berlin Group)
Berlin, 4/5 October 2007

A conference jointly organised by Stiftung Wissenschaft und Politik (SWP), Berlin, and the Federal Ministry of Defence, Berlin

Discussion Paper
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NON-TRADITIONAL THREATS AND THE STABILITY OF THE INDONESIAN POLITICAL SYSTEM

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Introduction

To start with, I should make several introductory points. First of all, as a European based in Singapore working for an international non-governmental organisation which derives a large proportion of its funding and membership from Asia I hope that I can speak fairly objectively, in other words from neither specifically a 'European' or an 'Asian' viewpoint.

My second remark is that writing at the end of September 2007 amidst the worst crisis in Myanmar for almost two decades - a clear case of internal political issues with regional and international implications has proved something of a distraction from focussing on the links between domestic security issues in Indonesia on the one hand and regional and wider international relations on the other. However, my consideration of Indonesian matters may have some wider relevance.

A third introductory point concerns the terms 'non-traditional security' and 'non-traditional threats'. Increasingly, I feel these are not particularly useful phrases. As Datuk Jawhar Hassan wrote recently: 'these terms originated in recent American experience and have been uncritically adopted by the Asian security community'. One might add that European analysts have also sometimes used these terms uncritically. A stark example concerns that supposedly key 'non-traditional security issue', piracy. The reality is that few other concerns are as long-standing and traditional as this one! So maybe we need to re-think what we are trying to say when we talk about 'non-traditional' issues, challenges and threats. In essence, I think we use 'non-traditional' as a rather imprecise shorthand to categorise issues that *we* (i.e. the epistemic community) were not used to thinking about during the Cold War. Perhaps 'non-state challenges' would express what we mean more accurately.

Fourth, one of the 'points for discussion' concerns whether or not the Indonesian government addresses these 'non-traditional' security concerns, which government actors are involved, and the role of non-state actors in this context. Though its responses have not always been effective and its priorities (for example, in relation to counter-terrorism b and forest fires) may not always accord with those of regional and international interlocutors, dealing with non-state security threats has always constituted a preoccupation for the Indonesian state given the challenges of holding this geographically immense and extraordinarily culturally diverse developing nation together. Before 1998, the military dominated the whole state apparatus, but with *reformasi* (the wide-ranging reforms instituted over the last decade), the role of non-military agencies (including the police and the national intelligence agency, which were separated from the armed forces) in managing security issues has grown. Though non-governmental organisations have proliferated since 1998, their role in relation to security issues of all types remains marginal.

Indonesia's domestic security problems

Indonesia now appears considerably more stable and cohesive than it did six years ago, when I was writing a IISS Adelphi Paper on the subject of this huge country's security problems and their regional ramifications. This monograph was published with the title *Disintegrating Indonesia? Implications for Regional Security*. I'm glad that I put that question-mark in the title, because from the perspective of 2007 the notion

of Indonesia disintegrating seems far-fetched. Yet, the country still faces significant domestic security challenges, as it has since independence in the late 1940s.

It is axiomatic that domestic concerns lie at the heart of virtually all the ASEAN states' thinking on security; the exception is the special case of Singapore. In Indonesia's case, issues of domestic instability preoccupied the country under the leadership of its first president, Sukarno. His regime's aggressive policies in Indonesia's immediate region during the early and mid 1960s were a direct consequence of internal instability. Domestic issues also dominated the security outlook of the Soeharto regime, which took power in 1965-6. Ultimately, under Soeharto Indonesia faced an intense national liberation struggle in East Timor (which it had occupied and attempted to subsume into the Indonesian state in 1975), as well as armed separatist campaigns in Aceh and, on a much lesser scale, Irian Jaya. But maintaining internal security in more general terms required constant effort from an intricate architecture of military-led intelligence agencies. The regime perceived threats from not only the extreme left (particularly communist survivors and labour unions), the extreme right (Islamists, who had constituted a major threat since the founding of the republic), but also what one general ludicrously referred to as 'the extreme centre' (pro-democracy liberal activists). The key notion of *ketahanan nasional* ('national resilience') and the *wawasan nusantara* ('archipelagaic vision') doctrine were based on the idea that maintaining the stability and integrity of Indonesia as a nation was the essential basis for its security against external threats. (A more expansive version of this idea that internal cohesion underpins external security has traditionally formed the basis for Indonesia's view of *regional* security.)

Soeharto's overthrow in 1998 was widely welcomed domestically, regionally and internationally, but regime-change embarked Indonesia on a dangerous path that was strewn with threats to national stability and cohesion. Nevertheless, almost a decade later the country has not only survived, but has dealt convincingly with many of these challenges. Importantly, Indonesia's fragile democratic political system has demonstrated a capacity to formulate imaginative solutions to both long-standing and relatively new domestic security challenges. However, the challenges encountered following Soeharto's ouster have by no means dissipated entirely. Indonesia's future is likely to be replete with not only continuing domestic security challenges, but also new and to some extent unpredictable ones.

'Disintegrating Indonesia'

At the height of anxiety over Indonesia's future – both amongst the country's political elite and internationally – at the beginning of the current decade, there were two main categories of concern. The first concerned the more obvious form of disintegration, involving separatism around the country's periphery. To some observers, Indonesia's very existence in its then-current format was under threat. The liberation of East Timor as the result of international intervention in 1999 showed that Soeharto's unitary republic was by no means inviolable, emboldening separatists in Aceh and Irian Jaya. Each of these provinces was in its own way a 'special case', though clearly less special than East Timor. However, there were also calls for secession in Riau (the closest province to Singapore), and both President Abdurrahman Wahid ('Gus Dur') and the Indonesian military claimed that other

provinces were ready to secede. There was particular fear of the 'knock-on' effect that a successful separatist campaign in Aceh might have.

The second category of concern involved so-called 'horizontal conflict' – the eruption of violent inter-communal clashes in various parts of the archipelago, and the challenges posed by Islamic radicalism. From 1999 onwards, serious clashes broke out between various ethnic and religious groups (often indigenes and recent immigrants; sometimes Muslims and Christians). The most serious conflicts were in Maluku (where there was effectively civil war in Ambon) and North Maluku, but there was also significant inter-communal fighting in Central Sulawesi (Poso), and in West and Central Kalimantan.

At the same time, Islamist political movements were challenging the secular basis of Indonesia's statehood. Specifically, several political parties in parliament as well as vociferous extra-parliamentary groups (notably the FPI and MMI) demanded that the Constitution should be revised to ensure that all Indonesian Muslims were subject to *sharia* law. There were also more radical movements which supported the establishment of an Islamic state in Indonesia (Laskar Sabilah) or the wider region (Jemaah Islamiah), or the re-establishment of a universal caliphate (Hizb al-Thahrir). Many Islamist groups deployed their own militias, and some (notably Laskar Jihad, associated with the MMI) interfered in and exacerbated the communal conflicts in Ambon and Poso. Islamist politics reinforced separatist impulses, as non-Muslim areas and strongly Muslim districts alike talked of secession in order to secure a political system to their liking. Much of this secessionist talk was largely rhetorical, but it did contribute to Indonesia's prevailing atmosphere of instability and insecurity at the start of this decade.

The ramifications of Indonesia's turmoil after 1998 prompted considerable concern in Southeast Asia and further afield. Prominent amongst these concerns were anxieties over the changing orientation of Indonesia's foreign policy (which became less predictable, less considerate of neighbours and less pro-Western), contagious political radicalism, international terrorist links to Indonesia's Islamic militants, large-scale unregulated population movements, piracy and other threats to economic security, and environmental problems (particularly from the euphemistically-termed 'haze' – massive atmospheric pollution caused by forest fires started by logging companies and plantation owners in Sumatra and Kalimantan). In the worst case, there was even concern that Indonesia's instability might result in the country becoming an 'Asian Yugoslavia', requiring some form of outside military intervention.

The nightmare forestalled

Five years later, Indonesia's domestic stability and security are much improved and some earlier concerns seem – with hindsight – to have been exaggerated. Several inter-related factors have contributed to this amelioration. In the main, these factors have involved the fruition of undramatic measures set in train in the wake of Soeharto's removal.

Most importantly, the post-1998 *reformasi* (reform) process has continued, despite the problems that the end of authoritarianism generated, notably in the form of the first

three post-Soeharto presidents, BJ Habibie, Gus Dur and Megawati Sukarnoputri, each of whom manifested severe deficiencies. Perseverance with political, economic and social reforms has paid off. The gradual reform of civil-military relations, involving the progressive curtailment of the armed forces' non-military roles, has contributed to this process; the role of reform-minded senior officers in this process, and particularly the restraint of the high command, has been significant. The military's reluctance to re-intervene directly provided a window of opportunity for the consolidation of *reformasi*. The popular desire for secular government and strong leadership was clear in the election results in 2004: in parliamentary elections, the two largest non-religious parties, Golkar and the PDI-P, together won more than 40% of the vote; the Muslim parties remained divided and largely ineffectual. Susilo Bambang Yudhoyono, a former general with strong reformist credentials, won the presidential election, defeating the incumbent, Megawati.

One absolutely key reform has been the far-reaching nationwide programme of administrative and fiscal decentralisation, launched in 2001 and still continuing. Though this programme – reputedly the largest devolution project anywhere in the world - suffers from numerous deficiencies and drawbacks, it has nevertheless helped ease centre-periphery tensions by allowing districts and municipalities to assert their rights within the context of continued national unity, which the great majority of Indonesians apparently prefer to maintain. In essence, though its leaders maintain the myth of a 'unitary state', Indonesia is gradually being transformed into a federation.

Decentralisation has not only helped to undermine separatist impulses throughout Indonesia; it also provided the vital context for resolving the Acehnese rebellion in 2005 (though the tsunami-induced natural disaster provided the trigger for negotiations). The thoroughgoing settlement in Aceh may provide a template of sorts for bringing peace to Papua (formerly Irian Jaya).

Communal tensions and occasionally conflict are still a problem in parts of Indonesia – notably between Muslims and Christians in central Sulawesi – but greater attentiveness and even-handedness on the part of the security forces combined with governmental efforts (especially by Jusuf Kalla, now Vice-President) to broker local settlements demonstrated that Jakarta was able to manage the phenomenon when it mustered the will to do so.

Indonesia's government, particularly under President Susilo, has also demonstrated the will to deal effectively with the problem posed by internationally-linked Islamic terrorism. External pressure and assistance from the United States and Australia after the Bali bombings of late 2002 certainly contributed to Jakarta's counter-terrorism successes, and there has frequently been criticism that Indonesia has not been sufficiently tough. Nevertheless, the numerous arrests and trials over the last several years have provided evidence of determination to deal with the problem as effectively as possible given the constraints imposed by Indonesia's status as the world's most populous Muslim country and the reluctance of Indonesian society to accept any re-imposition of authoritarianism.

Sound macroeconomic management has reinforced improved internal security and greater political stability. During the current decade, the country has recovered from the disastrous impact of the 1998 financial crisis, which had led to a major economic

contraction and substantial reduction in public spending. Prudent economic policies, notably very low budget deficits, have helped the recovery, and President Susilo's 2005 decision to slash fuel subsidies freed large sums for government spending, which the government is able to invest in public services, particularly in deprived eastern Indonesia, the locus of most of the communal clashes earlier in the decade. There is the prospect now of a virtuous circle, whereby economic recovery enables development spending that undermines domestic security challenges, in turn increasing the attractiveness of Indonesia to foreign (and local) investors.

Current and future domestic security challenges

Most of the domestic challenges that Indonesia faced at the beginning of the decade are still present, albeit on a smaller scale. Acehnese separatism has been substantially defused, but the problem of Papua remains. While armed conflict there is much less intense than it was in Aceh, the Papuan separatist issue may be more intractable given the distinct Melanesian identity of the indigenous people, the prevalence of Christianity, and
legal challenges over the deeply-flawed 1962 'Act of Free Choice'. Communal conflict has largely abated in eastern Indonesia, but still lurks just beneath the surface in central Sulawesi. Islamist politics remain a minority pursuit, but are a significant element in the *zeitgeist* of modern Indonesia; earnest Western strategies aimed at 'de-radicalization', are unlikely to have much impact in the Javanese countryside where Darul Islam and its spin-offs have been a potent force for 60 years.

Though the decentralisation programme has, overall, contributed to Indonesia's stability and cohesion, it has also encouraged local authorities in some districts to impose *sharia* law, sometimes increasing social tensions. Looking to the future, though, it should be remembered that radical Islam is not the sole influence on Indonesian youth. Though America's prestige has undoubtedly suffered because of the Iraq war and the wider war on terror, Western culture remains broadly attractive; at the same time, East Asian (particularly Japanese and Korean) pop culture has a significant following in Indonesia, as in other parts of Southeast Asia.

Indonesia's apparent 'turn-around' has undermined assuaged many of the fears that the weakness of the Indonesian state generated regionally and internationally at the beginning of the decade. There was no significant contagion from Indonesia to the rest of the region in terms of the export of radical politics or ethnic conflict. Indeed, it was Malaysian radicals who led the most extreme and violent element of Jemaah Islamiah (JI). Jakarta's internationally-supported counter-terrorism after the first Bali bombings, combined with a reduction in popular support for the radical organisation in the wake of these and other attacks that mainly killed ordinary Indonesians, have undermined the home-grown terrorist network.

Though economic migrants from Indonesia continue to provide a welcome boost to Malaysia's labour force, contrary to some expectations there was no great outflow of refugees or asylum-seekers from Indonesia. By and large, the physical security of foreign economic interests in Indonesia was not compromised by the troubles under the Gus Dur and Megawati administrations, except occasionally in Aceh, Papua and the Riau islands. There was an upsurge in piracy in the Malacca Straits, but enhanced measures implemented by Indonesia and other littoral states, with the

encouragement and assistance of the United States, Japan and other interested extra-regional parties, have brought the problem under control. Frustratingly for neighbouring Singapore and Malaysia, the annual 'haze' from Indonesian forest fires remains a problem despite extensive efforts to shame Jakarta into taking action. 'Haze' is likely to remain a problem unless the Indonesian authorities and legal apparatus tackle the problem of corruption more effectively.

Emerging non-state challenges

Beyond those challenges already mentioned, Indonesia is also facing a major threat from pandemic disease in the form of H5N1 'bird flu'. The problem has been contained so far, but it is clear that Indonesia is in the front-line of fighting the disease. If the virus evolves so that human-to-human transmission became possible, then this would rapidly become a global problem.

Perhaps the most serious security challenge on the horizon for Indonesia, however, derives from the likely impact of climate change. This is effectively an 'external threat' emanating from the developed world, but like most non-state threats it cannot be deterred; all Indonesia can do is to mitigate the domestic consequences. While these consequences are not entirely predictable in detail, the impact on Indonesia will almost inevitably be huge. Particularly if warming exceeds the mean projection, the rising sea-level will constitute an environmental catastrophe for this archipelagaic country, partially or wholly submerging many of its 12,000 islands. Settlements and agricultural land will be lost on a large scale. Stronger monsoons may mean reduced rainfall, leading to an increased risk of drought (with attendant implications for agricultural production) and forest fires that will be even harder to control. In security terms, the main impact may be felt in large-scale population displacement. Competition for land and resources between indigenes and newcomers – a major cause of post-1998 ethnic and religious fighting - could lead to widespread inter-communal tensions and conflict.

Regional and international dimensions

We now come to the question of how Indonesia's external links – explicitly through regional bodies, and implicitly through the role of major powers in the region – affect Indonesia's domestic stability and security. The brief answer is that Indonesia benefits from its regional security environment – based on US strategic preponderance in the Asia-Pacific, and on membership in ASEAN – in the sense that this externally stable environment gives Jakarta the freedom to focus on domestic security concerns.

Given the totemic value assigned to national resilience, non-alignment, Indonesia's sense of entitlement to regional leadership, and the long-established ideal of the regional self-management of security matters and the concurrent rhetorical exclusion of any significant role for non-regional powers in Southeast Asian security, as well as Indonesia's differences with the West on specific issues, Indonesian politicians of any shade would be loathe to admit what follows. The role of the United States in maintaining a more or less predictable and stable regional distribution of power allows Indonesia the luxury of not having to worry profoundly

about serious external threats. Most obviously, despite Indonesia's long-standing concerns over China's regional role, Indonesia does not feel the need to respond to China's growing power and assertiveness in the region. Despite Indonesia's inherently maritime character, the army continues to dominate the Indonesian armed forces. Jakarta can remain focussed on managing domestic security issues.

At the regional level, ASEAN has played an analogous role, by damping down tensions amongst its members, thus allowing Jakarta and other Southeast Asian capitals to focus on domestic issues without needing to be acutely concerned over threats from within their own sub-region. In recent years, Jakarta has played a leading role in promoting the ASEAN Security Community as a vehicle for its long-cherished ideal of regional security self-management, but the extent to which the ASC will play an interventionist role within Southeast Asia remains unclear. The indications are that Indonesia, like most of its fellow ASEAN members, continues to place a premium on the non-interference principle, which leaves them a free hand in managing their domestic concerns without fear of sanction within ASEAN. Events in Myanmar over the last week seem to confirm this.

Conclusion

Since independence, successive Indonesian governments have faced diverse domestic and other non-state security challenges. Such challenges proliferated after the overthrow of Soeharto's New Order regime in 1998, but during the present decade a more democratic Indonesian state has demonstrated substantial capacity to bring these problems under control. Reform of the security forces and decentralisation have both played parts, but the country's gradual economic recovery has also been important. Nevertheless, despite the bonanza in development funding made possible by prudent macroeconomic policy during the present decade, Indonesia's resources may not be adequate to cope effectively with the medium- to long-term threats posed by climate change.

Finally, Indonesia's travails since 1998 should be remembered by anyone who thinks that democratic transition in Myanmar will be a panacea for *that* country's problems. The Indonesian experience has been that democratisation can unleash a wide range of suppressed political impulses with consequences that are unpredictable in detail. Important factors such as the key role of the military in Myanmar's politics since before independence, the country's history of ethnic rebellion over the last 60 years, and its overall poverty are hardly conducive to a smooth transition to peaceful liberal democracy. Democratisation in Myanmar could bring major domestic security problems, with implications for its neighbours.