

Introduction: Indonesia's democratic struggle: *Reformasi, otonomi and partisipasi*

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Indonesia looms large in South-East Asia (accounting for around 40% of the population and land area of the 10-member states of Association of South-East Asian Nations (ASEAN)). It is now coming into greater prominence in international affairs, being the world's largest Muslim society and, since 2004, having undergone a remarkable transition from autocratic despotism to being the world's third largest functioning democracy. It also has the world's most fragmented geography (with 250 million people scattered over 17 500 islands, at least 9000 of which are inhabited year-round), and incorporates a cultural kaleidoscope of more than 200 ethnic groups, which help make it an erstwhile and hopefully future tourist paradise, an intriguing enigma for social scientists and a central planner's nightmare.

The seven papers in this special issue of *Asia Pacific Viewpoint* bring together the perspectives of historians, political scientists, geographers, economists, environmentalists, literature specialists and journalists. The authors were participants in a larger project involving 15 other Indonesians, four Australians and many Canadians, based at the University of British Columbia's Centre for Southeast Asian Research (CSEAR), and funded by the Canadian Social Science and Humanities Research Council (SSHRC).¹ The papers draw upon a variety of sources: some directly from primary fieldwork, some from substantive analyses of secondary data, and most from long involvement in analysing and puzzling over Indonesia's history and

current developments. Special focus is given to the remarkable process now driving Indonesia's political and institutional reform (*reformasi*), its democratisation (*demokrasi*), the spread of regional autonomy (*otonomi*) and grass-roots empowerment (*partisipasi*). These are now national watchwords and urgent imperatives to securing 'unity in diversity' (Indonesia's national motto for 50 years, which remains as imperilled and as hoped for as ever).

'Unity in diversity': A brief historical perspective

Localised social cohesion on the precolonial archipelago was based on extended families, village leaders or feudal-type allegiance to hereditary rulers. In this environment, social hierarchies were often sustained by enforced loyalty or claims to divine rights and mystical – 'god-like' – powers. Under Dutch colonial administration, social integration was based on conquest and coercion. This involved the co-opting of local elites (indirect rule), and the imposition of foreign 'law and order' that sought to displace local laws and conventions, and to quell local rivalries. Colonial administrators tended to regard all their subjects as 'homogeneous' and blurred pre-existing social and cultural distinctions. This ultimately provoked anti-colonial resentment that helped to build social solidarity and a new sense of national identity (Schwarz, 1994; Tarling, 2001). Under the charismatic leadership of Sukarno and Mohammad

Hatta, this revolutionary fervour led to the proclamation of national independence in 1945 and full autonomy in 1948, with a formalised national ideology (*Pancasila*, 'five principles') as a visionary ideal to secure social justice and equality, and to emancipate human energies and potential (later perverted by Sukarno in the 1960s as 'Guided Democracy').

Suharto's 'New Order' administration (1967–1998) imposed social stability through presidential edicts and top-down regulations, using the military and his political organisation (*Golkar*), to repress political opposition, freedom of expression, other human rights, and local aspirations for greater cultural and political autonomy. The manipulated electoral system enabled him to stay in power for three decades, while a bonanza in oil revenues helped him 'buy' political legitimacy and international acclaim by delivering 'development benefits'. These included major improvements in infrastructure and a Green Revolution making Indonesia self-sufficient in rice production, as well as significant social investments in primary education, health care, and in promoting (requiring) the use of a national language that facilitated inter-regional mobility, social interaction and cohesion (Hill, 1996). However, the ostentatious spread of corruption, cronyism and nepotism (KKN as it is popularly referred to) fomented public anger, distrust and disrespect for government, the bureaucracy and the judiciary, and exacerbated regional alienation, social instability and inter-sectarian violence. Indonesia's economy began to falter in the mid-1990s, and collapsed following the 1997 Asian financial crisis that hit Indonesia especially hard. Indonesia's esteemed credit rating among international bankers, investors and donor agencies was eclipsed by revelations of the full extent of indebtedness and financial mismanagement (Evans, 1999). Spirited demonstrations led by students and workers in Jakarta, with tacit support from sections of the military, led to Suharto's surprisingly abrupt resignation on 28 May 1998 (Forrester, 1999). This was followed by a period of lawlessness and political turmoil involving a sequence of four Presidents in four years, culminating in October 2004 with Susilo Bambang Yudhoyono becoming Indonesia's first directly elected President. The

papers in this volume focus on the process by which this came about and on how well the Yudhoyono administration has performed during its first 20 months in office (to June 2006).

We should also note that Indonesia has a long history of political, regional and sectarian violence in which militant Islam has been a prominent component. Soon after independence, an anti-government campaign led by the *Darul Islam* movement left at least 200 000 dead (1952–1962) in an effort to establish *sharī'ah* law and create an Islamic state. President Sukarno stayed in power by adroitly manipulating political tensions between the Muslim majority, the army and the Communist Party. Then after deposing him in 1965–1966 Suharto unleashed a pogrom against known or alleged communists in which Islamic youth and other militants were mobilised, and during which 'hatred killings' were *de facto* 'legitimised' (especially targeting Chinese landlords and money-lenders), overall claiming an estimated 2 million victims. Suharto then used state terrorism to repress dissent, including alleged Muslim extremists. After Suharto was ousted, Islamic militants bombed or burnt Christian churches in Jakarta and elsewhere, and inter-religious and inter-ethnic strife erupted in many regions, resulting in thousands of deaths and displaced refugees. Then, in October 2002, a new form of militant Islamic terrorism began with the *al-Qaeda*-style suicide bombing of a nightclub in Bali (which killed 202 and wounded over 200, about half of whom were foreigners), followed on an annual cycle by the August 2003 Jakarta Marriott Hotel bombing (which killed a Dutchman and 18 Indonesians, and wounded 150), the September 2004 Australian Embassy bombing (which killed 9 Indonesians and wounded 400), and the October 2005 second Bali bombings of three restaurants (which killed 23 and wounded 129, about one-third of whom were foreigners). A 30-year secessionist struggle in Aceh had by 2005 killed an estimated 15 000, and during 2000–2006 thousands fell victim to inter-religious and other sectarian conflicts in Papua, Sulawesi, Ambon, Kalimantan and several other regions (see the papers by Webster, Roosa and Hainsworth in this issue).

Post-Suharto: New hopes for *reformasi*, *otonomi*, *demokrasi*, *partisipasi*

Suharto's overthrow in 1998 elevated Vice-President B.J. Habibie to the presidency for a short interregnum, during which he was able to orchestrate relatively democratic parliamentary elections in 1999. However, his hopes for continuing in office were dashed by his close association with Suharto, and for allowing a referendum in East Timor that enabled the province to secede from Indonesia. The PDI-P (*Partai Demokrasi Indonesia Perjuangan*, Indonesian Democratic Party of Struggle), led by Sukarno's daughter Megawati Sukarnoputri, won the most seats in the 1999 elections, but parliamentary infighting resulted in her becoming Vice-President, with Abdurrahman Wahid (popularly known as 'Gus Dur') appointed as President. Although he had won only a handful of seats in Parliament, he was leader of *Nahdatul Ulama*, a major Muslim organisation with over 30 million members. The newly acquired freedoms of assembly, expression and the media unleashed an intoxicating national debate on *reformasi* proposals, and Wahid's major accomplishment was to launch a new political framework that promoted participatory democracy and enhanced local autonomy. Public expectations, however, were wildly unrealistic, and within a year Wahid's eccentricities, lack of discipline, growing antagonism with Parliament and threat of impeachment led to his being replaced by Megawati, with Hamzah Haz serving as Vice-President (Friend, 2003).

Megawati was elevated to the presidency in the hopes that she might embody some of her father's political vision and have inherited some of his political wizardry, but this was a mirage. However, her matriarchal stoicism and caution did have a calming influence, helping to restore some degree of social stability and economic recovery. Her major perceived failings included an apparent lack of ability or political will to take serious steps to curtail endemic corruption (which even appeared to become more widespread), her inclination to allow the military and other holdovers from the Suharto era to retain power and influence, her inaction or prevarication in combating Islamic militancy and restoring law and order, and her rigid nationalist ideology that precluded giving respectful con-

sideration to Aceh and Papua's aspirations for greater regional autonomy. She also turned out to be more conservative than expected, and was clearly devoid of her father's ability and charisma.

The turbulent post-Suharto era from 1998 to 2004 brought Indonesia to the brink of total anarchy. The surge in sectarian and ethnic violence, terrorist bombings and other social tensions created widespread fears and uncertainties about individual prospects and the country's future. Loss of faith in the police and the judicial system also contributed to the breakdown of law and order in many regions, including a surge in street crime and vigilante justice (where even petty theft could lead to a culprit being summarily beaten to death by local citizens). The fabric of social cohesion was further tattered by the prolonged economic malaise and by the inability of successive governments to envision or chart a coherent strategy to escape the chronic under-employment, plummeting investment and deepening poverty. Public impatience with the Jakarta-based political elite deepened as bickering and the pursuit of narrow self-interests diverted the political leadership from coming to grips with the economic catastrophe, social dislocation and political corruption. However, widespread public anger and media criticism did induce the first three post-Suharto governments to respond remarkably quickly to demands for greater local autonomy and self-determination, and to liberate and fully respect freedoms of speech, assembly and the press. The new *reformasi* era saw a proliferation of political parties and a nationwide debate on Indonesia's future direction, its institutional arrangements and most urgent political priorities. These developments are outlined in Chris Dagg's paper analysing the reform of political institutions and the growth of a diverse range of political parties leading up to the 2004 elections.

Indonesia's prolonged economic predicament following the Asian financial crisis was also widely attributed to the intrusion of 'volatile and predatory globalisation', and this fuelled a resurgence of economic nationalism and intensified demands for local autonomy. The Habibie Government hurriedly devised the *Otonomi Daerah* (regional autonomy) initiative, comprising two laws (Law No. 22/1999 and

Law No. 25/1999) that substantially decentralised administrative authority, fiscal autonomy and control over resource management to local agencies and municipalities (Alm *et al.*, 2001). As implemented under Wahid, this transition was widely criticised as being too hasty, channelling a much larger share of locally generated revenues to mostly inexperienced local politicians that, in effect, devolved corruption and mismanagement to grass-roots level and spread it more extensively throughout the nation (Djalal, 2001). The situation was aggravated by lack of transparency, accountability, and limited participation by the local population in district and municipal decision-making. While more systematic efforts are now being made to retrofit monitoring safeguards, and improve good governance, media reports continue to document misappropriation of funds, wasteful spending and poor environmental management. Such problems and the resulting social costs and conflicts are described and analysed in the paper by Bakti Setiawan and Sudharto P. Hadi.

It was significant that the devolution of authority deliberately bypassed the provincial level of governance, reflecting a determination to avoid further secessionist demands or federalism proposals that could endanger the hegemony of the unitary nation-state. Some provinces were in fact split up, and borders redrawn, in what many interpreted as attempts to dilute and undermine local cultural coherence and political mobilisation. East Timor did achieve independence in May 2002 after a controversial referendum and vengeful reprisals by the Indonesian army and local militias. Special provincial autonomy dispensations were also legislated for Aceh and Papua, but Megawati was much less amenable to compromise than Habibie or Wahid. The 'packages of proposals' relating to local autonomy association, which in 2002 might have been acceptable to both the Aceh and Papua local independence movement leaders, were thus put on hold and negated by Megawati's intransigence, while a stepped-up military presence in these regions contributed to a resumption of violent confrontations. David Webster's paper details the historical emergence of Acehnese and Papuan secessionist movements and explores how these relate to earlier nationalist, anti-colonial and national independence movements. Using the concept

of 'notion-states' (having a strong sense of identity, though not being a formalised nation-state), he shows how repressive tactics have failed to contain independence aspirations, and makes the case for a new dialogue-based conciliatory approach. John Roosa's paper examines how the military's self-image – as the guarantor of national unity and defender against separatist movements – has conditioned its strategy in regions such as Aceh and Papua, and why, well into the post-Suharto *reformasi* era, it has continued such failed tactics, even after its debacle in East Timor, while politicians, obsessed with their own self-interests, have generally not sought to reform the military.

In the immediate post-Suharto political debates, there was no shortage of *reformasi* proposals surfacing and being contested. However, little or no apparent progress was made in designing or garnering popular support for a viable strategy that could enhance social justice, reduce regional alienation and sectarian conflict, and empower genuine participatory democracy. Reconstructing Indonesia's social, political and administrative arrangements seemed to proceed in a piecemeal fashion (often involving two steps forward, one step back). The agenda of required reforms was long and virtually overwhelming. It included the urgent need to reinvigorate the economy and reform the banking and financial system, to improve social safety nets and ensure wider equality of opportunity, and to eliminate endemic corruption and abuse of authority. There was also the need to institutionalise transparency and public accountability at all levels of the political and administrative system, to implement system-wide judicial reform and curb endemic violence, crime and personal insecurity, and to eliminate the many forms of human rights abuse. The country, in effect, needed to reinvent its identity, to achieve a new social and political consensus, and devise a new social contract that would strengthen local civil society, and support responsive political and other institutions capable of mobilising the divisive 'local nationalisms' into a multicultural mosaic of mutual tolerance and social collaboration.

In this regard, Toeti Kakiailatu's paper critically examines the role that the public media has and should play in providing a forum for

participatory democracy and critical debate, and in promoting social change, new codes of governance and civil morality, and more elevated community norms and practices. As such, national aspirations and institutional arrangements must also take account of Indonesia's diverse and conflicting ethnic identities. The paper by Sarah Turner and Pam Allen outlines how Chinese Indonesians have responded after the brutal racial riots of 1998, and highlights the many ways by which this ethnic minority has formed new identities. However, while the government response has been generally supportive in enacting a more equitable legislative framework, there remain many laws and ordinances that subvert or continue to deny full citizenship rights to Chinese Indonesians.

The 2004 elections: A watershed in the accession to democracy

An extraordinary round of local and national elections was successfully organised in 2004 in three stages: the local and national legislative polls on 5 April; the first presidential round on 5 July; and the second 'run-off' presidential round on 20 September. Chris Dagg's paper highlights the remarkable logistical complexity of this achievement in reshaping Indonesia's parliamentary institutions and enabling its citizens to directly elect a President and Vice-President. Diligent and extensive scrutiny by teams of local and international monitors endorsed the electoral process as voter-friendly, transparent, fair and orderly, and the outcome as legitimate. Globally, the elections were also especially significant in providing credible proof that Islamic and democratic values can coexist in the world's largest Muslim community, thus providing a counter example to the alleged 'clash of civilisations' that could serve as an exemplar for other transitional democracies and in helping bridge the broader Muslim-sectarian schism.

The 2004 elections were also remarkable in orchestrating a regime change that was a sharp contrast to the previous four regime changes when Presidents were more crudely dismissed. Another significant aspect was that, whereas during the 1955 election, over half the political parties had been striving to establish a '*sharī'ah*

state', in 2004, while some Islamic groups still aspired to this mission, none was able to meet the minimum requirements to field a presidential candidate. The 2004 campaigns were notable for the limited rancour or reference to religious or ethnic conflict, while the traditional 'politics of personalities' seemed to be outweighed by the 'politics of issues'. The electorate seemed immune (or allergic) to partisan ideology, and vacuous political rhetoric. Yudhoyono's populist and successful campaign even led some commentators to suggest that the death knell might have tolled for elitist 'machine politics', with its voter manipulation, self-serving opportunism, backroom intrigue and deal-making. However overly optimistic this now seems in retrospect, Yudhoyono was swept into power on a wave of public euphoria and was given a clear mandate to launch a robust and wide-ranging programme of political, social and other institutional reform.

An interim assessment of the Yudhoyono administration's performance in fulfilling such expectations during its first 20 months in office (to June 2006) is provided in Geoffrey Hainsworth's concluding paper. A range of challenges and responses are selected relating to the Aceh tsunami disaster and pacification process, an economic 'growth versus equity' dilemma, the administration's anti-corruption and anti-terrorism campaigns, and its attempts to reconcile militant and moderate Islam and resolve other inter-religious and sectarian animosities. Eventual success in each and all these respects will be vital to securing people's trust in the political, administrative and judicial process, and faith in their own and Indonesia's future.

Windu is a Javanese word for 'eight years', a period that invites systematic reflection, as with 'the past decade' in Western usage (Bayuni, 2006). The historic date of 21 May 2006 marks the eighth anniversary of Suharto's removal, which paved the way for the *demokrasi*, *reformasi*, *otonomi* and *partisipasi* movements. The transition from Habibie to Wahid to Megawati to Yudhoyono has been truly remarkable in terms of the learning-by-doing and trial-and-error that has transpired. The experience has highlighted the differences between an elitist and autocratic presidential regime, and a participatory and democratically accountable

Parliamentary system of governance, and many key issues have been identified and some seriously tackled.

Yet on the eighth-year anniversary, as one of the editors of this special issue of *Asia Pacific Viewpoint* was reading a local newspaper in Jakarta, she noted an article that stressed that people were still asking the same questions as on all previous anniversaries. What has happened to all the Suharto-era perpetrators of corruption, the violators of human rights and the instigators of sectarian violence (Bayuni, 2006)? Such haunting questions underscore the vital need for more thoughtful, determined and responsible leadership in national and local government, in community and religious organisations, in grass-roots civil society, and in social and political activism. Restoring people's 'faith in the system' remains the most critical challenge in seeking to secure Indonesia's prosperity, social harmony, participatory democracy and national integrity. As the papers in this issue will demonstrate, restoring that faith and stability still requires several more bold steps on the road to *reformasi*.

Note

- 1 An Indonesian-language set of complementary papers arising from this project is being published as: *Drama Indonesia: Menyelamatkan Demokrasi dan Kesatuan*

Nasional, Gadjah Mada University Press, Yogyakarta, Indonesia, 2007, edited by G. Hainsworth and Bakti Setiawan. Generous financial and logistical support was also provided to the Indonesia project by the International Development Research Centre (Ottawa), the Asia Pacific Foundation (Vancouver), the Institute of Asian Research at the University of British Columbia (Vancouver) and the Environmental Studies Centre at Gadjah Mada University (Yogyakarta).

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